

INTERIM REPORT – 3 MONTHS

1 April-30 June 2016

- **Revenue** rose by 4 percent to MSEK 2,135 (2,054).
 - **Operating profit** increased by 3 percent to MSEK 133 (129) and **the operating margin** was 6.2 percent (6.3). Operating profit for the first quarter of the preceding year was impacted by non-recurring items totalling MSEK +15 and **the underlying earnings growth** for the quarter thus amounted to 17 percent.
 - **Profit after financial items** rose by 4 percent to MSEK 129 (124).
 - **Net profit** increased by 5 percent to MSEK 99 (94).
 - **Earnings per share** rose to SEK 3.50 (3.35).
 - **Cash flow from operating activities** amounted to MSEK 147 (164) and **cash flow per share** for the most recent 12-month period amounted to SEK 16.95 (14.25).
 - The **return on equity** for the most recent 12-month period was 14 percent (14).
 - The **equity/assets ratio** at the end of the reporting period was 53 percent (49).
 - The **operational net loan liability** decreased to MSEK 105 (366).
- **New operating segments as of 1 April 2016.**
As of 1 April 2016, the B&B TOOLS Group comprises two new operating segments – Bergman & Beving and Momentum Group. The task of investigating the possibility of splitting the Group into two separate listed companies in the future continues according to plan.
 - **B&B TOOLS' Annual General Meeting 2016 will be held on 25 August 2016.**
The notice of the Annual General Meeting will be published tomorrow, 20 July 2016, including a proposed agenda and the motions presented by the Election Committee and the Board of Directors for resolution. The Board proposes a dividend of SEK 5.00 (4.00) per share.

B&B TOOLS IN SUMMARY

	QUARTER – 3 MOS ENDING 30 JUN			FULL-YEAR – 12 MOS ENDING 30 JUN		
	2016	2015	Change	2016	2015	Change
Revenue, MSEK	2,135	2,054	+4%	7,902	7,926	+/-0%
Operating profit, MSEK	133	129	+3%	490	474	+3%
Profit after financial items, MSEK	129	124	+4%	473	440	+8%
Net profit (after taxes), MSEK	99	94	+5%	367	331	+11%
Earnings per share, SEK	3.50	3.35	+4%	13.05	11.80	+11%
Operating margin	6.2%	6.3%		6.2%	6.0%	
Profit margin	6.0%	6.0%		6.0%	5.6%	
Return on equity				14%	14%	
Equity per share, SEK	95.90	88.35	+9%			
Equity/assets ratio	53%	49%				
Number of employees at the end of the period	2,650	2,699	-2%			

PRESIDENT'S STATEMENT

In recent years, demand has varied between quarters, countries and customer segments while general growth in the Nordic market has been low. The first quarter of this financial year was no exception and overall growth in the industry remained weak while demand in the construction and civil engineering sector was strong. Despite these challenges in our operating environment, our revenue for comparable units rose by 2 percent during the first quarter, with ESSVE boosting its sales by 21 percent through an increase in market shares in the construction segment in Sweden and Norway.

Our operating profit for the second quarter increased by 17 percent (adjusted for non-recurring items totalling MSEK +15, which impacted operating profit for the first quarter of the preceding year), with ESSVE, Skydda, Momentum Industrial and TOOLS Norway achieving notable earnings improvements as a result of a continued emphasis on decentralised business responsibility.

Our operating margin has improved significantly in recent years and our cash flow and financial position are stronger than they have been for a long time. Although the market situation remains difficult to assess, we have a strong basis from which to increase the profitability of both of our operating segments through an even clearer focus on the development of leading brands and attractive market channels in profitable niches and corporate acquisitions.

Stockholm, July 2016

Ulf Lilius

President & CEO

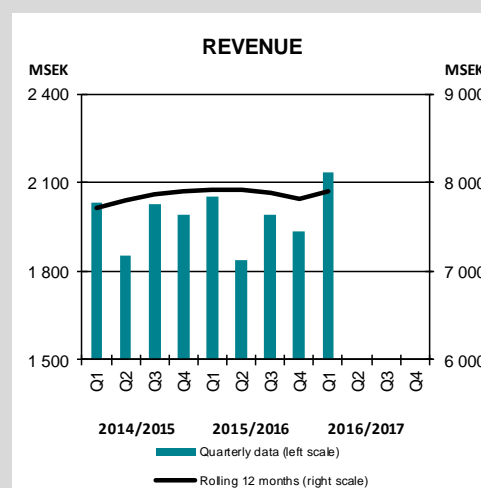
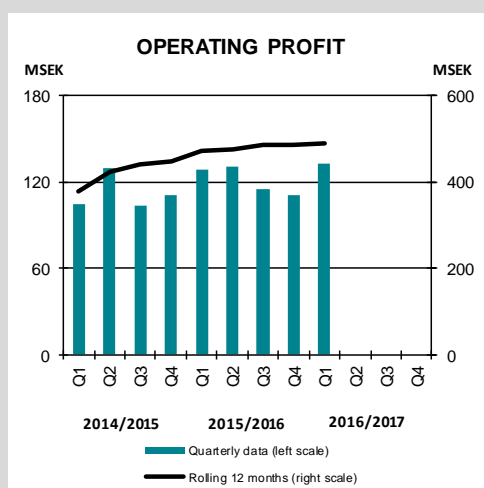
PROFIT AND REVENUE

First quarter (1 April-30 June 2016)

Revenue for the first quarter increased by 4 percent to MSEK 2,135 (2,054). Exchange-rate translation effects had an impact of MSEK –52 (+5) on revenue. Revenue for comparable units, measured in local currency and adjusted for the number of trading days, rose by 2 percent during the quarter.

During the first quarter, operating profit increased by 3 percent to MSEK 133 (129). Operating profit for the first quarter of the preceding year was impacted by non-recurring items totalling MSEK +15 and the underlying earnings growth for the quarter thus amounted to 17 percent. Exchange-rate translation effects had an impact of MSEK –3 (+3) on operating profit. The operating margin was 6.2 percent (6.3). Profit after financial items amounted to MSEK 129 (124) and net profit to MSEK 99 (94) for the quarter, corresponding to earnings per share of SEK 3.50 (3.35).

OPERATING PROFIT & REVENUE



OPERATIONS

As of 1 April 2016, the B&B TOOLS Group comprises two operating segments – Bergman & Beving and Momentum Group – as well as shared administrative, logistics and IT functions.

THE B&B TOOLS GROUP

MSEK	QUARTER		FULL-YEAR	
	3 MONTHS ENDING 30 JUN		ROLLING 12 MONTHS	2015/ 2016
	2016	2015		
Revenue	2,135	2,054	7,902	7,821
Operating profit	133	129	490	486
Operating margin	6.2%	6.3%	6.2%	6.2%

BERGMAN & BEVING

Development of premium brands that offer innovation and quality and distribution to professional users in construction and industry.

BERGMAN & BEVING

MSEK	QUARTER		FULL-YEAR	
	3 MONTHS ENDING 30 JUN		ROLLING 12 MONTHS	2015/ 2016
	2016	2015		
Revenue	1,012	955	3,704	3,647
Operating profit	83	76	281	274
Operating margin	8.2%	8.0%	7.6%	7.5%

Revenue for comparable units in the Bergman & Beving operating segment increased by approximately 5 percent¹ during the first quarter. The uncertain market trend in Nordic industry in general continued to have a negative impact, while growth remained strong for a number of customers, primarily in the area of construction materials. Following the reorganisation into new operating segments, TOOLS is establishing its own purchasing organisations, which will have a short-term negative impact on revenue for Luna, Skydda and Grunda. However, all units in both segments will ultimately increase their business strength. During the year, Bergman & Beving focused on establishing Teng Tools, Cresto and FireSeal as independent business units.

Revenue for *ESSVE* increased by 21 percent¹ during the quarter, with continued favourable growth in sales to chain customers in the area of construction materials in Sweden and Norway. Operating profit rose by more than 30 percent. *Skydda's* revenue increased by 2 percent¹ during the quarter, with increased sales in all geographic markets with the exception of Norway. Proprietary product brands accounted for a larger portion of the unit's sales, resulting in slightly stronger margins.

Due to the weak trend in the Norwegian market and a certain shift in the customer mix in other geographic markets, *Luna's* revenue declined by 4 percent¹ during the quarter, which had a negative impact on the earnings trend. While *Grunda's* revenue rose by approximately 2 percent¹ during the quarter, an increase mainly attributable to construction material resellers, the unit's margins were slightly lower than in the year-earlier period.

MOMENTUM GROUP

Leading market channels for industrial consumables, industrial components, services and maintenance for professional end users.

MOMENTUM GROUP

MSEK	QUARTER		FULL-YEAR	
	3 MONTHS ENDING 30 JUN		ROLLING 12 MONTHS	2015/ 2016
	2016	2015		
Revenue	1,382	1,367	5,191	5,176
Operating profit	53	40	206	193
Operating margin	3.8%	2.9%	4.0%	3.7%

Revenue for comparable units in Momentum Group declined by approximately 1 percent¹ during the first quarter, with a continued weak industrial economy, particularly in Norway, the effect of which was magnified by the translation of revenue from NOK to SEK. The total operating profit for the segment increased by more than 30 percent during the quarter.

TOOLS Sweden's revenue decreased by approximately 2 percent¹ during the quarter while the earnings trend was stable. The transfer of ranges from the product companies in Bergman & Beving and efforts to strengthen the unit's market position as a

¹ Comparable units, measured in local currency and adjusted for the number of trading days this year compared with the preceding year.

leading occupational health and safety (OHS) supplier are continuing according to plan. The decline in revenue for *TOOLS Norway* has levelled off as the unit now faces weaker comparative months and the downturn in the market has subsided. Revenue declined by a total of 2 percent² during the quarter and the business continues to adapt its cost levels to its declining volumes. The operating margin for *TOOLS Norway* has grown from 0 percent in the preceding year to just over 2 percent during the quarter. The acquisition of the reseller *Tønsberg Maskin* was finalised in April 2016. *TOOLS Finland* increased its revenue by approximately 1 percent² during the quarter as a result of stronger sales to major customers. The unit's reduction in costs, systematic pricing and focus on the core range had a positive impact on the earnings trend.

Momentum Industrial's revenue remained largely unchanged², ending the quarter on a strong note. A number of new customer agreements were signed or extended during the period. Operating profit increased by 20 percent. *Gigant's* total revenue decreased by 5 percent² during the quarter, which had a negative impact on the earnings trend. The proportion of sales made directly to end customers is increasingly gradually for *Gigant*. Revenue for *Mercus Yrkeskläder* increased by 9 percent² with favourable profitability during the quarter and a strong flow of customers from the construction sector in all stores.

Group-wide and eliminations

An operating loss of MSEK –3 (9) was reported for “Group-wide” for the reporting period. The Parent Company's revenue amounted to MSEK 9 (11) and profit after financial items to MSEK 14 (27). These results do not include any Group contributions, intra-Group dividends or other corresponding items.

Eliminations for intra-Group inventory gains had an impact of MSEK 0 (4) on earnings during the period.

EMPLOYEES

At the end of the reporting period, the number of employees in the Group was 2,650, compared with 2,623 at the beginning of the financial year.

CORPORATE ACQUISITIONS

In mid-March 2016, *TOOLS Norway* entered an agreement to acquire all shares in *Tønsberg Maskinforretning AS* (“TM”). TM is a reseller of industrial components and consumables to the industrial and construction sectors in southern Norway. TM generates annual revenue of approximately MNOK 20 and has ten employees. Closing took place on 4 April 2016, and the acquisition is assessed to have a marginally positive impact on B&B *TOOLS*' earnings per share. B&B *TOOLS* did not conduct any corporate acquisitions during the reporting period.

PROFITABILITY, CASH FLOW AND FINANCIAL POSITION

The Group's profitability, measured as the return on working capital (P/WC), increased to 26 percent (25) for the most recent 12-month period. The return on capital employed for the corresponding period was 15 percent (14) and the return on equity was 14 percent (14).

Cash flow from operating activities before changes in working capital for the reporting period totalled MSEK 122 (120). Funds tied up in working capital decreased by MSEK 25. During the period, the Group's inventories decreased by MSEK 76, while operating receivables increased by MSEK 105. Operating liabilities rose by MSEK 54. Accordingly, cash flow from operating activities for the period amounted to MSEK 147 (164).

Cash flow for the period was also impacted in a net amount of MSEK –18 (–15) pertaining to investments in and divestments of non-current assets, and a net amount of MSEK –6 (+25) pertaining to the acquisition and divestment of subsidiaries and other business units.

At the end of the reporting period, the Group's operational net loan liability amounted to MSEK 105 (366). Interest-bearing liabilities totalled MSEK 173 (420), excluding expensed pension obligations of MSEK 562 (545). Liabilities to credit institutions amounted to MSEK 105 (366), net. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 995 (734).

The equity/assets ratio at the end of the reporting period was 53 percent, compared with 51 percent at the beginning of the financial year.

Equity per share at the end of the reporting period totalled SEK 95.90, compared with SEK 92.20 at the beginning of the financial year. Equity per share after dilution totalled SEK 95.90 at the end of the reporting period, compared with SEK 92.25 at the beginning of the financial year.

SHARE STRUCTURE AND REPURCHASE OF OWN SHARES

At the end of the reporting period, share capital totalled MSEK 56.9. The distribution by class of share is as follows.

² Comparable units, measured in local currency and adjusted for the number of trading days this year compared with the preceding year.

SHARE STRUCTURE

CLASS OF SHARE	AS OF 30 JUNE 2016
Class A shares	1,063,780
Class B shares	27,372,636
Total number of shares before repurchasing	28,436,416
Less: Repurchased Class B shares	-340,000
Total number of shares after repurchasing	28,096,416

As of 31 March 2016, the number of Class B shares held in treasury totalled 340,000. There were no changes to the holding of treasury shares during the reporting period. Accordingly, the number of Class B shares held in treasury as of 30 June 2016 amounted to 340,000, corresponding to 1.2 percent of the total number of shares and 0.9 percent of the total number of votes. Of the total number of shares held in treasury, 338,000 are reserved to cover the Company's obligations in the two call option programmes issued to senior management in the Group in September 2013 and September 2014, respectively.

The redemption price for call options issued in connection with the share-based incentive programme for 2013 is SEK 101.90 and the redemption period is from 12 September 2016 until 9 June 2017, inclusive. The redemption price for call options issued in connection with the share-based incentive programme for 2014 is SEK 176.50 and the redemption period is from 11 September 2017 until 8 June 2018, inclusive. At 30 June 2016, the share price was SEK 170.00. For more information about the dilution effect of call options issued, refer to page 9.

There have been no changes in the holding of treasury shares after the end of the reporting period.

TRANSACTIONS WITH RELATED PARTIES

No transactions having a material impact on the Group's position or earnings occurred between B&B TOOLS and its related parties during the reporting period.

RISKS AND UNCERTAINTIES

During the reporting period, no significant changes occurred with respect to risks and uncertainties, for either the Group or the Parent Company. For information about the Group's risks and uncertainties, refer to page 25 of B&B TOOLS' Annual Report for 2015/2016.

ACCOUNTING POLICIES

The Interim Report for the Group was prepared in accordance with IFRS and by applying IAS 34 *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Securities Market Act. The Interim Report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which conforms to the provisions detailed in RFR 2 *Accounting for Legal Entities*.

The same accounting policies and bases of judgement as in the Annual Report for 2015/2016 have been applied.

CALCULATION OF KEY FINANCIAL RATIOS AND DEFINITIONS

For information on the calculation of certain key financial ratios and definitions, refer to pages 11-12.

EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events affecting the Group have occurred after the end of the reporting period.

Stockholm, 19 July 2016

Ulf Lilius
President & CEO

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

Contact information

Ulf Lilius, President & CEO, Tel: +46 10 454 77 00
Mats Karlqvist, Head of Investor Relations, Tel: +46 70 660 31 32

Comprehensive contact information for B&B TOOLS and forthcoming information dates are presented on page 12.

REPORTING BY OPERATING SEGMENT

REVENUE BY OPERATING SEGMENT

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN		ROLLING 12 MOS	2015/ 2016
	2016	2015		
Bergman & Beving	1,012	955	3,704	3,647
Momentum Group	1,382	1,367	5,191	5,176
Group-wide	146	139	551	544
Eliminations	-405	-407	-1,544	-1,546
The B&B TOOLS Group	2,135	2,054	7,902	7,821

REVENUE BY QUARTER

MSEK	2016/2017		2015/2016		
	Q1	Q4	Q3	Q2	Q1
Bergman & Beving	1,012	897	912	883	955
Momentum Group	1,382	1,251	1,349	1,209	1,367
Group-wide	146	131	139	135	139
Eliminations	-405	-344	-407	-388	-407
The B&B TOOLS Group	2,135	1,935	1,993	1,839	2,054

OPERATING PROFIT BY OPERATING SEGMENT

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN		ROLLING 12 MOS	2015/ 2016
	2016	2015		
Bergman & Beving	83	76	281	274
Momentum Group	53	40	206	193
Group-wide	-3	9	-15	-3
Eliminations	0	4	18	22
The B&B TOOLS Group	133	129	490	486

OPERATING PROFIT BY QUARTER

MSEK	2016/2017		2015/2016		
	Q1	Q4	Q3	Q2	Q1
Bergman & Beving	83	71	57	70	76
Momentum Group	53	45	51	57	40
Group-wide	-3	-15	0	3	9
Eliminations	0	10	7	1	4
The B&B TOOLS Group	133	111	115	131	129

GROUP SUMMARY

CONSOLIDATED INCOME STATEMENT

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN		ROLLING	2015/ 2016
	2016	2015	12 MOS	
Revenue	2,135	2,054	7,902	7,821
Shares of profit in associated companies	0	0	0	0
Other operating income	0	10	24	34
Total operating income	2,135	2,064	7,926	7,855
Cost of goods sold	-1,265	-1,213	-4,650	-4,598
Personnel costs	-450	-437	-1,695	-1,682
Depreciation, amortisation, impairment losses and reversal of impairment losses	-8	-7	-29	-28
Other operating expenses	-279	-278	-1,062	-1,061
Total operating expenses	-2,002	-1,935	-7,436	-7,369
Operating profit	133	129	490	486
Financial income and expenses	-4	-5	-17	-18
Profit after financial items	129	124	473	468
Taxes	-30	-30	-106	-106
Net profit	99	94	367	362
Of which, attributable to:				
Parent Company shareholders	99	94	367	362
Earnings per share, SEK				
– Before dilution	3.50	3.35	13.05	12.90
– After dilution	3.50	3.35	13.00	12.85

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN		ROLLING	2015/ 2016
	2016	2015	12 MOS	
Net profit	99	94	367	362
OTHER COMPREHENSIVE INCOME				
<i>Components that will not be reclassified to net profit</i>				
Remeasurement of defined-benefit pension plans	-26	90	-22	94
Tax attributable to components that will not be reclassified	6	-20	5	-21
	-20	70	-17	73
<i>Components that will be reclassified to net profit</i>				
Translation differences	22	-12	-17	-51
Fair value changes for the year in cash-flow hedges	2	7	-13	-8
Tax attributable to components that will be reclassified	0	-3	4	1
	24	-8	-26	-58
Other comprehensive income, net after tax	4	62	-43	15
Total comprehensive income	103	156	324	377
Of which, attributable to:				
Parent Company shareholders	103	156	324	377

CONSOLIDATED BALANCE SHEET

MSEK	30 JUN 2016	30 JUN 2015	31 MAR 2016
ASSETS			
Intangible non-current assets	1,833	1,804	1,821
Tangible non-current assets	103	96	100
Financial non-current assets	6	6	5
Shares in associated companies	11	11	11
Deferred tax assets	88	116	88
Inventories	1,449	1,506	1,505
Accounts receivable	1,316	1,256	1,232
Other current receivables	245	233	216
Cash and cash equivalents	68	54	62
Total assets	5,119	5,082	5,040
EQUITY AND LIABILITIES			
Equity	2,694	2,482	2,591
Non-current interest-bearing liabilities	125	365	150
Provisions for pensions	562	545	536
Other non-current liabilities and provisions	83	95	88
Current interest-bearing liabilities	48	55	132
Accounts payable	934	858	896
Other current liabilities	673	682	647
Total equity and liabilities	5,119	5,082	5,040
Operational net loan liability	105	366	220

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	30 JUN 2016	30 JUN 2015	31 MAR 2016
Opening equity	2,591	2,326	2,326
Dividend, Parent Company shareholders	–	–	–112
Total comprehensive income attributable to: Parent Company shareholders	103	156	377
Closing equity	2,694	2,482	2,591

CONSOLIDATED CASH-FLOW STATEMENT

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN 2016	2015	ROLLING 12 MOS	2015/ 2016
Operating activities before changes in working capital	122	120	418	416
Changes in working capital	25	44	58	77
Cash flow from operating activities	147	164	476	493
Investments in intangible & tangible non-current assets	-18	-17	-58	-57
Proceeds from sale of intangible & tangible non-current assets	0	2	0	2
Acquisition of subsidiaries and other business units	-6	-	-17	-11
Proceeds from sale of subsidiaries and other business	-	25	5	30
Cash flow before financing	123	174	406	457
Financing activities	-118	-175	-388	-445
Cash flow for the period	5	-1	18	12
Cash and cash equivalents at the beginning of the period	62	57	54	57
Exchange-rate differences in cash and cash	1	-2	-4	-7
Cash and cash equivalents at the end of the period	68	54	68	62

B&B TOOLS measures financial instruments at fair value or cost in the balance sheet depending on their classification. In addition to items in the financial net debt, financial instruments also include accounts receivable and accounts payable. According to IFRS 7, financial instruments measured at fair value in the balance sheet are included in level 2 of the fair value hierarchy. The carrying amounts for financial assets and liabilities correspond to fair value in all material respects.

OPERATING SEGMENTS

MSEK	EXTERNAL REVENUE APR-JUN		REVENUE FROM INTERNAL CUSTOMERS APR-JUN		TOTAL REVENUE APR-JUN		OPERATING PROFIT APR-JUN	
	2016	2015	2016	2015	2016	2015	2016	2015
Bergman & Beving	753	685	259	270	1,012	955	83	76
Momentum Group	1,380	1,366	2	1	1,382	1,367	53	40
Total operating segment	2,133	2,051	261	271	2,394	2,322	136	116
Group-wide	2	3	144	136	146	139	-3	9
Eliminations	-	-	-405	-407	-405	-407	0	4
The B&B TOOLS Group	2,135	2,054	0	0	2,135	2,054	133	129

The Group's operating segments are Bergman & Beving and Momentum Group. The operating segments are consolidations of the operational organisation, as used by Group management and the Board of Directors to monitor operations.

Bergman & Beving comprises product-owning businesses that develop premium brands that offer innovation and quality for professional users in construction and industry. **Momentum Group** comprises reseller businesses in TOOLS, Momentum Industrial, Gigant Arbetsplats and Mercus Yrkeskläder, which together form the Group's market channels for industrial consumables and industrial components for industry, construction and public administration in the Nordic region. **Group-wide** includes the Group's management, accounting, support functions, infrastructure operations and property management. The support functions include HR, internal communications, IR and legal affairs. The infrastructure operations comprise IT and Supply Chain.

Intra-Group pricing between the operating segments occurs on market terms. As a result of the current operating segments (which were introduced on 1 April 2016), no material changes occurred with respect to assets in the operating segments compared with the most recent Annual Report. The accounting policies are the same as those applied in the consolidated financial statements.

KEY PER-SHARE DATA³

SEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN 2016	2015	ROLLING 12 MOS	2015/ 2016
Earnings before dilution	3.50	3.35	13.05	12.90
Earnings after dilution	3.50	3.35	13.00	12.85
Equity, at the end of the period			95.90	92.20
Equity after dilution, at the end of the period			95.90	92.25
NUMBER OF SHARES OUTSTANDING IN THOUSANDS				
Number of shares outstanding before dilution	28,096	28,096	28,096	28,096
Weighted number of shares outstanding before dilution	28,096	28,096	28,096	28,096
Weighted number of shares outstanding after dilution	28,162	28,135	28,136	28,127

³ Dilution effect based on the outstanding call options issued on repurchased Class B shares as of 30 June 2016.

3 months	0.2%	Rolling 12 months	0.1%	2015/2016	0.1%
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PARENT COMPANY SUMMARY

INCOME STATEMENT

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN 2016	2015	ROLLING 12 MOS	2015/ 2016
Revenue	9	11	34	36
Other operating income	0	0	0	0
Total operating income	9	11	34	36
Operating expenses	-11	0	-45	-34
Operating profit	-2	11	-11	2
Financial income and expenses	16	16	316	316
Profit after financial items	14	27	305	318
Appropriations	-	-	157	157
Profit before taxes	14	27	462	475
Taxes	-3	-7	-46	-50
Net profit	11	20	416	425

STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER (3 MOS)		FULL-YEAR (12 MOS)	
	APR-JUN 2016	2015	ROLLING 12 MOS	2015/ 2016
Net profit	11	20	416	425
OTHER COMPREHENSIVE INCOME				
<i>Components that will not be reclassified to net profit</i>				
	-	-	-	-
<i>Components that will be reclassified to net profit</i>				
Fair value changes for the year in cash-flow hedges	2	7	-13	-8
Taxes attributable to other comprehensive income	0	-3	4	1
Other comprehensive income	2	4	-9	-7
Total comprehensive income	13	24	407	418

BALANCE SHEET

MSEK	30 JUN 2016	30 JUN 2015	31 MAR 2016
ASSETS			
Intangible non-current assets	0	0	0
Tangible non-current assets	0	1	0
Financial non-current assets	3,397	3,621	3,408
Current receivables	365	185	510
Cash and cash equivalents	0	0	0
Total assets	3,762	3,807	3,918
EQUITY, PROVISIONS AND LIABILITIES			
Equity	2,225	1,930	2,212
Untaxed reserves	268	206	268
Provisions	45	49	45
Non-current liabilities	185	456	210
Current liabilities	1,039	1,166	1,183
Total equity, provisions and liabilities	3,762	3,807	3,918

COMPILATION OF KEY FINANCIAL RATIOS

KEY FINANCIAL RATIOS

	12 MONTHS ENDING			
	30 JUN 2016	31 MAR 2016	31 MAR 2015	31 MAR 2014
Revenue, MSEK	7,902	7,821	7,903	7,648
Operating profit, MSEK	490	486	450	340
Operating profit before amortisation of acquisition-related intangible non-current assets, MSEK	490	486	450	340
Profit after financial items, MSEK	473	468	408	286
Net profit, MSEK	367	362	306	214
Operating margin	6.2%	6.2%	5.7%	4.4%
Profit margin	6.0%	6.0%	5.2%	3.7%
Return on working capital (P/WC)	26%	26%	24%	19%
Return on capital employed	15%	14%	13%	10%
Return on equity	14%	15%	14%	10%
Operational net loan liability (closing balance), MSEK	105	220	533	822
Equity (closing balance), MSEK	2,694	2,591	2,326	2,203
Equity/assets ratio	53%	51%	45%	43%
Number of employees at the end of the period	2,650	2,623	2,682	2,655

KEY PER-SHARE DATA

	12 MONTHS ENDING			
	30 JUN 2016	31 MAR 2016	31 MAR 2015	31 MAR 2014
Earnings, SEK	13.05	12.90	10.90	7.60
Earnings after dilution, SEK	13.00	12.85	10.85	7.60
Cash flow from operating activities, SEK	16.95	17.55	11.75	7.45
Equity, SEK	95.90	92.20	82.80	78.40
Share price, SEK	170.00	149.50	141.00	119.00

CALCULATION OF KEY FINANCIAL RATIOS AND DEFINITIONS

B&B TOOLS AB uses certain key financial ratios in its analysis of the operations and their performance that are not calculated in accordance with IFRS. The Company believes that these key financial ratios provide valuable information for investors, since they enable a more accurate assessment of current trends when combined with other key financial ratios calculated in accordance with IFRS. Since listed companies do not always calculate these key financial ratios in the same way, there is no guarantee that the information is comparable with other companies' key financial ratios of the same name.

RETURN ON WORKING CAPITAL (P/WC)

B&B TOOLS' profitability target is for each unit in the Group to achieve profitability of at least 45 percent, measured as operating profit (P) for the rolling 12-month period before amortisation of acquisition-related intangible non-current assets as a percentage of average working capital (WC), defined as inventories plus accounts receivable less accounts payable.

	ROLLING 12 MONTHS ENDING	
	30 JUN 2016	30 JUN 2015
OPERATING PROFIT BEFORE AMORTISATION OF ACQUISITION-RELATED INTANGIBLE NON-CURRENT ASSETS (P), MSEK	490	474
Average working capital (WC)		
Inventories, MSEK	1,499	1,531
Accounts receivable, MSEK	1,214	1,204
Accounts payable, MSEK	-855	-867
TOTAL – AVERAGE WC	1,858	1,868
P/WC	26%	25%

CHANGE IN REVENUE

Comparable units refer to sales in local currency from units that were part of the Group during the current period and the entire corresponding period in the preceding year. Trading days refer to sales in local currency depending on the difference in the number of trading days compared with the comparative period. Other units refer to the acquisition or divestment of units during the corresponding period.

CHANGE IN REVENUE FOR:	QUARTER – APR-JUN		REPORTING PERIOD (3 MOS) – APR-JUN	
	2016	2015	2016	2015
Comparable units in local currency	2.0%	-0.4%	2.0%	-0.4%
Currency effects	-2.4%	0.3%	-2.4%	0.3%
Number of trading days	3.8%	1.2%	3.8%	1.2%
Other units	0.5%	-	0.5%	-
TOTAL – CHANGE	3.9%	1.1%	3.9%	1.1%

OTHER DEFINITIONS

Cash flow per share

Cash flow for the rolling 12-month period from operating activities divided by the weighted number of shares.

Earnings per share

Net profit for the period attributable to the Parent Company shareholders divided by the weighted number of shares.

Equity per share

Equity attributable to Parent Company shareholders divided by the number of shares at the end of the period.

Equity/assets ratio

Equity as a percentage of the balance-sheet total.

Operating margin

Operating profit for the period as a percentage of revenue.

Operating profit before amortisation of acquisition-related intangible non-current assets

Operating profit for the period before impairment of goodwill and amortisation and impairment of other intangible assets arising in connection with corporate acquisitions and equivalent transactions.

Operational net loan liability

Interest-bearing liabilities excluding provisions for pensions less cash and cash equivalents.

Profit margin

Profit after financial items for the period as a percentage of revenue.

Return on capital employed

Profit after financial items plus financial expenses for the rolling 12-month period divided by the average balance-sheet total less non-interest-bearing liabilities.

Return on equity

Net profit for the rolling 12-month period divided by average equity.

Weighted number of shares

Average number of shares outstanding before or after dilution. Shares held by B&B TOOLS are not included in the number of shares outstanding. Dilution effects arise due to call options that can be settled using shares in share-based incentive programmes. The call options have a dilution effect when the average share price during the period is higher than the redemption price of the call options.

Dates for forthcoming financial information

The Annual Report for the 2015/2016 financial year was published on 1 July 2016 and has been distributed to those shareholders who so have requested in mid-July 2016. The Annual Report is also available from the Company's offices and website.

Interim Report 6 months – 1 April-30 September 2016 will be presented on 28 October 2016.

Interim Report 9 months – 1 April-31 December 2016 will be presented on 8 February 2017.

Financial Report 2016/2017 – 1 April 2016-31 March 2017 will be presented on 9 May 2017.

B&B TOOLS AB's Annual General Meeting 2016 will be held on Thursday, 25 August 2016, at 4:30 p.m. at IVA's Conference Centre, Grev Turegatan 16, Stockholm. The notice for the Meeting will be published tomorrow, 20 July 2016.

Visit www.bbtools.com to order reports and press releases.

The information in this report is such that B&B TOOLS AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 7:45 a.m. CET on 19 July 2016.

This document is in all respects a translation of the Swedish original Interim Report. In the event of any differences between this translation and the Swedish original, the latter shall prevail.

B&B TOOLS AB (publ)

Mail address **PO Box 10024 SE-100 55 Stockholm Sweden**

Visit **Linnégatan 18 Stockholm**

Tel **+46 10 454 77 00** Fax **+46 10 454 77 01**

Org No **556034-8590** Reg office **Stockholm**

Web **www.bbtools.com**