



## Interim Report Q3 2015/16

### Third quarter (1 October – 31 December 2015)

- Net revenue increased by 5 percent to MSEK 768 (733).
- Operating profit increased by 11 percent to MSEK 79 (71), equivalent to an operating margin of 10.3 percent (9.7).
- Profit after financial items increased by 12 percent to MSEK 77 (69).
- Profit after taxes increased by 13 percent to MSEK 61 (54).
- Earnings per share after dilution (after completed split) for the most recent 12-month period amounted to SEK 3.39, compared to SEK 2.99 for the 2014/15 financial year.
- The return on equity was 25 percent (24). The equity ratio at the end of the period was 37 percent compared to 44 percent at the start of the financial year.
- Cash flow from operating activities for the 12-month period that ended on 31 December 2015 amounted to MSEK 288 (212), equivalent to SEK 4.23 (3.12) per share.
- During the quarter, Nikodan Conveyor Systems A/S, was acquired with annual sales equivalent to approx. MSEK 150. The company forms part of the Niche Products division as from December 2015.
- During the period, a 3:1 share split was completed.

### The first nine months (1 April – 31 December 2015)

- Net revenue for the first nine months increased by 10 percent to MSEK 2,267 (2,062).
- Operating profit increased by 17 percent to MSEK 231 (198), equivalent to an operating margin of 10.2 percent (9.6).
- Profit after financial items increased by 18 percent to MSEK 226 (191).
- Profit after taxes increased by 19 percent to MSEK 175 (147).



## NET REVENUE AND PROFIT

### Quarter 3 (October – December 2015)

Consolidated net revenue for the third quarter of the financial year amounted to MSEK 768 (733), an increase of 5 percent. The business situation is generally estimated to remain stable and no clear signs of a slowdown were noted due to turbulence in Asia, on stock markets or on currency or commodity markets. The Group's units in Sweden and Denmark continued to develop positively, through domestic sales and exports, while the performance was still weak in Norway and Finland.

Acquired businesses made a contribution of MSEK 73 to net revenue. Organic growth, measured in local currency, thus amounted to -5 percent. Excluding lower distribution volume of software, organic growth was +1 percent.

Operating profit for the quarter increased by 11 percent to MSEK 79 (71). Operating margin increased to 10.3 percent (9.7). The earnings improvement was explained by acquired units and a continued strong performance by the Group's product companies in particular. Proprietary products represent an increasing share of the Group's sales and corresponded to 44 percent of sales during the most recent 12-month period.

Profit after net financial items increased by 12 percent to MSEK 77 (69). Total currency effects on the profit after net financial items amounted to SEK -3 M (1).

Profit after taxes during the period increased to MSEK 61 (54), equivalent to earnings per share (after split) after dilution of SEK 0.89 (0.79). Earnings per share (after split) after dilution for the most recent 12-month period amounted to SEK 3.39, compared to SEK 2.99 for the 2014/15 financial year.

### The first nine months, April – December 2015

For the first nine months of the financial year, net revenue amounted to MSEK 2,267 (2,062), equivalent to an increase of 10 percent.

Operating profit for the first nine months of the financial year amounted to MSEK 231 (198), equivalent to an increase of 17 percent and an operating margin of 10.2 percent (9.6).

Profit after net financial items for the first nine months of the financial year increased by 18 percent to MSEK 226 (191). Total currency effects on the profit after net financial items amounted to MSEK 2 (4).

Profit after taxes during the first nine months of the financial year increased by 19 percent to MSEK 175 (147), equivalent to earnings per share (after split) after dilution of SEK 2.57 (2.16).

## PROFITABILITY AND FINANCIAL POSITION

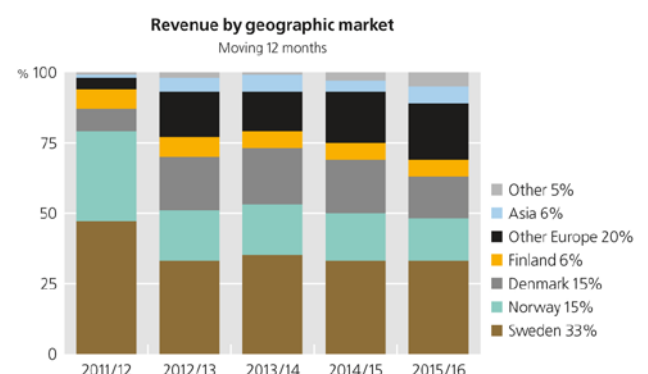
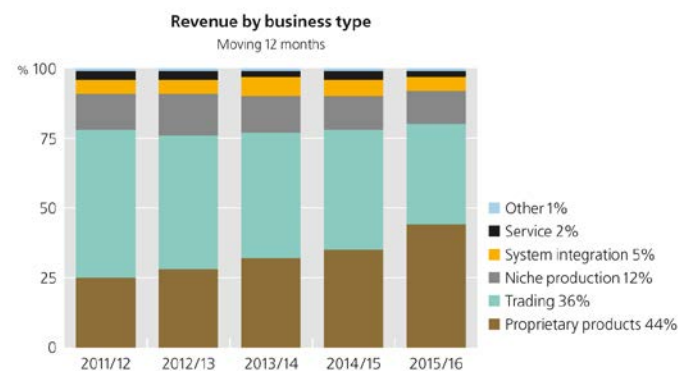
Consolidated operating profit before amortisation of intangible assets (EBITA) during the third quarter of the financial year, was MSEK 89 (76), equivalent to an EBITA margin of 11.6 percent (10.3). For the first nine months of the financial year, EBITA amounted to MSEK 260 (211), equivalent to an EBITA margin of 11.5 percent (10.2).

The return on equity for the most recent 12-month period amounted to 25 percent (24) and the return on capital employed was 21 percent (21). The Group's metric for return on working capital (P/WC) was 61 percent (59).

Equity per share (after split) totalled SEK 13.96 at the end of the period, compared to SEK 13.53 at the beginning of the financial year. Aside from profit, this metric was also affected by dividends paid, currency-related translation effects, redemption of options and repurchase of own shares. During the period, 675,000 options were issued for a premium of MSEK 3, and 150,000 own shares were repurchased for a total of MSEK 10.

The equity ratio was 37 percent, compared to 44 percent at the start of the financial year.

At the end of the period, net financial indebtedness amounted to MSEK 610 (306), excluding pension liability. The increase was primarily attributable to acquisition of businesses. The net debt/equity ratio, excluding provisions for pensions, amounted to 0.6 (0.4). The pension liability amounted to MSEK 67 (56) as of 31 December 2015.



## Divisions

	Net revenue					Operating profit				
	3 months Oct-Dec 2015/16	3 months Oct-Dec 2014/15	9 months Apr-Dec 2015/16	9 months Apr-Dec 2014/15	12 months Apr-Mar 2014/15	3 months Oct-Dec 2015/16	3 months Oct-Dec 2014/15	9 months Apr-Dec 2015/16	9 months Apr-Dec 2014/15	12 months Apr-Mar 2014/15
MSEK										
Electronics	213	204	636	577	803	20	19	61	47	66
Operating margin						9.4%	9.3%	9.6%	8.1%	8.2%
Mechatronics	225	187	760	605	815	31	26	114	90	120
Operating margin						13.8%	13.9%	15.0%	14.9%	14.7%
Communications	216	253	544	622	839	17	20	31	43	53
Operating margin						7.9%	7.9%	5.7%	6.9%	6.3%
Niche Products	114	89	327	258	389	15	13	47	33	61
Operating margin						13.2%	14.6%	14.4%	12.8%	15.7%
Parent Company/ consolidation items	-	-	-	-	-	-4	-7	-21	-15	-24
<b>GROUP TOTAL</b>	<b>768</b>	<b>733</b>	<b>2,267</b>	<b>2,062</b>	<b>2,846</b>	<b>79</b>	<b>71</b>	<b>231</b>	<b>198</b>	<b>276</b>
Operating margin						10.3%	9.7%	10.2%	9.6%	9.7%
Financial items						-2	-2	-5	-7	-11
<b>PROFIT BEFORE TAXES</b>						<b>77</b>	<b>69</b>	<b>226</b>	<b>191</b>	<b>265</b>

### NET REVENUE AND PROFIT BY DIVISION, THIRD QUARTER, OCT– DEC 2015

#### Electronics

Net revenue for the third quarter increased by 4 percent to MSEK 213 (204). Operating profit increased by 5 percent to MSEK 20 (19), equivalent to an operating margin of 9.4 percent (9.3). The higher profit was mainly due to a good sales trend in the Danish units within electronics components. Sales in the German market also developed positively.

#### Mechatronics

Net revenue for the quarter increased by 20 percent to MSEK 225 (187). Operating profit for the quarter increased by 19 percent to MSEK 31 (26), equivalent to an operating margin of 13.8 percent (13.9). Additional volume from acquisitions and a strong performance in the Group's electrical connection systems and enclosures businesses were important reasons for the improvement. Customised cabling in Denmark also performed well.

#### Communications

Net revenue for the third quarter decreased by 15 percent to MSEK 216 (253). Operating profit for the quarter amounted to MSEK 17 (20), equivalent to an operating margin of 7.9 percent (7.9). The lower distribution volume of software explained the division's lower sales and profit.

Lower sales in digital imaging/technical security, were offset by the acquired business volume in control technology. Towards the end of the period, increased sales were noted in the project-related businesses.

#### Niche Products

Net revenue for the third quarter increased by 28 percent to MSEK 114 (89). Operating profit for the quarter increased by 15 percent to MSEK 15 (13), equivalent to an operating margin of 13.2 percent (14.6). The performance was positively impacted by acquisitions and by increased sales of special doors. Dispensing solutions to the food processing industry also noted a positive development. However, sales of storage systems recorded a lower volume compared to the previous year.

During the quarter, the acquisition of Nikodan Conveyor Systems A/S was carried out in the division, which is described below under the item Acquisitions.



## CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities during the most recent 12-month period amounted to MSEK 288, compared to MSEK 268 for the 2014/15 financial year. For the first nine months of the financial year, the equivalent figure was MSEK 193 (173). Gross investments in non-current assets amounted to MSEK 52 (25) during the first nine months of the financial year. Larger items related to a new product platform in digital imaging/technical security and new production hardware in the Mechatronics division.

During the third quarter of the financial year, 15,500 repurchased own Class B shares were sold in connection with redemption of options in outstanding incentive programmes, and 150,000 own Class B shares were repurchased for MSEK 10 in total. In addition, 373,500 outstanding options were repurchased for a total of MSEK 9 and MSEK 3 was received in connection with subscription for new call options.

During the quarter, MSEK 0 (0) was paid in contingent consideration for previous acquisitions.

## OTHER FINANCIAL INFORMATION

### Parent Company and other consolidation items

The Parent Company's internal net revenue for the first nine months of the financial year amounted to MSEK 17 (25) and profit after net financial items was MSEK 235 (206). The result includes exchange rate adjustments on intra-Group lending of MSEK 3 (2) and dividends from subsidiaries of MSEK 249 (218).

Net investments in non-current assets amounted to MSEK 0 (0). The Parent Company's equity ratio was 48 percent (58).

### Employees

At the end of the period, the number of employees in the Group was 1,249, which can be compared to 1,139 at the beginning of the financial year. During the first nine months of the financial year, 102 employees were added through acquisitions.

### Share capital

The share capital amounted to MSEK 48.9 at the end of the period. The quota value per share (after split) was SEK 0.70. Classes of shares were distributed as follows on 31 December 2015:

#### Classes of shares

A shares	3,263,802
B shares	66,256,125
Repurchased B shares	-1,675,900
<b>Total</b>	<b>67,844,027</b>

At 31 December 2015, Lagercrantz Group held 1,675,000 own Class B shares (after split), equivalent to 2.4 percent of the total number of shares and 1.7 percent of the votes in the Lagercrantz Group. The average cost of the repurchased shares amounts to SEK 18.92 per share (after split). Repurchased shares cover, inter alia, the company's obligations under outstanding call option programmes for repurchased shares, in which a total of 1,622,500 options (after split) have been acquired by senior executives. This refers to allocations in 2013, 2014 and 2015 of options still outstanding on 31 December 2015. The redemption price for each respective programme is SEK 41.80, SEK 53.90, and SEK 78.80 per share (after split).

In conjunction with redemption of options, a total of 221,450 repurchased Class B shares (after split) were sold during the first nine months of the financial year for a total of MSEK 6. In addition, 502,950 outstanding options (after split) were repurchased for a total of MSEK 13.

During the third quarter, 675,000 options were issued for Class B shares with a redemption price of SEK 78.80 (after split) in accordance with the resolution of the 2015 AGM. These options were acquired by some 40 managers and senior executives in the Group.

During the third quarter, a 3:1 share split was completed, which means that the number of shares in the company increased when each share was split into three (3) shares. The quota value per share (after split) is SEK 0.70.

In connection with Lagercrantz completing the share split, the outstanding option programmes were restated as follows:

- The 2013/16 programme: the number of options increased to 675,000 in total, with a redemption price of SEK 41.80. The final redemption date is 30 September 2016.
- The 2014/17 programme: the number of options increased to 675,000 in total, with a redemption price of SEK 53.90. The final redemption date is 29 September 2017.
- The 2015/18 programme: the number of options increased to 675,000 in total, with a redemption price of SEK 78.80. The final redemption date is 28 September 2018.





### Acquisitions

During the third quarter, the operations were acquired of the Danish company Nikodan Conveyor Systems A/S. The company develops, sells and manufactures customised conveyor belt solutions and product handling systems. Nikodan's customers are industrial customers with high demands in respect of automation. The company's operations are based in Jylland and it generates annual sales of approx. MSEK 150 with good profitability. Nikodan forms part of the Niche Products division as from December 2015.

Estimated consideration for the businesses acquired during the first nine months of the financial year amounted to MSEK 450. This amount includes estimated contingent consideration of MSEK 106, which represents 85 percent of the maximum outcome. The outcome depends on the profit achieved by the companies.

Transactions costs for the acquisition during the third quarter amounted to about MSEK 0.5, and are included in

Administrative expenses in the income statement, to the extent they arose during the period.

As a result of the acquisitions made during the first nine months of the financial year, goodwill in the Group increased by MSEK 203 on the balance sheet date and other intangible non-current assets, mostly related to proprietary products and customer relationships, increased by MSEK 190. Other non-current assets increased by MSEK 27. The deferred tax liability related to the acquisition amounted to MSEK 43. The effect of the completed acquisition during the third quarter of the financial year, on consolidated revenue during the third quarter was MSEK 12 and the effect on profit before taxes was MSEK +3 after acquisition costs.

Had the operations acquired during the first nine months of the financial year been consolidated as of 1 April 2015, the effect on revenue and profit before taxes would have been MSEK 295 and MSEK 42, respectively, after acquisition costs.

*The acquisition analysis below is preliminary in terms of allocation of the surplus value for Cue Dee AB, Landauer Nordic AB and Nikodan Conveyor Systems A/S:*

Acquired net assets at time of acquisition	Book value in companies	Fair value adjustment	Fair value consoldated
Intangible non-current assts	6	184	190
Other non-current assets	21	6	27
Inventories and work in progress	31	0	31
Other short-term receivables *)	142	0	142
Interest-bearing liabilities	-6	0	-6
Other liabilities	-94	-43	-137
<b>Net of identified assets/liabilities</b>	<b>100</b>	<b>147</b>	<b>247</b>
Goodwill	-	-	203
<b>Estimated Purchase price</b>	<b>-</b>	<b>-</b>	<b>450</b>

\*) of which, cash and cash equivalents MSEK 64

### Accounting policies

The Interim Report for the Group has been prepared in accordance with IAS 34, Interim Financial Reporting. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act, the Swedish Securities Markets Act and the provisions of RFR 2, Accounting for Legal Entities.

The same accounting policies have been applied as in the Annual Report for 2014/15, including with regard to new IFRS standards or interpretations that will only become effective in future periods.

### Related-party transactions

Transactions between Lagercrantz and closely related parties with a significant impact on the company's financial position and results have not occurred.

### Risks and uncertainty factors

The most important risk factors for the Group are state of the economy, structural changes in the market, supplier and customer dependence, the competitive situation and foreign exchange trends. The Parent Company is impacted by the above-mentioned risks and uncertainty factors through its capacity as owner of subsidiaries. For additional information, please refer to the 2014/15 Annual Report.

**Post-balance sheet events**

No significant events for the company have occurred after the balance sheet date on 31 December 2015.

**Election Committee for election of Board Members**

At the Annual General Meeting on 25 August 2015, the Chairman of the Board was given the assignment of contacting the largest shareholders in terms of voting power as of 31 December 2015, and asking them to appoint members, to form an Election Committee, together with the Chairman of the Board. The Election Committee shall consist of five members.

In accordance with this, the following persons have been appointed as members of the Election Committee ahead of the 2016 AGM: Anders Börjesson (Chairman of the Board), Tom Hedelius, Martin Wallin (representing Lannebo Fonder), Johan Strandberg (representing SEB Fonder), and Marianne Nilsson (representing Swedbank Robur Fonder).

Proposals to the Nomination Committee from shareholders may be sent to the company for forwarding or by e-mail to [valberedningen@lagercrantz.com](mailto:valberedningen@lagercrantz.com). More information is available at [www.lagercrantz.com](http://www.lagercrantz.com).

Stockholm, 28 January 2016

Jörgen Wigh  
President and CEO

This report has not been subject to review by the company's auditors.

## Segment information by quarter

The subsidiary K&K Active Oy was moved to the Mechatronics division from the Communications division as of 1 April 2015. Historical earnings data for the divisions has been adjusted accordingly.

Net revenue		2015/16				2014/15		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Electronics	213	210	213	226	204	189	184	
Mechatronics	225	254	281	210	187	202	216	
Communications	216	147	181	217	253	182	187	
Niche Products	114	100	113	131	89	79	90	
Parent Company/consolidation items	-	-	-	-	-	-	-	
<b>GROUP TOTAL</b>	<b>768</b>	<b>711</b>	<b>788</b>	<b>784</b>	<b>733</b>	<b>652</b>	<b>677</b>	

Operating profit		2015/16				2014/15		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Electronics	20	20	20	19	19	15	13	
Mechatronics	31	40	43	30	26	29	35	
Communications	17	8	6	10	20	13	10	
Niche Products	15	15	17	28	13	10	10	
Parent Company/consolidation items	-4	-10	-7	-9	-7	-4	-4	
<b>GROUP TOTAL</b>	<b>79</b>	<b>73</b>	<b>79</b>	<b>78</b>	<b>71</b>	<b>63</b>	<b>64</b>	

## Consolidated Income Statement

MSEK	3 months Oct-Dec 2015/16	3 months Oct-Dec 2014/15	9 months Apr-Dec 2015/16	9 months Apr-Dec 2014/15	Moving 12 months, Jan-Dec 2015	Financial year 2014/15
Net revenue	768	733	2,267	2,062	3,051	2,846
Cost of goods sold	-499	-496	-1,476	-1,402	-2,006	-1,932
<b>GROSS PROFIT</b>	<b>269</b>	<b>237</b>	<b>791</b>	<b>660</b>	<b>1,045</b>	<b>914</b>
Selling expenses	-115	-120	-360	-338	-487	-462
Administrative expenses	-53	-49	-179	-132	-235	-188
Other operating income and operating costs	-22	3	-21	8	-14	12
<b>OPERATING PROFIT</b>	<b>79</b>	<b>71</b>	<b>231</b>	<b>198</b>	<b>309</b>	<b>276</b>
(of which depreciation/amortisation)	(-20)	(-14)	(-45)	(-38)	(-64)	(-51)
Net financial items	-2	-2	-5	-7	-9	-11
<b>PROFIT AFTER FINANCIAL ITEMS</b>	<b>77</b>	<b>69</b>	<b>226</b>	<b>191</b>	<b>300</b>	<b>265</b>
Taxes	-16	-15	-51	-44	-69	-62
<b>NET PROFIT FOR THE PERIOD</b>	<b>61</b>	<b>54</b>	<b>175</b>	<b>147</b>	<b>231</b>	<b>203</b>
EBITA	89	76	260	211	352	303
<b>The following information pertains to conditions after the 3:1 split</b>						
Earnings per share, SEK	0.90	0.80	2.58	2.17	3.40	3.00
Earnings per share after dilution, SEK	0.89	0.79	2.57	2.16	3.39	2.99
Weighted number of shares after repurchases, ('000)	67,882	67,740	67,904	67,701	67,872	67,719
Weighted number of shares after repurchases adjusted after dilution ('000)	68,177	67,932	68,127	67,926	68,049	67,965
Number of shares after repurchases during the period ('000)	67,844	67,773	67,844	67,773	67,844	67,773

In view of the redemption price on outstanding call options during the period (SEK 41.80, SEK 53.90 and SEK 78.80) and the average share price (SEK 61.64) during the most recent 12-month period when the option programmes were outstanding, there was a dilutive effect of 0.3 percent for the most recent 12-month period. For the past quarter, there was a dilutive effect of 0.4 percent as the average share price (SEK 72.56) was higher than the average redemption price for outstanding programmes.

## Consolidated Statement of Comprehensive Income and Other Comprehensive Income

MSEK	3 months Oct-Dec 2015/16	3 months Oct-Dec 2014/15	9 months Apr-Dec 2015/16	9 months Apr-Sep 2014/15	Moving 12 months, Jan-Dec 2015	Financial year 2014/15
Net profit for the period	61	54	175	147	231	203
<b>Other comprehensive income</b>						
<u>Items that have been reposted or that may be reposted to net profit for the period</u>						
Change in translation reserve	-17	-2	-28	15	-30	13
<u>Items that cannot be reposted to net profit for the period</u>						
Actuarial effects on pensions	0	0	0	0	-14	-14
Taxes attributable to actuarial effects	0	0	0	0	4	4
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>44</b>	<b>52</b>	<b>147</b>	<b>162</b>	<b>191</b>	<b>206</b>

## Consolidated Statement of Financial Position

MSEK	31 Dec 2015	31 Dec 2014	31 Mar 2015
<b>ASSETS</b>			
Goodwill	826	604	628
Other intangible non-current assets	506	322	355
Property, plant and equipment	210	146	167
Financial assets	6	11	11
Inventories	365	303	313
Current receivables	609	503	552
Cash and bank balances	53	52	80
<b>TOTAL ASSETS</b>	<b>2,575</b>	<b>1,941</b>	<b>2,106</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	947	873	917
Non-current liabilities	235	164	195
Current liabilities	1,393	904	994
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,575</b>	<b>1,941</b>	<b>2,106</b>
Interest-bearing assets	53	52	80
Interest-bearing liabilities, excl. pension liabilities	662	359	382

## Consolidated Statement of Changes in Equity

MSEK	9 months Apr-Dec 2015/16	9 months Apr-Dec 2014/15	Moving 12 months, Jan-Dec 2015	Financial year 2014/15
Opening balance	917	805	873	805
Comprehensive income for the period	147	162	191	206
<b>Transactions with owners</b>				
Dividend	-102	-90	-102	-90
Redemption and acquisition of options on repurchased shares, net	-5	-4	-5	-4
Repurchase of own shares	-10	-	-10	-
<b>CLOSING BALANCE</b>	<b>947</b>	<b>873</b>	<b>947</b>	<b>917</b>



## Consolidated Statement of Cash Flows

MSEK	3 months Oct-Dec 2015/16	3 months Oct-Dec 2014/15	9 months Apr-Dec 2015/16	9 months Apr-Dec 2014/15	Moving 12 months, Jan-Dec 2015	Financial year 2014/15
<b>Operating activities</b>						
Profit after financial items	77	69	226	191	300	265
Adjustments for paid taxes, items not included in cash flow, etc.	-11	-16	-9	-10	-5	-6
<b>Cash flow from operating activities before changes in working capital</b>	<b>66</b>	<b>53</b>	<b>217</b>	<b>181</b>	<b>295</b>	<b>259</b>
<b>Cash flow from changes in working capital</b>						
Increase (-)/Decrease (+) in inventories	-3	-9	-22	-9	-12	1
Increase (-)/Decrease (+) in operating receivables	10	11	22	49	-38	11
Increase (+)/Decrease (-) in operating liabilities	35	15	-25	-48	42	-3
<b>Cash flow from operating activities</b>	<b>109</b>	<b>70</b>	<b>193</b>	<b>173</b>	<b>288</b>	<b>268</b>
<b>Investing activities</b>						
Investment in businesses	-124	-26	-331	-74	-385	-128
Investments in/disposals of other non-current assets, net	-19	-8	-52	-25	-65	-38
<b>Cash flow from investing activities</b>	<b>-143</b>	<b>-34</b>	<b>-384</b>	<b>-99</b>	<b>-451</b>	<b>-166</b>
<b>Financing activities</b>						
Dividends, redemption of options and repurchase of own shares/options	-17	-5	-118	-94	-118	-94
Financing activities	9	-38	281	34	281	34
<b>Cash flow from financing activities</b>	<b>-8</b>	<b>-43</b>	<b>164</b>	<b>-60</b>	<b>164</b>	<b>-60</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-42</b>	<b>-7</b>	<b>-27</b>	<b>14</b>	<b>1</b>	<b>42</b>
Cash and cash equivalents at the beginning of the period	95	59	80	38	52	38
Cash and cash equivalents at the end of the period	53	52	53	52	53	80

## Financial instruments

For all of the Group's financial assets, fair value is estimated to equal the carrying amount. Liabilities measured at fair value consist of contingent consideration payments, which are measured at discounted expected cash flow and are therefore included in level 3 under IFRS 13.

Carrying amount, MSEK	31 Dec 2015	31 Mar 2015
Assets measured at fair value	-	-
Assets measured at amortised cost	460	519
<b>TOTAL ASSETS, FINANCIAL INSTRUMENTS</b>	<b>460</b>	<b>519</b>
Assets measured at fair value	153	95
Liabilities measured at amortised cost	910	647
<b>TOTAL LIABILITIES, FINANCIAL INSTRUMENTS</b>	<b>1,063</b>	<b>742</b>
	9 months Apr – Dec 2015/16	Financial year 2014/15
Change in contingent consideration		
Opening balance	95	97
Liabilities settled during the year	-12	-30
Remeasurement of liabilities during the year	3	-24
Year's liabilities from acquisitions during the year	106	51
Exchange rate difference	-	1
<b>Carrying amount at end of the period</b>	<b>192</b>	<b>95</b>

## Key ratios

	Moving 12 months, Jan-Dec 2015	Financial year			
		2014/15	2013/14	2012/13	2011/12
Revenue	3,051	2,846	2,546	2,328	2,265
Change in revenue, %	7	12	9	3	12
Profit after taxes	231	203	177	159	126
Operating margin, %	10.1	9.7	9.5	9.1	8.1
Profit margin, %	9.8	9.3	9.0	8.6	7.5
Equity ratio, %	37	44	43	44	46
Operating profit/Working capital (P/WC), %	61	58	55	52	48
Return on capital employed, %	21	22	22	23	22
Return on equity, %	25	24	24	24	22
Debt/equity ratio, times	0.7	0.4	0.4	0.4	0.3
Net debt/equity ratio, times	0.6	0.3	0.4	0.4	0.2
Interest coverage ratio, times	19	18	16	13	11
Net interest-bearing liabilities (+)/receivables (-), MSEK	610	302	285	248	135
Number of employees at end of period	1,249	1,139	1,010	932	780
Revenue outside Sweden, MSEK	2,047	1,931	1,676	1,553	1,533

## Per-share data (after 3:1 split)

	Moving 12 months, Jan-Dec 2015	Financial year			
		2014/15	2013/14	2012/13	2011/12
Number of shares at end of period after repurchases ('000)	67,844	67,773	67,572	67,560	66,651
Weighted number of shares after repurchases, ('000)	67,872	67,719	67,632	67,278	66,726
Weighted number of shares after repurchases & dilution ('000)	68,049	67,965	67,995	67,503	67,176
Operating profit per share after dilution, SEK	4.54	4.06	3.56	3.16	2.74
Earnings per share, SEK	3.40	3.00	2.62	2.36	1.89
Earnings per share after dilution, SEK	3.39	2.99	2.60	2.36	1.88
Cash flow from operations per share after dilution, SEK	4.23	3.94	3.40	2.62	2.61
Cash flow per share after dilution, SEK	0.02	0.62	0.03	0.00	-0.30
Equity per share, SEK	13.96	13.53	11.90	10.33	9.30
Latest price paid per share, SEK	79.50	52.67	42.33	29.42	19.08

Definitions are found in the 2014/15 Annual Report.

## Parent Company Balance Sheet

MSEK	31 Dec 2015	31 Dec 2014	31 Mar 2015
<b>ASSETS</b>			
Property, plant and equipment	1	1	1
Financial assets	1,809	1,419	1,499
Current receivables	294	103	109
Cash and bank balances	0	0	0
<b>TOTAL ASSETS</b>	<b>2,104</b>	<b>1,523</b>	<b>1,609</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	1,018	883	905
Untaxed reserves	5	5	5
Non-current liabilities	21	121	21
Current liabilities	1,060	514	678
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,104</b>	<b>1,523</b>	<b>1,609</b>

## Parent Company Income Statement

MSEK	3 months Oct-Dec 2015/16	3 months Oct-Dec 2014/15	9 months Apr-Dec 2015/16	9 months Apr-Dec 2014/15	Moving 12 months, Jan-Dec 2015	Financial year 2014/15
Net revenue	8	8	25	25	34	34
Administrative expenses	-15	-13	-43	-35	-55	-47
Other operating income and operating costs	0	0	0	0	-1	-1
<b>OPERATING PROFIT</b>	<b>-7</b>	<b>-5</b>	<b>-18</b>	<b>-10</b>	<b>-22</b>	<b>-14</b>
Financial income	2	2	253	223	288	258
Financial expenses	-1	-3	-6	-7	-9	-10
<b>PROFIT/LOSS AFTER FINANCIAL ITEMS</b>	<b>-6</b>	<b>-6</b>	<b>229</b>	<b>206</b>	<b>257</b>	<b>234</b>
Change in untaxed reserves	0	0	0	0	0	0
Taxes	1	1	4	2	-2	-4
<b>NET PROFIT/LOSS FOR THE PERIOD</b>	<b>-5</b>	<b>-5</b>	<b>233</b>	<b>208</b>	<b>255</b>	<b>230</b>
Other comprehensive income for the period	-	-	-	-	-	-
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-5</b>	<b>-5</b>	<b>233</b>	<b>208</b>	<b>255</b>	<b>230</b>

This information is disclosed in accordance with the Swedish Securities Markets Act, the Financial Instruments Trading Act or the regulations of Nasdaq Stockholm. The information was submitted for publication at 8:00 a.m. on 28 January 2016.

### Reporting dates

10 May 2016 Year-end Report for the period 1 April 2015–31 March 2016  
 20 July 2016 Quarterly Report Q1 for the period 1 April 2016–30 June 2016  
 30 August 2016 Annual General Meeting for the 2015/16 financial year

The Annual Report for the 2014/15 financial year was published on 2 July 2015 on [www.lagercrantz.com](http://www.lagercrantz.com).

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