

# INTERIM REPORT

1 JANUARY - 30 JUNE 2020

SECOND QUARTER

- Net sales decreased by -8 per cent to 896.6 MEUR (976.0). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -10 per cent
- Operating earnings (EBIT1) decreased by -5 per cent to 226.5 MEUR (239.2)
- Earnings before taxes, excluding non-recurring items, amounted to 220.1 MEUR (232.3)
- Net earnings, excluding non-recurring items, amounted to 180.5 MEUR (190.5)
- Earnings per share, excluding non-recurring items, amounted to 0.49 EUR (0.52)
- Operating cash flow increased to 239.2 MEUR (178.3)

MEUR	Q2 2020	Q2 2019	Δ%	6M 2020	6M 2019	Δ%
Net sales	896.6	976.0	-10 <sup>1)</sup>	1,786.5	1,892.5	-8 <sup>1)</sup>
Gross earnings <sup>2)</sup>	550.7	606.1	-9	1,122.3	1,179.4	-5
Gross margin, % <sup>2)</sup>	61.4	62.1	-0.7	62.8	62.3	0.5
Operating earnings (EBITDA) <sup>3)</sup>	362.6	330.2	10	649.8	638.4	2
EBITDA margin, %	40.4	33.8	6.6	36.4	33.7	2.7
Operating earnings (EBIT1) <sup>3)</sup>	226.5	239.2	-5	418.9	459.7	-9
Operating margin, %	25.3	24.5	0.8	23.4	24.3	-0.9
Earnings before taxes, excluding non-recurring items	220.1	232.3	-5	406.7	445.2	-9
Non-recurring items (before taxes) <sup>2)</sup>	-135.0	-44.4	n.a.	-135.0	-54.1	n.a.
Earnings before taxes	85.1	187.9	-55	271.7	391.1	-31
Net earnings	70.6	154.1	-54	223.6	320.6	-30
Net earnings, excl. non-recurring items	180.5	190.5	-5	333.5	365.1	-9
Earnings per share, EUR	0.19	0.42	-55	0.60	0.87	-31
Earnings per share, excl. non-recurring items, EUR	0.49	0.52	-6	0.90	1.00	-10

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

<sup>2)</sup>Non-recurring items in the second quarter 2020 of -135.0 MEUR (-44.4) related to a cost savings programme whereof -13 MEUR (-9) is reported in gross earnings. Hence, gross margin, excluding NRI, amounts to 62.9 per cent (63.0) in the second quarter 2020.

<sup>3)</sup>For definition, see page 17.

## COMMENTS FROM THE CEO

“Despite a challenging backdrop we reported a record second quarter operating margin of 25.3 per cent (24.5), supported by continued growth in software and a strong focus on cost control. The shift in business model towards more software is clearly paying off, enabling us to be much more resilient in difficult times. I'm proud of our employees. They've overcome many challenges, quickly adapted to a new cost structure and continued serving our customers without any major disruptions.

China recovered strongly in the quarter, recording 16 per cent organic growth. Europe and North America were hit hard by pandemic-related government shutdowns, resulting in a sales decline of -8 per cent (-10 per cent organic) for the group. As in the previous quarter, the Manufacturing Intelligence and Geosystems divisions were most impacted, recording -14 per cent and -16 per cent organic growth respectively. The software-focused businesses grew; with Safety & Infrastructure recording 14 per cent organic growth, supported by strong demand in public safety and geospatial mapping solutions, and PPM recording 1 per cent organic growth, helped by solid demand in the asset information management and AEC (architect, engineering and construction) design software portfolios.

Although the market conditions remain uncertain, we do believe this to be the trough. As previously communicated, we are implementing long-term cost saving actions estimated to result in annualised cost savings of approximately 125-150 MEUR by the end of 2020. The implementation of these long-term measures are expected to offset any reversal of the short-term saving effects seen during the second quarter. Our strong cash flow and financial position will enable the continued development of revolutionary solutions that drive efficiency, productivity and quality for our customers.”

– Ola Rollén, President and CEO, Hexagon AB

**-8%**

SALES  
GROWTH

**-10%**

ORGANIC  
GROWTH

**25%**

OPERATING  
MARGIN

## GROUP BUSINESS DEVELOPMENT Q2

### NET SALES

Net sales decreased by -8 per cent to 896.6 MEUR (976.0). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -10 per cent, primarily impacted by pandemic-related government restrictions and shutdowns in Europe and North America. Regionally, organic growth was 4 per cent in Asia, -9 per cent in Americas and -19 per cent in EMEA. China recorded 16 per cent organic growth, mainly driven by strong growth in infrastructure and construction and a recovery in the electronics segment. Japan and South Korea recorded low single-digit growth fuelled by a solid development in infrastructure and construction but South-Eastern Asia and India recorded a double-digit decline. In Americas, North America recorded -10 per cent organic growth, mainly driven by weakness in the infrastructure and construction, and manufacturing segments. However, the power and energy and positioning segments recorded favorable growth in the region. South America recorded low single-digit organic growth. In EMEA, Western Europe recorded -20 per cent organic growth, hampered by declines in the manufacturing, infrastructure and construction markets. The power and energy and public safety segments recorded solid growth. Eastern Europe and The Middle East also recorded a double-digit organic decline.

### EARNINGS

Operating earnings (EBIT1) decreased by -5 per cent to 226.5 MEUR (239.2), which corresponds to an operating margin of 25.3 per cent (24.5). The operating margin (EBIT1) was positively impacted by a favorable product mix and temporary short-term cost savings but adversely impacted by currency movements and lower volumes. Operating earnings (EBIT1) were negatively impacted by currency translation effects of -2.9 MEUR. Earnings before taxes amounted to 85.1 MEUR (187.9) and were negatively impacted by currency translation effects of -4.3 MEUR.

### NON-RECURRING ITEMS

On 29 April 2020, Hexagon announced a cost savings programme to accelerate operational efficiencies and support its long-term financial objectives in light of the Covid-19 pandemic. Hexagon has taken a one-off charge of -135 MEUR in the second quarter 2020 which is expected to result in annualised cost savings of approximately 125-150 MEUR by the end of 2020.

### FINANCIAL SUMMARY - SECOND QUARTER

MEUR	Net sales			Earnings		
	Q2 2020	Q2 2019	Δ% <sup>1)</sup>	Q2 2020	Q2 2019	Δ%
Geospatial Enterprise Solutions	457.6	496.8	-9	118.9	126.9	-6
Industrial Enterprise Solutions	439.0	479.2	-10	110.9	119.5	-7
Net sales	896.6	976.0	-10			
Group cost				-3.3	-7.2	54
Operating earnings (EBIT1)				226.5	239.2	-5
Operating margin, %				25.3	24.5	0.8
Interest income and expenses, net				-6.4	-6.9	7
Earnings before non-recurring items				220.1	232.3	-5
Non-recurring items <sup>2)</sup>				-135.0	-44.4	n.a.
Earnings before taxes				85.1	187.9	-55
Taxes				-14.5	-33.8	57
Net earnings				70.6	154.1	-54

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

<sup>2)</sup>Non-recurring items in the second quarter 2020 and 2019 related to a restructuring programme.

### CURRENCY TRANSLATION IMPACT COMPARED TO EUR - SECOND QUARTER

	Movement <sup>1)</sup>		Income less cost	Earnings impact
CHF	Strengthened	6%	Negative	Negative
USD	Strengthened	2%	Positive	Positive
CNY	Weakened	-2%	Positive	Negative
EBIT1, MEUR				-2.9

<sup>1)</sup>Compared to Q2 2019

### SALES BRIDGE - SECOND QUARTER

	Net sales <sup>1)</sup>
2019, MEUR	976.0
Structure, %	2
Currency, %	0
Organic growth, %	-10
Total, %	-8
2020, MEUR	896.6

<sup>1)</sup>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 GROWTH<sup>1)</sup> PER REGION

Region	Q2 2020
China (15% of sales)	↗
South America (4% of sales)	→
North America (32% of sales)	↘
Western Europe (27% of sales)	↘
Asia excl. China (15% of sales)	↘
EMEA excl. Western Europe (7% of sales)	↘
Total	↘

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

## GEOSPATIAL ENTERPRISE SOLUTIONS – Q2 2020

*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 457.6 MEUR (496.8). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -9 per cent. Regionally, organic growth was 3 per cent in Asia, -7 per cent in Americas and -16 per cent in EMEA. In Asia, China recorded 30 per cent organic growth, driven by strong growth in infrastructure and construction. Japan and South Korea also recorded solid organic growth. In Americas, North America recorded a high single-digit decline, mainly impacted by government restrictions affecting the construction market. South America recorded high single-digit organic growth, supported by strong demand for mining and public safety solutions. In EMEA, Western Europe recorded -20 per cent organic growth, with weakness in all segments except for public safety which recorded strong growth. Russia, the Middle East and Africa recorded favorable organic growth.

Regarding the divisions within GES, Geosystems recorded -16 per cent organic growth, hampered by government restrictions related to the COVID-19 pandemic, especially in Europe and the US. However, demand was strong in China. Mining solutions continued to record favorable growth. The Safety & Infrastructure division had a strong quarter, recording 14 per cent organic growth, supported by several recent contract wins and continued positive momentum from the new OnCall platform. Autonomy & Positioning recorded -8 per cent organic growth, positively impacted by solid demand in defence and agriculture but adversely impacted by weaker demand in automotive and marine.

### EARNINGS

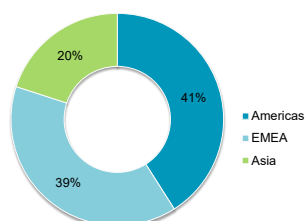
Operating earnings (EBIT1) decreased by -6 per cent to 118.9 MEUR (126.9), which corresponds to an operating margin of 26.0 per cent (25.5). The operating margin (EBIT1) was positively impacted by a favorable product mix and temporary short-term cost savings but adversely impacted by currency movements and lower volumes.

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

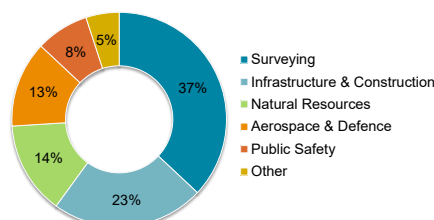
MEUR	Q2 2020	Q2 2019	Δ%	6M 2020	6M 2019	Δ%
Net sales	457.6	496.8	-9 <sup>1)</sup>	911.4	945.5	-7 <sup>1)</sup>
Operating earnings (EBIT1)	118.9	126.9	-6	221.3	239.3	-8
Operating margin, %	26.0	25.5	0.5	24.3	25.3	-1.0
Avg. number of employees				9,064	8,975	1

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

### NET SALES PER REGION – SECOND QUARTER



### NET SALES PER CUSTOMER SEGMENT - SECOND QUARTER



## INDUSTRIAL ENTERPRISE SOLUTIONS – Q2 2020

*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 439.0 MEUR (479.2). Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -10 per cent. Regionally, organic growth was 4 per cent in Asia, -12 per cent in Americas and -22 per cent in EMEA. In Asia, China recorded 11 per cent organic growth, supported by a recovery in the electronics segment and a solid development in the power and energy segment. Japan grew by low single-digits, but South Korea, India and South-Eastern Asia declined. In Americas, North America recorded -12 per cent organic growth, hampered by a weak development in manufacturing. The power and energy segment recorded favorable growth in the region. South America recorded a double-digit organic decline. In EMEA, Western Europe recorded -21 per cent organic growth, driven by weakness in the manufacturing segment. The power and energy segment however, recorded solid growth. Eastern Europe, Russia, the Middle East and Africa also recorded double-digit declines.

Regarding the divisions within IES, Manufacturing Intelligence recorded -14 per cent organic growth, largely driven by the declines in Europe and the US related to the COVID-19 pandemic. China, however, recorded solid organic growth, driven by a recovery in the electronics segment. The software portfolios continued to show resilience and remained stable. PPM recorded 1 per cent organic growth, supported by strong development in the asset information management and AEC (architect, engineering and construction) design software portfolios.

### EARNINGS

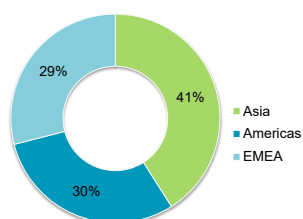
Operating earnings (EBIT1) decreased by -7 per cent to 110.9 MEUR (119.5), which corresponds to an operating margin of 25.3 per cent (24.9). The operating margin (EBIT1) was positively impacted by a favorable product mix and temporary short-term cost savings but adversely impacted by lower volumes.

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

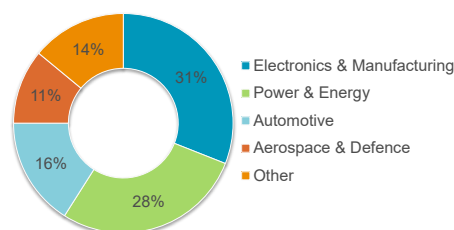
MEUR	Q2 2020	Q2 2019	Δ%	6M 2020	6M 2019	Δ%
Net sales	439.0	479.2	-10 <sup>1)</sup>	875.1	947.0	-9 <sup>1)</sup>
Operating earnings (EBIT1)	110.9	119.5	-7	203.7	233.4	-13
Operating margin, %	25.3	24.9	0.4	23.3	24.6	-1.3
Avg. number of employees				11,292	11,301	0

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

### NET SALES PER REGION – SECOND QUARTER



### NET SALES PER CUSTOMER SEGMENT – SECOND QUARTER



## FINANCIAL SUMMARY – 6M 2020

### NET SALES

Net sales amounted to 1,786.5 MEUR (1,892.5) for the first six months of the year. Using fixed exchange rates and a comparable group structure (organic growth), net sales decreased by -8 per cent.

### EARNINGS

Operating earnings (EBIT1) amounted to 418.9 MEUR (459.7), which corresponds to an operating margin of 23.4 per cent (24.3). Operating earnings (EBIT1) were negatively affected by currency translation effects of -3.0 MEUR.

The financial net amounted to -12.2 MEUR (-14.5) for the first six months of the year.

Earnings before taxes, excluding non-recurring items, amounted to 406.7 MEUR (445.2). Earnings before taxes, including these items, amounted to 271.7 MEUR (391.1) and were negatively impacted by currency translation effects of -4.4 MEUR.

Net earnings, excluding non-recurring items, amounted to 333.5 MEUR (365.1) or 0.90 EUR (1.00) per share. Net earnings, including these items, amounted to 223.6 MEUR (320.6) or 0.60 EUR (0.87) per share.

### FINANCIAL SUMMARY - 6M 2020

MEUR	Net sales			Earnings		
	6M 2020	6M 2019	Δ% <sup>1)</sup>	6M 2020	6M 2019	Δ%
Geospatial Enterprise Solutions	911.4	945.5	-7	221.3	239.3	-8
Industrial Enterprise Solutions	875.1	947.0	-9	203.7	233.4	-13
Net sales	1,786.5	1,892.5	-8			
Group cost				-6.1	-13.0	53
Operating earnings (EBIT1)				418.9	459.7	-9
Operating margin, %				23.4	24.3	-0.9
Interest income and expenses, net				-12.2	-14.5	16
Earnings before non-recurring items				406.7	445.2	-9
Non-recurring items <sup>2)</sup>				-135.0	-54.1	n.a.
Earnings before taxes				271.7	391.1	-31
Taxes				-48.1	-70.5	32
Net earnings				223.6	320.6	-30

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

<sup>2)</sup> Non-recurring items 2020 relates to launch of a restructuring programme. Non-recurring items 2019 related to launch of a restructuring programme and acquisitions.

### CURRENCY TRANSLATION IMPACT COMPARED TO EUR - 6M 2020

	Movement <sup>1)</sup>		Income less cost	Earnings impact
CHF	Strengthened	6%	Negative	Negative
USD	Strengthened	3%	Positive	Positive
CNY	Weakened	-1%	Positive	Negative
EBIT1, MEUR				-3.0

<sup>1)</sup> Compared to 6M 2019.





Hexagon acquired COWI's mapping business, which provides airborne surveying and spatial data processing. The acquisition accelerates Hexagon's mission to provide customers with access to the largest on-demand library of professional-grade geospatial data for applications such as asset management, public safety, utility mapping, insurance claims, and more.

## GROUP SUMMARY

### PROFITABILITY

Capital employed increased to 8,673.5 MEUR (8,293.9). Return on average capital employed for the last twelve months was 10.9 per cent (12.3). Return on average shareholders' equity for the last twelve months was 10.1 per cent (13.4). The capital turnover rate was 0.4 times (0.5).

### FINANCIAL POSITION

Total shareholders' equity increased to 6,185.3 MEUR (5,566.0). The equity ratio was 58.2 per cent (54.3). Hexagon's total assets increased to 10,633.8 MEUR (10,242.8). 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 30 June 2020, cash and unutilised credit limits totalled 1,896.3 MEUR (1,648.3). Hexagon's net debt was 2,069.4 MEUR (2,324.4). The net indebtedness was 0.30 times (0.38). Interest coverage ratio was 12.1 times (22.1).

### CASH FLOW

During the second quarter, cash flow from operations before changes in working capital amounted to 288.3 MEUR (289.8), corresponding to 0.78 EUR (0.79) per share. Cash flow from operations in the second quarter amounted to 344.2 MEUR (298.6), corresponding to 0.94 EUR (0.82) per share. Operating cash flow in the second quarter, including non-recurring items, amounted to 239.2 MEUR (178.3).

For the first six months of the year, cash flow from operations amounted to 592.8 MEUR (495.1) corresponding to 1.61 EUR (1.36) per share. The operating cash flow, including non-recurring items, amounted to 376.1 MEUR (274.6).

### INVESTMENTS, DEPRECIATION, AMORTISATION AND IMPAIRMENT

Hexagon's net investments, excluding acquisitions and divestitures, amounted to -90.7 MEUR (-109.2) in the second

quarter and -193.2 MEUR (-199.2) in the first six months of the year.

Depreciation, amortisation and impairment amounted to -196.9 MEUR (-91.6) in the second quarter and -291.7 MEUR (-181.1) during the first six months of the year, whereof impairment charges amounted to -96.6 MEUR (-0.6) in the second quarter and -96.6 MEUR (-2.4) during the first six months of the year.

### TAX RATE

The Group's tax expense for the first six months of the year totalled -48.1 MEUR (-70.5). The reported tax rate was 17.0 per cent (18.0) for the quarter and 17.7 per cent (18.0) for the first six months of the 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 first six months of the year.

### EMPLOYEES

The average number of employees during second quarter was 20,431 (20,355). The number of employees at the end of the quarter was 20,508 (20,624).

### SHARE DATA

Earnings per share, including non-recurring items, for the second quarter amounted to 0.19 EUR (0.42). Earnings per share, excluding non-recurring items, for second quarter amounted to 0.49 EUR (0.52).

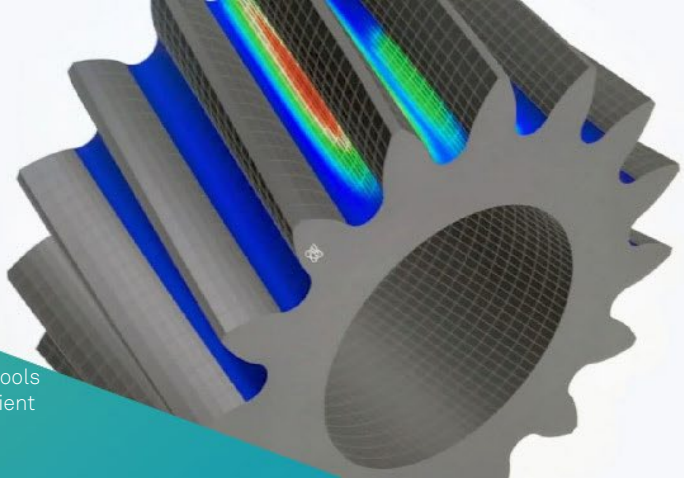
Earnings per share, including non-recurring items, for the first six months of the year amounted to 0.60 EUR (0.87). Earnings per share, excluding non-recurring items, for first six months of the year amounted to 0.90 EUR (1.00).

On 30 June 2020, equity per share was 16.79 EUR (15.17) and the share price was 544.00 SEK (515.60).

Hexagon's share capital amounts to 81,557,432 EUR, represented by 367,550,802 shares, of which 15,750,000 are of series A with ten votes each and 351,800,802 are of series B with one vote each.

### PARENT COMPANY

The parent company's earnings before taxes in the second quarter amounted to 18.1 MEUR (5.7) and 24.7 MEUR (56.4) for the first six months of the year. The equity was 5,142.7 MEUR (4,666.3). The equity ratio of the parent company was 56 per cent (53). Liquid funds including unutilised credit limits were 1,433.3 MEUR (1,253.0).



Hexagon acquired Romax Technology, a provider of Computer Aided Engineering (CAE) software for electromechanical simulation and multi-physics design optimisation. The acquisition enables Hexagon to meet the growing need for electrification, providing customers with integrated tools that empower engineering teams to develop the next generation of energy-efficient electric vehicles and develop renewable energy systems.

## 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 2019, see note 1 for further information.

## 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 2019.

## RELATED PARTY TRANSACTIONS

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

## SUBSEQUENT EVENTS

No significant events affecting the financial reporting have occurred during the period between quarter-end and date of issuance of this report.

The Board of Directors and the President and CEO declare that this Interim 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, 24 July 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

Patrick Söderlund  
Board Member

This Interim Report has not been reviewed by the Company's auditors.

# CONDENSED INCOME STATEMENT

MEUR	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Net sales	896.6	976.0	1,786.5	1,892.5	3,907.7
Cost of goods sold	-345.9	-369.9	-664.2	-713.1	-1,453.7
<b>Gross earnings</b>	<b>550.7</b>	<b>606.1</b>	<b>1,122.3</b>	<b>1,179.4</b>	<b>2,454.0</b>
Sales expenses	-174.9	-201.0	-356.3	-386.1	-764.1
Administration expenses	-91.0	-86.2	-169.1	-158.6	-322.1
Research and development expenses	-126.5	-115.4	-243.1	-222.6	-444.8
Earnings from shares in associated companies	-	-	-	-	-
Other income and expenses, net	-66.8	-8.7	-69.9	-6.5	-30.8
<b>Operating earnings <sup>1)</sup></b>	<b>91.5</b>	<b>194.8</b>	<b>283.9</b>	<b>405.6</b>	<b>892.2</b>
Financial income	1.3	2.0	3.8	3.6	6.6
Financial expenses	-7.7	-8.9	-16.0	-18.1	-33.5
<b>Earnings before taxes</b>	<b>85.1</b>	<b>187.9</b>	<b>271.7</b>	<b>391.1</b>	<b>865.3</b>
Taxes	-14.5	-33.8	-48.1	-70.5	-156.7
<b>Net earnings</b>	<b>70.6</b>	<b>154.1</b>	<b>223.6</b>	<b>320.6</b>	<b>708.6</b>
Attributable to:					
Parent company shareholders	68.8	152.6	221.1	317.5	702.4
Non-controlling interest	1.8	1.5	2.5	3.1	6.2
<sup>1)</sup> of which non-recurring items	-135.0	-44.4	-135.0	-54.1	-80.3
Earnings include depreciation, amortisation and impairments of	-196.9	-91.6	-291.7	-181.1	-387.7
- of which amortisation of surplus values	-13.5	-12.8	-27.7	-25.3	-51.1
Basic earnings per share, EUR	0.19	0.42	0.60	0.87	1.92
Earnings per share after dilution, EUR	0.19	0.42	0.60	0.87	1.92
Total shareholder's equity per share, EUR	16.79	15.17	16.79	15.17	16.50
Closing number of shares, thousands	367,551	365,852	367,551	365,852	367,539
Average number of shares, thousands	367,551	364,605	367,548	363,776	364,898
Average number of shares after dilution, thousands	367,551	365,048	367,548	364,355	365,242



## CONDENSED COMPREHENSIVE INCOME

MEUR	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
<b>Net earnings</b>	<b>70.6</b>	<b>154.1</b>	<b>223.6</b>	<b>320.6</b>	<b>708.6</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to income statement</b>					
Remeasurement of pensions	16.5	1.0	-28.2	0.6	8.7
Taxes on items that will not be reclassified to income statement	-1.7	-0.1	2.8	-0.1	-1.0
<b>Total items that will not be reclassified to income statement, net of taxes</b>	<b>14.8</b>	<b>0.9</b>	<b>-25.4</b>	<b>0.5</b>	<b>7.7</b>
<b>Items that may be reclassified subsequently to income statement</b>					
Exchange rate differences	-94.6	-79.9	-94.2	43.4	121.9
Taxes on items that may be reclassified subsequently to income statement	-1.2	6.6	4.8	-0.2	-8.7
<b>Total items that may be reclassified subsequently to income statement, net of taxes</b>	<b>-95.8</b>	<b>-73.3</b>	<b>-89.4</b>	<b>43.2</b>	<b>113.2</b>
<b>Other comprehensive income, net of taxes</b>	<b>-81.0</b>	<b>-72.4</b>	<b>-114.8</b>	<b>43.7</b>	<b>120.9</b>
<b>Total comprehensive income for the period</b>	<b>-10.4</b>	<b>81.7</b>	<b>108.8</b>	<b>364.3</b>	<b>829.5</b>
Attributable to:					
Parent company shareholders	-11.9	80.8	106.6	361.2	823.1
Non-controlling interest	1.5	0.9	2.2	3.1	6.4

# CONDENSED BALANCE SHEET

MEUR	30/6 2020	30/6 2019	31/12 2019
Intangible fixed assets	7,791.8	7,369.7	7,631.3
Tangible fixed assets	488.6	460.7	485.3
Right-of-use assets	213.1	220.5	223.2
Financial fixed assets	65.7	63.9	56.3
Deferred tax assets	118.0	97.2	86.1
<b>Total fixed assets</b>	<b>8,677.2</b>	<b>8,212.0</b>	<b>8,482.2</b>
Inventories	425.4	436.0	409.3
Accounts receivables	847.2	936.0	999.2
Other receivables	117.5	107.1	98.4
Prepaid expenses and accrued income	147.7	148.2	143.2
<b>Total current receivables</b>	<b>1,112.4</b>	<b>1,191.3</b>	<b>1,240.8</b>
Cash and cash equivalents	418.8	403.5	468.3
<b>Total current assets</b>	<b>1,956.6</b>	<b>2,030.8</b>	<b>2,118.4</b>
<b>Total assets</b>	<b>10,633.8</b>	<b>10,242.8</b>	<b>10,600.6</b>
Equity attributable to parent company shareholders	6,170.4	5,549.7	6,063.8
Equity attributable to non-controlling interest	14.9	16.3	13.1
<b>Total shareholders' equity</b>	<b>6,185.3</b>	<b>5,566.0</b>	<b>6,076.9</b>
Interest bearing liabilities	1,479.3	2,099.7	1,831.3
Lease liabilities	159.2	163.7	168.3
Other liabilities	131.5	196.8	157.7
Pension liabilities	125.8	109.0	97.2
Deferred tax liabilities	454.6	443.9	457.8
Other provisions	9.2	5.0	9.7
<b>Total long-term liabilities</b>	<b>2,359.6</b>	<b>3,018.1</b>	<b>2,722.0</b>
Interest bearing liabilities	662.8	295.3	425.9
Lease liabilities	61.1	60.2	61.3
Accounts payable	195.2	222.8	226.2
Other liabilities	323.1	274.5	289.2
Other provisions	80.2	57.1	36.5
Deferred income	484.7	443.1	463.1
Accrued expenses	281.8	305.7	299.5
<b>Total short-term liabilities</b>	<b>2,088.9</b>	<b>1,658.7</b>	<b>1,801.7</b>
<b>Total equity and liabilities</b>	<b>10,633.8</b>	<b>10,242.8</b>	<b>10,600.6</b>

## 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	Q2 2020	Q2 2019	2019
Opening shareholders' equity	6,076.9	5,319.2	5,319.2
Total comprehensive income for the period <sup>1)</sup>	108.8	364.3	829.5
New share issues, warrants exercised - net of issuance costs	-	60.0	118.1
New share issue in progress	-	38.7	32.9
Dividend	-0.4	-216.2	-222.8
Closing shareholders' equity <sup>2)</sup>	6,185.3	5,566.0	6,076.9
1) Of which: Parent company shareholders	106.6	361.2	823.1
Non-controlling interest	2.2	3.1	6.4
2) Of which: Parent company shareholders	6,170.4	5,549.7	6,063.8
Non-controlling interest	14.9	16.3	13.1

## NUMBER OF SHARES

	series A	series B	Total
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	-	4,614,610	4,614,610
2019-12-31 Total issued and outstanding	15,750,000	351,789,302	367,539,302
New issue, warrants exercised	-	11,500	11,500
2020-03-31 Total issued and outstanding	15,750,000	351,800,802	367,550,802
New issue, warrants exercised	-	-	-
2020-06-30 Total issued and outstanding	15,750,000	351,800,802	367,550,802

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

## CONDENSED CASH FLOW STATEMENT

MEUR	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
<b>Cash flow from operations before change in working capital excluding taxes and interest</b>	<b>322.8</b>	<b>332.0</b>	<b>605.5</b>	<b>636.4</b>	<b>1,321.7</b>
Taxes paid	-26.7	-34.3	-82.8	-87.8	-173.2
Interest received and paid, net	-7.8	-7.9	-12.2	-13.7	-23.0
<b>Cash flow from operations before change in working capital</b>	<b>288.3</b>	<b>289.8</b>	<b>510.5</b>	<b>534.9</b>	<b>1,125.5</b>
Cash flow from change in working capital	55.9	8.8	82.3	-39.8	-21.9
<b>Cash flow from operations</b>	<b>344.2</b>	<b>298.6</b>	<b>592.8</b>	<b>495.1</b>	<b>1,103.6</b>
Investments tangible assets, net	-24.0	-34.6	-51.4	-56.7	-114.0
Investments intangible assets	-66.7	-74.6	-141.8	-142.5	-285.1
<b>Operating cash flow before non-recurring items</b>	<b>253.5</b>	<b>189.4</b>	<b>399.6</b>	<b>295.9</b>	<b>704.5</b>
Non-recurring cash flow <sup>1)</sup>	-14.3	-11.1	-23.5	-21.3	-41.3
<b>Operating cash flow</b>	<b>239.2</b>	<b>178.3</b>	<b>376.1</b>	<b>274.6</b>	<b>663.2</b>
Cash flow from acquisitions and divestments	-110.0	-124.5	-255.6	-150.2	-349.8
Cash flow from other investing activities	0.2	0.4	-11.7	-4.5	-5.4
<b>Cash flow after other investing activities</b>	<b>129.4</b>	<b>54.2</b>	<b>108.8</b>	<b>119.9</b>	<b>308.0</b>
Dividends paid	-0.4	-216.1	-0.4	-216.2	-222.8
New share issues, warrants exercised - net of issuance costs	-	58.8	-	98.7	151.0
Cash flow from other financing activities	-99.5	55.3	-144.7	-6.1	-166.3
<b>Cash flow for the period</b>	<b>29.5</b>	<b>-47.8</b>	<b>-36.3</b>	<b>-3.7</b>	<b>69.9</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>403.6</b>	<b>442.9</b>	<b>468.3</b>	<b>394.6</b>	<b>394.6</b>
Effect of translation differences on cash and cash equivalents	-14.3	8.4	-13.2	12.6	3.8
Cash flow for the period	29.5	-47.8	-36.3	-3.7	69.9
<b>Cash and cash equivalents, end of period</b>	<b>418.8</b>	<b>403.5</b>	<b>418.8</b>	<b>403.5</b>	<b>468.3</b>

<sup>1)</sup> Non-recurring cash flow consists of restructuring costs.

## KEY RATIOS

MEUR	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Operating margin, %	25.3	24.5	23.4	24.3	24.9
Profit margin before taxes, %	9.5	19.3	15.2	20.7	22.1
Return on shareholders' equity, 12-month average, %	10.1	13.4	10.1	13.4	12.3
Return on capital employed, 12-month average, %	10.9	12.3	10.9	12.3	11.7
Equity ratio, %	58.2	54.3	58.2	54.3	57.3
Net indebtedness	0.30	0.38	0.30	0.38	0.31
Interest coverage ratio	12.1	22.1	18.0	22.6	26.8
Average number of shares, thousands	367,551	364,605	367,548	363,776	364,898
Basic earnings per share excl. non-recurring items, EUR	0.49	0.52	0.90	1.00	2.11
Basic earnings per share, EUR	0.19	0.42	0.60	0.87	1.92
Cash flow per share, EUR	0.94	0.82	1.61	1.36	3.02
Cash flow per share before change in working cap, EUR	0.78	0.79	1.39	1.47	3.08
Share price, SEK	544.00	515.60	544.00	515.60	525.00
Share price, translated to EUR	51.84	48.81	51.84	48.81	50.25



## SUPPLEMENTARY INFORMATION

### NET SALES PER SEGMENT

MEUR	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019
Geospatial Enterprise Solutions	457.6	453.8	514.9	473.8	496.8	448.7	1,934.2
Industrial Enterprise Solutions	439.0	436.1	544.0	482.5	479.2	467.8	1,973.5
Group	896.6	889.9	1,058.9	956.3	976.0	916.5	3,907.7

### OPERATING EARNINGS (EBIT1) PER SEGMENT

MEUR	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019
Geospatial Enterprise Solutions	118.9	102.4	134.6	118.4	126.9	112.4	492.3
Industrial Enterprise Solutions	110.9	92.8	147.8	124.0	119.5	113.9	505.2
Group costs	-3.3	-2.8	-5.4	-6.6	-7.2	-5.8	-25.0
Group	226.5	192.4	277.0	235.8	239.2	220.5	972.5
Margin, %	25.3	21.6	26.2	24.7	24.5	24.1	24.9

### NET SALES BY REGION

MEUR	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019
EMEA	307.9	330.9	406.4	340.1	372.4	343.7	1,462.6
Americas	319.4	336.3	376.8	350.9	347.1	297.4	1,372.2
Asia	269.3	222.7	275.7	265.3	256.5	275.4	1,072.9
Group	896.6	889.9	1,058.9	956.3	976.0	916.5	3,907.7

### EXCHANGE RATES

Average	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019
SEK/EUR	0.0938	0.0938	0.0939	0.0938	0.0942	0.0960	0.0944
USD/EUR	0.9092	0.9067	0.9033	0.8994	0.8897	0.8803	0.8934
CNY/EUR	0.1283	0.1299	0.1282	0.1282	0.1304	0.1305	0.1293
CHF/EUR	0.9425	0.9373	0.9119	0.9124	0.8879	0.8831	0.8989
Closing	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2019
SEK/EUR	0.0953	0.0904	0.0957	0.0935	0.0947	0.0962	0.0957
USD/EUR	0.8930	0.9127	0.8902	0.9184	0.8787	0.8901	0.8902
CNY/EUR	0.1262	0.1286	0.1279	0.1286	0.1279	0.1326	0.1279
CHF/EUR	0.9389	0.9447	0.9213	0.9219	0.9005	0.8944	0.9213

# ACQUISITIONS

MEUR	6M 2020	6M 2019
<b>Fair value of acquired assets and assumed liabilities</b>		
Intangible fixed assets	28.0	42.4
Other fixed assets	1.5	8.9
<b>Total fixed assets</b>	<b>29.5</b>	<b>51.3</b>
Total current assets	12.5	26.3
<b>Total assets</b>	<b>42.0</b>	<b>77.6</b>
Total long-term liabilities	-7.6	1.0
Total current liabilities	-5.9	-11.0
<b>Total liabilities</b>	<b>-13.5</b>	<b>-10.0</b>
<b>Fair value of acquired assets and assumed liabilities, net</b>	<b>28.5</b>	<b>67.6</b>
Goodwill	164.2	154.2
<b>Total purchase consideration transferred</b>	<b>192.7</b>	<b>221.8</b>
Less cash and cash equivalents in acquired companies	-6.3	-11.1
Adjustment for non-paid consideration and considerations paid for prior years' acquisitions	-40.8	-60.5
<b>Cash flow from acquisition of companies/businesses</b>	<b>145.6</b>	<b>150.2</b>

During the first six months of the year 2020, Hexagon acquired the following companies:

- Blast Movement Technology, a developer of blast movement monitoring and analysis solutions for open pit mines
- Geopraevent AG, a provider of natural hazard monitoring and alarm systems
- CAEfatigue Limited, a provider of mechanical fatigue simulation solutions
- Alas Ing SA, a distributor of Hexagon PPM solutions
- COWI's mapping business, a provider airborne surveying and spatial data processing
- Romax Technology, a provider of Computer Aided Engineering (CAE) software

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 163.6 MEUR (224.3) as of 30 June, whereof the fair value adjustment in 2020 amounted to 37.7 MEUR (4.9). 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 BLAST MOVEMENT TECHNOLOGIES

In January 2020, Hexagon acquired Blast Movement Technology (BMT), a pioneer in blast movement monitoring and analysis solutions for open pit mines. Through a combination of sensors and software, BMT's solution provides customers with accurate blast information that is used to improve the recovery of a mine's resources. In 2019 BMT generated revenues of 19 MEUR.

### Background and reasons for the transaction

The ability to accurately track blast movement is a huge benefit for mines striving to be smarter and more sustainable. It's a highly variable process that can cost mines millions of dollars in lost revenue per year from ore loss - where valuable ore is sent to the waste pile, and dilution - where waste is sent to the mill. BMT complements Hexagon's Smart Mine portfolio, further closing the drill and blast loop for customers, and ultimately, improving their ability to measure, manage and improve mining operations from pit to plant.

From the date of acquisition, BMT has contributed 7.1 MEUR of net sales in 2020. If the acquisition had taken place at the beginning of the year, the contribution to net sales would have been 7.1 MEUR. The contribution to the group operating margin has been accretive.

## **ACQUISITION OF COWI'S MAPPING BUSINESS**

In June 2020, Hexagon acquired COWI's mapping business, which provides airborne surveying and spatial data processing. Revenues in 2019 amounted to 14 MEUR.

### **Background and reasons for the transaction**

The acquisition brings valuable expertise in capturing and selling Content as a Service (CaaS) and accelerates Hexagon's mission to provide customers with access to the largest on-demand library of professional-grade and quality controlled geospatial data for applications such as asset management, public safety, utility mapping, insurance claims, and more.

From the date of acquisition, the business has contributed 2.3 MEUR of net sales in 2020. If the acquisition had taken place at the beginning of the year, the contribution to net sales would have been 6.4 MEUR. The contribution to the group operating margin has been accretive.

## **ACQUISITION OF ROMAX TECHNOLOGY**

In June 2020, Hexagon acquired Romax Technology, a provider of Computer Aided Engineering (CAE) software for electromechanical simulation and multi-physics design optimisation. Revenues in 2019 amounted to 27 MEUR.

### **Background and reasons for the transaction**

A greater focus on energy efficiency and an accelerating shift towards electrification brings new engineering challenges that require increased use of simulation tools earlier in the design lifecycle. The acquisition of Romax Technology enables Hexagon to meet the growing need for electrification, providing customers with integrated tools that empower engineering teams to develop the next generation of energy-efficient electric vehicles and develop renewable energy systems.

From the date of acquisition, Romax Technology has contributed 2.3 MEUR of net sales in 2020. If the acquisition had taken place at the beginning of the year, the contribution to net sales would have been 12.7 MEUR. The contribution to the group operating margin has been accretive.

## CONDENSED PARENT COMPANY INCOME STATEMENT

MEUR	Q2 2020	Q2 2019	6M 2020	6M 2019	2019
Net sales	4.3	4.4	8.6	8.9	17.6
Administration expenses	-4.0	-6.0	-7.4	-11.2	-49.9
<b>Operating earnings</b>	<b>0.3</b>	<b>-1.6</b>	<b>1.2</b>	<b>-2.3</b>	<b>-32.3</b>
Earnings from shares in Group companies	-	13.2	-	13.2	399.6
Interest income and expenses, net	17.8	-5.9	23.5	45.5	129.1
Appropriations	-	-	-	-	-30.0
<b>Earnings before taxes</b>	<b>18.1</b>	<b>5.7</b>	<b>24.7</b>	<b>56.4</b>	<b>466.4</b>
Taxes	-5.9	1.9	-5.2	-8.8	-14.2
<b>Net earnings</b>	<b>12.2</b>	<b>7.6</b>	<b>19.5</b>	<b>47.6</b>	<b>452.2</b>

## CONDENSED PARENT COMPANY BALANCE SHEET

MEUR	30/6 2020	30/6 2019	31/12 2019
Total fixed assets	7,914.3	7,609.9	7,900.2
Total current receivables	1,329.0	1,217.1	1,545.0
Cash and cash equivalents	2.7	38.0	60.9
Total current assets	1,331.7	1,255.1	1,605.9
<b>Total assets</b>	<b>9,246.0</b>	<b>8,865.0</b>	<b>9,506.1</b>
Total shareholders' equity	5,142.7	4,666.3	5,123.2
Untaxed reserves	40.7	18.0	41.0
Total long-term liabilities	1,474.2	2,093.5	1,825.6
Total short-term liabilities	2,588.4	2,087.2	2,516.3
<b>Total equity and liabilities</b>	<b>9,246.0</b>	<b>8,865.0</b>	<b>9,506.1</b>

## 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 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](mailto:ir@hexagon.com)

#### TELEPHONE CONFERENCE

The Interim Report for the second quarter 2020 will be presented on 24 July at 10:00 CET at a telephone conference.

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

#### CONTACT

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This is information that Hexagon AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 24 July 2020.

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