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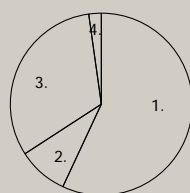
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**Interim report for 1 April–30
September 2007 (6 months)**

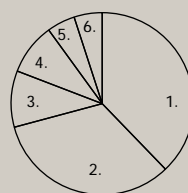
- Net revenue for the first six months of the financial year increased by 18 percent to MSEK 1,048 (887). Revenue during the second quarter was MSEK 515 (456), equivalent to an increase by 13 percent.
- Operating income for the first six months of the 2007/2008 financial year increased by 36 percent to MSEK 57 (42). During the second quarter profit was MSEK 29 (21), an increase by 38 percent.
- Profit after finance items increased to MSEK 52 (39) for the first six months of the financial year and was MSEK 27 MSEK (20) for the second quarter.
- Profit after tax increased to MSEK 38 (29) for the first six months of the financial year.
- Earnings per share increased to SEK 1.61 (1.22) for the first six months of the financial year. On a moving 12-month basis earnings per share amounts to SEK 3.13.
- The return on equity was 18 percent (13) and the equity ratio stood at 40 percent.

Current reporting period
1 April–30 Sep
2007



Revenue by product category
2007/08, 6 months

1. Special products and systems, 57%
2. Standard components, 9%
3. Own production, 32%
4. Service and consulting, 2%



Revenue by country
2007/08, 6 months

1. Sweden, 38%
2. Denmark, 33%
3. Norway, 9%
4. Finland, 10%
5. Germany, 5%
6. Other, 5%

NET REVENUE AND PROFIT

The Lagercrantz Group's net revenue during the first six months of the 2007/2008 financial year (1 April–30 September 2007) increased by 18 percent to MSEK 1,048 (887). The increase in revenue in continuing operations was approximately 6 percent. Revenue increased by 13 percent during the second quarter to MSEK 515 (456), or approximately 5 percent for comparable companies.

During the second quarter the operating margin was 5.6 percent (4.6 percent) and the operating profit was MSEK 29 (21), equivalent to an increase by 38 percent. Operating profit for the first six months of the financial year amounted to MSEK 57 (42) and the operating margin was 5.4 percent (4.7 percent). This result includes a positive effect in the amount of approximately MSEK 2 for items of a one-time nature, compared to approximately MSEK 5 during the preceding year. This earnings impact was seen during the first quarter of the financial year in both cases. Before items of a one-time nature, profit for the first six months of the financial year increased by 49 percent.

Profit after net finance items amounted to MSEK 52 (39) during the first six months of the year and to MSEK 27 (20) during the second quarter. The improvement in earnings during the second quarter means the tenth consecutive quarter with improved earnings compared to the corresponding year-ago quarter. Changes in foreign currency rates affected consolidated profit by approximately MSEK –2 (0) during the financial year.

Earnings per share for the first six months of the financial year increased to SEK 1.61 (1.22). Earnings per share for the most recent 12-month period amounted to SEK 3.13 per share, compared to SEK 2.75 for the 2006/2007 financial year.

Order bookings showed a continued positive development compared to the year before.

PROFITABILITY, FINANCIAL POSITION & CAPITAL EXPENDITURE

The return on capital employed for the most recent 12-month period was 17 percent compared to 13 percent for the corresponding year-ago period. The return on equity also climbed during the most recent 12-month period, to 18 percent as compared to 13 percent for the corresponding period one year ago.

Cash flow from operating activities amounted to MSEK 16 (–47) during the first six months of the financial year and to MSEK 33 (–22) during the second quarter. Investments in non-current assets amounted to MSEK 11 (23), gross, during the first six months of the financial year. Real estate sold affected cash & cash equivalents by 30 MSEK.

The Group carried financial net liabilities of MSEK 185 at the end of the period, as compared with MSEK 161 at the beginning of the financial year. The change is due to, in addition to the cash flow mentioned above, dividends paid during the period of approximately MSEK 30, repurchases of own class B shares in the amount of approximately MSEK 8 and acquisitions of approximately 18 MSEK.

Shareholders' equity per share amounted to SEK 18.40, as compared with SEK 18.20 at the beginning of the financial year. The equity ratio stood at 40 percent at the end of the period, compared to 39 percent at the beginning of the financial year.

MSEK	Net revenue			Operating profit		
	6 months Apr-Sep 2007/08	6 months Apr-Sep 2006/07	12 months 2006/07	6 months Apr-Sep 2007/08	6 months Apr-Sep 2006/07	12 months 2006/07
Electronics	377	369	751	15	12	23
Mechatronics	297	235	541	22	15	35
Communications	374	283	682	22	12	43
Parent Company/consolidation items	-	-	-	-2	3	-2
GROUP TOTAL	1 048	887	1 974	57	42	99

Current
reporting period
1 April–30 Sep
2007

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.

Net revenue for the second quarter amounted to MSEK 182 (186). Operating profit amounted to MSEK 8 (8), equivalent to a margin of 4.4 percent (4.3 percent).

Efforts within the division to change and develop the product line towards increased value added continued during the period. As example, the division has begun offering display solutions aimed at the health care sector, which is a new customer segment. Revenue declined during the second quarter, primarily due to phasing out products in the area of standard components.

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.

Net revenue for the second quarter increased to MSEK 145 (136). The revenue increase during the quarter was organic and is due to continued robust demand in the field of electric connection systems and the cable harness businesses.

Operating profit increased to MSEK 13 MSEK (10) during the quarter, equivalent to an operating margin of 9.0 percent (7.4 percent). The increase in earnings is due to favourable capacity utilisation and actions to strengthen margins. In Finland the division's two businesses have been combined in an effort to further strengthen the market position.

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.

Net revenue for the second quarter increased to MSEK 188 (134). The increase was generated by acquired businesses and by increased software revenue.

Operating income for the period increased to MSEK 10 (6), equivalent to an operating margin of 5.3 percent (4.5 percent). The improvement is due to acquired businesses and to stronger earnings in the division's access area. As in previous years, the second quarter is a weaker quarter due to the summer months for the division's businesses aimed at installation and systems integration.

The acquisition Direktronik AB is included in the division from April 2007; the effect of which on earnings and revenue was positive.

PARENT COMPANY AND OTHER CONSOLIDATION ITEMS

The Parent Company's internal revenue during the first half-year amounted to MSEK 13 (11) and profit after net finance items was MSEK 76 (5). This result includes foreign currency adjustments relating to intra-Group lending in an amount of MSEK -1 (-1). Dividends from subsidiaries amounted to MSEK 81 (12) net. Net investments in non-current assets amounted to MSEK 0 (0).

The Parent Company has an approved bank overdraft facility in the amount of MSEK 250. MSEK 92 thereof was utilised, as 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. The interest rate on MSEK 100 of the Group's borrowing was hedged during the preceding year 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 in the amount of MSEK 1 (0) were available at the beginning of the financial year.

Financial development in brief



REVENUE

– quarterly data		2007/08				2006/07	
MSEK	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	
Electronics	182	195	207	175	186	183	
Mechatronics	145	152	154	152	136	99	
Communications	188	186	196	203	134	149	
Parent Company/consolidation items	-	-	-	-	-	-	
GROUP TOTAL	515	533	557	530	456	431	

OPERATING PROFIT

– quarterly data		2007/08				2006/07	
MSEK	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	
Electronics	8	7	9	2	8	4	
Mechatronics	13	9	11	9	10	5	
Communications	10	12	14	17	6	6	
Parent Company/consolidation items	-2	0	-1	-4	-3	6	
GROUP TOTAL	29	28	33	24	21	21	

CONSOLIDATED INCOME STATEMENT

MSEK	3 months	3 months	6 months	6 months	Moving 12 months	Financial year
	Jul-Sep 2007/08	Jul-Sep 2006/07	Apr-Sep 2007/08	Apr-Sep 2006/07	Oct-Sep 2006/07	Apr-Mar 2006/07
Revenue	515	456	1 048	887	2 135	1 974
Cost of sales	-388	-343	-786	-670	-1 606	-1 490
Gross profit	127	113	262	217	529	484
Distribution costs	-66	-61	-143	-121	-297	-275
Administrative expenses	-29	-31	-63	-60	-123	-120
Research and development expenses	-3	-3	-6	-4	-12	-10
Other income and expenses	0	3	7	10	17	20
OPERATING PROFIT	29	21	57	42	114	99
<i>(of which depreciation and amortisation)</i>	<i>(-5)</i>	<i>(-5)</i>	<i>(-11)</i>	<i>(-10)</i>	<i>(-22)</i>	<i>(-21)</i>
Finance income	2	1	3	2	5	4
Finance costs	-4	-2	-8	-5	-16	-13
PROFIT AFTER FINANCE ITEMS	27	20	52	39	103	90
Income tax expenses	-7	-5	-14	-10	-29	-25
PROFIT FOR THE PERIOD	20	15	38	29	74	65
Attributable to:						
Equity holders of the Company	20	15	38	29	74	65
Minority interest	0	0	0	0	0	0
Profit for the period	20	15	38	29	74	65
Earnings per share, SEK	0.85	0.63	1.61	1.22	3.13	2.75
Earnings per share after dilution, SEK	0.85	0.63	1.61	1.22	3.13	2.75
Weighted number of shares outstanding after repurchases (thousands)	23 640	23 678	23 659	23 678	23 668	23 678
Weighted number of shares outstanding after repurchases adjusted for dilution (thousands)	23 651	23 678	23 667	23 678	23 668	23 678
Number of shares outstanding at period end (thousands)	23 428	23 678	23 428	23 678	23 428	23 678

In view of the redemption price on outstanding call options (SEK 36.00) and the average market price of the share (SEK 35.71) 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 11 000 shares, approximately 0.0 percent dilution when the average market price of the share was SEK 37.63, and for the last six months 8 000 shares, approximately 0.0 percent dilution when the average market price of the share was SEK 37.14.

Financial development in brief



CONSOLIDATED BALANCE SHEET

MSEK	2007 09 30	2006 09 30	2007 03 31
ASSETS			
Goodwill	138	98	128
Other intangible non-current assets	97	82	97
Property, plant and equipment	80	99	83
Financial non-current assets	39	44	39
Inventories	241	250	234
Current receivables	409	427	444
Cash and cash equivalents	75	46	94
TOTAL ASSETS	1 079	1 046	1 119
EQUITY AND LIABILITIES			
Equity attributable to the equity holders of the Company	432	392	432
Minority interest	-	0	0
<i>Total equity</i>	<i>432</i>	<i>392</i>	<i>432</i>
Non-current liabilities	187	309	189
Current liabilities	460	345	498
TOTAL EQUITY AND LIABILITIES	1 079	1 046	1 119
Interest-bearing assets	75	46	94
Interest-bearing liabilities	260	289	255

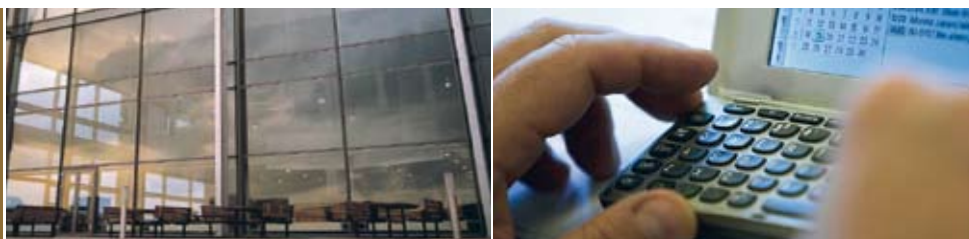
CONSOLIDATED CASH FLOW

MSEK	3 months Jul-Sep 2007/08	3 months Jul-Sep 2006/07	6 months Apr-Sep 2007/08	6 months Apr-Sep 2006/07	Financial year Apr-Mar 2006/07
Operating activities					
Profit after finance items	27	20	52	39	90
Adjustment for items not included in cash flow, etc.	-2	1	-7	-5	3
Cash flow from operating activities before changes in working capital	25	21	45	34	93
Cash flow from changes in working capital					
Increase(-)/Decrease(+) in inventories	1	-18	-2	-20	0
Increase(-)/Decrease(+) in operating receivables	22	-43	28	-65	-65
Increase(+)/Decrease(-) in operating liabilities	-15	18	-55	4	48
CASH FLOW FROM OPERATING ACTIVITIES	33	-22	16	-47	76
Investing activities					
Investments in businesses	-1	-1	-18	-131	-160
Investments in other non-current assets, net	-4	14	19	-2	-10
CASH FLOW FROM INVESTING ACTIVITIES	-5	13	1	-133	-170
Financing activities					
Dividends	-38	-24	-38	-24	-24
Change in loan liabilities	-24	32	3	196	158
CASH FLOW FROM FINANCING ACTIVITIES	-62	8	-35	172	134
CASH FLOW FOR THE PERIOD	-34	-1	-18	-8	40
Cash and cash equivalents at beginning of the period	110	47	94	55	55
Exchange rate difference in cash and cash equivalents	0	0	0	-1	-1
Cash and cash equivalents at end of the period	76	46	76	46	94

CHANGE IN SHAREHOLDERS' EQUITY

MSEK	Apr-Sep 2007/08	Apr-Sep 2006/07
Opening balance	432	393
Repurchase of own shares	-8	-
Dividend	-30	-24
Period's exchange rate differences	-1	-6
Change in hedging reserve	1	-
Profit for the period	38	29
Closing balance	432	392

Financial development in brief



KEY FINANCIAL INDICATORS

	6 months Apr-Sep 2007/08	6 months Apr-Sep 2006/07	2006/07	2005/06	2004/05	2003/04	2002/03
Change in revenue, %	18.2	14.9	22.8	5.9	-3.2	7.2	-26.2
Operating margin, %	5.4	4.7	5.0	3.5	0.3	1.7	1.8
Profit margin, %	5.0	4.4	4.6	3.4	-0.1	1.5	1.1
Equity ratio, %	40	38	39	52	51	47	56
Debt equity ratio	0.6	0.7	0.6	0.1	0.2	0.3	0.2
Net debt equity ratio	0.4	0.6	0.4	0.0	0.0	0.0	0.0
Interest coverage ratio	11	9	9	14	1	4	2
Net interest-bearing liabilities (+)/receivables (-), MSEK	185	243	161	-9	-5	2	-19
Number of employees at end of period	770	728	751	541	512	585	573
Revenue outside Sweden, MSEK	718	621	1 352	1 053	941	1 071	936
Per-share data							
Number of shares outstanding at end of period after repurchases (thousands)	23 428	23 678	23 678	23 678	24 078	24 078	25 078
Weighted number of shares outstanding after repurchases (thousands)	23 659	23 678	23 678	23 923	24 078	24 696	26 561
Weighted number of shares outstanding after repurchases and dilution (thousands)	23 667	23 678	23 678	23 923	24 078	24 696	26 561
Operating result per share, SEK	2.41	1.77	4.18	2.38	0.17	1.09	1.02
Result per share, SEK	1.61	1.22	2.75	1.63	0.21	0.57	0.34
Result per share after dilution, SEK	1.61	1.22	2.75	1.63	0.21	0.57	0.34
Cash flow per share, SEK	-0.76	-0.34	1.69	-1.00	-2.45	1.21	-2.03
Shareholders' equity per share, SEK	18.40	16.60	18.20	16.60	15.50	16.70	17.60
Latest market price paid per share, SEK	36.00	29.40	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	6 months Apr-Sep 2007/08	6 months Apr-Sep 2006/07	Moving 12 months Oct-Sep 2006/07	Financial year Apr-Mar 2006/07
Revenue	6	6	13	11	26	24
Administrative expenses	-7	-9	-15	-16	-37	-38
Other operating income and expenses	0	0	0	0	0	0
OPERATING PROFIT	-1	-3	-2	-5	-11	-14
Finance income	24	12	84	13	107	36
Finance costs	-3	-1	-6	-3	-12	-9
PROFIT AFTER FINANCE ITEMS	20	8	76	5	84	13
Income tax expense	0	1	1	2	5	6
PROFIT FOR THE PERIOD	20	9	77	7	89	19

PARENT COMPANY BALANCE SHEET

MSEK	2007 09 30	2006 09 30	2007 03 31
ASSETS			
Property, plant and equipment	0	0	0
Financial non-current assets	703	643	692
Current receivables	29	25	18
Cash and cash equivalents	1	0	1
TOTAL ASSETS	733	668	711
EQUITY AND LIABILITIES			
Equity	433	378	394
Non-current liabilities	100	95	100
Current liabilities	200	195	217
TOTAL EQUITY AND LIABILITIES	733	668	711
Assets pledged and contingent liabilities	43	48	44



ACCOUNTING POLICIES AND COMMENTS

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, which is in accordance with the requirements set out in recommendation RR31 Consolidated Interim Reporting of the Swedish Financial Accounting Standards Council. The accounting principles applied are those set out in the 2006/07 Annual Report.

EMPLOYEES

At the end of the period the number of employees in the Group was 770, which can be compared to 751 at the beginning of the period. The increase is explained by acquired businesses.

DISTRIBUTION OF SHARES 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	-986 423
TOTAL	23 427 809

Lagercrantz holds 986,423 class B shares in treasury, equivalent to 4.0 percent of the number of shares outstanding and 2.9 percent of the votes in Lagercrantz. During the second quarter 250,000 shares were acquired for a total of approximately MSEK 8. 515,000 of the repurchased shares are intended to fulfil the Company's obligation under the outstanding option programme (awards for 2006 and 2007) where the redemption price is SEK 36.00 and SEK 44.40, respectively, per call option. The average acquisition cost of the shares held in treasury amounts to SEK 25.87 per share. The quotient value per share is SEK 2.

ACQUISITIONS

Businesses acquired during the year affected net revenue and earnings before taxes by approximately MSEK 27 and MSEK 3, respectively.

RISKS AND FACTORS OF UNCERTAINTY

The Lagercrantz Group's earnings performance and financial position, as well as its strategic position, are affected by a number of internal factors over which the Company's exerts control and by a number of external factors where the possibility of exerting control over the course of events is limited. The risk factors with the greatest impact on the Lagercrantz Group are the state of the market, structural changes in the market, dependency on suppliers and customers, the competitive situation and foreign exchange rate trends. For

additional detail, please refer to the 2006/07 Annual Report since no significant changes have occurred during the period in terms of risks and factors of uncertainty.

The Parent Company is affected by the above mentioned risks and factors of uncertainty in its function as owner of its subsidiaries.

TRANSACTIONS WITH CLOSELY 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 SEP 2007

The incentive programme resolved by the 2007 Annual General Meeting for executives and members of senior management in the Group involving up to 260,000 call options on repurchased class B shares was fully subscribed. The programme with awards during 2007 will include 27 employees in the Group. The redemption price for the call options is SEK 44.40. The redemption period is between 21 September and 21 December 2010.

This interim report provides a fair overview of the Parent Company's and the Group's business, financial position and earnings, and describes significant risks and factors of uncertainty that the Parent Company and the Group's companies are facing.

Stockholm, 9 November 2007

Anders Börjesson, Chairman

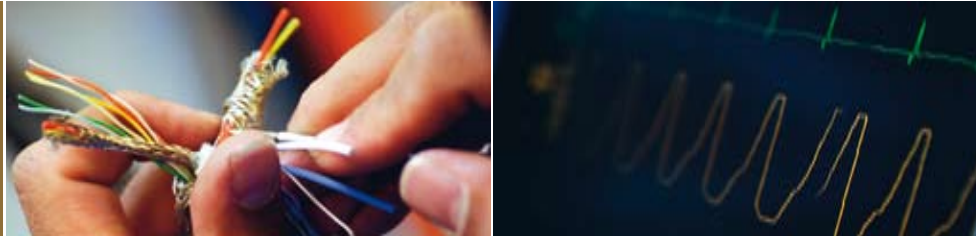
Tom Hedelius, Vice Chairman

Pirkko Alitalo, Director

Lennart Sjölund, Director

Jörgen Wigh, President, CEO and Director

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



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 industrial wireless 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 revenue of MSEK 1,974 in 2006/07 and has approximately 800 employees.

CALENDAR

- 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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