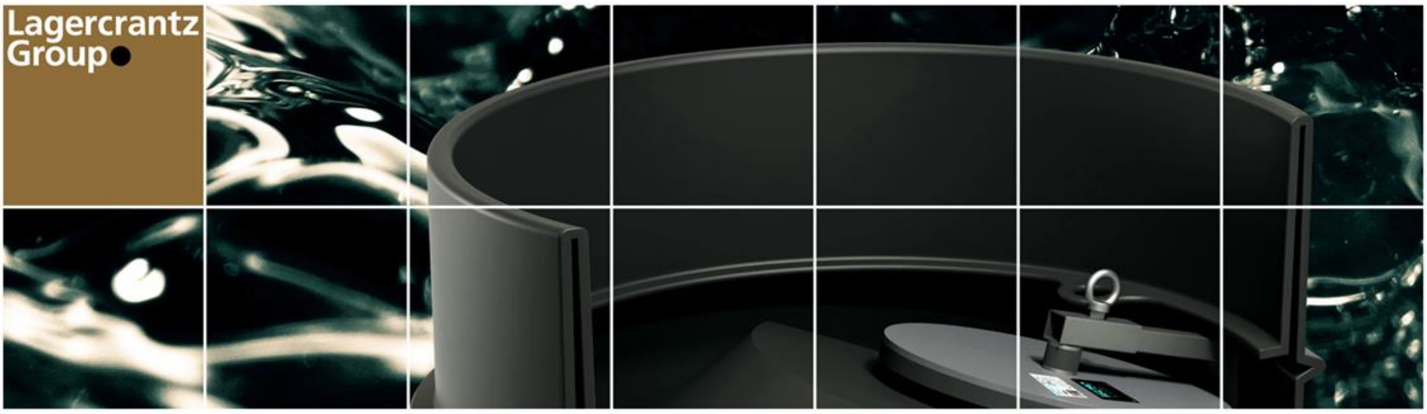

Year-end Report 2018/19

The financial year 1 April 2018 – 31 March 2019 (12 months)

- Net revenue increased by 15 percent to MSEK 3,932 (3,410). Organically, net revenue increased by 7 percent.
- Operating profit (EBITA) increased by 19 percent to MSEK 519 (436), equivalent to an operating margin of 13.2 percent (12.8).
- Profit after financial items increased by 20 percent to MSEK 431 (358).
- Profit after taxes amounted to MSEK 342 (286). Earnings per share, before and after dilution, amounted to SEK 5.05 (4.21).
- Cash flow from operating activities increased by more than 60 percent to amounted to MSEK 462 (282).
- Return on equity was 24 percent (23). The equity ratio at the end of the period was 39 percent (36 percent).
- During the financial year 2018/19, the acquisition of Schmitztechnik GmbH in Germany was carried out. The acquisition is expected to add annual sales of about MEUR 6.7 with good profitability.
- The Board of Directors proposes a dividend of SEK 2.50 (2.00) per share.

1 January– 31 March 2019 (fourth quarter)

- Net revenue during the fourth quarter increased by 13 percent and amounted to MSEK 1,078 (954). Organically, net revenue increased by 9 percent.
- Operating profit (EBITA) increased by 20 percent to MSEK 153 (128), equivalent to an operating margin of 14.2 percent (13.4).
- Profit after financial items increased by 21 percent to MSEK 130 (107) and profit after taxes increased by 17 percent to MSEK 104 (89).
- Cash flow from operating activities during the quarter amounted to MSEK 155 (109).
- After the end of the period, a further acquisition was completed of Dorotea Mekaniska AB (Truxor), which generates annual revenue of approximately MSEK 70 with good profitability.

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STATEMENT OF THE CHIEF EXECUTIVE

The financial year 2018/19

"Success on a broad front", sums up the 2018/19 financial year. The strength in our business concept was confirmed as we achieved a new record profit for the 9th year in a row. For the full-year, profit after net financial items was MSEK 431, an increase of about 20 percent compared to the previous year. Earnings per share also reached a new record level of SEK 5.05 per share, an increase of 20 percent and the Board proposed an increased dividend to the shareholders of SEK 2.50 per share.

The fact that the organic sales growth was higher than before was extra positive in this context and that the increases in profits were seen on a broad front among many of our more than 50 companies.

The better organic growth than before was due to a favourable market situation but also to the fact that the Group is selling a higher proportion of proprietary products. We have had this ambition ever since 2006 and the proportion today has increased to 55 percent of sales. The gross margins are generally higher with proprietary products and companies can develop a market position where they exercise better control, with products based on their own merits and which are less exposed for this reason. If the products are unique and leading in the domestic market, there are often growth opportunities, not least in terms of exports.

Apart from an increased proportion of product companies, we have also clarified the prioritisation of growth internally in the Group. We have made international investments to a greater extent and prioritised sales and product development as well as digitalisation in our companies. We have also increased the level of expectation and made changes in subsidiaries where administration rather than entrepreneurship has dominated the discussion. This has delivered results. Organic growth, i.e. sales growth in comparable units, measured in local currency, has been 7-9 percent during the past four quarters.

In light of these strategic ambitions, it is pleasing to see that the profit improvements are being reported on a broad front. This shows that the governance model and how we are developing the companies is working. Benchmarking is a tool in the business development where we rank all the Group's companies from best to worst using different metrics. One metric is the net margin where comparisons stimulate improvements when it comes to sales activities, active pricing strategies and cost control. Everyone wants to improve and no one wants to be in the relegation zone in the comparison, which generates results. Of our total of 51 companies, 30 currently achieve a profit after net financial items in excess of 10 percent of sales. These units account for about 70 percent of the Group's business volume. This means that many companies in the Group are performing very well and with regard to risk, we are diversified in many sub-markets, geographies, customer segments and product technologies.

I really want to take this opportunity to thank all our employees for the many fantastic efforts during the year. Our business philosophy with decentralisation and management by objectives provides a great basis for every management team to reach their goals and realise their visions. Taken together, this leads to a successful listed company.

Looking ahead, we will continue on our chosen path. Today we have a strong business concept, a strong company portfolio and a strong balance sheet, which will enable more investments and acquisitions. The ambition is to further increase the proportion of proprietary products and reach 75 percent of sales in 3-5 years' time.

In recent years, sustainability issues have come into stronger focus. We have always worked on a long-term basis with high ethical standards and we want to be the good company. We have strengthened our Code of Conduct and we are prioritising environmental and gender equality issues. Taken together, all of this gives me a very strong confidence in Lagercrantz's future.

May 2019

Jörgen Wigh
President and CEO

NET REVENUE AND PROFIT

12 months, April 2018 – March 2019

The market climate in the Group's main markets in the Nordic countries and Northern Europe was favourable during the financial year. Domestic demand in Sweden was stable and the export industry has benefitted from the weaker Swedish Krona. In Denmark, Norway and Finland, demand gradually strengthened somewhat during the year. The Group's exports outside the Nordic countries strengthened during the financial year. The share of exports is increasing and now represents just over 30 percent of the business volume where sales in the rest of Europe and in the USA and China developed particularly well.

Consolidated net revenue for the financial year increased by 15 percent to MSEK 3,932 (3,410). The currency effect on net revenue was MSEK 89. Acquired businesses made a contribution of MSEK 201. Organic growth in comparable units amounted to 7 percent, measured in local currency.

Operating profit before amortisation of intangible assets (EBITA) for the financial year increased by 19 percent to MSEK 519 (436), equivalent to an operating margin of 13.2 percent (12.8). Improvements were noted on a broad front in the Group, where the economic situation had a positive impact and many of the Group's companies developed positively both domestically and in terms of exports.

Consolidated profit before financial items (EBIT) for the financial year amounted to MSEK 451 (378), equivalent to an EBIT margin of 11.5 percent (11.1). Profit after financial items increased by 20 percent to MSEK 431 (358). Total currency effects on the profit after net financial items amounted to MSEK 9 (2).

Exchange rate adjustments of financial assets impacted net financial items during the period by MSEK -2 (-6).

Profit after taxes for the period amounted to MSEK 342 (286). Earnings per share after dilution for the 2018/19 financial year amounted to SEK 5.05, compared to SEK 4.21 for the 2017/18 financial year. 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 realisation, which resulted in a positive effect of MSEK 4 on the recognised tax and profit.

Fourth quarter, January – March 2019

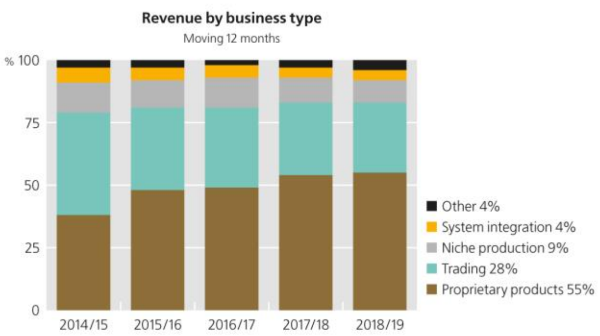
In the fourth quarter of the financial year, net revenue increased by 13 percent to MSEK 1,078 (954). Acquired businesses made a contribution of MSEK 21 to net revenue. Growth in comparable units amounted to 9 percent, measured in local currency. The currency effect on net revenue was MSEK 19 (11).

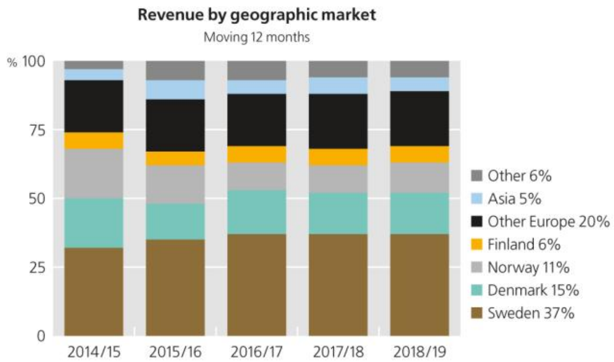
Operating profit before amortisation of intangible assets (EBITA) increased by 20 percent to MSEK 153 (128), equivalent to an operating margin of 14.2 percent (13.4).

All divisions increased their profits and all now have EBITA margins exceeding 10 percent. The development during the fourth quarter was particularly strong in Mechatronics and Communications thanks to a good performance in a number of units. Acquisitions also contributed positively in Electronics.

Profit after net financial items for the quarter increased by 21 percent to MSEK 130 (107). The total currency effect on profit after net financial items amounted to MSEK 3 (1).

Profit after taxes for the quarter increased by 17 percent to MSEK 104 (89).





Divisions

	Net revenue				Operating profit (EBITA)			
MSEK	3 months Jan-Mar 2018/19	3 months Jan-Mar 2017/18	12 months Apr-Mar 2018/19	12 months Apr-Mar 2017/18	3 months Jan-Mar 2018/19	3 months Jan-Mar 2017/18	12 months Apr-Mar 2018/19	12 months Apr-Mar 2017/18
Electronics	288	246	998	890	32	21	101	75
Operating margin					*11.1%*	*8.6%*	*10.1%*	*8.4%*
Mechatronics	288	272	1,122	1,033	43	34	172	147
Operating margin					*14.9%*	*12.5%*	*15.3%*	*14.2%*
Communications	252	222	918	786	47	35	137	103
Operating margin					*18.7%*	*15.8%*	*14.9%*	*13.1%*
Niche Products	250	214	894	701	44	42	149	127
Operating margin					*17.6%*	*19.6%*	*16.7%*	*18.1%*
Parent Company/consolidation items	-	-	-	-	-13	-4	-40	-16
GROUP TOTAL	**1,078**	**954**	**3,932**	**3,410**	**153**	**128**	**519**	**436**
Operating margin					*14.2%*	*13.4%*	*13.2%*	*12.8%*
Amortisation, intangible assets					-18	-16	-68	-58
Financial items					-5	-5	-20	-20
PROFIT BEFORE TAXES					**130**	**107**	**431**	**358**

NET REVENUE AND PROFIT BY DIVISION

FOURTH QUARTER

Electronics

Net revenue for the fourth quarter increased by 17 percent to MSEK 288 (246), where almost half of the increase came from the recently acquired Schmitztechnik.

Operating profit (EBITA) for the quarter increased by 52 percent to MSEK 32 (21), equivalent to an operating margin of 11.1 percent (8.6). The largest increase in sales and profit came from ACTE Solutions, active in IoT, and the Norwegian Vanpee unit in lighting control. The Swedish Vanpee unit improved its profit while the Danish company in temporary power and lighting, NST, was unable to match last year's result. The division's new acquisition Schmitztechnik performed as expected and will be an important unit in the division going forward.

Mechatronics

Net revenue for the fourth quarter increased by 6 percent to MSEK 288 (272). No acquisitions affected the comparison between the years.

Operating profit (EBITA) increased by 26 percent to MSEK 43 (34), representing an operating margin of 14.9 percent (12.5). Elpress, the Group's largest unit, continued to perform well and Cue Dee (antenna brackets) and Swedwire (galvanized staywires) strengthened their profits compared to the previous year. (Swedwire is part of the Mechatronics division since April 2018 – it was part of Niche Products previously, which also impacted the comparative figures).

Communications

Net revenue in the fourth quarter of the financial year increased by 14 percent to MSEK 252 (222). The additional acquisition of Bjurenwalls (March 2018) affected the comparative figures between the years by about MSEK 5.

Operating profit (EBITA) increased by 34 percent to MSEK 47 (35), equivalent to an operating margin of 18.7 percent (15.8). The largest improvement came from Precimeter, active within flow measurement of metal flows, R-Contracting with infrastructure for sprinkler installations as well as Radonova in radon monitoring.

Niche Products

Net revenue for the fourth quarter increased by 17 percent to MSEK 250 (214). No acquisitions impacted the comparisons between the years.

Operating profit amounted to MSEK 44 (42), equivalent to an operating margin of 17.6 percent (19.6). The units Asept, which is active in dispensing of liquid foodstuffs, and Tormek within sharpening tools displayed a strong performance, as did Wapro, active in check valves and flow regulators for sewerage systems. The units Nikodan, in conveyor belt solutions and Steelo in storage solutions, reported lower profits. EBITA during the quarter was positively affected this year by dissolutions of contingent consideration of MSEK 2 (5).

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 18 percent (17). The Group's metric for return on working capital (P/WC) was 54 percent (52).

The equity ratio was 39 percent (36). Equity per share totalled SEK 22.28 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, currency-related translation effects and redemption of options.

At the end of the period, operational net indebtedness was MSEK 928, 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 135 and acquisition of businesses. The operational net debt equity ratio was 0.6 (0.8). The pension liability amounted to MSEK 76 (67) at the end of the financial year and was mainly affected by changes in actuarial assumptions.

CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities during the financial year amounted to MSEK 462 (282), equivalent to SEK 6.83 (4.14) per share. The improved cash flow was largely related to the improvement in profits. Gross investments in non-current assets amounted to MSEK 80 (60) during the financial year. Larger items related to investment in production equipment and facilities in the Niche Products and Mechatronics divisions, among other things.

OTHER FINANCIAL INFORMATION

Parent Company and other consolidation items

The Parent Company's internal net revenue for the financial year amounted to MSEK 36 (36) and profit after net financial items was MSEK 332 (327). The result includes exchange rate adjustments on intra-Group lending of MSEK 1 (5) and dividends from subsidiaries of MSEK 337 (335).

Net investments in non-current assets amounted to MSEK 0 (0). The Parent Company's equity ratio was 50 percent (47).

During the year, the Group in several cases brought together intellectual property rights in a sister company in order to streamline the handling and administration of the Group's intellectual property rights.

Employees

At the end of the period, the number of employees in the Group was 1,450, compared to 1,387 at the beginning of the financial year. During the financial year, 18 employees were added via acquisitions.

Share capital

The share capital amounted to MSEK 49 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 March 2019:

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 March 2019, 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. During the financial year, no own shares were repurchased. Repurchased shares cover, inter alia, the company's obligations under outstanding call option programmes for repurchased shares. On 31 March 2019, 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.

In conjunction with redemption of options, a total of 30,500 repurchased own Class B shares were sold during the financial year for a total of MSEK 2.4. In addition, 623,000 outstanding options were repurchased for a total of MSEK 7.3.

During the financial year, 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.

Acquisitions

During the financial year, the German company Schmitztechnik GmbH was acquired. The agreement was entered into during the third quarter, but the shares were taken into possession in January 2019. Schmitztechnik generated revenue in the calendar year 2018 of approximately MEUR 6.7 with an EBITA of approximately MEUR 2.

Transaction costs for the acquisitions carried out during the financial year amounted to about MSEK 0.8, and are included in administrative expenses in the income statement, to the extent they arose during the period.

After the end of the financial year, in April 2019, Dorotea Mekaniska AB was acquired. Also see the heading Post-balance sheet events.

The effect of the completed acquisitions during the fourth quarter of the financial year, on consolidated revenue during the fourth quarter was MSEK 21 and the effect on profit before taxes was MSEK 4.5 after acquisition costs. The difference between between reserved, paid and remeasured contingent consideration and pledged funds amounted to about MSEK -3 (11) net during the fourth quarter of the financial year and is recognised as other operating expenses (other operating income). The annual impairment test did not result in any write-downs of goodwill. During the financial year, MSEK 19 (34) was paid in contingent consideration for previous acquisitions. During the quarter, no contingent consideration was paid for previous acquisitions.

The acquisition analysis below is preliminary in terms of allocation of surplus values:

Acquisition analysis

Net assets of acquired companies at time of acquisition	Carrying amount in companies	Fair value adjustment	Consolidated fair value
Intangible non-current assets	-	73	73
Other non-current assets	1	-	1
Inventories	11	-	11
Other current assets *	19	-	19
Other liabilities	-29	-22	-51
Net identifiable assets/liabilities	**2**	**51**	**53**
Consolidated goodwill	-	-	82
Estimated purchase price **	**-**	**-**	**135**

**) of which, cash and cash equivalents MSEK 0*

*** In the acquisition, there is no contingent consideration to consider.*

ACCOUNTING POLICIES

The year-end 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 year-end 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, which entered into force on 1 January 2018 has replaced IAS 39, Financial Instruments. IFRS 9 has not had any material impact on the Group's results and financial position.

IFRS 15 Revenue from Contracts with Customers which entered into force on 1 January 2018, has replaced IAS 18 Revenue and IAS 11 Construction Contracts. The impact on our subsidiaries was described in a project that was initiated in 2017. In connection with the introduction of 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. After the introduction of IFRS 15, service contracts were allocated to different periods according to the length of the contractual period. Prior to the introduction of IFRS 15, service agreements were taken up as income primarily on the invoicing date. The effect of the change has meant that the profit after net financial items for the 2018/19 financial year decreased by about MSEK 5.

IFRS 16 Leases, is applied for financial years beginning on 1 January 2019 or subsequently and means that assets and liabilities attributable to leases are recognised in the balance sheet equivalent to the discounted value of the remaining payments for all leases. In the income statement, interest and depreciation are recognised instead of lease expenses.

For the Lagercrantz Group, this means adoption for the financial year that starts on 1 April 2019. In the transition to the new standard, Lagercrantz has opted to apply the modified retrospective method, simplified approach, without the requirement of restating comparative periods. The leases mainly include rental of premises, vehicles and production equipment. Leases shorter than 12 months and of minor values are not included in the calculation. A marginal loan interest has been determined per country and asset class. The Group estimates that introduction of the new standard means that assets and liabilities are expected to increase by about MSEK 130. The analysis regarding the impact on the Group's financial goals after the introduction of IFRS 16 is in progress. The Parent Company does not apply IFRS 16 in accordance with the exception contained in RFR2.

See the company's Annual Report 2017/18 for further accounting policies.

ALTERNATIVE KEY RATIOS

The company applies some financial metrics in the year-end 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. During the year, the company started to apply the financial metric EBITA. Expanded information has been provided in this report with regard to definitions of certain financial metrics, see page 14.

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

After the end of the financial year, Lagercrantz acquired Dorotea Mekaniska AB (DMAB). DMAB is a leading product company, which is active in the market under the Truxor brand and offers amphibian machines for lake clearance and wetland and water conservation. DMAB generates annual revenue of about MSEK 70 with a high level of exports and had an EBITA of about MSEK 13 in the year preceding the acquisition. DMAB is part of the Lagercrantz Niche Products division since April 2019.

No other significant events for the company have occurred after the balance sheet date on 31 March 2019.

Annual General Meeting 2019

The 2019 Annual General Meeting (AGM) will be held on 27 August 2019. To have a matter addressed at the AGM, requests from shareholders must be received no later than 8 July 2019. The Annual Report will be published at the end of June/start of July 2019.

Notice convening AGMs shall be published on the company's website not more than six weeks and not less than four weeks before the AGM. All shareholders whose names are recorded in the share register five days before the AGM can participate in person, or by proxy. Notice of participation must be given to the company in accordance with the convening notice.

Election Committee

An Election Committee has been appointed ahead of the 2019 AGM.

Proposals to the Election Committee from shareholders may be sent to: valberedningen@lagercrantz.com

More information is available on www.lagercrantz.com

Dividend

The Board of Directors of Lagercrantz Group proposes a dividend of SEK 2.50 (2.00) per share. The total dividend corresponds to MSEK 169 (135).

Stockholm, 9 May 2019

Jörgen Wigh
President and CEO

REVIEW REPORT

Introduction

We have reviewed the condensed interim financial information (Interim Report) of Lagercrantz Group AB (publ) as of 31 March 2019 and the 12-month period that ended on this date. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

The focus and scope of the review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of the interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed based on a review does not constitute the same level of assurance as a conclusion based on an audit.

Conclusion

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

Stockholm, 9 May 2019

KPMG AB

Håkan Olsson Reising	Jenny Jansson
Authorised Public Accountant Auditor in charge	Authorised Public Accountant

Segment information by quarter

Net revenue			2018/19				2017/18	
MSEK	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	288	245	234	231	246	215	214	216
Mechatronics	288	278	267	289	272	268	236	257
Communications	252	247	196	223	222	218	161	185
Niche Products	250	241	198	205	214	187	164	136
Parent Company/consolidation items	-	-	-	-	-	-	-	-
GROUP TOTAL	**1,078**	**1,011**	**895**	**948**	**954**	**888**	**775**	**794**

EBITA			2018/19				2017/18	
MSEK	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	32	27	22	20	21	18	18	18
Mechatronics	43	41	44	44	34	36	35	42
Communications	47	39	25	26	35	30	19	19
Niche Products	44	40	34	31	42	31	29	26
Parent Company/consolidation items	-13	-10	-8	-8	-4	-4	-3	-5
GROUP TOTAL	**153**	**137**	**117**	**113**	**128**	**111**	**98**	**100**

EBITA margin				2018/19				2017/18
%	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	11.1	11.0	9.4	8.7	8.6	8.4	8.4	8.3
Mechatronics	14.9	14.7	16.5	15.2	12.5	13.4	14.8	16.3
Communications	18.7	15.8	12.8	11.7	15.8	13.8	11.8	10.3
Niche Products	17.6	16.6	17.2	15.1	19.6	16.6	17.7	19.1
Parent Company/consolidation items	-	-	-	-	-	-	-	-
GROUP TOTAL	**14.2**	**13.6**	**13.1**	**11.9**	**13.4**	**12.5**	**12.6**	**12.6**

Revenue by geographical market					
Moving 12 months Apr-Mar	2018/19	2017/18	2016/17	2015/16	2014/15
Sweden	1,441	1,259	1,157	1,066	915
Denmark	578	520	506	406	507
Norway	425	358	325	418	517
Finland	229	208	177	157	178
Rest of Europe	806	667	575	588	530
Asia	190	189	143	223	123
Other	263	210	215	199	76
GROUP TOTAL	**3,932**	**3,410**	**3,097**	**3,057**	**2,846**

Of the Group’s total income of MSEK 3,932, MSEK 265 refers to sales over time in accordance with IFRS 15. Also see description of IFRS 15 under Accounting policies.

Consolidated Income Statement – condensed

MSEK	3 months Jan-Mar 2018/19	3 months Jan-Mar 2017/18	Financial year 2018/19	Financial year 2017/18
Net revenue	1,078	954	3,932	3,410
Cost of goods sold	-676	-607	-2,488	-2,171
GROSS PROFIT	**402**	**347**	**1,444**	**1,239**
Selling expenses	-187	-171	-703	-629
Administrative expenses	-83	-80	-309	-274
Other operating income and operating expenses	3	16	19	42
PROFIT BEFORE NET FINANCIAL ITEMS *)	**135**	**112**	**451**	**378**
Net financial items	-5	-5	-20	-20
PROFIT AFTER FINANCIAL ITEMS	**130**	**107**	**431**	**358**
Taxes	-26	-18	-89	-72
NET PROFIT FOR THE PERIOD	**104**	**89**	**342**	**286**
**) Of which:*				
- amortisation of intangible assets that arose in connection with acquisitions:	(-18)	(-16)	(-68)	(-58)
- depreciation of other non-current assets:	(-14)	(-13)	(-56)	(-50)
Operating profit (EBITA)	153	128	519	436
Earnings per share, SEK	1.54	1.32	5.05	4.21
Earnings per share after dilution, SEK	1.54	1.31	5.05	4.21
Weighted number of shares after repurchases, ('000)	67,687	67,656	67,682	67,868
Weighted number of shares after repurchases adjusted after dilution ('000)	67,706	67,694	67,682	67,924
Number of shares after repurchases during the period ('000)	67,687	67,656	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 92.33) during the latest 12-month period when the option programmes were outstanding, there was a dilutive effect of 0.00 percent. For the past quarter, there was a dilutive effect of 0.03 percent (average share price SEK 98.69).

Consolidated Statement of Comprehensive Income and Other Comprehensive Income

MSEK	3 months Jan-Mar 2018/19	3 months Jan-Mar 2017/18	Financial year 2018/19	Financial year 2017/18
Net profit for the period	104	89	342	286
Other comprehensive income				
Items that have been reposted or that may be reposted to net profit for the period				
Change in translation reserve	20	10	7	-9
Translation differences transferred to net profit for the period	-	-	-	-
Items that cannot be reposted to net profit for the period				
Actuarial effects on pensions	-10	-5	-10	-5
Taxes attributable to actuarial effects	2	1	2	1
COMPREHENSIVE INCOME FOR THE PERIOD	**116**	**95**	**341**	**273**

Consolidated Statement of Financial Position – condensed

MSEK	31 Mar 2019	31 Mar 2018
ASSETS		
Goodwill	1,327	1,248
Other intangible non-current assets	721	710
Property, plant and equipment	266	251
Financial assets	14	11
Inventories	528	492
Trade receivables and contract assets	688	647
Other current receivables	171	139
Cash and bank balances	139	134
TOTAL ASSETS	**3,854**	**3,632**
EQUITY AND LIABILITIES		
Equity	1,508	1,303
Non-current liabilities	590	591
Trade payables and contract liabilities	337	308
Other current liabilities	1,419	1,430
TOTAL EQUITY AND LIABILITIES	**3,854**	**3,632**
Interest-bearing assets	139	134
Interest-bearing liabilities, excluding pension liabilities	1,066	1,169

Consolidated Statement of Changes in Equity

MSEK	Financial year 2018/19	Financial year 2017/18
Opening balance	1,303	1,197
Comprehensive income for the period	341	273
Transactions with owners		
Dividend	-135	-136
Subscribed for, exercised and acquired options on repurchased shares, net	-1	1
Repurchase of own shares	-	-32
CLOSING BALANCE	**1,508**	**1,303**

Consolidated Statement of Cash Flows – condensed

MSEK	3 months Jan-Mar 2018/19	3 months Jan-Mar 2017/18	Financial year 2018/19	Financial year 2017/18
Operating activities				
Profit after financial items	130	107	431	358
Adjustments for taxes paid, items not included in cash flow, etc.	-8	-5	11	-35
Cash flow from operating activities before changes in working capital	**122**	**102**	**442**	**323**
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in inventories	10	8	-25	-32
Increase (-)/Decrease (+) in operating receivables	-32	-70	-36	-57
Increase (+)/Decrease (-) in operating liabilities	55	69	81	48
CASH FLOW FROM OPERATING ACTIVITIES	**155**	**109**	**462**	**282**
Investing activities				
Investment in businesses	-111	-170	-141	-519
Investments in/disposals of other non-current assets, net	-31	-14	-73	-46
Cash flow from investing activities	**-142**	**-184**	**-214**	**-565**
Financing activities				
Dividends, redemption of options & repurchase of own shares/options	13	-	-138	-167
Financing activities	-6	90	-105	462
Cash flow from financing activities	**7**	**90**	**-243**	**295**
CASH FLOW FOR THE PERIOD	**20**	**15**	**5**	**12**
Cash and cash equivalents at the beginning of the period	119	119	134	122
Cash and cash equivalents at the end of the period	139	134	139	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 Mar 2019	31 Mar 2018
Assets measured at fair value	**-**	**-**
Assets measured at amortised cost	782	751
TOTAL ASSETS, FINANCIAL INSTRUMENTS	**782**	**751**
Liabilities measured at fair value	129	153
Liabilities measured at amortised cost	1,399	1,474
TOTAL LIABILITIES, FINANCIAL INSTRUMENTS	**1,527**	**1,627**

Change in contingent consideration	Financial year 2018/19	Financial year 2017/18
Opening balance	153	165
Liabilities settled during the year	-19	-34
Remeasurement of liabilities during the year	-4	-49
Year's liabilities from acquisitions during the year		76
Exchange difference	-1	-5
Carrying amount at end of the period	**129**	**153**

Parent Company Balance Sheet – condensed

MSEK	31 Mar 2019	31 Mar 2018
ASSETS		
Property, plant and equipment	1	1
Financial assets	2,573	2,418
Current receivables	553	514
Cash and bank balances	-	-
TOTAL ASSETS	**3,127**	**2,933**
EQUITY AND LIABILITIES		
Equity	1,564	1,366
Untaxed reserves	-	-
Non-current liabilities	320	320
Current liabilities	1,243	1,247
TOTAL EQUITY AND LIABILITIES	**3,127**	**2,933**

Parent Company Income Statement – condensed

MSEK	3 months Jan-Mar 2018/19	3 months Jan-Mar 2017/18	Financial year 2018/19	Financial year 2017/18
Net revenue	9	10	36	36
Administrative expenses	-15	-19	-72	-64
Other operating income and operating expenses	-	-1	-	-3
PROFIT/LOSS BEFORE NET FINANCIAL ITEMS	**-6**	**-10**	**-36**	**-31**
Financial income	40	40	384	374
Financial expenses	-4	-5	-16	-16
PROFIT AFTER FINANCIAL ITEMS	**30**	**25**	**332**	**327**
Appropriations	-	-	-	-
Taxes	-7	-3	1	2
NET PROFIT FOR THE PERIOD	**23**	**22**	**333**	**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.

		Financial year			
	2018/19	2017/18	2016/17	2015/16	2014/15
Revenue	3,932	3,410	3,096	3,057	2,846
Change in revenue, %	15	10	1	7	12
Operating profit (EBITA)	519	436	409	355	295
Operating margin (EBITA), %	13.2	12.8	13.2	11.6	10.4
EBIT	451	378	361	315	276
EBIT margin, %	11.5	11.1	11.7	10.3	9.7
Profit after financial items	431	358	351	307	265
Profit margin, %	10.7	10.5	11.3	10.0	9.3
Profit after taxes	342	286	274	241	203
Equity ratio, %	39	36	41	40	44
Return on working capital (P/WC), %	54	52	58	58	58
Return on capital employed, %	18	17	20	21	22
Return on equity, %	24	23	25	25	24
Debt/equity ratio, times	0.7	0.9	0.6	0.6	0.4
Operational net debt (+)/receivables (-), MSEK	928	1,035	565	551	302
Operational net debt/equity ratio, times	0.6	0.8	0.5	0.5	0.3
Interest coverage ratio, times	16	14	22	20	18
Number of employees at end of period	1,450	1,387	1,247	1,230	1,139
Revenue outside Sweden, MSEK	2,491	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.

		Financial year			
	2018/19	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)	67,682	67,868	67,941	67,889	67,719
Weighted number of shares after repurchases & dilution ('000)	67,682	67,924	68,097	68,121	67,965
EBIT- earnings per share after dilution, SEK	6.66	5.57	5.30	4.63	4.06
Earnings per share, SEK	5.05	4.21	4.03	3.55	3.00
Earnings per share after dilution, SEK	5.05	4.21	4.02	3.54	2.99
Cash flow from operating activities per share after dilution, SEK	6.83	4.14	5.51	3.77	3.94
Equity per share, SEK	22.28	19.26	17.61	15.22	13.53
Latest price paid per share, SEK	100.00	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 12.45 CET on 9 May 2019.

Reporting dates

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.
23 October 2019 Quarterly Report Q2 for the period 1 July 2019-30 September 2019
29 January 2020 Quarterly Report Q3 for the period 1 October 2019-31 December 2019
13 May 2020 Year-end Report for the period 1 April 2019-31 March 2020

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