

YEAR-END REPORT

1 JANUARY – 31 DECEMBER 2019

FOURTH QUARTER

- Net sales increased by 2 per cent to 1,058.9 MEUR (1,043.0). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -2 per cent
- Operating earnings (EBIT1) increased by 2 per cent to 277.0 MEUR (270.7)
- Earnings before taxes, excluding non-recurring items, amounted to 271.1 MEUR (265.4)
- Net earnings, excluding non-recurring items, amounted to 222.3 MEUR (217.6)
- Earnings per share, excluding non-recurring items, amounted to 0.60 EUR (0.60)
- Operating cash flow, excluding non-recurring items, decreased to 234.4 MEUR (267.6)
- The Board of Directors proposes a dividend of 0.62 EUR (0.59) per share, an increase of 5 per cent

MEUR	Q4 2019	Q4 2018	Δ%	2019	2018	Δ%
Net sales	1,058.9	1,043.0	-2 ¹⁾	3,907.7	3,760.7	-1 ¹⁾
Gross earnings	669.8	648.6	3	2,454.0	2,336.9	5
Gross margin, %	63.3	62.2	1.1	62.8	62.1	0.7
Operating earnings (EBITDA) ²⁾	374.4	348.7	7	1,339.1	1,197.7	12
EBITDA margin, %	35.4	33.4	2.0	34.3	31.8	2.5
Operating earnings (EBIT1) ²⁾	277.0	270.7	2	972.5	929.0	5
Operating margin, %	26.2	26.0	0.2	24.9	24.7	0.2
Earnings before taxes, excluding non-recurring items	271.1	265.4	2	945.6	906.2	4
Non-recurring items (before taxes) ³⁾	-26.2	-	n.a.	-80.3	-3.9	n.a.
Earnings before taxes	244.9	265.4	-8	865.3	902.3	-4
Net earnings	200.0	217.6	-8	708.6	738.1	-4
Net earnings, excl. non-recurring items	222.3	217.6	2	775.4	743.1	4
Earnings per share, EUR	0.54	0.60	-10	1.92	2.02	-5
Earnings per share, excl. non-recurring items, EUR	0.60	0.60	0	2.11	2.04	3

¹⁾ Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

²⁾ For definition, see page 20.

³⁾ Non-recurring items 2019 relates to the launch of a restructuring programme in Q2 and acquisitions during Q1 and Q4. See page 2 for more information about Q4 items.

Summary of IFRS 16 Leases impact for Q4 2019

- Income statement – EBITDA was improved by 19 MEUR and EBIT by 1 MEUR while Earnings before taxes was negatively impacted by -1 MEUR
- Cash flow – Cash flow from operations was improved by 17 MEUR and the same amount negatively impacted cash flow from other financing activities
- Balance sheet – All lease contracts have been recognised initially as right-of-use asset of 238 MEUR with corresponding liabilities
- Numbers for 2018 have not been restated

COMMENTS FROM THE CEO

“We ended the year with record earnings and profitability, supported by a positive product mix and further savings from the restructuring actions announced in the second quarter. Recorded sales grew by 2 per cent of which -2 per cent organic, once again impacted by weaker demand in China and a slowdown in some construction markets. The PPM division delivered a stellar quarter recording 13 per cent organic growth, fueled by a strong development in the design and asset management portfolios. The Safety & Infrastructure division accelerated, recording 7 per cent organic growth. The recently launched OnCall platform is gaining traction, building a solid pipeline ahead. The Geosystems division recorded -2 per cent organic growth, hampered by weaker construction markets and a slowdown in new product contribution compared to the previous year. Growth from recently launched products such as the BLK2GO and BLK247, is expected to gradually accelerate over coming quarters. Weakness in China and the slowdown in the automotive sector continued to hamper the Manufacturing Intelligence division, which recorded -8 per cent organic growth. The manufacturing software portfolios remained resilient and during the quarter we acquired Volume Graphics to broaden our capabilities in Smart Factory solutions.

As we enter the new year, we are excited about the opportunities ahead. Our strong cash flow and solid financial position enable us to continue investing in new revolutionary solutions, driving efficiency, productivity and quality across the industries we serve.”

– Ola Rollén, President and CEO, Hexagon AB

2%
SALES
GROWTH

-2%
ORGANIC
GROWTH

26%
OPERATING
MARGIN

GROUP BUSINESS DEVELOPMENT Q4

NET SALES

Net sales increased by 2 per cent to 1,058.9 MEUR (1,043.0). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -2 per cent. Regionally, organic growth was 1 per cent in Americas, 0 per cent in EMEA and -10 per cent in Asia. In Americas, North America recorded flat organic growth, hampered by weakness in the construction, manufacturing and mapping markets. However, growth in public safety solutions was solid. South America recorded high single-digit growth. In EMEA, Western Europe recorded -2 per cent organic growth primarily due to slower demand in the manufacturing segment in Germany and Spain and infrastructure and construction markets in the UK and the Nordics. Russia, the Middle East and Africa recorded double digit growth. In Asia, China recorded -21 per cent organic growth, mainly reflecting weaker demand in the manufacturing industry. Infrastructure and construction also declined somewhat in the region. India and South Korea continued to record solid growth.

EARNINGS

Operating earnings (EBIT1) grew by 2 per cent to 277.0 MEUR (270.7), which corresponds to an operating margin of 26.2 per cent (26.0). The operating margin (EBIT1) benefited from cost savings and a favorable product mix. Operating earnings (EBIT1) were positively impacted by currency translation effects of 4.5 MEUR. However, currency transaction effects negatively impacted operating earnings (EBIT1) by -7.0 MEUR. Earnings before taxes amounted to 244.9 MEUR (265.4) and were positively impacted by currency translation effects of 4.2 MEUR.

NON-RECURRING ITEMS

On 8 January 2020, Hexagon announced the completion of the Volume Graphics, Blast Movement Technology and Geopraevent AG acquisitions, and related one-off items of -26.2 MEUR which impacted the income statement during the fourth quarter 2019. The one-off items relate to impairment of overlapping technologies, transaction costs and integration costs.

FINANCIAL SUMMARY - FOURTH QUARTER

MEUR	Net sales			Earnings		
	Q4 2019	Q4 2018	Δ% ¹⁾	Q4 2019	Q4 2018	Δ%
Geospatial Enterprise Solutions	514.9	496.8	-1	134.6	129.5	4
Industrial Enterprise Solutions	544.0	546.2	-4	147.8	148.0	0
Net sales	1,058.9	1,043.0	-2			
Group cost				-5.4	-6.8	21
Operating earnings (EBIT1)				277.0	270.7	2
Operating margin, %				26.2	26.0	0.2
Interest income and expenses, net				-5.9	-5.3	-11
Earnings before non-recurring items				271.1	265.4	2
Non-recurring items ²⁾				-26.2	-	n.a.
Earnings before taxes				244.9	265.4	-8
Taxes				-44.9	-47.8	6
Net earnings				200.0	217.6	-8

¹⁾ Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

²⁾ Non-recurring items relates to the acquisitions of Volume Graphics, Blast Movement Technology and Geopraevent AG.

CURRENCY TRANSLATION IMPACT COMPARED TO EUR - FOURTH QUARTER

	Movement ¹⁾		Income less cost	Earnings impact
CHF	Strengthened	4%	Negative	Negative
USD	Strengthened	3%	Positive	Positive
CNY	Strengthened	1%	Positive	Positive
EBIT1, MEUR				4.5

¹⁾ Compared to Q4 2018

SALES BRIDGE - FOURTH QUARTER

	Net sales ¹⁾
2018, MEUR	1,043.0
Structure, %	2
Currency, %	2
Organic growth, %	-2
Total, %	2
2019, MEUR	1,058.9

¹⁾ Net sales from acquisitions and divestments during the last twelve months are reported as "Structure" in the table above. Percentages are rounded to the nearest whole per cent.

ORGANIC GROWTH¹⁾ PER REGION

Region	Q4 2019
EMEA excl. Western Europe (8% of sales)	➔
South America (4% of sales)	➔
Asia excl. China (14% of sales)	➔
North America (32% of sales)	➔
Western Europe (30% of sales)	➔
China (12% of sales)	➔
Total	➔

>8% ➔
0-8% ➔
Negative ➔

¹⁾ Adjusted to fixed exchange rates and a comparable group structure (organic growth).

GEOSPATIAL ENTERPRISE SOLUTIONS – Q4 2019

Geospatial Enterprise Solutions includes a world-leading portfolio of sensors for capturing data from land and air as well as sensors for positioning via satellites. The sensors are complemented by software (GIS) for the creation of 3D maps and models which are used for decision-making in a range of software applications, covering areas such as surveying, construction, public safety and agriculture. This segment consists of Geosystems, Safety & Infrastructure and Autonomy & Positioning.

NET SALES

Geospatial Enterprise Solutions (GES) net sales amounted to 514.9 MEUR (496.8). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -1 per cent. Regionally, organic growth was 4 per cent in Americas, -2 per cent in EMEA and -10 per cent in Asia. In Americas, North America recorded mid-single digit growth, supported by a solid development in the public safety portfolio which offset weaker demand in construction markets and for mapping content. South America recorded double-digit growth. In EMEA, Western Europe recorded a single digit organic decline, primarily driven by a slowdown in infrastructure and construction markets in the Nordics and the UK. However, growth in infrastructure and construction markets in Germany remained solid and Russia, the Middle East and Africa recorded strong double-digit growth. In Asia, China declined, largely reflecting slower demand in the infrastructure and construction segment. South Korea and India recorded strong double-digit growth, while Australia and New Zealand declined.

Geosystems recorded -2 per cent organic growth, hampered by continued weakness in some construction markets and a lower contribution from new products compared to the previous year, which offset the positive momentum in the mining segment. The Safety & Infrastructure division accelerated, recording 7 per cent organic growth. The recently launched OnCall platform is gaining traction and building a solid pipeline ahead. Autonomy & Positioning (formerly Positioning Intelligence) recorded -9 per cent organic growth, hampered by weaker demand in automotive.

EARNINGS

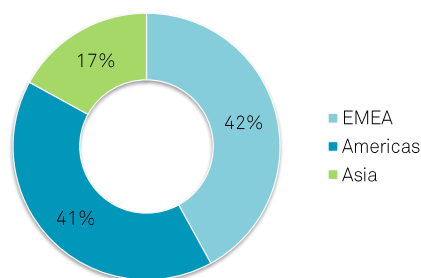
Operating earnings (EBIT1) increased by 4 per cent to 134.6 MEUR (129.5), which corresponds to an operating margin of 26.1 per cent (26.1). The operating margin (EBIT1) was positively impacted by cost savings but adversely impacted by the decline in organic growth.

NET SALES, OPERATING EARNINGS (EBIT1) AND NUMBER OF EMPLOYEES

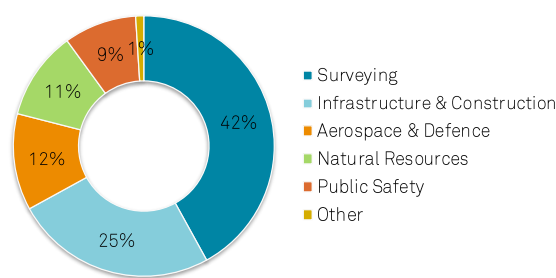
MEUR	Q4 2019	Q4 2018	Δ%	2019	2018	Δ%
Net sales	514.9	496.8	-1 ¹⁾	1,934.2	1,820.2	1 ¹⁾
Operating earnings (EBIT1)	134.6	129.5	4	492.3	459.2	7
Operating margin, %	26.1	26.1	0	25.5	25.2	0.3
Avg. number of employees				8,916	8,428	6

¹⁾ Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES PER REGION – FOURTH QUARTER



NET SALES PER CUSTOMER SEGMENT - FOURTH QUARTER



INDUSTRIAL ENTERPRISE SOLUTIONS – Q4 2019

Industrial Enterprise Solutions includes metrology systems that incorporate the latest in sensor technology for fast and accurate measurements, as well as CAD (computer-aided design), CAM (computer-aided manufacturing) and CAE (computer-aided engineering) software. These solutions optimise design, processes and throughput in manufacturing facilities and create and leverage asset management information critical to the planning, construction and operation of plants and process facilities in a number of industries, such as automotive, aerospace and oil and gas. Industrial Enterprise Solutions consists of Manufacturing Intelligence and PPM.

NET SALES

Industrial Enterprise Solutions (IES) net sales amounted to 544.0 MEUR (546.2). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -4 per cent. Regionally, organic growth was 3 per cent in EMEA, -2 per cent in Americas and -10 per cent in Asia. In EMEA, Western Europe recorded mid-single digit growth, positively impacted by strong growth in the power and energy business but adversely impacted by a slowdown in the automotive industry. Eastern Europe, Russia and the Middle East recorded solid growth, but demand in Africa declined. In Americas, North America recorded a slight decline, hampered by weakness in the manufacturing industry in Canada and Mexico, whereas the US recorded slight growth in the quarter. In Asia, China recorded a -22 per cent organic revenue decline, largely driven by weaker demand in the manufacturing industry. South Korea, Japan and India recorded strong organic growth.

Manufacturing Intelligence recorded -8 per cent organic growth, largely driven by the significant decline in China and weak demand in automotive which offset continued good growth in aerospace. The performance in the software portfolios remained stable. PPM recorded 13 per cent organic growth, supported by strong development in the design and asset management portfolios, especially in EMEA.

EARNINGS

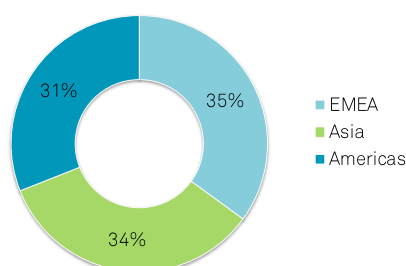
Operating earnings (EBIT1) increased by 0 per cent to 147.8 MEUR (148.0), which corresponds to an operating margin of 27.2 per cent (27.1). The operating margin (EBIT1) benefited from an increased software mix and cost savings but was hampered by the organic revenue decline.

NET SALES, OPERATING EARNINGS (EBIT1) AND NUMBER OF EMPLOYEES

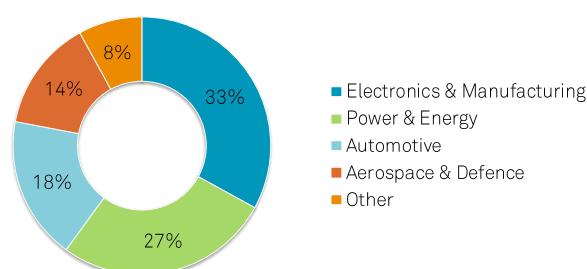
MEUR	Q4 2019	Q4 2018	Δ%	2019	2018	Δ%
Net sales	544.0	546.2	-4 ¹⁾	1,973.5	1,940.5	-2 ¹⁾
Operating earnings (EBIT1)	147.8	148.0	0	505.2	495.2	2
Operating margin, %	27.2	27.1	0.1	25.6	25.5	0.1
Avg. number of employees				11,255	10,741	5

¹⁾ Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

NET SALES PER REGION – FOURTH QUARTER



NET SALES PER CUSTOMER SEGMENT – FOURTH QUARTER



FINANCIAL SUMMARY – 2019

NET SALES

Net sales amounted to 3,907.7 MEUR (3,760.7) for the full year. Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -1 per cent.

EARNINGS

Operating earnings (EBIT1) amounted to 972.5 MEUR (929.0), which corresponds to an operating margin of 24.9 per cent (24.7). Operating earnings (EBIT1) were positively affected by currency translation effects of 26.3 MEUR.

The financial net amounted to -26.9 MEUR (-22.8) for the full year.

Earnings before taxes, excluding non-recurring items, amounted to 945.6 MEUR (906.2). Earnings before taxes, including these items, amounted to 865.3 MEUR (902.3) and were positively impacted by currency translation effects of 23.9 MEUR.

Net earnings, excluding non-recurring items, amounted to 775.4 MEUR (743.1) or 2.11 EUR (2.04) per share. Net earnings, including these items, amounted to 708.6 MEUR (738.1) or 1.92 EUR (2.02) per share.

FINANCIAL SUMMARY - 2019

MEUR	Net sales			Earnings		
	2019	2018	Δ% ¹⁾	2019	2018	Δ%
Geospatial Enterprise Solutions	1,934.2	1,820.2	1	492.3	459.2	7
Industrial Enterprise Solutions	1,973.5	1,940.5	-2	505.2	495.2	2
Net sales	3,907.7	3,760.7	-1			
Group cost				-25.0	-25.4	2
Operating earnings (EBIT1)				972.5	929.0	5
Operating margin, %				24.9	24.7	0.2
Interest income and expenses, net				-26.9	-22.8	-18
Earnings before non-recurring items				945.6	906.2	4
Non-recurring items ²⁾				-80.3	-3.9	n.a.
Earnings before taxes				865.3	902.3	-4
Taxes				-156.7	-164.2	5
Net earnings				708.6	738.1	-4

¹⁾ Adjusted to fixed exchange rates and a comparable group structure, i.e. organic growth.

²⁾ Non-recurring items 2019 relates to the launch of a restructuring programme in Q2 and acquisitions in Q1 and Q4.

CURRENCY TRANSLATION IMPACT COMPARED TO EUR - 2019

	Movement ¹⁾		Income less cost	Earnings impact
CHF	Strengthened	4%	Negative	Negative
USD	Strengthened	5%	Positive	Positive
CNY	Strengthened	1%	Positive	Positive
EBIT1, MEUR				26.3

¹⁾ Compared to 2018.



Hexagon will support Leidos UK in the recently announced upgrade to the Metropolitan Police Service (MPS) command and control system. Under the 10-year programme, Leidos will implement HxGN OnCall, a comprehensive portfolio of advanced public safety solutions. The new HxGN OnCall command and control solution will provide a modern, easy-to-use, cohesive system with capabilities spanning dispatch, analytics, mobility and major event management.

GROUP SUMMARY

PROFITABILITY

Capital employed increased to 8,660.9 MEUR (7,783.2). Return on average capital employed for the last twelve months was 11.7 per cent (12.6). Return on average shareholders' equity for the last twelve months was 12.3 per cent (15.0). The capital turnover rate was 0.5 times (0.5).

FINANCIAL POSITION

Total shareholders' equity increased to 6,076.9 MEUR (5,319.2). The equity ratio was 57.3 per cent (54.9). Hexagon's total assets increased to 10,600.6 MEUR (9,684.1). The increase in total assets is driven primarily by acquisitions. Hexagon's main sources of financing consist of:

- 1) A multicurrency revolving credit facility (RCF) established during 2014. The RCF amounts to 2,000 MEUR with maturity 2021
- 2) A Swedish Medium Term Note Programme (MTN) established during 2014. The MTN programme amounts to 15,000 MSEK with tenor up to 5 years
- 3) A Swedish Commercial Paper Programme (CP) established during 2012. The CP programme amounts to 15,000 MSEK with tenor up to 12 months.

On 31 December 2019, cash and unutilised credit limits totalled 1,832.8 MEUR (1,684.2). Hexagon's net debt was 2,115.7 MEUR (2,069.3). The net indebtedness was 0.31 times (0.35). Interest coverage ratio was 26.8 times (31.9).

CASH FLOW

During the fourth quarter, cash flow from operations before changes in working capital amounted to 320.4 MEUR (295.0), corresponding to 0.87 EUR (0.81) per share. Cash flow from operations in the fourth quarter amounted to 334.1 MEUR (360.5), corresponding to 0.91 EUR (1.00) per share. Operating cash flow in the fourth quarter, including non-recurring items, amounted to 221.1 MEUR (262.5).

For the full year, cash flow from operations amounted to 1,103.6 MEUR (944.1) corresponding to 3.02 EUR (2.62) per share. The operating cash flow, including non-recurring items, amounted to 663.2 MEUR (562.8).

INVESTMENTS, DEPRECIATION, AMORTISATION AND IMPAIRMENT

Hexagon's net investments, excluding acquisitions and divestitures, amounted to -99.7 MEUR (-92.9) in the fourth quarter and -399.1 MEUR (-389.1) in the full year.

Depreciation, amortisation and impairment amounted to -116.1 MEUR (-78.0) in the fourth quarter and -387.7 MEUR (-284.0) during the full year, whereof impairment charges amounted to -23.2 MEUR (-9.8) in the fourth quarter and -25.6 MEUR (-25.1) during the full year.

TAX RATE

The Group's tax expense for the full year totalled -156.7 MEUR (-164.2). The reported tax rate was 18.3 per cent (18.0) for the quarter and 18.1 per cent (18.2) for the full year. The tax rate, excluding non-recurring items, was 18.0 per cent (18.0) for the quarter and 18.0 per cent (18.0) for the full year.

EMPLOYEES

The average number of employees during fourth quarter was 20,250 (19,249). The number of employees at the end of the quarter was 20,532 (20,048).

SHARE DATA

Earnings per share, including non-recurring items, for the fourth quarter amounted to 0.54 EUR (0.60). Earnings per share, excluding non-recurring items, for fourth quarter amounted to 0.60 EUR (0.60).

Earnings per share, including non-recurring items, for the full year amounted to 1.92 EUR (2.02). Earnings per share, excluding non-recurring items, for full year amounted to 2.11 EUR (2.04).

On 31 December 2019, equity per share was 16.50 EUR (14.62) and the share price was 525.00 SEK (408.00).

Hexagon's share capital amounts to 81,554,880 EUR, represented by 367,539,302 shares, of which 15,750,000 are of series A with ten votes each and 351,789,302 are of series B with one vote each.

In accordance with a decision by a Shareholders' General Meeting in May 2015, an incentive programme (2015/2019) was introduced, under which a maximum of 10,000,000 warrants can be issued. The dilutive effect at full utilisation of the programme would be 2.8 per cent of the share capital and 2.0 per cent of the number of votes. The number of warrants that have been issued are 7,107,660 and may be exercised during 1 June 2018 - 31 December 2019. On 31 December 2019, no warrants were outstanding.

PARENT COMPANY

The parent company's earnings before taxes in the fourth quarter amounted to -38.8 MEUR (4.8) and 466.4 MEUR (307.8) for the full year. The equity was 5,123.2 MEUR (4,735.6). The equity ratio of the parent company was 54 per cent (54). Liquid funds including unutilised credit limits were 1,369.5 MEUR (1,277.4).



Hexagon collaborates with Tetra Pak to enhance their Smart Solutions Platform. The development of the platform, which includes best practice concepts and reusable design, will not only enhance understanding and transparency but also ensure smoother project implementation, from faster on-site installation to customised optimisation throughout the plant lifecycle.

ACCOUNTING PRINCIPLES

Hexagon applies International Financial Reporting Standards (IFRS) as adopted by the European Union. Hexagon's report for the Group is prepared in accordance with IAS 34, Interim Financial Reporting and the Annual Accounts Act. Parent company accounts are prepared in accordance with the Annual Accounts Act. Accounting principles and calculation methods are unchanged from those applied in the Annual Report for 2018, see note 1 for further information.

From January 1, 2019 Hexagon applies IFRS 16 Leases. The new standard replaces all former published standards and interpretations about lease contracts. The former IAS 17 Leases required the lessee to classify their lease contracts as either finance leases or operating leases, which were accounted for differently. The operating leases did not result in recognition of assets and liabilities in the balance sheet (off balance sheet leases).

The new standard does not require the lessees to distinguish between operating and finance lease contracts. The obligation to pay lease fees must be recognised as a lease liability in the balance sheet and the right to use the underlying asset during the lease term is recognised as an asset. Depreciation of the asset is recognised in the income statement as is an interest cost of the liability. Paid lease fees are recognised partly as a payment of the interest cost and partly as an amortisation of the liability. A change in the lease contract could lead to a remeasurement of the liability and an adjustment of the right-of-use asset. For complete accounting principles, see Hexagon's Annual Report 2018.

The transition to IFRS 16 has been implemented according to the simplified method, according to which an opening lease liability and an opening right-of-use asset have been recognised to the same amount on January 1, 2019. The practical expedients below have been applied:

- The new principles are applied on lease contracts that were identified as contracts containing a lease also under previous regulation.
- Non-lease components are not separated from lease components in the lease contracts but accounted for as one single lease component.
- Lease contracts with a lease period of less than 12 months and leases of low value assets are excluded.

Reported assets in the balance sheet attributable to lease contracts amounted to 238 MEUR as of January 1, 2019. The obligation for operational and financial lease contract in the Annual Report for 2018 amounted to 269.1 MEUR. The difference between the obligation for future lease payments and the opening lease liability as per January 1, 2019 consists of discount effect, use of extension options, short-term lease contracts and lease contracts of low value assets.

RISKS AND UNCERTAINTY FACTORS

As an international group, Hexagon is exposed to a number of business and financial risks. The business risks can be divided into strategic, operational and legal risks. The financial risks are related to such factors as exchange rates, interest rates, liquidity and the ability to raise funds. Risk management in Hexagon aims to identify, control and reduce risks. This work begins with an assessment of the probability of risks occurring and their potential effect on the Group. There has been no change in the risks facing the Group compared to what was reported in the Annual Report 2018.

RELATED PARTY TRANSACTIONS

No significant related party transactions have been incurred during the quarter.

ANNUAL GENERAL MEETING AND NOMINATION COMMITTEE

The AGM will be held on 29 April 2020 at 17:00 CET at City Conference Center Stockholm (Norra Latin), Drottninggatan 71 B. The composition of the Hexagon Nomination Committee for the Annual General Meeting 2020 is: Mikael Ekdahl (Chairman), Melker Schörling AB, Jan Andersson, Swedbank Robur fonder, Ossian Ekdahl, Första AP-fonden and Johan Strandberg, SEB Investment Management.

PROPOSED DIVIDEND

The Hexagon Board of Directors proposes a dividend of 0.62 EUR per share (0.59). The proposed record date will be 4 May and expected date for settlement is 11 May.

SUBSEQUENT EVENTS

On January 8, Hexagon announced the acquisition of Blast Movement Technology and Geopraevent AG.

On January 29, Hexagon announced the acquisition of COWI's mapping business.

The Board of Directors and the President and CEO declare that this year-end report provides a true and fair overview of the Company's and the Group's operations, its financial position and performance, and describes material risks and uncertainties facing the Company and companies within the Group.

Stockholm, Sweden, 5 February 2020
Hexagon AB (publ)

Gun Nilsson
Chairman of the Board

Ola Rollén
President and CEO
Board Member

John Brandon
Board Member

Ulrika Francke
Board Member

Henrik Henriksson
Board Member

Märta Schörling Andreen
Board Member

Sofia Schörling Högberg
Board Member

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

CONDENSED INCOME STATEMENT

MEUR	Q4 2019	Q4 2018	2019	2018
Net sales	1,058.9	1,043.0	3,907.7	3,760.7
Cost of goods sold	-389.1	-394.4	-1,453.7	-1,423.8
Gross earnings	669.8	648.6	2,454.0	2,336.9
Sales expenses	-194.6	-189.6	-764.1	-704.3
Administration expenses	-85.3	-88.3	-322.1	-309.3
Research and development expenses	-110.4	-101.9	-444.8	-406.5
Earnings from shares in associated companies	-	-0.1	-	-0.1
Capital gain (+) / loss (-) from sale of shares in Group companies	-	-	-	0.7
Other income and expenses, net	-28.7	2.0	-30.8	7.7
Operating earnings ¹⁾	250.8	270.7	892.2	925.1
Financial income	1.7	2.6	6.6	6.4
Financial expenses	-7.6	-7.9	-33.5	-29.2
Earnings before taxes	244.9	265.4	865.3	902.3
Taxes	-44.9	-47.8	-156.7	-164.2
Net earnings	200.0	217.6	708.6	738.1
Attributable to:				
Parent company shareholders	198.4	215.8	702.4	730.0
Non-controlling interest	1.6	1.8	6.2	8.1
¹⁾ of which non-recurring items	-26.2	-	-80.3	-3.9
Earnings include depreciation, amortisation and impairments of	-116.1	-78.0	-387.7	-284.0
- of which amortisation of surplus values	-13.2	-12.8	-51.1	-49.0
Basic earnings per share, EUR	0.54	0.60	1.92	2.02
Earnings per share after dilution, EUR	0.54	0.60	1.92	2.01
Total shareholder's equity per share, EUR	16.50	14.62	16.50	14.62
Closing number of shares, thousands	367,539	362,925	367,539	362,925
Average number of shares, thousands	366,189	362,031	364,898	360,942
Average number of shares after dilution, thousands	366,189	362,551	365,242	362,301

CONDENSED COMPREHENSIVE INCOME

MEUR	Q4 2019	Q4 2018	2019	2018
Net earnings	200.0	217.6	708.6	738.1
Other comprehensive income				
Items that will not be reclassified to income statement				
Remeasurement of pensions	24.1	-34.5	8.7	-25.3
Taxes on items that will not be reclassified to income statement	-2.6	3.8	-1.0	2.9
Total items that will not be reclassified to income statement, net of taxes	21.5	-30.7	7.7	-22.4
Items that may be reclassified subsequently to income statement				
Exchange rate differences	-118.2	30.6	121.9	117.5
Taxes on items that may be reclassified subsequently to income statement	0.6	-1.9	-8.7	-6.2
Total items that may be reclassified subsequently to income statement, net of taxes	-117.6	28.7	113.2	111.3
Other comprehensive income, net of taxes	-96.1	-2.0	120.9	88.9
Total comprehensive income for the period	103.9	215.6	829.5	827.0
Attributable to:				
Parent company shareholders	102.3	213.5	823.1	819.0
Non-controlling interest	1.6	2.1	6.4	8.0

CONDENSED BALANCE SHEET

MEUR	31/12 2019	31/12 2018
Intangible fixed assets	7,631.3	7,100.8
Tangible fixed assets	485.3	384.2
Right-of-use assets	223.2	-
Financial fixed assets	56.3	53.9
Deferred tax assets	86.1	83.6
Total fixed assets	8,482.2	7,622.5
Inventories	409.3	463.0
Accounts receivable	999.2	959.1
Other receivables	98.4	111.8
Prepaid expenses and accrued income	143.2	133.1
Total current receivables	1,240.8	1,204.0
Cash and cash equivalents	468.3	394.6
Total current assets	2,118.4	2,061.6
Total assets	10,600.6	9,684.1
Equity attributable to parent company shareholders	6,063.8	5,305.3
Equity attributable to non-controlling interest	13.1	13.9
Total shareholders' equity	6,076.9	5,319.2
Interest bearing liabilities	1,831.3	1,813.9
Lease liabilities	168.3	-
Other liabilities	157.7	154.3
Pension liabilities	97.2	108.2
Deferred tax liabilities	457.8	448.7
Other provisions	9.7	8.6
Total long-term liabilities	2,722.0	2,533.7
Interest bearing liabilities	425.9	541.8
Lease liabilities	61.3	-
Accounts payable	226.2	251.1
Other liabilities	289.2	279.7
Other provisions	36.5	21.5
Deferred income	463.1	405.0
Accrued expenses	299.5	332.1
Total short-term liabilities	1,801.7	1,831.2
Total equity and liabilities	10,600.6	9,684.1

FINANCIAL INSTRUMENTS

In Hexagon's balance sheet derivatives and other long-term securities holdings are carried at fair value. Derivatives are measured at fair value based on valuation techniques with observable market data as input (level 2 according to definition in IFRS 13). Other long-term securities holdings amount to insignificant numbers. Liabilities for contingent considerations are measured at fair value and based on management's best estimation of the most probable outcome (level 3 according to definition in IFRS 13). Other assets and liabilities are carried at accrued cost.

For financial assets and liabilities that are carried at accrued cost, the fair value is deemed to be coincident with the carrying amount except for long-term liabilities to credit institutions. The difference between the fair value and the carrying amount for these long-term liabilities is deemed to be insignificant relative to the total balance sheet since the interest rate duration is short.

CONDENSED STATEMENT OF CHANGES IN EQUITY

MEUR	2019	2018
Opening shareholders' equity	5,319.2	4,604.4
Total comprehensive income for the period ¹⁾	829.5	827.0
New share issues, warrants exercised - net of issuance costs	118.1	83.0
New share issue in progress	32.9	1.0
Dividend	-222.8	-196.5
Effect of acquisitions of subsidiaries	-	0.3
Closing shareholders' equity ²⁾	6,076.9	5,319.2
1) Of which: Parent company shareholders	823.1	819.0
Non-controlling interest	6.4	8.0
2) Of which: Parent company shareholders	6,063.8	5,305.3
Non-controlling interest	13.1	13.9

NUMBER OF SHARES

	series A	series B	Total
2009-12-31 Total issued and outstanding	11,812,500	252,534,653	264,347,153
Sale of repurchased shares	-	20,070	20,070
Rights issue	3,937,500	83,845,572	87,783,072
2010-12-31 Total issued and outstanding	15,750,000	336,400,295	352,150,295
Rights issue	-	339,335	339,335
2011-12-31 Total issued and outstanding	15,750,000	336,739,630	352,489,630
Sale of repurchased shares	-	185,207	185,207
2012-12-31 Total issued and outstanding	15,750,000	336,924,837	352,674,837
Sale of repurchased shares	-	967,340	967,340
New issue, warrants exercised	-	1,354,800	1,354,800
2013-12-31 Total issued and outstanding	15,750,000	339,246,977	354,996,977
New issue, warrants exercised	-	2,392,236	2,392,236
2014-12-31 Total issued and outstanding	15,750,000	341,639,213	357,389,213
New issue, warrants exercised	-	2,947,929	2,947,929
2015-12-31 Total issued and outstanding	15,750,000	344,587,142	360,337,142
New issue, warrants exercised	-	106,000	106,000
2016-12-31 Total issued and outstanding	15,750,000	344,693,142	360,443,142
New issue, warrants exercised	-	-	-
2017-12-31 Total issued and outstanding	15,750,000	344,693,142	360,443,142
New issue, warrants exercised	-	2,481,550	2,481,550
2018-12-31 Total issued and outstanding	15,750,000	347,174,692	362,924,692
New issue, warrants exercised	-	35,300	35,300
2019-03-31 Total issued and outstanding	15,750,000	347,209,992	362,959,992
New issue, warrants exercised	-	2,892,440	2,892,440
2019-06-30 Total issued and outstanding	15,750,000	350,102,432	365,852,432
New issue, warrants exercised	-	-	-
2019-09-30 Total issued and outstanding	15,750,000	350,102,432	365,852,432
New issue, warrants exercised	-	1,686,870	1,686,870
2019-12-31 Total issued and outstanding	15,750,000	351,789,302	367,539,302

Each share of serie A carries entitlement to ten votes and each share of serie B carries entitlement to one vote.

CONDENSED CASH FLOW STATEMENT

MEUR	Q4 2019	Q4 2018	2019	2018
Cash flow from operations before change in working capital excluding taxes and interest	361.0	338.8	1,321.7	1,180.2
Taxes paid	-35.3	-38.5	-173.2	-153.3
Interest received and paid, net	-5.3	-5.3	-23.0	-22.1
Cash flow from operations before change in working capital	320.4	295.0	1,125.5	1,004.8
Cash flow from change in working capital	13.7	65.5	-21.9	-60.7
Cash flow from operations	334.1	360.5	1,103.6	944.1
Investments tangible assets, net	-26.5	-27.6	-114.0	-154.8
Investments intangible assets	-73.2	-65.3	-285.1	-234.3
Operating cash flow before non-recurring items	234.4	267.6	704.5	555.0
Non-recurring cash flow ¹⁾	-13.3	-5.1	-41.3	7.8
Operating cash flow	221.1	262.5	663.2	562.8
Cash flow from acquisitions and divestments	-197.6	-90.8	-349.8	-422.6
Cash flow from other investing activities	2.5	-0.3	-5.4	-15.6
Cash flow after other investing activities	26.0	171.4	308.0	124.6
Dividends paid	-0.2	-5.4	-222.8	-196.5
New share issues, warrants exercised - net of issuance costs	36.4	2.5	151.0	84.0
Cash flow from other financing activities	9.5	-227.8	-166.3	93.5
Cash flow for the period	71.7	-59.3	69.9	105.6
Cash and cash equivalents, beginning of period	398.8	457.2	394.6	309.4
Effect of translation differences on cash and cash equivalents	-2.2	-3.3	3.8	-20.4
Cash flow for the period	71.7	-59.3	69.9	105.6
Cash and cash equivalents, end of period	468.3	394.6	468.3	394.6

¹⁾ Non-recurring cash flow consists of restructuring costs.

KEY RATIOS

MEUR	Q4 2019	Q4 2018	2019	2018
Operating margin, %	26.2	26.0	24.9	24.7
Profit margin before taxes, %	23.1	25.4	22.1	24.0
Return on shareholders' equity, 12 month average, %	12.3	15.0	12.3	15.0
Return on capital employed, 12 month average, %	11.7	12.6	11.7	12.6
Equity ratio, %	57.3	54.9	57.3	54.9
Net indebtedness	0.31	0.35	0.31	0.35
Interest coverage ratio	33.2	34.6	26.8	31.9
Average number of shares, thousands	366,189	362,031	364,898	360,942
Basic earnings per share excl. non-recurring items, EUR	0.60	0.60	2.11	2.04
Basic earnings per share, EUR	0.54	0.60	1.92	2.02
Cash flow per share, EUR	0.91	1.00	3.02	2.62
Cash flow per share before change in working cap, EUR	0.87	0.81	3.08	2.78
Share price, SEK	525.00	408.00	525.00	408.00
Share price, translated to EUR	50.25	39.79	50.25	39.79

SUPPLEMENTARY INFORMATION

NET SALES PER SEGMENT

MEUR	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2018
Geospatial Enterprise Solutions	514.9	473.8	496.8	448.7	1,934.2	496.8	457.1	454.8	411.5	1,820.2
Industrial Enterprise Solutions	544.0	482.5	479.2	467.8	1,973.5	546.2	489.0	482.1	423.2	1,940.5
Group	1,058.9	956.3	976.0	916.5	3,907.7	1,043.0	946.1	936.9	834.7	3,760.7

OPERATING EARNINGS (EBIT1) PER SEGMENT

MEUR	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2018
Geospatial Enterprise Solutions	134.6	118.4	126.9	112.4	492.3	129.5	114.6	113.7	101.4	459.2
Industrial Enterprise Solutions	147.8	124.0	119.5	113.9	505.2	148.0	123.7	121.6	101.9	495.2
Group costs	-5.4	-6.6	-7.2	-5.8	-25.0	-6.8	-6.5	-7.1	-5.0	-25.4
Group	277.0	235.8	239.2	220.5	972.5	270.7	231.8	228.2	198.3	929.0
Margin, %	26.2	24.7	24.5	24.1	24.9	26.0	24.5	24.4	23.8	24.7

NET SALES BY REGION

MEUR	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2018
EMEA	406.4	340.1	372.4	343.7	1,462.6	398.4	340.9	348.9	326.8	1,415.0
Americas	376.8	350.9	347.1	297.4	1,372.2	347.8	317.9	307.5	266.4	1,239.6
Asia	275.7	265.3	256.5	275.4	1,072.9	296.8	287.3	280.5	241.5	1,106.1
Group	1,058.9	956.3	976.0	916.5	3,907.7	1,043.0	946.1	936.9	834.7	3,760.7

EXCHANGE RATES

Average	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2018
SEK/EUR	0.0939	0.0938	0.0942	0.0960	0.0944	0.0969	0.0961	0.0968	0.1004	0.0975
USD/EUR	0.9033	0.8994	0.8897	0.8803	0.8934	0.8762	0.8599	0.8389	0.8136	0.8475
CNY/EUR	0.1282	0.1282	0.1304	0.1305	0.1293	0.1267	0.1264	0.1315	0.1280	0.1281
CHF/EUR	0.9119	0.9124	0.8879	0.8831	0.8989	0.8801	0.8744	0.8516	0.8583	0.8661
Closing	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2018
SEK/EUR	0.0957	0.0935	0.0947	0.0962	0.0957	0.0975	0.0970	0.0957	0.0972	0.0975
USD/EUR	0.8902	0.9184	0.8787	0.8901	0.8902	0.8734	0.8639	0.8578	0.8116	0.8734
CNY/EUR	0.1279	0.1286	0.1279	0.1326	0.1279	0.1270	0.1255	0.1296	0.1291	0.1270
CHF/EUR	0.9213	0.9219	0.9005	0.8944	0.9213	0.8874	0.8837	0.8644	0.8490	0.8874

ACQUISITIONS

MEUR	2019	2018
Fair value of acquired assets and assumed liabilities		
Intangible fixed assets	81.9	100.0
Other fixed assets	2.6	3.6
Total fixed assets	84.5	103.6
Total current assets	57.2	37.5
Total assets	141.7	141.1
Total long-term liabilities	-15.7	-4.6
Total current liabilities	-22.4	-22.0
Total liabilities	-38.1	-26.6
Fair value of acquired assets and assumed liabilities, net	103.6	114.5
Non-controlling interest in equity	-	-0.3
Goodwill	290.6	440.5
Total purchase consideration transferred	394.2	554.7
Less cash and cash equivalents in acquired companies	-38.3	-9.9
Adjustment for non-paid consideration and considerations paid for prior years' acquisitions	-6.1	-118.2
Cash flow from acquisition of companies/businesses	349.8	426.6

During full year 2019, Hexagon acquired the following companies:

- Etalon, a provider of equipment calibration solutions that ensure the dimensional accuracy of manufactured parts
- j5 International, a market-leading developer of operations management software for ensuring safe, efficient, and compliant operations of industrial sites
- Split Engineering, a leader in coarse rock fragmentation size measurement systems, software and services
- Aciel Geomatics, a Leica distributor in South Africa
- Thermopylae Sciences and Technology, a software provider that specialises in geospatial applications, mobile frameworks, and cloud computing for enhanced location intelligence
- Melown Technologies, a developer of advanced visualisation technologies for creating 3D models of urban and natural landscape environments
- Volume Graphics, a market leader in the industrial computed tomography (CT) software industry

The acquisitions are individually assessed as immaterial from a group perspective which is why only aggregated information is presented. The analysis of the acquired net assets is preliminary and the fair value might be subject to change. Contingent considerations are recognised to fair value (level 3 according to definition in IFRS 13) each reporting period and based on the latest relevant forecast for the acquired company. The valuation method is unchanged compared to the previous period. The estimated liability for contingent considerations amounted to 170.9 MEUR (165.3) as of 31 December, whereof the fair value adjustment in 2019 amounted to 11.3 MEUR (16.7). In connection with the valuation of contingent considerations the assets acquired and liabilities assumed in the purchase price allocation are reviewed. Any indication of impairment due to the revaluation of contingent considerations is considered and adjustments are made to off-set the impact from revaluation.

ACQUISITION OF VOLUME GRAPHICS

In December 2019, Hexagon acquired Volume Graphics, a market leader in the industrial computed tomography (CT) software industry. The company's high-end analysis and visualisation CT software enables manufacturers to produce three-dimensional external and internal representations of scanned objects. In 2019 Volume Graphics generated sales of 26.0 MEUR.

Background and reasons for the transaction

Volume Graphics offers an invaluable toolset for leveraging CT data across many use cases - from flaw detection and failure analysis to reverse engineering applications. Using CT, the customers are able to "see" inside the complicated structures of components, otherwise inaccessible with traditional inspection methods. This allows hidden or hard to reach internal features to be measured and inspected for dimensional deviations and flaws without destroying the parts and compromising the integrity of the data in the process. Additionally, industrial CT scanning is fast becoming a critical asset to manufacturers as more and more industries embrace additive manufacturing. The addition of CT software capabilities strengthens Hexagon's portfolio in this growth area.

From the date of acquisition, Volume Graphics has contributed 3.2 MEUR of net sales in 2019. If the acquisition had taken place at the beginning of the year, the contribution to net sales would have been 26.0 MEUR. The contribution to the group operating margin has been accretive.

ACQUISITION OF THERMOPYLAE SCIENCES AND TECHNOLOGY

In April 2019, Hexagon acquired Thermopylae Sciences and Technology, a software provider primarily focused on the U.S. government and defence market that specialises in geospatial applications, mobile frameworks, and cloud computing for enhanced location intelligence. In 2018 Thermopylae Sciences and Technology generated sales of 48 MUSD.

Background and reasons for the transaction

Thermopylae's software and domain expertise nicely augment Hexagon's ability to deliver the visual location intelligence necessary for enabling autonomous connected ecosystems. Ultimately, the addition of Thermopylae will enrich the 5D experience delivered through Hexagon Smart M.App and Luciad portfolios – both of which enable smart digital realities with 3D, 4D (real-time sensor feed integration) and 5D (dynamic analytics) capabilities. Not only does the acquisition provide an avenue for international market adoption of Thermopylae's technologies but also an additional avenue for Hexagon to accelerate adoption of 5D visualisation capabilities in U.S. government agencies.

From the date of acquisition, Thermopylae Sciences and Technology has contributed 36.0 MEUR of net sales in 2019. If the acquisition had taken place at the beginning of the year, the contribution to net sales would have been 42.5 MEUR. The contribution to the group operating margin has been accretive.

DIVESTMENTS

MEUR	2019	2018
Carrying value of divested assets and liabilities, net		
Intangible fixed assets	-	3.4
Total fixed assets	-	3.4
Total current assets	-	0.1
Total assets	-	3.5
Total current liabilities	-	0.1
Total liabilities	-	0.1
Carrying value of divested assets and liabilities, net	-	3.4
Capital gain (+) / loss (-)	-	0.7
Total purchase consideration transferred	-	4.1
Less cash and cash equivalents in divested companies	-	-0.1
Cash flow from divestment of companies/businesses	-	4.0

CONDENSED PARENT COMPANY INCOME STATEMENT

MEUR	Q4 2019	Q4 2018	2019	2018
Net sales	4.4	6.5	17.6	17.9
Administration cost	-33.8	-6.9	-49.9	-24.9
Operating earnings	-29.4	-0.4	-32.3	-7.0
Earnings from shares in Group companies	1.1	-2.0	399.6	227.0
Interest income and expenses, net	19.5	30.9	129.1	111.5
Appropriations	-30.0	-23.7	-30.0	-23.7
Earnings before taxes	-38.8	4.8	466.4	307.8
Taxes	8.0	-1.9	-14.2	-18.2
Net earnings	-30.8	2.9	452.2	289.6

CONDENSED PARENT COMPANY BALANCE SHEET

MEUR	31/12 2019	31/12 2018
Total fixed assets	7,900.2	7,587.1
Total current receivables	1,545.0	1,091.7
Cash and cash equivalents	60.9	15.5
Total current assets	1,605.9	1,107.2
Total assets	9,506.1	8,694.3
Total shareholders' equity	5,123.2	4,735.6
Untaxed reserves	41.0	18.5
Total long-term liabilities	1,825.6	1,807.3
Total short-term liabilities	2,516.3	2,132.9
Total equity and liabilities	9,506.1	8,694.3

DEFINITIONS

In addition to the financial measures as required by the financial reporting framework based on IFRS, this report also includes other measures and indicators that are used to follow-up, analyze and manage the business. These measures also provide Hexagon stakeholders with useful financial information on the Group's financial position, performance and development in a consistent way. Below is a list of definitions of measures and indicators used in this report.

BUSINESS DEFINITIONS

Americas	North, South and Central America
Asia	Asia, Australia and New Zealand
EMEA	Europe, Middle East and Africa
GES	Geospatial Enterprise Solutions
IES	Industrial Enterprise Solutions

FINANCIAL DEFINITIONS

Amortisation of surplus values	When a company is acquired, the purchase consideration is allocated to the identified assets and liabilities of the company. Intangible assets are most often allocated the substantial part of the purchase consideration. The amortisation of surplus values is defined as the difference between the amortisation of such identified intangible assets and what the amortisation would have been in the acquired company had the acquisition not taken place at all
Capital employed	Total assets less non-interest bearing liabilities
Capital turnover rate	Net sales divided by average capital employed
Cash flow per share	Cash flow from operations, after change in working capital, excluding non-recurring items divided by average number of shares
Earnings per share	Net earnings excluding non-controlling interest divided by average number of shares
Equity ratio	Shareholders' equity including non-controlling interests as a percentage of total assets
Gross margin	Gross earnings divided by operating net sales
Interest coverage ratio	Earnings before taxes plus financial expenses divided by financial expenses
Investments	Purchases less sales of tangible and intangible fixed assets, excluding those included in acquisitions and divestitures of subsidiaries
Net debt	Interest-bearing liabilities including pension liabilities and interest-bearing provisions less cash and cash equivalents
Net indebtedness	Interest-bearing liabilities less interest-bearing current receivables and liquid assets divided by shareholders' equity excluding non-controlling interests
Non-recurring items	Income and expenses that are not expected to appear on a regular basis and impact comparability between periods
Operating earnings (EBIT1)	Operating earnings excluding capital gains on shares in group companies and non-recurring items. Non-recurring items are excluded to facilitate the understanding of the Group's operational development and to give comparable numbers between periods
Operating earnings (EBITDA)	Operating earnings (EBIT 1) excluding amortisation, depreciation and impairment of fixed assets. The measure is presented to give depiction of the result generated by the operating activities
Operating margin	Operating earnings (EBIT1) as a percentage of operating net sales
Organic growth	Net sales compared to prior period excluding acquisitions and divestments and adjusted for currency exchange movements
Operating net sales	Net sales adjusted by the difference between fair value and book-value of deferred revenue regarding acquired businesses.
Profit margin before taxes	Earnings before taxes as a percentage of net sales
Return on capital employed (12-month average)	Twelve months to end of period earnings after financial items, excluding non-recurring items, plus financial expenses as a percentage of twelve months to end of period average capital employed. The twelve months average capital employed is based on average quarterly capital employed
Return on shareholders' equity (12-month average)	Twelve months to end of period net earnings excluding non-controlling interests as a percentage of twelve months to end of period average shareholders' equity excluding non-controlling interests last twelve months. The twelve months average shareholders' equity is based on quarterly average shareholders' equity
Shareholders' equity per share	Shareholders' equity excluding non-controlling interests divided by the number of shares at year-end
Share price	Last settled transaction on Nasdaq Stockholm on the last business day for the period



Hexagon is a global leader in sensor, software and autonomous technologies. We are putting data to work to boost efficiency, productivity, and quality across industrial, manufacturing, infrastructure, safety, and mobility applications. Our technologies are shaping urban and production ecosystems to become increasingly connected and autonomous – ensuring a scalable, sustainable future. Hexagon (Nasdaq Stockholm: HEXA B) has approximately 20,000 employees in 50 countries and net sales of approximately 3.9bn EUR. Learn more at [hexagon.com](https://www.hexagon.com) and follow us [@HexagonAB](https://twitter.com/HexagonAB).

FINANCIAL REPORT DATES

Hexagon gives financial information at the following occasions:

Interim Report Q1 2020	29 April 2020
Interim Report Q2 2020	24 July 2020
Interim Report Q3 2020	28 October 2020
Year-End Report 2020	3 February 2021

FINANCIAL INFORMATION

Financial information is available in Swedish and English at the Hexagon website and can also be ordered via phone +46 8 601 26 20 or e-mail ir@hexagon.com

TELEPHONE CONFERENCE

The Year-End Report for 2019 will be presented on 5 February at 10:00 CET at a telephone conference.

Please view instructions at Hexagon's website on how to participate.

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This information is information that Hexagon AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 5 February 2020.

This communication may contain forward-looking statements. When used in this communication, words such as "anticipate", "believe", "estimate", "expect", "intend", "plan" and "project" are intended to identify forward-looking statements. They may involve risks and uncertainties, including technological advances in the measurement field, product demand and market acceptance, the effect of economic conditions, the impact of competitive products and pricing, foreign currency exchange rates and other risks. These forward-looking statements reflect the views of Hexagon's management as of the date made with respect to future events and are subject to risks and uncertainties. All of these forward-looking statements are based on estimates and assumptions made by Hexagon's management and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results or experience could differ materially from the forward-looking statements. Hexagon disclaims any intention or obligation to update these forward-looking statements.

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