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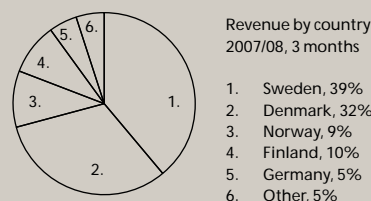
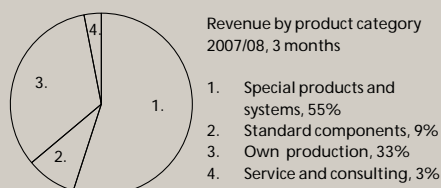
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**Interim Report 1 April–30
June 2007 (3 months)**

- Revenue for the period increased by 24 percent to MSEK 533 (431).
- Operating profit for the first quarter 2007/08 increased by 33 percent to MSEK 28 (21), which includes gains from items of a non-recurring nature in the amount of MSEK 2 (5).
- Profit after finance items increased to MSEK 25 (19).
- Profit after income tax increased to MSEK 18 (14).
- Earnings per share increased to SEK 0.76 (0.59). For the most recent 12-month period earnings per share amounted to SEK 2.91.
- Direktronik AB is included from April 2007.

Current reporting period
1 April–30 June
2007



REVENUE AND PROFIT

The Lagercrantz Group's revenue during the first quarter of 2007/08 (1 April – 30 June 2007) increased by 24 percent to MSEK 533 (431). The increase in revenue for comparable units was approximately 7 percent.

Operating profit increased by 33 percent to MSEK 28 (21), equivalent to an operating margin of 5.3 percent (4.9 percent). First quarter profit was impacted in a positive direction by approximately MSEK 2 by items of a non-recurring nature (reported among Parent Company and other consolidation items) compared to approximately MSEK 5 during the preceding year. Clear of these items, operating profit increased by 63 percent. The increase in profit is explained by improved earnings in all divisions thanks to increased revenue and improved margins.

Profit after finance items amounted to MSEK 25 (19). Earnings growth excluding items of a non-recurring nature and acquired businesses was approximately 25 percent. Approximately MSEK 6 of the growth in profit was derived from acquired businesses. Changes in foreign currency rates affected consolidated profit by approximately MSEK 1 during the period (-1).

Earnings per share increased to SEK 0.76 (0.59). For the most recent 12-month period earnings per share amounted to SEK 2.91 as compared with SEK 2.75 for the 2006/07 financial year.

Order bookings showed a positive development compared with the preceding year.

PROFITABILITY, FINANCIAL POSITION & CAPITAL EXPENDITURE

Return on capital employed during the past 12-month period was 16 percent as compared with 12 percent for the corresponding peri-

od previous year. The corresponding figures for return on equity was 16 percent and 11 percent, respectively. Cash flow from current operations amounted to MSEK -17 (-25). Companies were acquired during the quarter for approximately MSEK 23. Other capital expenditure in non-current assets amounted to MSEK 6 (16), gross. Real estate sold affected cash and cash equivalents in a positive direction by MSEK 29. No shares were repurchased during the first quarter.

The Group showed a financial net liability at the end of the period in the amount of MSEK 173, as compared with MSEK 161 at the beginning of the financial year.

Shareholders' equity per share amounted to SEK 19.00, as compared with SEK 18.20 at the beginning of the financial year. The equity ratio at the end of the period stood at 40 percent as compared with 39 percent at the beginning of the financial year.

DIVISION ELECTRONICS

The division is a value-creating distributor of niche components and systems in electronics. Sales are based on customer-adapted solutions where components are designed into customers' products. The division's orientation is into two product areas: Industrial wireless communication - where the division is a leading distributor of GSM modules in northern Europe - and Embedded systems, where the division is one of the leading in sales of industrial and marine PCs.

Revenue increased to MSEK 195 (183) for the first quarter. Operating profit amounted to MSEK 7 (4), equivalent to a margin of 3.6 percent (2.2 percent).

Earnings improvements were seen during the quarter in the area of Embedded systems, in part because companies that previously operated at a loss were turned to profit. Efforts continued to develop the product line in the area of Industrial wireless communication.

MSEK	Revenue			Operating profit		
	3 months Apr-Jun 2007/08	3 months Apr-Jun 2006/07	12 months 2006/07	3 months Apr-Jun 2007/08	3 months Apr-Jun 2006/07	12 months 2006/07
Electronics	195	183	751	7	4	23
Mechatronics	152	99	541	9	5	35
Communications	186	149	682	12	6	43
Parent company/consolidation items	-	-	-	0	6	-2
GROUP TOTAL	533	431	1974	28	21	99

Current
reporting period
1 April–30 June
2007

DIVISION MECHATRONICS

The division is a leading manufacturer of customised cable harnesses and kindred products for customers primarily in the electric and manufacturing industries. The products are tailor-made to meet customers' stringent requirements. The division is also a leading producer of electric connection systems for the Nordic market. The division also deals in electromechanical and passive components, connectors and electrical components.

Revenue for the first quarter increased to MSEK 152 (99). The increase in revenue is due primarily to a positive development in businesses acquired during the preceding year, and a favourable development in Denmark and Finland.

Operating profit during the quarter increased to MSEK 9 (5), equivalent to an operating margin of 5.9 percent (5.1 percent). The earnings improvement is due both to acquisitions made, as well as higher revenue and improved margins in comparable units.

DIVISION COMMUNICATIONS

The division offers products and systems in the areas of digital image transmission/technical security, access products and software, either as a value-creating distributor, or as a complete supplier of solutions. The division is the market-leader in several areas, including sales of video conferencing solutions in Sweden and CAD software in Denmark and Norway. The division has a strong position in camera-based surveillance systems and other products for technical security, and in access products for telecom and broadband networks and data security.

Revenue for the first quarter increased to MSEK 186 (149). The increase was derived primarily from acquired businesses.

Operating profit during the period increased to MSEK 12 (6), equivalent to an operating margin of 6.5 percent (4.0 percent). The improvement was due to acquired businesses and improved earnings in the division's access area, which was restructured during the period by combining two companies.

Direktronik AB is included in the division since April 2007 and affected profit and revenue in a positive direction.

PARENT COMPANY AND OTHER CONSOLIDATION ITEMS

The Parent Company's internal revenue amounted to MSEK 7 (5) and profit before net finance costs was MSEK 56 (-3). This result includes foreign currency adjustments relating to intra-Group lending in an amount of MSEK 0 (-1). Dividends from subsidiaries amounted to MSEK 60 (0), net. Capital expenditure in non-current assets amounted to MSEK 0 (0), net.

The Parent Company has an approved bank overdraft facility in the amount of MSEK 250. MSEK 114 of the facility was utilised compared to MSEK 89 at the beginning of the financial year. The Parent Company also has a long-term acquisition credit facility in the amount of MSEK 88. Interest was fixed during the year on MSEK 100 of the Company's borrowing for a period of 5 years. The interest rate hedge has been measured and recognised in accordance with IAS 39, which results in finance income of MSEK 1. This affected equity in the Group by MSEK 1. Other cash and cash equivalents amounted to MSEK 5 compared to MSEK 0 at the beginning of the financial year.

One property in Sweden was sold during the period. The aggregate effect on earnings of this sale and restructuring items are reported among other consolidation items and amounted to approximately MSEK 2 compared to MSEK 5 for the comparative period (capital gains on sale of property). Lagercrantz did not conduct any operations at the property.

Financial development in brief



REVENUE

– quarterly data	2007/08				2006/07
MSEK	Q 1	Q 4	Q 3	Q 2	Q 1
Electronics	195	207	175	186	183
Mechatronics	152	154	152	136	99
Communications	186	196	203	134	149
Parent company/consolidation items	-	-	-	-	-
GROUP TOTAL	533	557	530	456	431

OPERATING PROFIT

– quarterly data					2006/07
MSEK	Q 1	Q 4	Q 3	Q 2	Q 1
Electronics	7	9	2	8	4
Mechatronics	9	11	9	10	5
Communications	12	14	17	6	6
Parent company/consolidation items	0	-1	-4	-3	6
GROUP TOTAL	28	33	24	21	21

CONSOLIDATED INCOME STATEMENT

	3 months	3 months	Moving 12 months	Financial year
MSEK	Apr-Jun 2007/08	Apr-Jun 2006/07	Jul-Jun 2006/07	Apr-Mar 2006/07
Revenue	533	431	2 076	1 974
Cost of sales	-398	-327	-1 561	-1 490
Gross profit	135	104	515	484
Distribution costs	-77	-60	-292	-275
Administrative expenses	-34	-29	-125	-120
Research and development expenses	-3	-1	-12	-10
Other income and expenses	7	7	20	20
OPERATING PROFIT	28	21	106	99
<i>(of which depreciation and amortisation)</i>	<i>(-6)</i>	<i>(-5)</i>	<i>(-22)</i>	<i>(-21)</i>
Finance income	1	1	4	4
Finance costs	-4	-3	-14	-13
PROFIT AFTER FINANCE ITEMS	25	19	96	90
Income tax expenses	-7	-5	-27	-25
PROFIT FOR THE PERIOD	18	14	69	65
Attributable to:				
Equity holders of the Company	18	14	69	65
Minority interest	0	0	0	0
Profit for the period	18	14	69	65
Earnings per share, SEK	0.76	0.59	2.91	2.75
Earnings per share after dilution, SEK	0.76	0.59	2.91	2.75
Weighted number of shares outstanding after repurchases (thousands)	23 678	23 678	23 678	23 678
Weighted number of shares outstanding after repurchases adjusted for dilution (thousands)	23 682	23 678	23 678	23 678
Number of shares outstanding at period end (thousands)	23 678	23 678	23 678	23 678

In view of the redemption price on outstanding call options (SEK 36.00) and the average market price of the share (SEK 35.00) during that part of the latest twelve-month period where the options were outstanding, no dilutive effect occurred for the latest twelve-months. Corresponding dilutive effect for the latest quarter was 4 000 shares, approximately 0.0 percent dilution when the average market price of the share was SEK 36.60.

Financial development in brief



CONSOLIDATED BALANCE SHEET

MSEK	2007 06 30	2006 06 30	2007 03 31
ASSETS			
Goodwill	136	97	128
Other intangible non-current assets	99	82	97
Property, plant and equipment	80	106	83
Financial non-current assets	39	45	39
Inventories	242	231	234
Current receivables	429	399	444
Cash and cash equivalents	110	47	94
TOTAL ASSETS	1 135	1 007	1 119
EQUITY AND LIABILITIES			
Equity attributable to the equity holders of the Company	450	402	432
Minority interest	0	0	0
<i>Total equity</i>	<i>450</i>	<i>402</i>	<i>432</i>
Non-current liabilities	187	86	189
Current liabilities	498	519	498
TOTAL EQUITY AND LIABILITIES	1 135	1 007	1 119
Interest-bearing assets	110	47	94
Interest-bearing liabilities	283	257	255

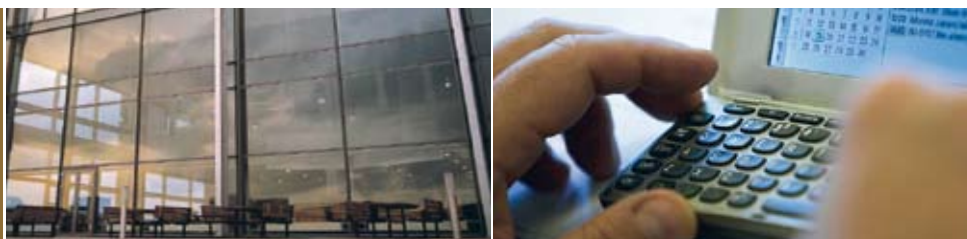
CONSOLIDATED CASH FLOW

MSEK	3 months Apr-Jun 2007/08	3 months Apr-Jun 2006/07	Financial year Apr-Mar 2006/07
Operating activities			
Profit after finance items	25	19	90
Adjustment for items not included in cash flow, etc.	-5	-6	3
Cash flow from operating activities before changes in working capital	20	13	93
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in inventories	-3	-2	0
Increase(-)/Decrease(+) in operating receivables	6	-22	-65
Increase(+)/Decrease(-) in operating liabilities	-40	-14	48
CASH FLOW FROM OPERATING ACTIVITIES	-17	-25	76
Investing activities			
Investments in businesses	-17	-130	-160
Investments in other non-current assets, net	23	-16	-10
CASH FLOW FROM INVESTING ACTIVITIES	6	-146	-170
Financing activities			
Dividends	-	-	-24
Change in loan liabilities	27	164	158
CASH FLOW FROM FINANCING ACTIVITIES	27	164	134
CASH FLOW FOR THE PERIOD	16	-7	40
Cash and cash equivalents at beginning of the period	94	55	55
Exchange rate difference in cash and cash equivalents	0	-1	-1
Cash and cash equivalents at end of the period	110	47	94

CHANGE IN SHAREHOLDERS' EQUITY

MSEK	Apr-Jun 2007/08	Apr-Jun 2006/07
Opening balance	432	393
Period's exchange rate differences	-1	-5
Change in hedging reserve	1	-
Profit for the period	18	14
Closing balance	450	402

Financial development in brief



KEY FINANCIAL INDICATORS

	3 months Apr-Jun 2007/08	3 months Apr-Jun 2006/07	2006/07	2005/06	2004/05	2003/04	2002/03
Change in revenue, %	23.7	11.4	22.8	5.9	-3.2	7.2	-26.2
Operating margin, %	5.3	4.9	5.0	3.5	0.3	1.7	1.8
Profit margin, %	4.7	4.4	4.6	3.4	-0.1	1.5	1.1
Equity ratio, %	40	40	39	52	51	47	56
Debt equity ratio	0.6	0.6	0.6	0.1	0.2	0.3	0.2
Net debt equity ratio	0.4	0.5	0.4	0.0	0.0	0.0	0.0
Interest coverage ratio	8	10	9	14	1	4	2
Net interest-bearing liabilities (+)/receivables (-), MSEK	173	210	161	-9	-5	2	-19
Number of employees at end of period	783	737	751	543	512	585	573
Revenue outside Sweden, MSEK	359	314	1 352	1 053	941	1 071	936
Per-share data							
Number of shares outstanding at end of period after repurchases (thousands)	23 678	23 678	23 678	23 678	24 078	24 078	25 078
Weighted number of shares outstanding after repurchases (thousands)	23 678	23 678	23 678	23 923	24 078	24 696	26 561
Weighted number of shares outstanding after repurchases and dilution (thousands)	23 682	23 678	23 678	23 923	24 078	24 696	26 561
Operating result per share, SEK	1.18	0.88	4.18	2.38	0.17	1.09	1.02
Result per share, SEK	0.76	0.59	2.75	1.63	0.21	0.57	0.34
Result per share after dilution, SEK	0.76	0.59	2.75	1.63	0.21	0.57	0.34
Cash flow per share, SEK	0.68	-0.29	1.69	-1.00	-2.45	1.21	-2.03
Shareholders' equity per share, SEK	19.00	17.00	18.20	16.60	15.50	16.70	17.60
Latest market price paid per share, SEK	38.50	28.80	33.50	30.10	19.50	22.60	16.50

Definitions are found on page 25 of the most recent Annual Report. Year 2004/05 onwards are recalculated in accordance with IFRS. Prior years have not been recalculated.

PARENT COMPANY INCOME STATEMENT

MSEK	3 months Apr-Jun 2007/08	3 months Apr-Jun 2006/07	Moving 12 months Jul-Jun 2006/07	Financial year Apr-Mar 2006/07
Revenue	7	5	26	24
Administrative expenses	-8	-7	-39	-38
Other operating income and expenses	0	0	0	0
OPERATING PROFIT	-1	-2	-13	-14
Finance income	60	1	95	36
Finance costs	-3	-2	-10	-9
PROFIT AFTER FINANCE ITEMS	56	-3	72	13
Income tax expense	1	1	6	6
PROFIT FOR THE PERIOD	57	-2	78	19

PARENT COMPANY BALANCE SHEET

MSEK	2007 06 30	2006 06 30	2007 03 31
ASSETS			
Property, plant and equipment	0	1	0
Financial non-current assets	703	619	692
Current receivables	73	33	18
Cash and cash equivalents	5	0	1
TOTAL ASSETS	781	653	711
EQUITY AND LIABILITIES			
Equity	452	392	394
Non-current liabilities	90	9	100
Current liabilities	239	252	217
TOTAL EQUITY AND LIABILITIES	781	653	711

Other
information



ACCOUNTING POLICIES AND COMMENTS

This interim report has been compiled in accordance with IAS 34 Interim Financial Reporting, which is in accordance with the requirements posed by recommendation RR31 Consolidated interim reporting of the Swedish Financial Accounting Standards Council. The accounting policies applied are those presented in the Annual Report for 2006/2007.

EMPLOYEES

At the end of the period the number of employees in the Group was 783, which can be compared to 751 at the beginning of the period. The increase is explained by acquired businesses.

SHARE DISTRIBUTION AND REPURCHASES

The share capital at the end of the period amounted to MSEK 48.8. The distribution on classes of shares is as follows:

Class of shares	Shares outstanding
Class A shares	1 095 998
Class B shares	23 318 234
Repurchased Class B shares	-736 423
TOTAL	23 677 809

Lagercrantz holds 736,423 class B shares in treasury, equivalent to 3.0 percent of the number of shares outstanding and 2.1 percent of the votes in Lagercrantz. Of these, 255,000 shares are held to meet the company's obligations in an incentive programme where the strike price is SEK 36.00 per option. The average cost of the repurchased shares amounts to SEK 23.12 per share. The quotient value per share is SEK 2.00.

CORPORATE ACQUISITIONS

Direktronik AB is consolidated as from April 2007. Acquired businesses impacted consolidated revenues by approximately MSEK 14 and consolidated income before taxes by MSEK 1, including acquisition costs. The acquisition resulted in intangible surplus values of MSEK 10.

RISKS AND FACTORS OF UNCERTAINTY

Lagercrantz' income and financial position, as well as its strategic position, are affected by a number of internal factors under Lagercrantz' control and by a number of external factors over which the company has limited influence. The most important risk factors for Lagercrantz are the state of the economy, structural changes in the

market, supplier and customer relations, the competitive situation and fluctuations in foreign exchange rates. Since no material changes occurred during the period relating to risks and factors of uncertainty, please refer to the Administration Report in the 2006/2007 annual report for further details.

The Parent company is affected by the above risks and uncertainties through its role as owner of the subsidiaries.

TRANSACTIONS WITH RELATED PARTIES

Transactions between Lagercrantz and related parties that materially have affected the Group's position and profit have not occurred.

EVENTS AFTER THE BALANCE SHEET DATE 30 JUNE 2007

No material events has occurred after the balance sheet date.

ANNUAL MEETING 2007

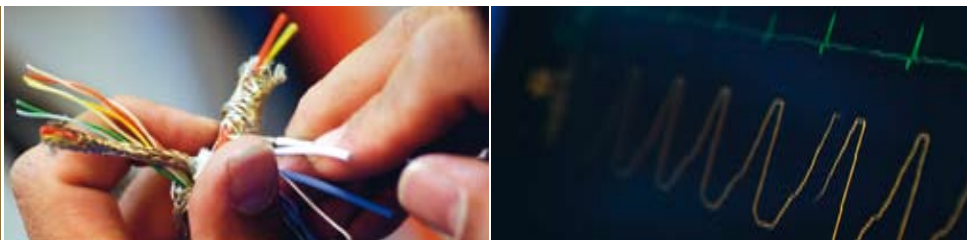
The 2007 Annual Meeting relating to the 2006/07 financial year will be held at 4:00 p.m., 29 August 2007, at IVA conference centre, Grev Turegatan 16, Stockholm. Shareholders who wish to participate in the proceedings of the Annual General Meeting must notify the Company's head office under address Lagercrantz Group AB (publ.), Box 3508, SE-103 69 Stockholm, Sweden, or by telephone +46-8-700 66 70, fax +46-8-28 18 05 or email info@lagercrantz.com no later than by 3:00 p.m., Friday 24 August 2007.

Stockholm, 14 August 2007

Jörgen Wigh
President & CEO

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

Lagercrantz Group in brief



LAGERCRANTZ GROUP IN BRIEF

Lagercrantz Group is a technology trading group in electronics, electrics, communication and adjacent areas. The Group operates in a decentralised mode with value-creating sales close to its customers in several expansive niches.

The business is organised in three divisions: Division Electronics is primarily involved in marketing solutions in wireless industrial communication and embedded systems. Division Mechatronics offers electric and electro-mechanical components as well as production of cable harnesses and electric connection systems. Division Communications provides solutions in digital image transmission/technical security, design software and access products. Customers are primarily manufacturing companies.

Lagercrantz is today active in eight countries in Northern Europe and in China.

The Group had revenues of MSEK 1,974 in 2006/07 and has approximately 800 employees.

CALENDER

- Annual meeting for the financial year 2006/07 29 August 2007
- Half year report 1 April - 30 September 2007 9 November 2007
- Quarterly report 1 April - 31 December 2007 11 February 2008
- Full year report 1 April 2007 - 31 March 2008 13 May 2008

FOR FURTHER INFORMATION, CONTACT

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