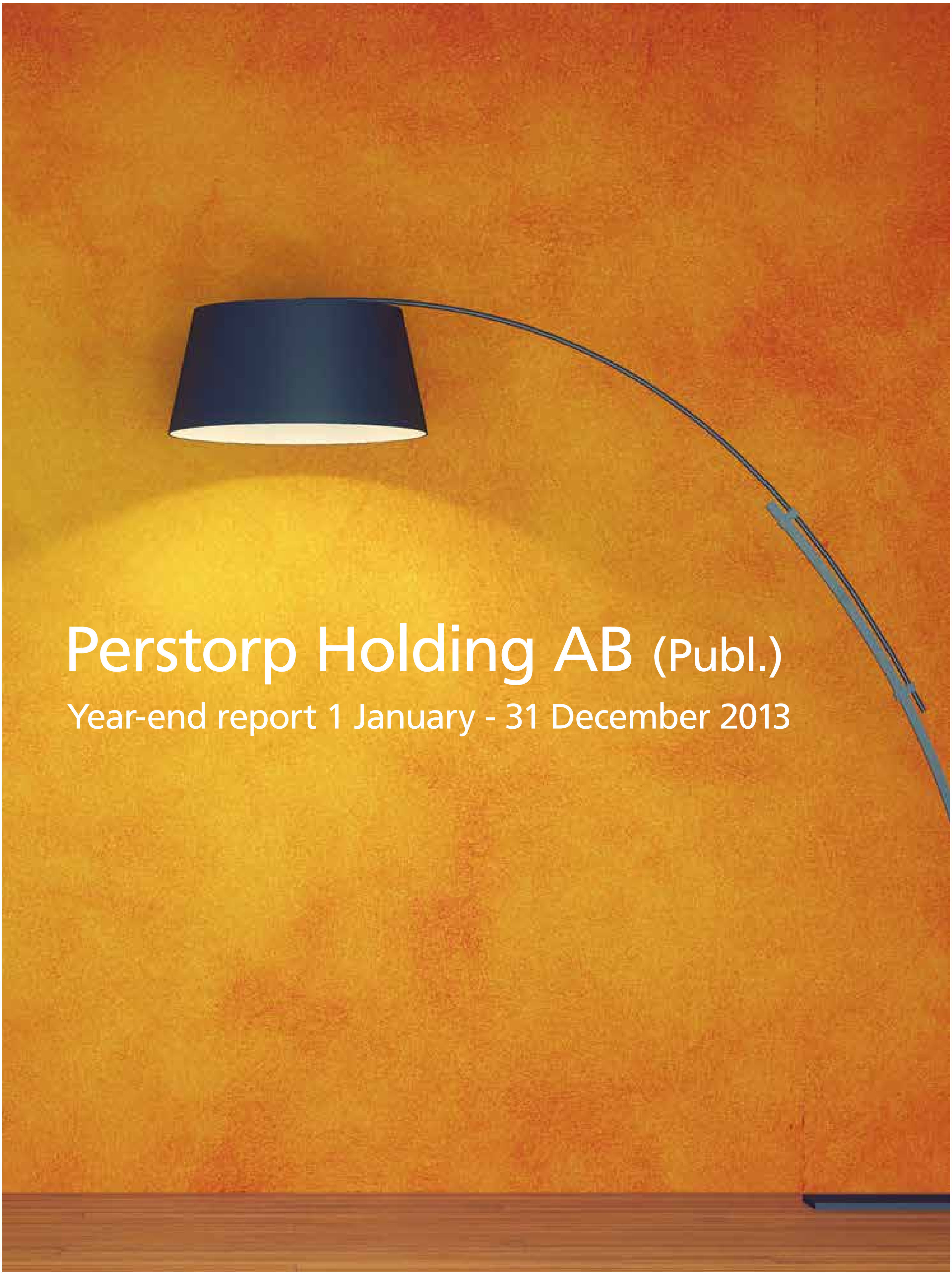


Perstorp Holding AB (Publ.)

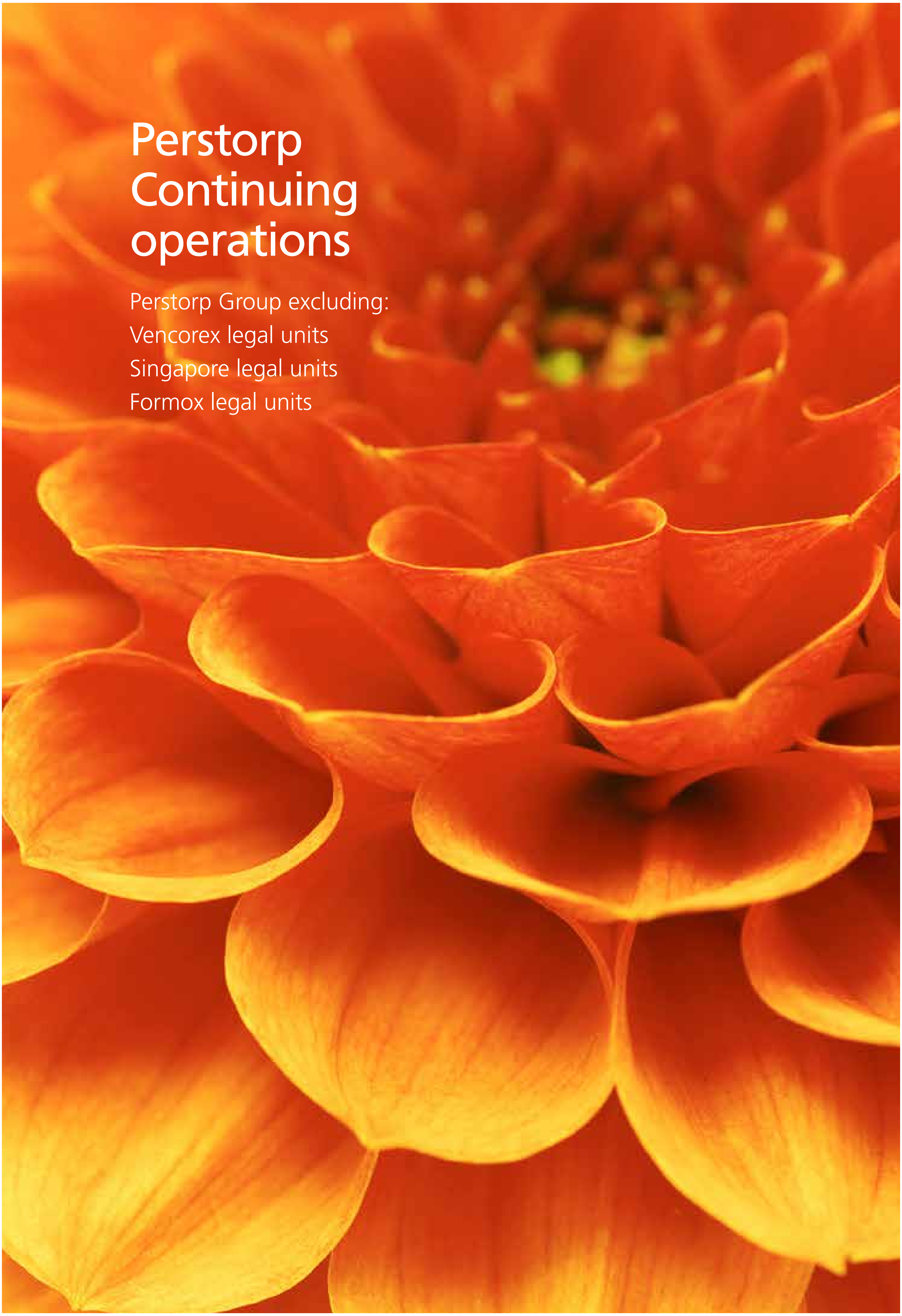
Year-end report 1 January - 31 December 2013

WINNING FORMULAS

TABLE OF CONTENTS

Perstorp Continuing operations

Perstorp Group excluding:
Vencorex legal units
Singapore legal units
Formox legal units



Year-end report 1 January - 31 December 2013

Perstorp Holding AB (Publ.), corporate reg. no. 556667-4205. Parent company for Perstorp

Perstorp is an international specialty chemicals group with leading positions in selected niches. The Group has around 1,500 employees and manufacturing companies in Europe, North America and Asia. The Perstorp Group is controlled by the French private equity company PAI partners.

Important events, January – December 2013

- For Perstorp volumes were 8% higher than last year, but a combination of a stronger Swedish krona and lower sales prices had a negative effect on sales of -2% and -3% respectively. For the Group's continuing operations, sales in January to December 2013 amounted to SEK 10,343 m, which is 3% higher than the previous year (10,036). Operating earnings before depreciation and amortization (EBITDA) relating to continuing operations were SEK 1,095 m (1,277). Adjusted for non-recurring items, the corresponding figure amounted to SEK 1,113 m (1,188).
- During the year, Perstorp has divested some non-core business units. In March, Perstorp sold its formaldehyde technology and catalyst business, Formox to Johnson Matthey. Further, Perstorp sold the Singapore legal units (Isophthalic acid operations) to Financiére Forêt S.á r.l., parent company to the Perstorp Group. In May, Perstorp closed the sale of Perstorp Ättika (vinegar) to Kavli.
- In September, Jan Secher succeeded Martin Lundin as President and CEO of the Perstorp Group.
- During the third quarter, Perstorp launched four new products for the plastics industry – Capa™ , Charmor™, Pevalen™ and Akestra™.
- In mid September, Perstorp successfully started its new Neo plant in Zibo, China. The plant has performed above expectations since the start-up.
- The strategic investment project concerning a new production plant for Valeraldehyde and its derivatives 2-PH and DPHP continues to progress according to plan with an expected start-up at the beginning of 2015. Pre-marketing activities are well underway.
- An internal transformation project to further improve customer interface and operational excellence was launched during the fourth quarter.

Key figures in summary, Continuing operations

SEK m unless otherwise stated	Quarter 4 2013	Quarter 4 2012	Quarter 3 2013	Full year 2013	Full year 2012
Net sales	2,515	2,178	2,649	10,343	10,036
Operating earnings before depreciation (EBITDA)	206	155	330	1,095	1,277
% of net sales	8.2	7.1	12.5	10.6	12.7
EBITDA excluding non-recurring items [1]	217	151	343	1,113	1,188
% of net sales	8.6	6.9	12.9	10.8	11.8
Operating earnings (EBIT)	-429	5	170	-9	654
% of net sales	-17.1	0.2	6.4	-0.1	6.5
Net earnings/loss	-1,031	-168	-307	-1,891	13
Free Cash Flow	18	92	243	272	616
% of net sales	0.7	4.2	9.2	2.6	6.1
Number of full-time employees, end of period	1,524	1,462	1,504	1,524	1,462

[1] Non-recurring items are mainly attributable to property divestment and restructuring costs.

President's Comments

"Perstorp has thrived for more than 130 years because of its ability to adapt, to innovate specialty solutions, to drive process technologies and to respond to customer needs. The successful execution of our strategy, underpinned by these basic values and the strength of our commitment, will lead Perstorp into a resilient future."

First 100 days

My first 100 days with Perstorp has been dominated by a deep examination of our business, our markets, our internal talent pool and our organizational structure. Overall, I am confident in our ability to accelerate a profitable growth and expand Perstorp's market leadership.

Meetings with key customers from important segments have opened insightful dialogues and introduced new understandings related to our current performance in the market and anticipated business trajectories.

While our self-examination continues, the foundation for the future of Perstorp is strong: we have stable, long-standing customer relations; we are valued for our technical expertise and targeted product offerings; and we have substantial leadership positions in mostly consolidated markets.

However, we must rethink the ways in which we conduct our business, specifically our approach to sales and marketing and how we organize ourselves to maximize our key leverage points.

Transforming from Good to Great

In keeping pace with the globe's shifting market paradigms, there are a number of means in which we can grow into a world-class organization. As revealed in our extensive self-evaluation, Perstorp's competitive edge can advance with key changes to the ways in which we approach our business, our markets and our internal organization. We have made significant progress and you will find more detailed information about our plans for change on page 6.

Our clearly defined growth targets are further upheld by several strategic investments that are well underway and play a critical role in transforming Perstorp into a great company.

Financial performance

Our fourth quarter results reflect an improvement and remain in line with expectations. Net sales of SEK 2,515 million demonstrate a 15% growth when compared to the same period last year.

The quarter's EBITDA of SEK 217 million expresses our sustained uptick in volume development as well as our fixed cost containment. With mounting pressure on margins due to higher raw material prices, we will strive to take definitive actions that influence positive performance improvements across all functions of Perstorp, such as pricing and procurement.

In addition, we will launch an effective cost reduction program that will lead to redundancies. While we regret this, we are committed to its implementation in full cooperation with union representatives and with the utmost respect for affected employees.

Marketing and innovation

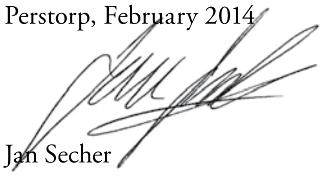
I am proud of our successful participation in two major tradeshows this quarter. At K2013 in Germany, the world's largest plastic tradeshow, we exhibited under the Perstorp brand for the first time in ten years to strengthen our visibility and promote four exciting, new plastic products. The level of interest exceeded our expectations and testifies that our products are meeting the demand for sustainable plastic solutions.

This sentiment was echoed a month later at Chinacoat 2013 where we showcased our range of environmentally friendly coating products. Again, we stand affirmed in our commitment to China and our solid position in Asia.

Forward momentum

It is clear that our market positions will be challenged relentlessly. However, we will proactively seek out the spaces in which we can create new opportunities, expand our current market footprint and raise our assertion as a premiere provider of specialty chemical products and solutions.

Perstorp, February 2014



Jan Secher
President and CEO

Transforming from Good to GREAT

Today's increasingly competitive environment requires global organizations to better understand their market positions and increase their agility in response to the continually shifting market conditions.

After an extensive self-evaluation, it is evident that significant untapped potential lies within Perstorp. To unlock this value and advance from a good company into a great organization, Perstorp has initiated an internal transformation grounded in three primary cornerstones.

1. We will drive our company forward from a customer-centered perspective under the guide of a new business model.

Perstorp will organize and lead from an outside-in position, leaning on market trends and customer behaviors to steer its activities. Strategic knowledge on transformable challenges is captured to induce customer treads. This sharpened, customer-centric focus enables a significant step-change in how business is conducted, including a differentiated and tailored customer service response and a dedicated marketing and sales approach.

In support of this model, Perstorp's products have been reallocated into two Business Areas that reflect its major product groupings while distinguishing between its two primary customer audiences. This fundamental change enables a specific and effective go-to-market approach for each area.

- Intermediates & Derivatives (I&D): to serve customers who require the right product at the best price
- Specialties & Solutions (S&S): to address those who are in need of specialized products and service offerings.

2. We will launch a new organizational structure that delivers increased collaboration, efficiency and operational excellence.

Perstorp will change from a divisional-based structure into a functional organization as a means of delivering on its overarching strategy. This essential shift will stimulate new and more effective ways of working throughout the organization, increase cross-unit collaboration with clear interfaces and drive incentives top-level efficiency across its functions.

Supply Chain will be lifted into a separate function and will serve as the link between a more market-oriented sales organization and a highly efficient operations function. Furthermore, the company will strive for tighter control over procurement activities and support improved price management, optimizing the group's operational excellence.

Manufacturing will now dedicate its efforts to operational excellence and improvements toward efficiency and effectiveness. This more unified focus will enable best-practice sharing and collaboration across production sites, while facilitating an increasingly strong focus on safety.

Support functions will move toward a more centralized organization that runs with higher capabilities. This will enable site management teams to fully focus on achieving and sustaining a world-class operational efficiency.

3. We will take decisive measures to ensure cost competitive advantages.

Our priority is to grow our business. As an organization, we need to be as lean and efficient as possible to enhance our competitive position. This will be achieved through the Group's on-going improvement program, known as the Perstorp Performance System (PPS), and will be applied across the entire company to assure streamlined processes.

The support functions will perform and deliver with best in class as the reference point, ensuring the elimination of duplicated roles and the most efficient use of primary resources. Work will continue to identify other areas of improvement that will help ensure Perstorp's cost competitiveness, such as leveraging on the potential of procurement.

In alignment with this transformation, the Perstorp Management Team has been rebuilt to diversify its leadership base and encompass a broad range of highly valuable international experience. In addition, Perstorp will move its headquarters to Malmö, Sweden, a Nordic hub that opens access to talent and strengthens global mobility.

Ultimately, the collective effect of these changes will help advance Perstorp's position of leadership and strengthen its resilience going forward.

Market & economic conditions

General

In general Q4 was showing a similar pattern as the previous quarter, with a certain improvement compared to same period last year. A slightly positive development was seen in Europe, with chemical production volume increasing 0.5%. The growth was stronger in the US, partially driven by access to lower raw material- and energy costs. In absolute terms Asia is still showing solid growth, however in comparison to previous levels the rate is slowing down.

Raw materials

For commodities 2013 was dominated by a slight, but slow, recovery in the US and Europe and a slow-down in the Chinese economy as well as in other emerging markets.

Prices for naphtha and its downstream derivatives showed a pattern of minor gains and losses from month to month, but ended close to where they started at the beginning of 2013.

Methanol and benzene did not follow the oil and naphtha trend. 2013 was the fourth consecutive year with increased methanol prices, seeing a price rally in the last two months of the year due to severe supply disruptions putting pressure on margin for some of Perstorp's major products. The European Q1 2014 methanol contract settled at EUR 445/ton, meaning it has tripled in price since bottoming out in April 2009.

Benzene prices fell throughout 2013, dropping by EUR 300 from January to November, but half of this loss was recovered towards the end of the year. Higher demand in the US and lower refinery operating rates were catalysts for the price recovery.

Perstorp's Markets

Q4 saw improving year-on-year demand in most of Perstorp's regions. The Americas continued to report steady improvements, as did much of Europe. Synthetic lubricants, plasticizers and polyurethane resins, three of Perstorp's five strategic market segments, showed good performance with demand being more stable in 2013 compared to earlier years.

Financial overview

Net sales

Volumes increased 8% compared to last year following stronger performance from Q2 and onwards. The volume increase was evident in all business units.

The Perstorp Group's net sales for continuing operations amounted to SEK 10,343 m during 2013, compared with 10,036 m in 2012.

The start-up of our new Neo plant has affected Q4 numbers positively as the deliveries to customers were started in the second half of September.

Sales prices were 3% lower than last year, primarily impacted by a competitive market sentiment for some of our product lines. Raw material prices were more or less on the same level as last year for olefins, whereas the price of methanol increased during the year and was on average 16% higher in 2013 than 2012.

The stronger Swedish krona, especially versus the US dollar, has had a negative effect on sales of 2% compared to last year.

Earnings

For the full year 2013, operating earnings before depreciation and amortization (EBITDA) for continuing operations reached SEK 1,095 m (1,277). Excluding non-recurring items, EBITDA amounted to SEK 1,113 m (1,188).

The appreciation of the Swedish krona affected the results negatively when comparing January to December 2013 with the same period last year. Currency effects amount to approximately SEK -20 m relating to both translational and transactional effects from flows in USD and Euro. The decline in earnings compared to last year has besides negative currency effects mainly been driven by margin pressure following high feedstock prices in combination with a competitive market for some product lines.

Non-recurring items included in last year's result relate primarily to profit from the land sale in India. Operating earnings before interest and taxes (EBIT) were SEK -9 m (654) for the full year. Depreciation was on the same level as last year, 634 m (623).

Earnings before tax amounted to SEK -1,886 m (-175) m. The decline compared to last year can be explained by a combination of items; write down of assets of SEK 462 m related to goodwill, less positive currency effects when revaluating financial liabilities in foreign currencies and higher financial expenses compared to last year as a result of the new capital structure. Also, participations in associated companies contributed with a loss of SEK 506 m, including a write down of SEK 322 m for the full year 2013, compared to a loss of 70 m last year.

For the period, net loss amounted to SEK -1,891 m, compared to a gain of 13 m last year.

Income statement, Continuing operations

SEK m	Quarter 4		Full year	
	2013	2012	2013	2012
Net sales	**2,515**	**2,178**	**10,343**	**10,036**
Cost of goods sold	-2,259	-2,015	-9,191	-8,793
Gross earnings	**256**	**163**	**1,152**	**1,243**
Selling, administration and R&D costs	-200	-195	-741	-746
Other operating income and expenses [1]	-19	31	45	154
Write-down of assets	-467	4	-470	0
Result from participations in associated companies	1	2	5	3
Operating earnings (EBIT)	**-429**	**5**	**-9**	**654**
Exchange-rate effects on net debt	-145	-35	-117	276
Other financial income and expenses	-323	-353	-1,254	-1,035
Result from participations in associated companies	-61	-45	-506 [3]	-70
Earnings/loss before tax	**-958**	**-428**	**-1,886**	**-175**
Tax	-73	260 [2]	-5	188 [2]
Net earnings/loss	**-1,031**	**-168**	**-1,891**	**13**

Write-down of assets	**-467**	**4**	**-470**	**0**
Depreciations	**-168**	**-154**	**-634**	**-623**
Operating earnings before depreciation (EBITDA)	**206**	**155**	**1,095**	**1,277**
EBITDA excl non-recurring items	**217**	**151**	**1,113**	**1,188**

1) Other operating income and expenses primarily includes exchange rate effects on operational net receivables and non-recurring income and costs.

2) Including group contribution received from discontinued operation of SEK 28 m.

3) Including a write down of SEK 322 m

Segment information

Segment data, Continuing operations				
	Quarter 4		Full year	
	2013	2012	2013	2012
Net sales				
Specialty Intermediates	1,709	1,441	6,886	6,700
Performance Products	818	755	3,456	3,421
Other/Eliminations	-13	-18	0	-85
Total Continuing operations	**2,515**	**2,178**	**10,343**	**10,036**
EBITDA				
Speciality Intermediates	181	88	769	747
Performance Products	78	65	373	388
Other/Eliminations	-53	2	-47	142 [1)]
Total Continuing operations	**206**	**155**	**1,095**	**1,277**

[1)] Other/eliminations is mainly attributable to sale of land in India.

The group is domiciled in Sweden. The result of its revenue from external customers in Sweden is 15% (15%), and the total of revenue from external customers from other countries is 85% (85%). No sales above 10% derived from a single external customer.

Perstorp's operations have up to the end of 2013 been divided into two business groups, Specialty Intermediates consisting of business units Oxo, Penta & Formates and TMP & Neo, and Performance Products consisting of business units Caprolactones & SPPO, Performance Additives and Bioproducts.

Business Group Specialty Intermediates reports an increase in sales of 3% compared to last year. Volumes increased 8%, but were offset by negative currency effects, -2% and lower prices/product mix, -3%. The higher EBITDA, SEK 769 m vs. 747 m last year, can primarily be assigned to higher volumes and somewhat lower operating costs counteracted by lower prices. Compared to last year, Q4 performance was significantly better on both sales and EBITDA.

Business Group Performance Products show sales 1% above last year. Volumes were recorded 6% higher than last year, but negative currency effects and slightly lower prices affected sales negatively, -2% and -3% respectively. The slightly lower EBITDA compared to last year, can be assigned to a combination of slightly lower sales prices and negative currency effects. Compared to last year, Q4 performance was better for both sales and earnings.

The deviation in EBITDA related to Other/eliminations can primarily be explained by positive effects in 2012 from land sale in India and reversal of supplier provisions whereas earnings in 2013 were burdened by restructuring charges.

As from Q1 2014 Perstorp will report the segment information based upon two newly created Business Areas; Intermediates and Derivatives, and Specialties and Solutions to reflect the new organizational structure.

Cash flow

Cash flow from operating activities for continuing operations was SEK 272 m (616) for the period January to December 2013. The lower cash flow from operating activities can primarily be explained by higher expansion investments, lower earnings and slightly higher build-up of working capital. Cash flow in Q4 was 74 m lower than the same quarter last year mainly following higher expansion capex.

Cash flow from investment activities amounted to SEK 690 m (490) for the full year. The increase compared to last year reflects primarily our increased spending in the Valeraldehyde and derivatives project in Stenungsund, Sweden, which is scheduled to be finalized during Q1 2015. Capital expenditure related to maintenance investments was slightly lower than last year.

Free cash flow analysis, Continuing operations

SEK m	Quarter 4		Full year	
	2013	**2012**	**2013**	**2012**
EBITDA excl non-recurring items	217	151	1,113	1,188
Change in Working capital [1]	106	172	-151	-82
Maintenance capex	-109	-115	-241	-276
Free cash flow before strategic capex	**214**	**208**	**721**	**830**
% of EBITDA excluding non-recurring items	99	138	65	70
Strategic capex	-196	-116	-449	-214
Free cash flow	**18**	**92**	**272**	**616**
% of EBITDA excluding non-recurring items	8	61	24	52

[1] Excluding exchange rate effects and provisions

Financial position

Working capital for continuing operations increased SEK 188 m during the year. The increase related to higher accounts receivables following stronger sales in the last quarter 2013 compared to last year. Inventory levels were on satisfactory levels, and slightly lower than end of last year.

Working capital for continuing operations amounted to SEK 1,379 m at the end of the year compared to SEK 1,191 m at end of 2012 and SEK 1,476 m at the end of last quarter.

In Q1 2013, Perstorp divested its formaldehyde technology and catalyst business, Formox (Formox AB) to Johnson Matthey (Johnson Matthey Plc), for SEK 1,050 m, which strengthened the financial position of the Group.

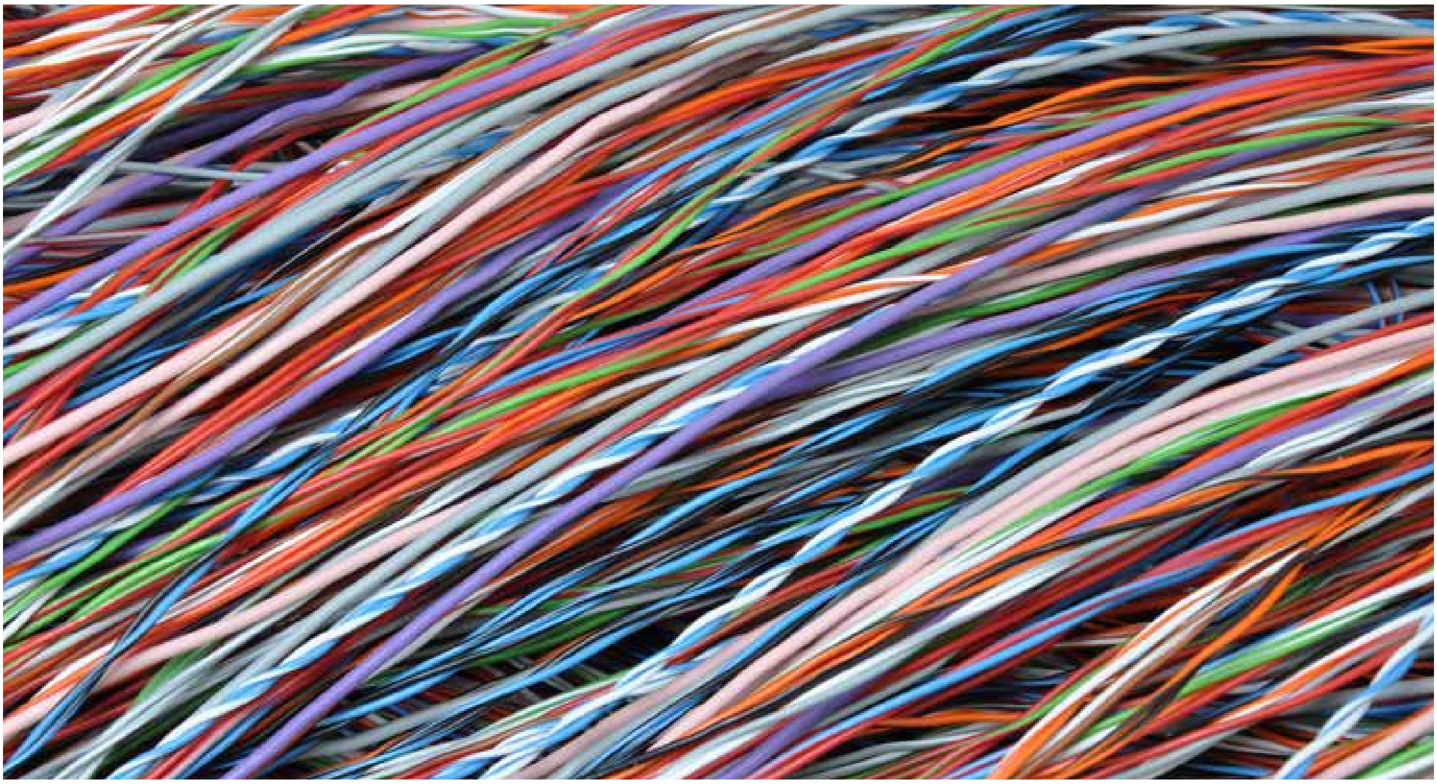
The decrease in total assets primarily relates to the write down of shares in the associated company Vencorex and goodwill.

The Group's available funds, including liquid funds and letter of credit facilities, were SEK 1,162 m at the end of the period, compared with SEK 975 m at the end of last year and SEK 1,428 at the end of Q3.

Assets and liabilities, Continuing operations

SEK m	Dec 31, 2013	Dec 31, 2012
Working capital, Continuing operations		
Inventories	1,231	1,280
Accounts receivable	1,420	1,198
Other current assets	221	326
Accounts payables	774	822
Other current liabilities	720	791
Total Working capital, Continuing operations	**1,379**	**1,191**
Capital employed, Continuing operations		
Total assets	13,995	14,517
Deferred tax liability	897	979
Accounts payable	774	822
Other liabilities	1,251	1,250
Total Capital employed, Continuing operations	**11,074**	**11,466**
Other key figures, Continuing operations		
Available funds	1,162	975
Net debt	10,048	10,526
Net debt excl. parent company loan and pension liabilities	9,092	8,848

Emoltene™ 100
The versatile plasticizer



Perstorp Consolidated group

Financial overview

Income statement, Consolidated group				
SEK m	Quarter 4		Full year	
	2013	2012	2013	2012
Continuing operations				
Net sales	**2,515**	**2,178**	**10,343**	**10,036**
Cost of goods sold	-2,259	-2,015	-9,191	-8,793
Gross earnings	**256**	**163**	**1,152**	**1,243**
Selling, administration and R&D costs	-200	-195	-741	-746
Other operating income and expenses [1]	-19	31	45	154
Write-down of assets	-467	4	-470	0
Result from participations in associated companies	1	2	5	3
Operating earnings (EBIT)	**-429**	**5**	**-9**	**654**
Exchange-rate effects on net debt	-145	-35	-117	276
Other financial income and expenses	-323	-353	-1,254	-1,035
Result from participations in associated companies	-61	-45	-506 [4]	-70
Earnings/loss before tax	**-958**	**-428**	**-1,886**	**-175**
Tax	-73	260 [2]	-5	188 [2]
Net earnings/loss	**-1,031**	**-168**	**-1,891**	**13**
Discontinued operation				
Net sales	0	378	257	2,798
Operating earnings (EBIT)	4	542	841	420
Earnings/loss before tax	4	519	826	215
Tax	0	-34 [3]	-5	-49 [3]
Net earnings/loss	**4**	**485**	**821**	**166**
Group, total				
Net sales	2,515	2,556	10,600	12,834
Operating earnings (EBIT)	-425	547	832	1,074
Earnings/loss before tax	-955	91	-1,060	40
Tax	-72	226	-10	139
Net earnings/loss	**-1,026**	**317**	**-1,070**	**179**

Operating earnings before depreciation (EBITDA)	**209**	**195**	**1,939**	**1,361**
EBITDA excluding non-recurring items	**213**	**190**	**1,128**	**1,272**

Comprehensive income report, Consolidated accounts				
SEK m	Quarter 4		Full year	
	2013	2012	2013	2012
Earnings/loss for the period	**-1,026**	**317**	**-1,070**	**179**
Other comprehensive results				
Translation effects	35	6	33	-4
Translation effects sold subsidiaries	-	-	-77	-99
Market valuation of interest swaps	-	5	-	5
Market valuation of forward contracts	3	3	9	-4
Remeasurements of defined benefit plan	73	-45	73	-45
Tax relating to other comprehensive results	-27	10	-28	12
Other comprehensive results net after tax	**84**	**-21**	**10**	**-135**
Comprehensive results after tax	**-942**	**296**	**-1,060**	**44**
Comprehensive results attributable to:				
Parent company's shareholder	-945	297	-1,062	41
Non controlling interest	3	-1	2	3

1) Other operating income and expenses primarily includes exchange-rate effects on operational net receivables and non-recurring income and costs.

2) Including group contribution received from discontinued operation of SEK 28 m.

3) Including group contribution paid to continuing operations of SEK -28 m.

4) Including a write down of SEK 322 m

Financial position

Balance sheet, Consolidated group		
SEK m	**Dec 31, 2013**	**Dec 31, 2012**
Tangible fixed assets	4,497	4,281
Intangible fixed assets	4,845	5,943
Participation in associated companies	506	981
Financial fixed assets	301	448
Inventories	1,231	1,375
Other current assets	1,710	1,724
Cash & cash equivalents, incl.short-term investments	905	678
Assets held for sale	-	430
Assets	**13,995**	**15,860**
Shareholders' equity	217	1,277
Loan from parent company	626	1,271
Pension liability, others	330	407
Other long-term liabilities	10,762	10,388
Current liabilities	2,060	2,343
Liabilities held for sale	-	174
Shareholders' equity & liabilities	**13,995**	**15,860**
Working capital	1,379	1,224
Net debt	10,048	10,526
Net debt excl. parent company loan and pension liabilities	9,092	8,848
Capital employed	11,074	12,293
Number of full-time employees, end of period	1,524	1,621

Maximizes performance and minimizes environmental impact

Shareholders' equity, 2013			
SEK m	**Shareholders´ equity excl. non controlling interest**	**Non controlling interest**	**Total shareholders´ equity**
Opening balance, January 1, 2013	**1,326**	**44**	**1,370**
Effect of change in accounting policy for reporting defined benefit pension plans	-93	-	-93
Adjusted opening balance, January 1, 2013	**1,233**	**44**	**1,277**
Comprehensive results for the period	-1,062	2	-1,060
Closing balance, Dec 31, 2013	**171**	**46**	**217**

Shareholders' equity, 2012			
SEK m	**Shareholders´ equity excl. non controlling interest**	**Non controlling interest**	**Total shareholders´ equity**
Opening balance, January 1, 2012	**954**	**24**	**978**
Effect of change in accounting policy for reporting defined benefit pension plans	-61	-	-61
Adjusted opening balance, January 1, 2012	**893**	**24**	**917**
Comprehensive results for the period	41	3	44
Shareholders contribution	299	17	316
Closing balance, Dec 31, 2012	**1,233**	**44**	**1,277**

Cash flow

Cash Flow analysis, Consolidated group				
SEK m	Quarter 4		Full year	
	2013	2012	2013	2012
Operating activities				
Operating earnings	-429	5	-9	654
Adjustments:				
Depreciation and write-down	635	151	1,104	623
Other	23	2	-49	-70
Operating activities in discontinued operations	4	40	23	-17
Interest received	5	5	12	5
Interest paid	-227	-88	-785	-468
Income tax paid	-28	-4	-48	-43
Interest and taxes paid in discontinued operations	-	-24	-22	-133
Cash flow from operating activities before change in working capital	**-17**	**87**	**226**	**551**
Changes in working capital				
Increase (-) Decrease (+) in inventories	-91	-177	54	-258
Increase (-) Decrease (+) in current receivables	127	124	-81	-49
Increase (+) Decrease (-) in current liabilities	70	225	-124	225
Discontinuing operations	-	119	-62	-302
Cash flow from operating activities	**89**	**378**	**13**	**167**
Investing activities				
Acquisition of supplier contract	-45	-	-45	-
Acquisition of shares in associated companies	-	-	-	-1
Acquisition of tangible and intangible fixed assets	-305	-232	-690	-490
Sale of net assets, subsidiaries	-15	-	1,018	-
Sale of interest in subsidiary to non-controlling interest	-	-	-	1,046
Sale of tangible and intangible fixed assets	-	-	-	117
Change in financial assets, external	-3	-6	-32	-15
Discontinuing operations	-	-6	-12	-77
Cash flow from investing activities	**-368**	**-244**	**239**	**580**
Financing activities				
New loans external	-	7,325	-	7,325
Shareholders' contribution	-	-	-	299
Change in loan from parent company	-	345	-61	345
Change in credit utilization	3	-7,299	34	-8,476
Cash flow from financing activities	**3**	**371**	**-27**	**-507**
Change in liquid funds, incl. short-term investments	**-276**	**505**	**225**	**240**
Liquid fund opening balance, incl. short-term investments	1,180	181	685	454
Translation difference in liquid funds	1	-1	-5	-9
Liquid funds, end of period	**905**	**685**	**905**	**685**

Other

Accounting & valuation principles

The consolidated financial statements for Perstorp Holding AB have been prepared in accordance with IAS 34, Interim Financial Reporting, and the Annual Accounts Act. The same accounting principles and calculation methods used in the interim reports were used in the annual accounts for 2012. The accounting principles of the Group and parent company are stated in Note 2 of the 2012 annual report.

The agreed revision of IAS 19, Employee Benefits, applies from January 1, 2013 with a retroactive effect during 2012.
This recalculation of comparative information for 2012 is accounted for as an adjustment of the opening equity taking into account tax effects. The unrecognized balance sheet items at January 1st, 2012 totaled SEK 99 million, with a net impact of SEK 61 million in equity and the corresponding effect at December 31st 2012 totaled SEK 144 million, with a net impact of SEK 93 million in equity.

The carrying amount of the cash generating unit, Specialty Chemicals, has been reduced to its recoverable amount through recognition of an impairment loss against goodwill. Recoverable amounts for a cash-generating unit are established on the basis of calculations of value in use. These calculations are based on estimates of future cash flows, This resulted in a write down of SEK 462 m.

Divested units and Assets held for sale

In May 2013, Perstorp closed the sale of Perstorp Ättika (vinegar) to Kavli. The financial results are accounted for as continuing operations up until the date of closing.

At the end of March 2013, Perstorp closed the sale of its formaldehyde technology and catalyst business, Formox (Formox AB) to Johnson Matthey (Johnson Matthey Plc), a global speciality chemicals company and a leader in sustainable technologies. The divestment is in line with Perstorp's strategy to focus on and expand its core specialty
chemical activities. The financial results for Formox are accounted for as discontinued operations.

In December 2012, Perstorp's Board of Directors decided to transfer Perstorp's Singapore legal units (isophthalic acid operations) to Financiére Forêt S.á r.l., parent company to Perstorp Holding AB, as a consequence of the recent refinancing process. The transaction was completed in March 2013 and settled via a vendor loan. The financial results for this operation are consequently from January to December 2012, reported within discontinued operations.

On May 31, 2012, Perstorp and Thailand's largest chemical producer PTT Global Chemical completed the formation of a joint venture dedicated to the manufacturing and sales of aromatic (TDI) and aliphatic (IPDI, HDI and derivatives) isocyanates. PTT Global Chemical (PTT GC) holds 51% of the joint venture and Perstorp 49% which includes certain exit rights. After the transaction day, Perstorp's share of 49% is reported as Participation in associated companies in the balance sheet and as Result from participations in associated companies in the income statement.

Transactions with related parties

In March 2013 Financiére Forêt S.á r.l. purchased the Singapore legal units via a vendor loan, from Perstorp Holding AB. The net amount borrowed from the Luxembourg-based parent company Financiére Forêt S.á r.l. amounted to SEK 626 million at the end of December. The annual interest rate is 10% and capitalized.

Risk and uncertainty

Perstorp is exposed to a number of risks and uncertainty factors, which are reviewed in the Annual Report for 2012.

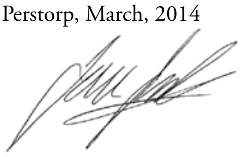
Important events after reporting period

After the year end, Perstorp has introduced a new business model, a new organizational structure, a new management team and a cost competitiveness program. These changes are the result of an extensive self-examination conducted to unlock Perstorp's full potential and to expand the Group's competitive advantage. It will also lead to anticipated redundancies of 111 employees throughout the Group.

Financial information

Perstorp's financial information comprises interim reports and an annual & social responsibility report.
The complete annual report is available in English and can be ordered in print format. It is also posted on the Group's website at www.perstorp.com.

Perstorp, March, 2014



Jan Secher
President and CEO

The report has not been reviewed by Perstorp's auditors.



Your Winning Formula

The Perstorp Group, a trusted world leader in specialty chemicals, places focused innovation at your fingertips. Our culture of performance builds on 130 years of experience and represents a complete chain of solutions in organic chemistry, process technology and application development.

Matched to your business needs, our versatile intermediates enhance the quality, performance and profitability of your products and processes. This is how we enable you to meet market demands for safer, lighter, more durable and environmentally sound end-products – for the aerospace, marine, coatings, chemicals, plastics, engineering, and construction industries, as well as automotive, agricultural, food, packaging, textile, paper and electronics applications.

Our chemistry is backed by reliable business practices and a global commitment to responsiveness and flexibility. Consistent high quality, capacity and delivery security are ensured through strategic production plants in Asia, Europe and North America, as well as sales offices in all major markets. Likewise, we combine product and application assistance with the very best in technical support.

As we look to the future, we strive for the development of smarter and safer products and sustainable processes that reduce environmental impact and create real value in new chemical applications. This principle of proactive innovation and responsibility applies not only to our own business, but also to our work with yours. In fulfilling it, we partner with you to create a winning formula that benefits your business – as well as the people it serves.

Discover your winning formula at www.perstorp.com

Perstorp
WINNING FORMULAS