

Interim Report 2018/19 Q3

Third quarter 1 October – 31 December 2018

- Net revenue increased by 14 percent to MSEK 1,011 (888). Organically, net revenue increased by 7 percent.
- Operating profit (EBITA) increased by 23 percent to MSEK 137 (111), equivalent to an operating margin of 13.6 percent (12.5).
- Profit after financial items increased by 25 percent to MSEK 114 (91).
- Profit after taxes increased by 26 percent to MSEK 88 (70). Earnings per share for the latest 12-month period increased by 18 percent to SEK 4.82 (4.07).
- Return on equity was 24 percent (23). The equity ratio at the end of the period was 39 percent (36).
- Cash flow from operating activities for the latest 12-month period amounted to MSEK 430, compared to MSEK 282 for the 2017/18 financial year.
- During the quarter, a purchase agreement was signed to acquire just over 90 percent of the shares in Schmitztechnik GmbH, with annual revenue of about MEUR 6.7. The shares were taken into possession on 8 January 2019.

The first nine months (1 April – 31 December 2018)

- Net revenue for the first nine months of the financial year increased by 16 percent to MSEK 2,854 (2,457), of which 6 percent organic.
- Operating profit (EBITA) increased by 18 percent to MSEK 366 (309), equivalent to an operating margin of 12.8 percent (12.6).
- Profit after financial items increased by 20 percent to MSEK 301 (250) and profit after taxes amounted to MSEK 238 (197).



STATEMENT OF THE CHIEF EXECUTIVE

“A successful quarter” sums up the period from October to December 2018. The organic growth in net revenue was 7 percent, which represented a further improvement from before. The Group’s main markets in the Nordic countries continued to perform well and we did not notice any clear signs of an economic downturn in our businesses. In addition, several of our companies achieved success with their niche offerings in terms of exports outside the Nordic countries. The profit for the Group increased by 25 percent and reached a new all-time-high of MSEK 408 on a moving 12-month basis and the return on equity increased to 24 percent. Cash flow was also strong and reached an excellent MSEK 430 (282) from operating activities.

Operationally, we can confirm that strong performances were seen across the board in our more than 50 companies today. All four divisions reported operating margins of well over 10 percent during the quarter and at a unit level, 29 of our more than 50 companies now generate a profit after financial items in excess of 10 percent of sales on an annual basis. Our business concept, with a decentralised organisation and many capable employees once again is proving to be effective.

To conclude a good quarter, we also carried out a further acquisition. The product company Schmitztechnik GmbH, which is located in Mönchengladbach in Germany, generates annual revenue of MEUR 6.7, and is a leader in its technology niche, highly profitable and is therefore a good fit for our Group. It will be an important addition in order to further boost the Electronics division and is a key step in broadening the Group from being a mostly Nordic organisation to increasingly becoming a North European one.

Jörgen Wigh
President and CEO

NET REVENUE AND PROFIT

Quarter 3 (October – December 2018)

Sales in the Group’s main markets in the Nordic countries continued to develop positively during the third quarter of the financial year. Demand in Sweden mainly, but also Norway, Finland and Denmark remained stable. The export markets in Europe and the USA also saw strong demand.

Consolidated net revenue for the third quarter of the financial year increased by 14 percent to MSEK 1,011 (888). The currency effect on net revenue was MSEK 19. Acquired businesses made a contribution of MSEK 42. Organic growth in comparable units amounted to 7 percent, measured in local currency.

Operating profit before amortisation of intangible assets (EBITA) increased by 23 percent to MSEK 137 (111) during the quarter. Operating margin amounted to 13.6 (12.5) percent. All divisions increased their profit. The improvements were due to a strong performance in most units, especially in the Electronics and Communications divisions. Acquisitions also contributed positively, particularly in the Niche Products division.

Profit after net financial items increased by 25 percent to MSEK 114 (91). The currency effect on the profit amounted to MSEK 2 (0) during the quarter.

Profit after taxes for the period amounted to MSEK 88 (70). Earnings per share before and after dilution for the latest 12-month period amounted to SEK 4.82, compared to SEK 4.21 for the 2017/18 financial year.

The first nine months, April – December 2018

For the first nine months of the financial year, net revenue increased by 16 percent to MSEK 2,854 (2,457). Operating profit before amortisation of intangible assets (EBITA) amounted to MSEK 366 (309), equivalent to an increase of 18 percent and an operating margin of 12.8 percent (12.6). Profit after net financial items increased by 20 percent to MSEK 301 (250). The total currency effect on the profit amounted to MSEK 7 (1).

Profit after taxes during the first nine months of the financial year amounted to MSEK 238 (197), equivalent to earnings per share before and after dilution of SEK 3.52 (2.90). A reduction in corporate taxation for Swedish companies, from the current rate of 22.0 percent, will be introduced in two stages: 21.4 percent from and including 2019 and 20.6 percent from and including 2021. The decision means that deferred tax has been re-measured depending on the expected date of realization, which resulted in a positive effect of MSEK 4 on the recognised tax and net profit for the period.

Divisions

	Net revenue					Operating profit (EBITA)				
	3 months Oct-Dec 2018/19	3 months Oct-Dec 2017/18	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	12 months Apr-Mar 2017/18	3 months Oct-Dec 2018/19	3 months Oct-Dec 2017/18	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	12 months Apr-Mar 2017/18
MSEK										
Electronics	245	215	710	645	890	27	18	69	54	75
<i>EBITA margin</i>						11.0%	8.4%	9.7%	8.4%	8.4%
Mechatronics	278	268	834	761	1,033	41	36	129	113	147
<i>EBITA margin</i>						14.7%	13.4%	15.5%	14.9%	14.2%
Communications	247	218	666	564	786	39	30	90	68	103
<i>EBITA margin</i>						15.8%	13.8%	13.5%	12.0%	13.1%
Niche Products	241	187	644	487	701	40	31	105	85	127
<i>EBITA margin</i>						16.6%	16.6%	16.3%	17.5%	18.1%
Parent Company/consolidati on items	-	-	-	-	-	-10	-4	-27	-12	-16
GROUP TOTAL	1,011	888	2,854	2,457	3,410	137	111	366	309	436
<i>EBITA margin</i>						13.6%	12.5%	12.8%	12.6%	12.8%
Amortisation intangible assets						-17	-15	-50	-43	-58
Financial items						-6	-5	-15	-16	-20
PROFIT BEFORE TAXES						114	91	301	250	358

NET REVENUE AND PROFIT BY DIVISION THIRD QUARTER

Electronics

Net revenue for the third quarter increased by 14 percent to MSEK 245 (215). Demand continued to develop positively, even though some units continued to face a shortage of certain input goods from suppliers.

Operating profit (EBITA) for the quarter increased by 50 percent to MSEK 27 (18), equivalent to an EBITA margin of 11.0 percent (8.4). The division's value-adding German, Danish, Norwegian and Swedish distribution units, the Finnish RFID business and the Vanpee company in Sweden all strengthened their profits. The Danish acquisition in electromechanics and temporary power NST, which was added in November 2017, also had a positive impact.

Mechatronics

Net revenue for the third quarter increased by 4 percent to MSEK 278 (268). EBITA increased by 14 percent to MSEK 41 (36), representing an EBITA margin of 14.7 percent (13.4). During the quarter, Elkapsling and Swedwire displayed strong improvements as did the Finnish unit Enkom within value-adding technical infrastructure solutions. The division's largest unit, Elpress, which is active within electrical connection systems, continued to report good demand.

However, the unit in masts and aerial brackets for mobile telephony, Cue Dee, was unable to match the previous year's strong quarterly results. For organisational reasons, the company Swedwire, moved from Mechatronics to the Niche Products division as from 1 April 2018. An adjustment of the comparative figures for the previous year has been made.

Communications

Net revenue for the third quarter of the financial year increased by 13 percent to MSEK 247 (218).

EBITA increased by 29 percent to MSEK 39 (30), equivalent to an EBITA margin of 15.8 percent (13.8). The improvement was mainly due to an increase in business volume, where in particular the operations of ISG delivering camera solutions, Radonova in radon measurement, R-Con in sprinkler pump installations and COBS, which sells alarm and message handling systems to correctional treatment and elderly care, all performed well.

Niche Products

Net revenue for the third quarter increased by 29 percent to MSEK 241 (187), where roughly half of the increase came from acquisitions.

EBITA for the quarter increased by 29 percent to MSEK 40 (31), equivalent to an EBITA margin of 16.6 percent (16.6). The units Asept, Tormek and Kondator reported a

good development. Asept operates within dispensing of liquid foodstuffs, Tormek sells sharpening systems for edge tools and Kondator ergonomic office interior accessories. The company Swedwire moved from the Niche Products division to the Mechatronics division as from 1 April 2018, which also led to an adjustment of the previous year's figures.

PROFITABILITY AND FINANCIAL POSITION

Return on equity for the latest 12-month period amounted to 24 percent (23) and the return on capital employed was 17 percent (17). The Group's metric for return on working capital (P/WC) was 55 percent (54). The equity ratio was 39 percent (36).

Equity per share totalled SEK 20.58 at the end of the period, compared to SEK 19.26 at the beginning of the financial year. Aside from profit, this metric was also affected by dividends paid.

At the end of the period, operational net indebtedness was MSEK 952, compared to MSEK 1,035 at the beginning of the year. The decrease was mainly due to a positive operating cash flow less dividends of MSEK 134. The operational net debt equity ratio was 0.7 (0.8). The pension liability amounted to MSEK 67 as of 31 December 2018, compared to MSEK 62 at the end of the year-earlier period.

CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities during the third quarter amounted to MSEK 180 (113). During the first nine months of the financial year, the equivalent figure was MSEK 307 (158). Gross investments in non-current assets amounted to MSEK 17 (8) during the third quarter.

OTHER FINANCIAL INFORMATION

Parent Company and other consolidation items

The Parent Company's internal net revenue for the first nine months of the financial year amounted to MSEK 27 (26) and profit after net financial items was MSEK 303 (321). The result includes exchange rate adjustments on intra-Group lending of MSEK 0 (0) and dividends from subsidiaries of MSEK 337 (329).

Net investments in non-current assets amounted to MSEK 0 (0). The Parent Company's equity ratio was 52 percent (50).

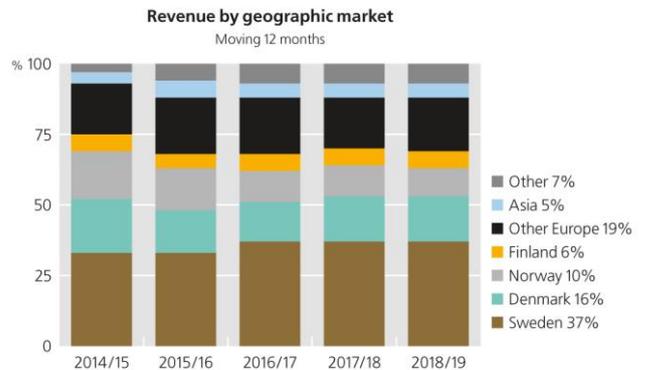
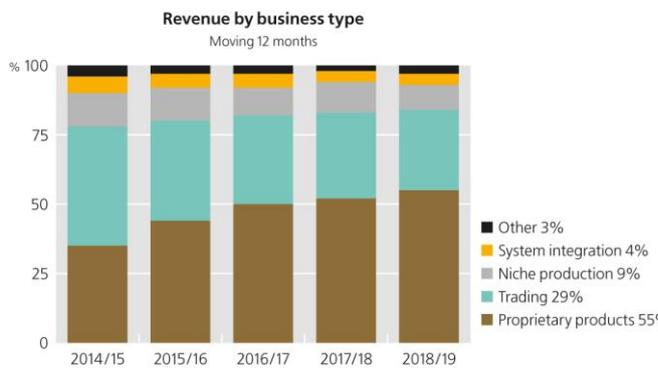
Employees

At the end of the period, the number of employees in the Group was 1,401, compared to 1,387 at the beginning of the financial year.

Share capital

The share capital amounted to MSEK 48.9 at the end of the period. The quota value per share amounted to SEK 0.70. Classes of shares were distributed as follows on 31 December 2018:

Classes of shares	
A shares	3,263,802
B shares	66,256,125
Repurchased B shares	-1,833,000
Total	67,686,927



At 31 December 2018, Lagercrantz Group held 1,833,000 own Class B shares, equivalent to 2.6 percent of the total number of shares and 1.9 percent of the votes in the Lagercrantz Group. Repurchased shares cover, inter alia, the company's obligations under outstanding call option programmes for repurchased shares. During the third quarter, 500,000 options for B shares with a redemption price of SEK 105.20 were issued in accordance with the resolution of the 2018 AGM. These options were acquired by about 50 managers and senior executives in the Group for a total of MSEK 4. The remaining options from the 2015 programme were repurchased for a total of MSEK 2 (237,200 options). On 31 December 2018, 1,709,875 options were outstanding and were acquired by senior executives in connection with allocations in 2016, 2017 and 2018. The redemption price for each respective programme is SEK 100.70, SEK 95.90, and SEK 105.20 per share.

Acquisitions

During the third quarter, a purchase agreement was signed to acquire just over 90 percent of the shares of Schmitztechnik GmbH. The shares were taken into possession on 8 January 2019. The remaining just over 9 percent of the shares are held by the MD Dirk Maubach. Schmitztechnik is a leader in several OEM segments with customised silicone, rubber, PUR and industrial plastic products with Germany as its main market. The company is located in Mönchengladbach and generates annual revenue of about MEUR 6.7 with good profitability. Schmitztechnik is part of the Lagercrantz Electronics division as of January 2019.

The effect of the acquisition completion during the fourth quarter of the financial year is expected to generate a small positive addition to the Group's earnings per share.

During the first nine months of the financial year, MSEK 19 (34) was paid in contingent consideration for previous acquisitions.

ALTERNATIVE KEY RATIOS

The company applies some financial metrics in the interim report that are not defined according to IFRS. The intention is to provide supplementary information for evaluation of trends and the company's performance. However, the metrics are not always comparable with metrics used by other companies and are therefore not a substitute for metrics defined according to IFRS. Expanded information has been provided in this report with regard to definitions of certain financial metrics.

ACCOUNTING POLICIES

The Interim Report for the Group has been prepared in accordance with IFRS with application of IAS 34, *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Securities Markets Act.

Apart from in the financial statements and accompanying notes, disclosures according to IAS 34.16A are also presented in other parts of the report. The Interim Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Markets Act, which is in accordance with the provisions of RFR 2, *Accounting for Legal Entities*.

The same accounting policies and judgement criteria have been applied as in the Lagercrantz Group's Annual Report 2017/18. In addition, new IFRS standards and IFRIC interpretations, primarily IFRS 15 (Revenue from Contracts with Customers) and IFRS 9 (Financial Instruments) have been adopted. IFRS 9 has not had any material impact on the Group's results and financial position. As for handling the transition to the new IFRS 15 standard, the so-called cumulative effect method has been applied, without transfer of revenue or costs between financial years and without adjustments of equity or other balance sheet items. Due to new rules (IFRS 15) for allocation of service contracts to later periods, the profit after financial items for the period April until December was reduced by MSEK 4. The Group is currently working with analysis and implementation of the new standard IFRS 16, Leases. See the company's Annual Report 2017/18 for more information.

OTHER INFORMATION

Related-party transactions

Transactions between Lagercrantz and related parties with a significant impact on the company's financial position and results have not occurred, aside from redemption and repurchase of options as described 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 Parent Company is impacted by the above-mentioned risks and uncertainty factors through its capacity as owner of subsidiaries. For additional information, please refer to the 2017/18 Annual Report.

**Post-balance sheet events**

Kristina Elfström Mackintosh has been appointed as the new CFO for the Lagercrantz Group. Kristina has many years' experience of leading financial and accounting departments in unlisted and listed companies; most recently as Group CFO for the wood processing business Surewood Industries within the investment company Active Invest-Sweden AB. She holds a Bachelor of Science (Econ.) degree from Uppsala University and was previously an authorised public accountant at Arthur Andersen. Kristina will take up her position at Lagercrantz in May 2019.

Aside from the acquisition of Schmitztechnik GmbH, see under Acquisitions above, no significant events for the company have occurred after the balance sheet date on 31 December 2018.

Election Committee for appointment of directors

At the Annual General Meeting on 28 September 2018, the Chairman of the Board was entrusted with the task of contacting the largest shareholders in terms of votes as of 31 December 2018, and requesting them to appoint members, in order to form an Election Committee together with the Chairman of the Board. The Election Committee shall be composed of five members.

In accordance with this, the following persons were appointed as members of the Election Committee ahead of the Annual General Meeting 2018: Anders Börjesson, (Chairman of the Board), Johan Strandberg (representing SEB Investment Management), Adam Gerge (representing Didner & Gerge Fonder), Marianne Nilsson (representing Swedbank Robur Fonder) and Mats Gustafsson (representing Lannebo Fonder).

Proposals to the Election Committee from shareholders may be sent to the company for forwarding or may be sent by e-mail to valberedningen@lagercrantz.com. More information is available on www.lagercrantz.com.

Stockholm, 29 January 2019

Jörgen Wigh
President and CEO

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

Segment information by quarter

Net revenue		2018/19				2017/18		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Electronics	245	234	231	245	215	214	216	
Mechatronics	278	267	289	272	268	236	257	
Communications	247	196	223	222	218	161	185	
Niche Products	241	198	205	214	187	164	136	
Parent Company/consolidation items	-	-	-	-	-	-	-	
GROUP TOTAL	1,011	895	948	953	888	775	794	

EBITA		2018/19				2017/18		
MSEK	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Electronics	27	22	20	21	18	18	18	
Mechatronics	41	44	44	34	36	35	42	
Communications	39	25	26	35	30	19	19	
Niche Products	40	34	31	42	31	29	26	
Parent Company/consolidation items	-10	-8	-8	-4	-4	-3	-5	
GROUP TOTAL	137	117	113	128	111	98	100	

EBITA margin		2018/19				2017/18		
%	Q3	Q2	Q1	Q4	Q3	Q2	Q1	
Electronics	11.0	9.4	8.7	8.6	8.4	8.4	8.3	
Mechatronics	14.7	16.5	15.2	12.5	13.4	14.8	16.3	
Communications	15.8	12.8	11.7	15.8	13.8	11.8	10.3	
Niche Products	16.6	17.2	15.1	19.6	16.6	17.7	19.1	
Parent Company/consolidation items	-	-	-	-	-	-	-	
GROUP TOTAL	13.6	13.1	11.9	13.4	12.5	12.6	12.6	

Consolidated Income Statement – condensed

MSEK	3 months Oct-Dec 2018/19	3 months Oct-Dec 2017/18	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	Moving 12 months Jan-Dec 2018	Financial year 2017/18
Net revenue	1,011	888	2,854	2,457	3,807	3,410
Cost of goods sold	-640	-559	-1,812	-1,564	-2,419	-2,171
GROSS PROFIT	371	329	1,042	893	1,388	1,239
Selling expenses	-177	-164	-516	-458	-687	-629
Administrative expenses	-80	-71	-226	-195	-305	-274
Other operating income and operating expenses	5	2	16	26	32	42
OPERATING PROFIT *)	119	96	316	266	428	378
Net financial items	-6	-5	-15	-16	-20	-20
PROFIT AFTER FINANCIAL ITEMS	114	91	301	250	408	358
Taxes	-26	-21	-63	-53	-82	-72
NET PROFIT FOR THE PERIOD	88	70	238	197	326	286
*) Of which:						
- amortisation of intangible assets that arose in connection with acquisitions:	(-17)	(-15)	(-50)	(-43)	(-66)	(-58)
- depreciation of other non-current assets:	(-14)	(-13)	(-42)	(-36)	(-56)	(-50)
EBITA	137	111	366	309	494	436
Earnings per share, SEK	1.30	1.03	3.52	2.90	4.82	4.21
Earnings per share after dilution, SEK	1.30	1.03	3.52	2.90	4.82	4.21
Weighted number of shares after repurchases, ('000)	67,687	67,800	67,681	67,938	67,675	67,868
Weighted number of shares after repurchases adjusted after dilution ('000)	67,687	67,838	67,681	68,000	67,675	67,924
Number of shares after repurchases during the period ('000)	67,687	67,655	67,687	67,655	67,687	67,656

In view of the redemption price on outstanding call options during the period (SEK 100.70, SEK 95.90 and SEK 105.20) and the average share price (SEK 88.64) during the latest 12-month period when the option programmes were outstanding, there was a dilutive effect of 0.0 percent for the latest 12-month period. For the past quarter, there was a dilutive effect of 0.0 percent as the average share price (SEK 88.37) was lower than the redemption prices for outstanding programmes.

Consolidated Statement of Comprehensive Income and Other Comprehensive Income

MSEK	3 months Oct-Dec 2018/19	3 months Oct-Dec 2017/18	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	Moving 12 months Jan-Dec 2018	Financial year 2017/18
Net profit for the period	88	70	238	197	326	286
Other comprehensive income						
<u>Items that have been reposted or that may be reposted to net profit for the period</u>						
Change in translation reserve	-11	-4	-13	-19	26	20
Translation differences transferred to net profit for the period	0	0	0	0	0	0
<u>Items that cannot be reposted to net profit for the period</u>						
Actuarial effects on pensions	0	0	0	0	-6	-6
Taxes attributable to actuarial effects	0	0	0	0	2	2
COMPREHENSIVE INCOME FOR THE PERIOD	77	66	225	178	348	302

Consolidated Statement of Financial Position – condensed

MSEK	31 Dec 2018	31 Dec 2017	31 Mar 2018
ASSETS			
Goodwill	1,244	1,139	1,248
Other intangible non-current assets	656	654	710
Property, plant and equipment	253	232	251
Financial assets	10	12	11
Inventories	527	483	492
Trade receivables and earned but not yet invoiced income	646	561	647
Other current receivables	159	152	139
Cash and bank balances	119	119	134
TOTAL ASSETS	3,614	3,352	3,632
EQUITY AND LIABILITIES			
Equity	1,393	1,208	1,303
Non-current liabilities	565	576	591
Trade payables and advance payment from customers	306	270	308
Other current liabilities	1,350	1,298	1,430
TOTAL EQUITY AND LIABILITIES	3,614	3,352	3,632
Interest-bearing assets	119	119	134
Interest-bearing liabilities, excluding pension liabilities	1,071	1,081	1,169

Consolidated Statement of Changes in Equity

MSEK	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	Moving 12 months Jan-Dec 2018	Financial year 2017/18
Opening balance	1,303	1,197	1,208	1,197
Comprehensive income for the period	225	178	320	273
Transactions with owners				
Dividend	-134	-136	-134	-136
Redemption and acquisition of options on repurchased shares, net	-1	1	-1	1
Repurchase of own shares	-	-32	-	-32
CLOSING BALANCE	1,393	1,208	1,393	1,303

Consolidated Statement of Cash Flows

MSEK	3 months Oct-Dec 2018/19	3 months Oct-Dec 2017/18	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	Moving 12 months Jan-Dec 2018	Financial year 2017/18
Operating activities						
Profit after financial items	114	91	301	250	408	358
Adjustments for taxes paid, items not included in cash flow, etc.	2	-21	19	-29	13	-35
Cash flow from operating activities before changes in working capital	116	70	320	221	421	323
Cash flow from changes in working capital						
Increase (-)/Decrease (+) in inventories	10	-24	-35	-39	-28	-32
Increase (-)/Decrease (+) in operating receivables	9	35	-4	19	-80	-57
Increase (+)/Decrease (-) in operating liabilities	45	32	26	-43	117	48
Cash flow from operating activities	180	113	307	158	430	282
Investing activities						
Investment in businesses	-5	-79	-30	-321	-228	-519
Investments in/disposals of other non-current assets, net	-17	-7	-42	-32	-56	-46
Cash flow from investing activities	-22	-86	-72	-353	-284	-565
Financing activities						
Dividends, redemption of options & repurchase of own shares/options	-148	-15	-151	-167	-151	-167
Financing activities	-7	-17	-99	359	4	462
Cash flow from financing activities	-155	-32	-250	192	-147	295
CASH FLOW FOR THE PERIOD	3	-5	-15	-3	-1	12
Cash and cash equivalents at the beginning of the period	116	124	134	122	119	122
Cash and cash equivalents at the end of the period	119	119	119	119	119	134

Financial instruments

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

Carrying amount, MSEK	31 Dec 2018	31 Mar 2018
Assets measured at fair value	-	-
Assets measured at amortised cost	726	751
TOTAL ASSETS, FINANCIAL INSTRUMENTS	726	751
Liabilities measured at fair value	128	153
Liabilities measured at amortised cost	1,372	1,474
TOTAL LIABILITIES, FINANCIAL INSTRUMENTS	1,500	1,627
	9 months Apr – Dec 2018/19	Financial year 2017/18
Change in contingent consideration		
Opening balance	153	165
Liabilities settled during the year	-19	-34
Remeasurement of liabilities during the year	-7	-49
Year's liabilities from acquisitions during the year	-	76
Exchange difference	1	-5
Carrying amount at end of the period	128	153

Parent Company Balance Sheet – condensed

MSEK	31 Dec 2018	31 Dec 2017	31 Mar 2018
ASSETS			
Property, plant and equipment	1	1	1
Financial assets	2,419	2,255	2,418
Current receivables	549	485	514
Cash and bank balances	-	1	-
TOTAL ASSETS	2,969	2,742	2,933
EQUITY AND LIABILITIES			
Equity	1,539	1,359	1,366
Untaxed reserves	-	-	-
Non-current liabilities	320	320	320
Current liabilities	1,110	1,063	1,247
TOTAL EQUITY AND LIABILITIES	2,969	2,742	2,933

Parent Company Income Statement – condensed

MSEK	3 months Oct-Dec 2018/19	3 months Oct-Dec 2017/18	9 months Apr-Dec 2018/19	9 months Apr-Dec 2017/18	Moving 12 months Jan-Dec 2018	Financial year 2017/18
Net revenue	9	9	27	26	37	36
Administrative expenses	-20	-15	-56	-45	-75	-64
Other operating income and operating expenses	0	-1	0	17	-20	-3
OPERATING PROFIT	-11	-7	-29	-2	-58	-31
Financial income	2	2	344	334	384	374
Financial expenses	-3	-5	-12	-11	-17	-16
PROFIT AFTER FINANCIAL ITEMS	-12	-10	303	321	309	327
Change in untaxed reserves	0	0	0	0	0	0
Taxes	2	2	7	5	4	2
NET PROFIT FOR THE PERIOD	-10	-8	310	326	313	329

Key ratios

In the table below, key ratios are partly presented that are not defined according to IFRS. For definition of these, see below.

	Moving 12 months Jan - Dec 2018	Financial year			
		2017/18	2016/17	2015/16	2014/15
Revenue	3,807	3,410	3,096	3,057	2,846
Change in revenue, %	15.7	10.1	1.3	7.0	12.0
Operating profit (EBITA)	494	436	409	355	295
Profit after taxes	326	286	274	241	203
Operating margin (EBITA), %	12.9	12.8	13.2	11.6	10.4
EBIT margin, %	11.2	11.1	11.7	10.3	9.7
Profit margin, %	10.7	10.5	11.3	10.0	9.3
Equity ratio, %	39	36	41	40	44
Return on working capital (P/WC), %	55	52	58	58	58
Return on capital employed, %	17	17	20	21	22
Return on equity, %	24	23	25	25	24
Debt/equity ratio, times	0.8	0.9	0.6	0.6	0.4
Operational net debt/equity ratio, times	0.7	0.8	0.5	0.5	0.3
Interest coverage ratio, times	14	14	22	20	18
Operational net debt (+)/receivables (-), MSEK	952	1,035	565	551	302
Number of employees at end of period	1,401	1,387	1,247	1,230	1,139
Revenue outside Sweden, MSEK	2,414	2,151	1,940	1,991	1,931

Per-share data

In the table below, key ratios are partly presented that are not defined according to IFRS. For definition of these, see below.

	Moving 12 months Jan - Dec 2018	Financial year			
		2017/18	2016/17	2015/16	2014/15
Number of shares at end of period after repurchases ('000)	67,687	67,656	67,985	67,844	67,773
Weighted number of shares after repurchases, ('000)	67,675	67,868	67,941	67,889	67,719
Weighted number of shares after repurchases & dilution ('000)	67,675	67,924	68,097	68,121	67,965
EBIT- earnings per share after dilution, SEK	6.32	5.57	5.30	4.63	4.06
Earnings per share, SEK	4.82	4.21	4.03	3.55	3.00
Earnings per share after dilution, SEK	4.82	4.21	4.02	3.54	2.99
Cash flow from operations per share after dilution, SEK	6.35	4.14	5.51	3.77	3.94
Cash flow per share after dilution, SEK	-0.01	0.16	0.81	-0.19	0.62
Equity per share, SEK	20.58	19.26	17.61	15.22	13.53
Latest price paid per share, SEK	86.10	83.50	87.00	77.50	52.67

Definitions

Return on equity

Net profit after tax as a percentage of average equity (opening plus closing balance for the period, divided by two).

Return on working capital (P/WC)

Profit before net financial items (EBIT) as a percentage of average working capital, (opening balance plus closing balance for the period, divided by two), where working capital consists of inventories, trade receivables and claims on customers less trade payables and advance payment from customers.

Return on capital employed

Profit after financial items, plus financial expenses as a percentage of average capital employed (opening balance plus closing balance for the period, divided by two).

Operating profit (EBITA)

Operating profit before amortisation of intangible non-current assets arising in connection with acquisitions.

Operating margin

Operating profit (EBITA) as a percentage of net revenue.

Equity per share

Equity divided by the number of outstanding shares on the balance sheet date.

Cash flow per share after dilution

Cash flow in relation to the weighted number of shares outstanding after repurchases and dilution.

Cash flow from operating activities per share

Cash flow from operating activities in relation to the weighted average number of shares outstanding after repurchases and dilution.

Operational net debt/receivables

Interest-bearing provisions and liabilities, excluding pensions, less cash and cash equivalents and investments in securities.

Operational net debt/equity ratio

Interest-bearing provisions and liabilities, excluding pensions, less cash and cash equivalents and investments in securities, divided by equity plus non-controlling interests.

Change in revenue

Change in net revenue as a percentage of the preceding year's net revenue.

Interest coverage ratio

Profit after financial items plus financial expenses divided by financial expenses.

EBIT margin

Profit before net financial items as a percentage of net revenue.

Debt/equity ratio

Interest-bearing liabilities divided by equity, plus non-controlling interests.

Equity ratio

Equity, plus non-controlling interests as a percentage of total assets.

Capital employed

Total assets, less non-interest-bearing provisions and liabilities.

Profit margin

Profit after financial items, less participations in associated companies as a percentage of net revenue.

This information is information that Lagercrantz Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 08.00 CET on 29 January 2018.

Reporting dates

9 May 2019 Year-end Report for the period 1 April 2018–31 March 2019
18 July 2019 Quarterly Report Q1 for the period 1 April 2019–30 June 2019
27 August 2019 Annual General Meeting for the 2018/19 financial year.

For additional information, please contact
Jörgen Wigh, President, phone +46 8 700 66 70
Thomas Alkbrant, CFO, phone +46 8 700 66 70

Lagercrantz Group AB (publ)
Box 3508, 103 69 Stockholm
Phone +46 8 700 66 70
Corporate identity number 556282-4556
www.lagercrantz.com