

## Year-end Report 2014/15

### 1 April 2014 – 31 March 2015 (12 months)

- Net revenue for 2014/15 increased by 12 percent to MSEK 2,846 (2,546). Organic growth measured in local currency was 5 percent for comparable units.
- Operating profit increased by 14 percent to MSEK 276 (242), equivalent to an operating margin of 9.7 percent (9.5).
- Profit after finance items increased by 15 percent to MSEK 265 (230).
- Profit after taxes amounted to MSEK 203 (177). Earnings per share after dilution increased by 15 percent and amounted to SEK 8.96 (7.81).
- Cash flow from operating activities increased by 16 percent and amounted to MSEK 268 (231) equivalent to SEK 11.83 (10.19) per share after dilution.
- Return on equity amounted to 24 percent (24). The equity ratio stood at 44 percent at the end of the period under review compared to 43 percent at the beginning of the financial year.
- Five acquisition were made during the 2014/15 financial year, with aggregate annual revenue of approximately MSEK 165. Cue Dee was acquired after the end of the period, with annual revenue of about MSEK 180.
- The Board of Director proposes an increase of the dividend to SEK 4.50 (4.00) per share.

### 1 January – 31 March 2015 (fourth quarter)

- Net revenue for the fourth quarter increased by 13 percent to MSEK 784 (694), equivalent to organic growth of 5 percent measured in local currency.
- Operating profit increased by 16 percent to MSEK 78 (67), equivalent to an operating margin of 10.0 percent (9.7).
- Profit after finance items increased by 17 percent to MSEK 74 (63) and profit after taxes was MSEK 56 (49).



## STATEMENT OF THE CHIEF EXECUTIVE

### LAGERCRANTZ CONTINUES.

#### The past year

During the 2014/15 financial year Lagercrantz continued to develop well. Profit reached MSEK 265, which for the fifth year in a row is a new high level. The increase during the year was just over 15 percent. The operating margin as well, (EBIT percent) of 9.7 percent was an all-time high and earnings per share amounted to SEK 8.96 (7.81).

Market-wise the year was characterized by continued stability and gradual, slow improvement. Among our markets Sweden and Denmark developed well, while Finland continued to be weak. In Norway the market turned lower as a consequence of the lower price on oil, which we feel had a dampening effect on spirits and the willingness to invest also in other industries, such as the construction market. The Group's underlying organic growth was positive during all quarters, with a total number for the year of 5 percent. Compared to prior years, and compared to similar companies, that is a relatively good growth. With a growing proportion of internationally expansive product companies in the portfolio we are hoping to improve the organic growth further.

During 2014 and 2015 we have also attracted six companies to becoming part of our Group. The concept according to which we work is demonstrably attractive to many sellers. The most common reasons for companies to want to be a part of Lagercrantz Group is that they are allowed to continue living independently, with their own brand and original location while we support them by e.g. help with certain growth issues. Our increasingly clear orientation, with product companies with growth and export ambitions, is something a growing number of sellers have come to understand and appreciate.

The stock market has taken notice of Lagercrantz during the year, with new all-time highs of the stock price. The market capitalisation of the Lagercrantz Group amounted to MSEK 3,580 on 31 March 2015, equivalent to SEK 158 per share. The class B share was moved in January 2014 from the small-cap to the mid-cap list of the Stockholm Stock Exchange, which puts Lagercrantz in sharper focus, particularly in the eyes of international investors.

#### The strategy behind the successes

Behind Lagercrantz Group's good development and ability to grow in a stagnating environment lies the strategy that we have been persistently pursuing for many years. The organisational model with decentralisation and management by objectives is well established. Every subsidiary works with clearly posted result and working capital goals in accordance with an annually adopted business plan with concrete measures and initiatives.

Management by objective challenges everybody to find the opportunities, also in situations when the market shows limited growth.

The acquisition strategy is another important reason for the successes. We continue to acquire profitable B2B technology companies with strong market positions in niches. The six acquisitions made during 2014 and 2015 add approximately MSEK 350 to the business volume. Just below half of the year's profit growth comes from organic growth, while the rest comes from acquisitions and a small portion of currency effects.

Focus on high value added is another important reason behind the Group's successes. With relatively small, flexible profit centres our desire is to rapidly respond to customer requirements by developing and adapting products and solutions that create added value. Value added also rises quickly as the proportion of proprietary products increases. Proprietary products today constitute more than 38 percent of sales, and by that our consolidated gross margin has risen steadily from 2004/05 from 21 percent to just over 32 percent of sales.

I finish the year by expressing a great and heartfelt thanks to all our dedicated associates for their fantastic work and many good efforts during the year.

#### Future

Our business concept is strong and with a continued positive underlying trend in the market, the prerequisites for Lagercrantz Group continue to be favourable. Growth in existing units is high on the agenda and our strong financial position will enable us to make more interesting acquisitions. By continuing to increase the proportion of proprietary products through acquisition of market-leading, niched product companies there are good chances of continuing to increase margins and profitability. The situation gives me overall a strong belief in the future for Lagercrantz Group.

May 2015

Jörgen Wigh  
President and CEO



## NET REVENUE AND PROFIT

### 12 Months April 2014 – March 2015

Consolidated net revenue for the 2014/15 financial year increased by 12 percent to MSEK 2,846 (2,546). Acquired units contributed MSEK 110, which gives us organic growth of 5 percent for comparable units, measured in local currency. The effect of currencies on net revenue was MSEK 64.

A stable development of sales resulted in a steady organic growth of between 4 and 6 percent per quarter. The markets in Sweden and Denmark developed well for most of the Group's businesses, while the Norwegian and Finnish markets showed a weaker development due to the prevailing domestic conditions. Acquired business volume also contributed to the positive development for the Group.

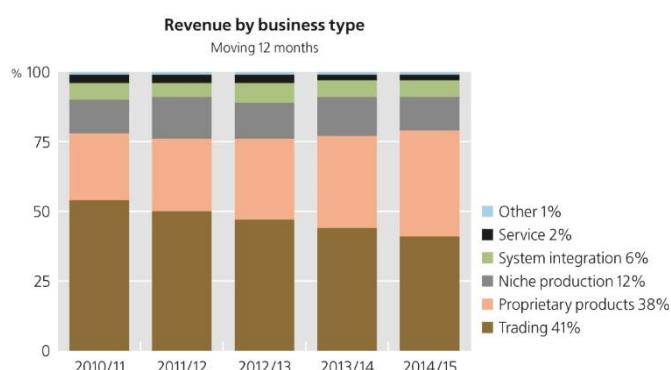
Operating profit for the financial year increased by 14 percent to MSEK 276 (242), equivalent to an operating margin of 9.7 percent (9.5). The FX effects on operating profit amounted to MSEK 5 (-1) during the financial year. Profit was strengthened by the good development in division Niche Products, with organic and acquisition-driven growth as well as a good development for the Group's product companies in several markets. The sales mix continued in the direction of an increased proportion of proprietary products, which constituted 38 percent of sales where margins are higher.

Profit after net finance items increased by 15 percent to MSEK 265 (230), which is the highest profit for a twelve-month period so far. Net finance items were impacted by FX effects in the amount of MSEK 0 (0).

Profit after taxes for the financial year amounted to MSEK 203 (177). Earnings per share after dilution for the 2014/15 financial year increased by 15 percent and amounted to SEK 8.96, as compared with SEK 7.81 for the 2013/14 financial year.

### Fourth quarter January – March 2015

Net revenue for the financial year's fourth quarter amounted to MSEK 784 (694), equivalent to an increase of 13 percent.



Acquired businesses contributed MSEK 35, which gives organic growth, measured in local currency, which amounted to 5 percent. FX effects on revenue were MSEK 21.

Sales continued to improve, especially in most of the Group's product companies. A couple of companies in value-adding electronics distribution also showed a good development.

Operating profit during the quarter amounted to MSEK 78 (67), equivalent to an increase of 16 percent and an operating margin of 10.0 percent (9.7). The profit increase is explained by increased sales of proprietary products in divisions Mechantronics and Niche Products, and by the profit from acquired units. The FX effects on operating profit amounted to MSEK 2 (0) during the fourth quarter.

Profit after finance items increased by 17 percent to MSEK 74 (63). Net finance items were impacted by FX effects in the amount of MSEK 0 (0).

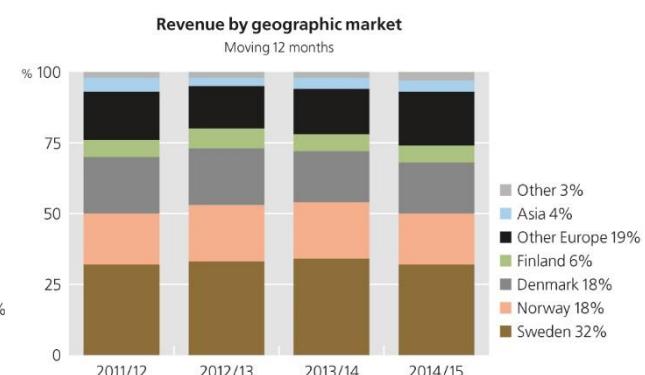
Profit after taxes for the period increased by 14 percent to MSEK 56 (49), equivalent to earnings per share after dilution of SEK 2.47 (2.16).

### Cash flow and capital expenditures

Cash flow from operating activities during the financial year amounted to MSEK 268 (231). The corresponding figure for the fourth quarter was MSEK 95 (39). The difference compared with the year before is explained primarily by higher profit and lower operating receivables. Capital expenditures in non-current assets amounted to a gross of MSEK 38 (45) during the financial year.

In connection with redemption of options during the financial year a total of 66,600 class B shares held in treasury were sold for a total of MSEK 4. In addition, 137,600 outstanding options were repurchased for a total of MSEK 10. MSEK 2 was received for subscription of new call options.

MSEK 20 was paid in supplemental consideration for previous acquisitions during the financial year.





## Divisions

	Net revenue				Operating profit			
	3 months Jan-Mar 2014/15	3 months Jan-Mar 2013/14	12 months Apr-Mar 2014/15	12 months Apr-Mar 2013/14	3 months Jan-Mar 2014/15	3 months Jan-Mar 2013/14	12 months Apr-Mar 2014/15	12 months Apr-Mar 2013/14
MSEK								
Electronics	226	186	803	691	19	18	66	56
<i>Operating margin</i>					8.4%	9.7%	8.2%	8.1%
Mechatronics	203	186	784	750	30	25	118	108
<i>Operating margin</i>					14.8%	13.4%	15.1%	14.4%
Communications	224	229	870	802	10	12	55	51
<i>Operating margin</i>					4.5%	5.2%	6.3%	6.4%
Niche Products	131	93	389	303	28	15	61	45
<i>Operating margin</i>					21.4%	16.1%	15.7%	14.9%
Parent Company/ consolidation items	-	-	-	-	-9	-3	-24	-18
<b>GROUP TOTAL</b>	<b>784</b>	<b>694</b>	<b>2,846</b>	<b>2,546</b>	<b>78</b>	<b>67</b>	<b>276</b>	<b>242</b>
<i>Operating margin</i>					10.0%	9.7%	9.7%	9.5%
Finance items					-4	-4	-11	-12
<b>PROFIT BEFORE TAXES</b>					<b>74</b>	<b>63</b>	<b>265</b>	<b>230</b>

### NET REVENUE AND PROFIT BY DIVISION, FOURTH QUARTER

#### Electronics

Net revenue for the quarter increased by 22 percent to MSEK 226 (186). Continued strong sales of equipment for the marine sector and an increase for value-adding electronics distribution created the growth.

Operating profit for the quarter amounted to MSEK 19 (18). This is equivalent to an operating margin of 8.4 percent (9.7). The businesses in Denmark and Finland showed a good development, while Norway recorded a weaker trend. Sales in the marine sector showed a continued good development.

#### Mechatronics

Net revenue for the quarter increased by 9 percent to MSEK 203 (186). The sales trend is primarily due to increased sales of electrical enclosures and connection systems.

The operating result for the quarter amounted to MSEK 30 (25), equivalent to an operating margin of 14.8 percent (13.4). The higher profit and stronger margin are due primarily to good sales of electric connection systems, but the Finnish business in value-adding electronics distribution of electric components also showed good results.

#### Communications

Net revenue for the quarter amounted to MSEK 224 (229). A lower distribution volume of software was largely offset by acquired business volume in control system technology.

Operating profit for the quarter amounted to MSEK 10 (12), which is equivalent to an operating margin of 4.5 percent (5.2). The profit decline is explained by a lower result in parts of the area of digital imaging/technical security together with the lower volume in software. Excidor AB was acquired during the period. This company is described under the heading Acquisitions.

#### Niche Products

Net revenue for the quarter increased by 41 percent to MSEK 131 (93). Revenue was affected in a positive direction by acquisitions and by a good development of sales in the areas of storage and exposure solutions, spiral conveyors as well as packaging and portioning solutions for the food industry.

Operating profit for the quarter amounted to MSEK 28 (15), equivalent to an operating margin of 21.4 percent (16.1). The higher profit and stronger margin is primarily due to increased sales as described above, and to acquired businesses. Svenska Industriborstar i Västerås AB and Dooman Teknik AB were acquired during the quarter. These companies are described under the heading Acquisitions.



## PROFITABILITY AND FINANCIAL POSITION

The return on equity for the past twelve-month period was 24 percent (24) and the return on capital employed was 22 percent (22).

The Group's metric for return on working capital (P/WC) was 58 percent (55). This metric is measured over a twelve-month period as operating profit divided by average working capital, with working capital consisting of inventories, trade receivables and trade payables.

Equity per share amounted to MSEK 40.59 at the end of the period under review, as compared with SEK 35.70 at the beginning of the financial year and, aside from the profit number, was affected by dividend paid, option redemption and currency-related translation effects. The equity ratio stood at 44 percent as compared with 43 percent at the beginning of the financial year.

At the end of the period the net financial liability amounted to MSEK 302, not including pension liability, compared to MSEK 285 not including pension liability at the beginning of the year. The increase is mainly attributable to acquisition of businesses. The net debt to equity ratio stood at 0.3 (0.4). The pension liability amounted to MSEK 68 at the end of the period, as compared with MSEK 56 at the beginning of the year.

## OTHER FINANCIAL INFORMATION

### Parent Company and other consolidation items

The Parent Company's internal net revenue for the financial year amounted to MSEK 34 (34) and profit after finance items was MSEK 234 (162). This result includes exchange rate adjustments on intra-Group lending in the amount of MSEK 1 (3) and dividends from subsidiaries in the amount of MSEK 218 (149). Investments in non-current assets amounted to a net of MSEK 0 (1).

MSEK 372 (308) of the Parent Company's total available credit facilities in the amount of MSEK 700 was utilised at the end of the period. The Parent Company's equity ratio stood at 56 percent (54).

### Share capital

The distribution on classes of shares as of 31 March 2015 was as follows:

#### Classes of shares

Class A shares	1,087,934
Class B shares	22,085,375
Repurchased Class B shares	-582,450
<b>Total</b>	<b>22,590,859</b>

At the end of the period, the share capital amounted to MSEK 48.9. The quotient value per share is SEK 2.11. As of 31 March 2015 Lagercrantz held 582,450 of its own Class B shares in treasury, which is equivalent to 2.5 percent of the total number of shares outstanding, and 1.8 percent of the votes in Lagercrantz. The average cost of the repurchased shares is SEK 43.17 per share. Shares held in treasury cover, *inter alia*, the Company's obligations under outstanding option programmes, where a total of 566,300 options have been acquired by members of senior management. This refers to awards for the years 2012, 2013 and 2014 on options that remain outstanding. The redemption price under each programme is SEK 69.40, SEK 125.40 and SEK 161.80 per share, respectively.

### Employees

The number of employees in the Group at the end of the period under review was 1,139, which can be compared to 1,010 at the beginning of the financial year. Seventy-eight employees were added via acquisitions during the financial year.

### Acquisitions

A total of five businesses were acquired during the financial year.

The business in LIAB Load Indicator AB was acquired during the second quarter. Load Indicator is a niched company that designs and manufactures high-quality load cells, power sensors and torque sensors for measuring applications to Swedish manufacturing industry. The company has aggregate annual sales of approximately MSEK 30 with good profitability. The company is part of division Communications from August 2014.

The business in Precimeter Control AB was acquired during the third quarter. Precimeter is a niched product company that develops and sells solutions based on laser and induction technology. Precimeter's solutions measure levels and flows of metals and has its primary customer base in aluminium forgeries and their suppliers. The company, including its subsidiaries in Germany and USA, has aggregate annual sales of about MSEK 30 with good profitability. The company is part of division Communications from October 2014.

The businesses in Excidor AB, Svenska Industriborstar i Västerås AB and Dooman Teknik AB were acquired during the fourth quarter.



Excidor has a strong market position in control systems for mobile driver environments. The company's solutions are used primarily in forestry equipment, excavators and wheel loaders and has aggregate annual sales of more than MSEK 30 with good profitability. The company is part of Lagercrantz Group's division Communications from February 2015.

Svenska Industriborstar i Västerås AB (SIB) develops, manufactures and sells custom brushes in steel and plastics for snow removal of airport runways and for industrial applications in manufacturing industry. SIB's cassette brush system is market-leading in North European airports and has a strong position in North America. Exports represents a large portion of sales. SIB has aggregate annual sales of approximately MSEK 45 with good profitability. The company is part of Lagercrantz Group's division Niche Products from February 2015.

Dooman Teknik AB offers products in the area of home modifications for the disabled, with garage modules for handicap vehicles as its main product. Swedish municipalities are the main customers. Dooman has annual sales of approximately MSEK 25 with good profitability. The company is part of Lagercrantz Group's division Niche Products from February 2015.

The business in Cue Dee AB was acquired after the end of the period under review. Cue Dee primarily develops and sells supports with high requirements for strength and flexibility. The supports are used for mounting mobile network devices on masts, on rooftops and other exposed locations. The company also makes specialised masts and related peripheral equipment for various applications such as wind measurement. Most customers are found in the global telecoms industry, including network suppliers, operators and installers.

The company, including its subsidiary in China, has annual sales of approximately MSEK 180 with good

*The acquisition analysis below is preliminary in terms of allocation of surplus values for the acquisitions of LIAB Load Indicator AB, Precimeter Control AB, Excidor AB, Svenska Industriborstar i Västerås AB and Dooman Teknik AB during the financial year, and Cue Dee AB after the end of the period under review.*

### Preliminary purchase price allocation

Acquired net assets at time of acquisition	Book value in companies	Fair value adjustment	Fair value consolidated
Intangible non-current assets	7	171	178
Other non-current assets	15	8	23
Inventories and work in progress	40	0	39
Other short-term receivables	159	0	159
Interest-bearing liabilities	-15	0	-15
Other liabilities	-67	-39	-105
<b>Net of identified assets/liabilities</b>	<b>139</b>	<b>140</b>	<b>279</b>
Goodwill	-	-	183
<b>Estimated Purchase price</b>	<b>-</b>	<b>-</b>	<b>462</b>

profitability. Cue Dee is part of Lagercrantz Group's division Mechatronics from April 2015.

The estimated purchase price for the above six acquired businesses amounted to MSEK 462. This amount includes estimated contingent consideration in the amount of MSEK 108 for the companies, which constitutes 82 percent of the maximum outcome. The outcome is dependent on the results achieved by the companies.

Transaction costs for the five acquisitions during the financial year amounted to approximately MSEK 2 and are included in administrative costs in the income statement.

With the five acquisitions during the financial year, goodwill in the consolidated balance sheet increased by MSEK 63 and other intangible non-current assets grew by MSEK 71, primarily relating to trademarks, patents and products. In addition, other non-current assets of MSEK 6 was added. The deferred tax liability related to the acquisitions amounted to MSEK 17.

The effect of the acquisition during the financial year on consolidated revenue was MSEK 56 and on profit before taxes MSEK 7, after acquisition costs. If the acquired businesses had been consolidated from 1 April 2014, the effect on revenue and profit before taxes would have been MSEK 164 and MSEK 26, respectively, after acquisition costs.

During the financial year allocated, but yet disbursed contingent consideration in the amount of MSEK 24 has been recognised as other operating revenue. The annual impairment test resulted in a write-down of goodwill in the amount of MSEK 24, which is reported as other operating expenses in the consolidated income statement. These one-time items are included in consolidation items.



### **Accounting policies**

This 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 Market Act, and the provisions of RFR 2 Accounting for legal entities.

In addition to the new accounting policies for 2014 described below, the same accounting policies are applied in this interim report as in the Annual Report for 2013/14.

New or revised IFRS and interpretations issued by the IFRS Interpretations Committee, with application from 1 April 2014, have had no significant effect on the Group or the Parent Company.

### **Related party disclosures**

Transactions between Lagercrantz Group and closely related parties with an effect on the financial position and profit have not occurred, aside from the issuance of options as reported under Share capital above.

### **Risks and uncertainty factors**

The most important risk factors for the Group are the state of the economy, structural changes in the market, supplier and customer dependence, the competitive situation and foreign exchange trends. The financial and political uncertainties are the most the most significant uncertainty factors. The Group has adopted a cautious approach and follows changes in the world around us diligently. In other respects, reference is made to the 2013/14 Annual Report. The Parent Company is affected by the above-mentioned risks and uncertainty factors by virtue of its function as owner of its subsidiaries.

### **Events after the balance sheet date**

Lagercrantz Group acquired Cue Dee AB on 8 April 2015. For further information refer to Acquisitions above. No other for the Company significant events have occurred after the 31 March 2015 balance sheet date.

### **Annual General Meeting 2015**

The 2015 Annual General Meeting will be held 25 August 2015. In order to bring a matter before the Annual General Meeting, a request must be received from the shareholder not later than by 10 July 2015. The Annual Report will be published at the end of June/beginning of July 2015.

Notice for the Annual General Meeting will be published on the Company's website not later than four weeks before the Meeting. All shareholders whose names are entered in the share register five days before the Annual General Meeting may participate in person, or by proxy. Notice must be given in accordance with instructions contained in the notice.

### **Election Committee**

An election committee has been appointed for the 2015 Annual General Meeting. Suggestions to the Election Committee may be sent to [valberedningen@lagercrantz.com](mailto:valberedningen@lagercrantz.com)

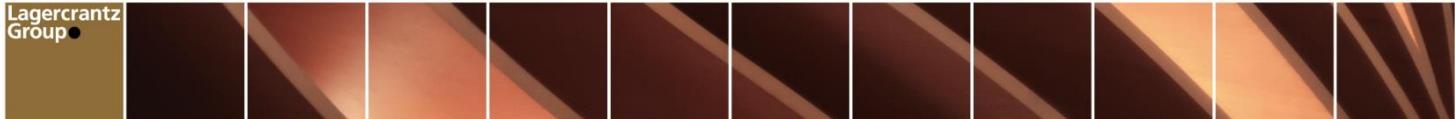
More information is available at [www.lagercrantz.com](http://www.lagercrantz.com)

### **Dividend**

The Board of Directors in Lagercrantz Group AB proposes a dividend of SEK 4.50 SEK (4.00) per share. This is equivalent to a total of MSEK 102 (90).

Stockholm, 7 May 2015

Jörgen Wigh  
President & CEO



## REVIEW REPORT

### Introduction

We have reviewed the summary interim financial information (interim report) of Lagercrantz Group AB (publ) as of 31 March 2015 and the twelve-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International

Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 7 May 2015

KPMG AB

Joakim Thilstedt

Authorised Public Accountant



## Segment information by quarter

Net revenue	2014/15					2013/14		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
MSEK								
Electronics	226	204	189	184	186	178	157	170
Mechatronics	203	178	195	208	186	190	185	188
Communications	224	262	189	195	229	212	169	192
Niche Products	131	89	79	90	93	83	66	61
Parent Company/Consolidation items	-	-	-	-	-	-	-	-
<b>KONCERNEN TOTALT</b>	<b>784</b>	<b>733</b>	<b>652</b>	<b>677</b>	<b>694</b>	<b>663</b>	<b>577</b>	<b>611</b>
Operating profit								
MSEK	2014/15					2013/14		
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	19	19	15	13	18	15	11	11
Mechatronics	30	25	29	34	25	27	31	25
Communications	10	21	13	11	12	14	11	15
Niche Products	28	13	10	10	15	12	9	9
Parent Company/Consolidation items	-9	-7	-4	-4	-3	-5	-4	-6
<b>GROUP TOTAL</b>	<b>78</b>	<b>71</b>	<b>63</b>	<b>64</b>	<b>67</b>	<b>63</b>	<b>58</b>	<b>54</b>

## Consolidated Income Statement

MSEK	3 months Jan-Mar 2014/15	3 months Jan-Mar 2013/14	Financial year 2014/15	Financial year 2013/14
Net revenue	784	694	2,846	2,546
Cost of goods sold	-530	-480	-1,932	-1,741
<b>GROSS PROFIT</b>	<b>254</b>	<b>214</b>	<b>914</b>	<b>805</b>
Selling costs	-124	-108	-462	-409
Administration costs	-56	-42	-188	-161
Other operating revenue and operating costs	4	3	12	7
<b>OPERATING PROFIT</b>	<b>78</b>	<b>67</b>	<b>276</b>	<b>242</b>
(of which depreciation)	(-13)	(-12)	(-51)	(-44)
Net finance items	-4	-4	-11	-12
<b>PROFIT AFTER FINANCE ITEMS</b>	<b>74</b>	<b>63</b>	<b>265</b>	<b>230</b>
Taxes	-18	-14	-62	-53
<b>PROFIT FOR THE PERIOD</b>	<b>56</b>	<b>49</b>	<b>203</b>	<b>177</b>
Earnings per share, SEK	2.48	2.18	8.99	7.85
Earnings per share after dilution, SEK	2.47	2.16	8.96	7.81
Weighted number of shares outstanding after repurchases ('000)	22,591	22,524	22,573	22,544
Weighted number of shares outstanding after repurchases adjusted for dilution ('000)	22,691	22,673	22,655	22,665
Number of shares outstanding after period's repurchases ('000)	22,591	22,524	22,591	22,524

In view of the strike price on outstanding options during the period (SEK 69.40, SEK 125.40, and SEK 161.80) and the average market price of the share during the most recent twelve-month period (SEK 139.71) when the option programmes were outstanding, there was a dilutive effect of 0.4 percent for the most recent twelve-month period. For the past quarter there was a dilutive effect of 0.4 percent as the average market price of the share (SEK 150.29) was higher than the strike price for outstanding programmes.



## Consolidated Statement of Comprehensive Profit

MSEK	3 months Jan-Mar 2014/15	3 months Jan-Mar 2013/14	Financial year 2014/15	Financial year 2013/14
Profit for the period	56	49	203	177
<b>Other comprehensive profit</b>				
<u>Reposted items that may be reposted to net profit for the period</u>				
Change in translation reserve	-2	0	13	13
<u>Items that cannot be reposted to net profit for the period</u>				
Actuarial effects on pensions	-14	3	-14	3
Taxes attributable to actuarial effects	4	-1	4	-1
<b>COMPREHENSIVE PROFIT FOR THE PERIOD</b>	<b>44</b>	<b>51</b>	<b>206</b>	<b>192</b>

## Consolidated Statement of Financial Position

MSEK	2015-03-31	2014-03-31
<b>ASSETS</b>		
Goodwill	628	584
Other intangible non-current assets	355	296
Tangible non-current assets	167	140
Financial non-current assets	11	9
Inventories	313	279
Short-term receivables	552	531
Cash and cash equivalents	80	38
<b>TOTAL ASSETS</b>	<b>2,106</b>	<b>1,877</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	917	805
Long-term liabilities	195	211
Current liabilities	994	861
<b>TOTL EQUITY AND LIABILITIES</b>	<b>2,106</b>	<b>1,877</b>
Interest-bearing assets	80	38
Interest-bearing liabilities, not including pension liabilities	382	323

## Statement of Changes in Consolidated Equity

MSEK	Financial year 2014/15	Financial year 2013/14
Opening balance	805	699
Comprehensive profit for the period	206	192
<b>Transactions with owners</b>		
Dividend	-90	-73
Redemption and acquisition of options on repurchased shares, net	-4	-2
Repurchase of own shares	-	-11
<b>CLOSING BALANCE</b>	<b>917</b>	<b>805</b>



## Consolidated Statement of Cash Flow

MSEK	3 months Jan-Mar 2014/15	3 months Jan-Mar 2013/14	Financial year 2014/15	Financial year 2013/14
<b>Operating activities</b>				
Profit after finance items	74	63	265	230
Adjustments for paid taxes, items not included in cash flow, etc.	4	-7	-6	-15
<b>Cash flow from operating activities before changes in working capital</b>	<b>78</b>	<b>56</b>	<b>259</b>	<b>215</b>
<b>Cash flow from changes in working capital</b>				
Increase (-)/Decrease (+) in inventories	10	-6	1	-18
Increase (-)/Decrease (+) in operating receivables	-38	-77	11	-30
Increase (+)/Decrease (-) in operating liabilities	45	66	-3	64
<b>Cash flow from operating activities</b>	<b>95</b>	<b>39</b>	<b>268</b>	<b>231</b>
<b>Investment activities</b>				
Investment in businesses	-54	0	-128	-130
Investment in/disposals of other non-current assets, net	-13	-21	-38	-45
<b>Cash flow from investment activities</b>	<b>-67</b>	<b>-21</b>	<b>-166</b>	<b>-175</b>
<b>Financing activities</b>				
Dividend, option redemption & repurchase of own shares/options	0	0	-94	-86
Other financing activities	0	-16	34	32
<b>Cash flow from financing activities</b>	<b>0</b>	<b>-16</b>	<b>-60</b>	<b>-54</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>28</b>	<b>2</b>	<b>42</b>	<b>2</b>
Cash and cash equivalents at beginning of period	52	36	38	36
Translation difference in cash and cash equivalents	0	0	0	0
Cash and cash equivalents at end of period	80	38	80	38

## Financial instruments

For all of the Group's financial assets, fair value is estimated to equal carrying value. Liabilities valued at fair value consist of contingent consideration valued at discounted estimated cash flow and are thus included at level 3 in accordance with IFRS 13.

Carrying value, MSEK	2015-03-31	2014-03-31
Assets valued at fair value	-	-
Assets valued at accrued acquisition value	519	479
<b>Total assets, financial instruments</b>	<b>519</b>	<b>479</b>
Liabilities valued at fair value	95	97
Liabilities valued at accrued acquisition cost	647	535
<b>TOTAL ASSETS, FINANCIAL INSTRUMENTS</b>	<b>742</b>	<b>632</b>

	Financial year 2014/15	Financial year 2013/14
Change in contingent consideration		
Opening balance	97	72
Liabilities settled during the year	-30	-2
Revaluation of liabilities during the year	-24	-4
Year's liabilities from year's acquisitions	51	31
Translation difference	1	0
<b>Carrying value at year-end</b>	<b>95</b>	<b>97</b>



## Key Financial Indicators

	Financial year				
	2014/15	2013/14	2011/12	2010/11	2009/10
Revenue	2,846	2,546	2,328	2,265	2,029
Change in revenue, %	12	9	3	12	18
Profit after taxes	203	177	159	126	102
Operating margin, %	9.7	9.5	9.1	8.1	7.2
Profit margin, %	9.3	9.0	8.6	7.5	6.8
Equity ratio, %	44	43	44	46	42
Operating profit/Working capital (P/WC), %	58	55	52	48	45
Return on capital employed, %	22	22	23	22	21
Return on equity, %	24	24	24	22	20
Debt equity ratio	0.4	0.4	0.4	0.3	0.5
Net debt equity ratio	0.3	0.4	0.4	0.2	0.4
Interest coverage ratio	18	16	13	11	12
Net interest-bearing liabilities (+)/receivables (-), MSEK	302	285	248	135	193
Number of employees at end of period	1,139	1,010	932	780	731
Revenue outside Sweden, MSEK	1,931	1,676	1,553	1,533	1,355

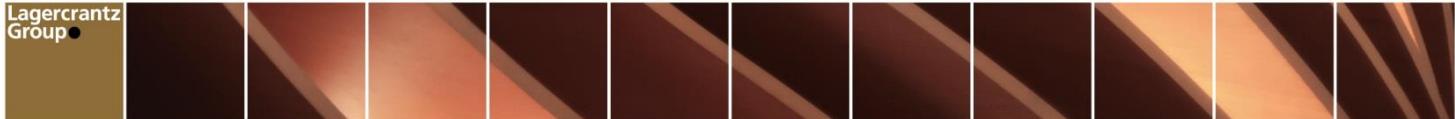
## Per-share data

	Financial year				
	2014/15	2013/14	2011/12	2010/11	2009/10
Number of shares outstanding at end of period after repurchases ('000)	22,591	22,524	22,520	22,217	22,196
Weighted number of shares outstanding after repurchases ('000)	22,573	22,544	22,426	22,242	22,046
Weighted number of shares outstanding after repurchases & dilution ('000)	22,655	22,665	22,501	22,392	22,133
Operating profit per share after dilution, SEK	12.18	10.68	9.47	8.22	6.64
Earnings per share, SEK	8.99	7.85	7.09	5.66	4.63
Earnings per share after dilution, SEK	8.96	7.81	7.07	5.63	4.61
Cash flow from operations per share after dilution, SEK	11.83	10.19	7.87	7.82	5.33
Cash flow per share after dilution, SEK	1.85	0.09	0.00	-0.89	1.22
Equity per share, SEK	40.59	35.70	31.00	27.90	24.60
Latest market price per share, SEK	158.00	127.00	88.25	57.25	61.75

Definitions are found in the 2013/14 Annual Report.

## Parent Company Balance Sheet

MSEK	2015-03-31	2014-03-31
<b>ASSETS</b>		
Tangible non-current assets	1	1
Financial non-current assets	1,499	1,345
Current liabilities	109	70
Cash and cash equivalents	0	0
<b>TOTAL ASSETS</b>	<b>1,609</b>	<b>1,416</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	905	769
Untaxed reserves	5	5
Long-term liabilities	21	72
Current liabilities	678	570
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,609</b>	<b>1,416</b>



## Parent Company Income Statement

MSEK	3 months Jan-Mar 2014/15	3 months Jan-Mar 2013/14	Financial year 2014/15	Financial year 2013/14
Net revenue	9	10	34	34
Administrative costs	-12	-13	-47	-48
Other operating income and operating costs	-1	-1	-1	-1
<b>OPERATING PROFIT</b>	<b>-4</b>	<b>-4</b>	<b>-14</b>	<b>-15</b>
Financial income	35	61	258	215
Financial expense	-3	-30	-10	-38
<b>PROFIT AFTER FINANCE ITEMS</b>	<b>28</b>	<b>27</b>	<b>234</b>	<b>162</b>
Change in untaxed reserves	0	0	0	0
Taxes	-6	-6	-4	-3
<b>PROFIT FOR THE PERIOD</b>	<b>22</b>	<b>21</b>	<b>230</b>	<b>159</b>
Other items in comprehensive profit for the period	-	-	-	-
<b>COMPREHENSIVE PROFIT FOR THE PERIOD</b>	<b>22</b>	<b>21</b>	<b>230</b>	<b>159</b>

This information is being published in accordance with the Act on Trading in Financial Instruments, or the regulations of NASDAQ OMX Stockholm. The information was provided for publication at 8:00 a.m., 7 May 2015.

### Reporting schedule

2015-07-17	Quarterly Report Q1 for the period 1 April 2015 – 30 June 2015
2015-08-25	Annual General Meeting for the 2014/15 financial year
2015-10-22	Quarterly Report Q2 for the period 1 July 2015 – 30 September 2015
2016-01-28	Quarterly Report Q3 for the period 1 October 2015 – 31 December 2015
2016-05-10	Year-end Report for the period 1 April 2015 – 31 March 2016

The Annual Report for the 2014/15 financial year will be published in June/July at [www.lagercrantz.com](http://www.lagercrantz.com).

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