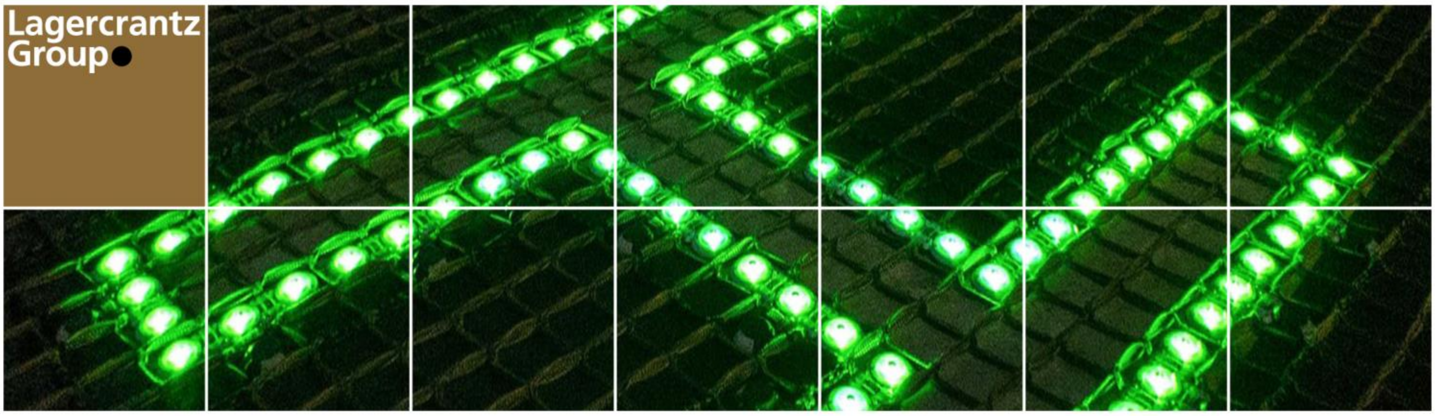

Interim Report 1 April – 30 September 2020

Second quarter (July – September 2020)

- Net revenue amounted to MSEK 918 (954).
- Operating profit (EBITA) increased by 5 percent to MSEK 132 (126), equivalent to an operating margin of 14.4 percent (13.2).
- Cash flow from operating activities amounted to MSEK 80 (79).
- Profit after financial items increased by 4 percent to MSEK 104 (100).
- Profit after taxes increased by 4 percent to MSEK 81 (78).
- Return on equity was 22 percent (24). The equity ratio at the end of the period was 40 percent (36).
- Earnings per share after dilution (after carried out split) for the latest 12-month period amounted to SEK 1.75, compared to SEK 1.80 for the 2019/20 financial year.
- After the end of the period, a 3:1 share split was carried out.

The first six months (April – September 2020)

- Net revenue for the first six months amounted to MSEK 1,895 (1,969).
- Operating profit (EBITA) amounted to MSEK 256 (256), equivalent to an operating margin of 13.5 percent (13.0).
- Cash flow from operating activities amounted to MSEK 326 (191).
- Profit after financial items amounted to MSEK 197 (205) and profit after taxes amounted to MSEK 151 (160).

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STATEMENT OF THE CHIEF EXECUTIVE

The first six months of the financial year were dominated by uncertainty about the effects of the Covid-19 pandemic. The situation has gradually improved in recent months in line with markets reopening. However, there is significant volatility among the businesses where the majority of the Group's business units are experiencing little or no effects at all while some are experiencing a greater impact from the.

It is gratifying in this context that the Group's largest and most important businesses are continuing to perform well. Elpress, the Group's and the Mechatronics division's largest company, is reaping success on the export side. R-Con, the Communication division's largest unit, delivered another strong quarter and has a strong order book for the next six months and Tormek in the Niche Products division is increasing its volumes in its new structure with its own organisation in the USA. It is also gratifying that the restructuring measures undertaken have had the desired effect. Nikodan, a key unit in the Niche Products division, is an example of this. The company has made a reboot and is now increasing its profit after working through last year's less profitable projects.

By virtue of an ever stronger portfolio of businesses, we are successfully increasing our profit despite lower business volume. Profit after net financial items increased to MSEK 104 during the quarter and the operating margin reached a strong 14.4 percent, which I consider to be really good for a summer quarter with a pandemic in progress. The restructurings and cost adjustments we carry out mean that areas with low profitability either become more profitable or are phased out. In our efforts to increase value added, the business volume which consists of proprietary products is important. These products now represent 63 percent of total sales, which is a further step towards our goal of 75 percent. In proprietary products, we see better margins, profitability and a stronger basis for organic growth, particularly when it comes to exports. This bodes well.

It is also positive that the acquisition situation feels exciting. By virtue of our positive cash flows, strong balance sheet and well-developed acquisition processes, we intend to acquire between 4-6 companies per year and the acquisitions we have completed in recent years have whetted our appetite. After a pause during the pandemic this spring, many discussions have now resumed. This also bodes well.

However, ahead of the coming quarters there is still uncertainty regarding the effects of the pandemic. At the time of writing, reports are coming of increased spread of infection and it is not currently possible to predict the effects of this. However, I feel a great confidence about the future. Lagercrantz has emerged strongly from crises before and I am convinced that even this time we will turn the challenge into something positive. Our decentralised structure, diversity of businesses, operating locations, product and customer categories and geographical spread are real strengths in times of uncertainty. We are continuing to work according to our strategy in order to ensure a positive future development.

Jörgen Wigh
President and CEO

NET REVENUE AND PROFIT

Second quarter (July – September 2020)

During the second quarter of the financial year, the market climate in the Group's main markets in the Nordic countries and Northern Europe has stabilised. The improvements started occurring from May, in line with markets opening up again after the shutdowns related to the pandemic. Generally speaking, a few businesses in the Group have been significantly impacted by the pandemic while most units had little impact and a couple reported a positive impact. Measures and strategies have been adapted to the situation in each business, involving offensive measures but above all defensive ones with cost savings and cash flow in focus.

Net revenue for the quarter amounted to MSEK 918 (954), a decrease of almost 4 percent. Acquired businesses made a contribution of MSEK 19 and the currency effect on net revenue was MSEK -9. Net revenue in comparable units, measured in local currency, decreased by almost 5 percent.

Operating profit (EBITA) for the quarter increased by approx. 5 percent to MSEK 132 (126), where the Mechatronics and Niche Products divisions in particular, showed good growth. Operating margin (EBITA) amounted to 14.4 percent (13.2).

Strengthened gross margins, cost control and acquisitions contributed to the improvement in earnings.

The Group's profit after net financial items increased to MSEK 104 (100). The effect from currency translation differences in the profit amounted to MSEK -1.

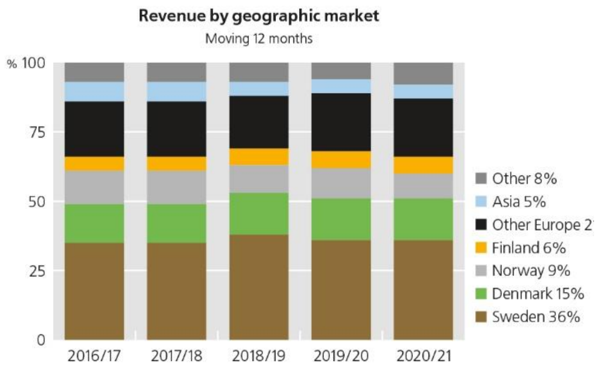
Profit after taxes for the quarter increased by 4 percent to MSEK 81 (78). Earnings per share (after split) after dilution for the latest 12-month period amounted to SEK 1.75, compared to SEK 1.80 for the 2019/20 financial year.

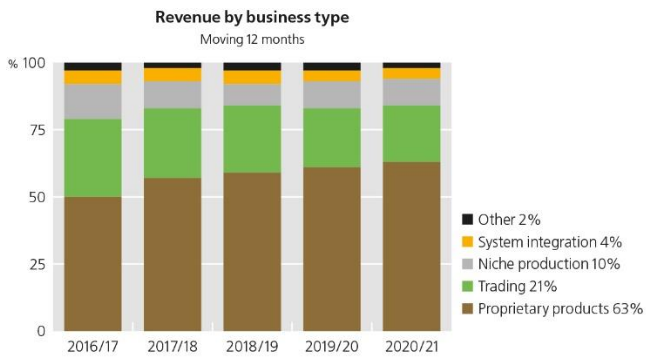
The first six months (April – September 2020)

Net revenue for the first six months of the financial year decreased by almost 4 percent to MSEK 1,895 (1,969). Organic growth in comparable units amounted to -6 percent, measured in local currency.

Operating profit (EBITA) amounted to MSEK 256 (256), which meant an improved operating margin of 13.5 percent (13.0). Profit after financial items for the first six months decreased by almost 4 percent to MSEK 197 (205). The currency effect on the profit amounted to MSEK 0.

Profit after taxes for the period amounted to MSEK 151 (160).





NET REVENUE AND PROFIT BY DIVISION

DIVISIONS

	Net revenue					Operating profit (EBITA)				
MSEK	3 months Jul-Sep 2020/21	3 months Jul-Sep 2019/20	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	12 months Apr-Mar 2019/20	3 months Jul-Sep 2020/21	3 months Jul-Sep 2019/20	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	12 months Apr-Mar 2019/20
Electronics	236	281	460	560	1,117	23	33	40	64	113
Operating margin						*9.7%*	*11.7%*	*8.7%*	*11.4%*	*10.1%*
Mechatronics	295	273	608	570	1,261	52	39	97	82	193
Operating margin						*17.6%*	*14.3%*	*16.0%*	*14.4%*	*15.3%*
Communications	172	198	371	407	897	21	28	49	52	140
Operating margin						*12.2%*	*14.1%*	*13.2%*	*12.8%*	*15.6%*
Niche Products	215	202	456	432	905	43	36	94	77	153
Operating margin						*20.0%*	*17.8%*	*20.6%*	*17.8%*	*16.9%*
Parent Company/consolidation items	-	-	-	-	-	-7	-10	-24	-19	-34
GROUP TOTAL	**918**	**954**	**1,895**	**1,969**	**4,180**	**132**	**126**	**256**	**256**	**565**
Operating margin						*14.4%*	*13.2%*	*13.5%*	*13.0%*	*13.5%*
Amortisation, intangible assets						*-21*	*-20*	*-43*	*-39*	*-82*
Financial items						-7	-6	-16	-12	-23
PROFIT BEFORE TAXES						**104**	**100**	**197**	**205**	**460**

**Adjustment of the comparative figures has been made in view of the move of some companies between the divisions that occurred as of 1 April 2020. See the first quarter report for the 2020/21 financial year for a description.*

NET REVENUE AND PROFIT BY DIVISION

SECOND QUARTER

Electronics

Net revenue for Electronics during the second quarter of the financial year amounted to MSEK 236 (281) and operating profit (EBITA) amounted to MSEK 23 (33), corresponding to an operating margin of 9.7 percent (11.7).

Several of the division's businesses were impacted negatively by Covid-19. However, in a number of areas, including in Denmark and Germany, a recovery was noted during the latter part of the quarter. Restructuring measures are also being implemented in several businesses and the cost adjustments that were initiated in Germany, Poland and Norway earlier in the year have started to have an effect.

Mechatronics

Mechatronics' net revenue for the quarter increased by 8 percent to MSEK 295 (273). Operating profit EBITA increased by 33 percent to MSEK 52 (39), an operating margin of 17.6 percent (14.3). Additional volume and earnings from the acquisition of Frictape and a strong performance by the Group's largest unit, Elpress were important reasons for the improvements. A good earnings trend was also displayed by Elkapsling (IP-classed enclosures), and the electrical components and harnesses companies Norwesco and Elfac.

Communications

Net revenue for the Communications division was also reduced by the pandemic and amounted to MSEK 172 (198) and operating profit EBITA amounted to MSEK 21 (28), which corresponds to an operating margin of 12.2 percent (14.1). The division's largest unit R-Con delivered a strong result like last year and the units ISG Nordic, COBS, Excidor and Leteng reported stronger results compared to the year-earlier period. However, Precimeter and Radonova and a few other units within control technology did not match last year's strong results.

Niche Products

Net revenue during the quarter increased by 6 percent to MSEK 215 (202). Operating profit for the same period increased by 19 percent and amounted to MSEK 43 (36), equivalent to an operating margin of 20.0 percent (17.8).

An increased demand and a good result was noted in the division's unit in sharpening machines for edge tools, Tormek. The Danish unit Nikodan with conveyor belt solutions, Dorotea Mekaniska with amphibian machines for lake clearance and wetland and water conservation, and Wapro with check valves and flow regulators for sewerage systems also generated increases in revenue and earnings improvements. Also Thermod with special doors have strengthened its earnings.

Asept, within dispensing of liquid foods, was negatively impacted by Covid-19, first and foremost due to the shutdown in the USA, where they have larger international customers operating in the restaurant and fast food industry.

PROFITABILITY AND FINANCIAL POSITION

The Group's operating profit (EBITA) in the second quarter increased by 5 percent to MSEK 132 (126), equivalent to an operating margin of 14.4 percent (13.2). During the first six months of the financial year, EBITA amounted to MSEK 256 (256), equivalent to an EBITA margin of 13.5 percent (13.0).

Return on equity for the latest 12-month period amounted to 22 percent (24) and the return on capital employed was 16 percent (17). The Group's metric for return on working capital (P/WC) was 63 percent (61).

Equity per share (after split) totalled SEK 8.18 at the end of the period, compared to SEK 8.29 at the beginning of the financial year. Aside from profit, this metric was also affected by dividends paid. The equity ratio was 40 percent (36).

At the end of the period, operational net indebtedness amounted to MSEK 1,020 compared to MSEK 1,056 at the beginning of the financial year. Net indebtedness including pension liability and the IFRS 16 effect amounted to MSEK 1,249. The pension liability amounted to MSEK 76 (76) and the IFRS 16 effect amounted to MSEK 154.

CASH FLOW AND CAPITAL EXPENDITURES

Cash flow from operating activities during the second quarter amounted to MSEK 80 (79) and to MSEK 326 (191) during the first six months. Gross investments in non-current assets amounted to MSEK 11 (21) during the second quarter.

OTHER FINANCIAL INFORMATION

Parent Company and other consolidation items

The Parent Company's net revenue for the first six months of the financial year amounted to MSEK 18 (18) and profit after net financial items was MSEK -20 (345). The result includes exchange rate adjustments on intra-Group lending of MSEK -6 (4) and dividends from subsidiaries of MSEK 8 (363).

The Parent Company's equity ratio was 51 percent (52).

Employees

The restructuring measures carried out have meant that the number of employees has decreased by 45 (net) and amounted to 1,487, which can be compared to 1,532 at the start of the financial year.

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 before split (after split SEK 0.23). Classes of shares were distributed as follows on 30 September 2020:

Classes of shares	Before split	After split (3:1)
A shares	3,263,802	9,791,406
B shares	66,256,125	198,768,375
Repurchased B shares	-1,771,637	-5,314,911
Total	**67,748,290**	**203,244,870**

At 30 September 2020, Lagercrantz Group held 1,771,637 own Class B shares (before split), equivalent to 2.6 percent of the total number of shares and 1.8 percent of the votes in the Lagercrantz Group. Repurchased shares cover, inter alia, the company's obligations under outstanding call option programmes. No shares were repurchased during the second quarter of the financial year.

During the second quarter, no redemptions or repurchases of options were carried out.

At the end of the period, Lagercrantz had three outstanding call option programmes as follows:

Option programme	Number of outstanding options* (before split)	Number of outstanding options* (after split)	Redemp-tion price (before split)	Redemp-tion price (after split)
2019/22	417,900	1,253,700	156.20	52.10
2018/21	500,000	1,500,000	105.80	35.30
2017/20	33,500	100,500	97.00	32.30
Total	**951,400**	**2,854,200**		

**An option is equivalent to one share (before and after split)*

After the end of the period, 400,000 options before split (1,200,000 options after split) for B shares with a redemption price of SEK 234.50 before split (SEK 78.20 after split) were issued in accordance with the resolution of the 2020 AGM. These options were acquired by about 60 managers and senior executives in the Group for a total of MSEK 6.8.

ACQUISITIONS

During the quarter, Lagercrantz acquired the minority share (9 percent) of R-Con and now owns 100 percent of the company.

After the end of the period, Direktronik AB acquired its Norwegian distributor Nexlan AS with annual revenue of approximately MSEK 10.

During the second quarter, the difference between reserved, paid and remeasured contingent consideration amounted to MSEK 0 (6).

During the quarter, MSEK 32 (40) was paid in contingent consideration for previous acquisitions.

Preliminary purchase price allocation Oct 2019-Sept 2020

Acquired net assets at time of acquisition	Book value in companies	Fair value adjustment	Fair value condsolidated
Intangible non-current assts	-	54	54
Other non-current assets	1	-	1
Inventories and work in progress	7	-	7
Other short-term receivables *)	40	-	40
Interest-bearing liabilities	-	-	-
Other liabilities	-26	-11	-37
Net of identified assets/liabilities	**22**	**43**	**65**
Goodwill	-	-	92
Estimated Purchase price	**-**	**-**	**157**

** of which cash and cash equivalent*

*** Includes conditional additional consideration of MSEK 3 which represents 60% of the maximum outcome.*

The above analysis is preliminary.

ACCOUNTING PRINCIPLES

The Interim Report for the Group has been prepared in accordance with IFRS standards 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 2019/20, with the addition of new IFRS standards and IFRIC interpretations.

See the company's Annual Report 2019/20 for further accounting policies.

ALTERNATIVE PERFORMANCE MEASURES

The company presents certain financial metrics in the interim report that are not defined according to IFRS. The company considers that these metrics provide more valuable supplementary information to investors and shareholders as they enable evaluation of trends and the company's performance. Therefore, these financial metrics should not be regarded as a substitute for metrics defined according to IFRS. Expanded information has been provided in this report with regard to definitions of certain financial metrics, see page 15.

OTHER INFORMATION

Transactions with related parties

Transactions between Lagercrantz and related parties with a significant impact on the company's financial position and results have not occurred.

Risks and uncertainty factors

The most important risk factors for the Group are the state of the economy, structural changes in the market, customer and supplier dependence, the competitive situation, IT risks/cyber attacks, pandemics 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 2019/20 Annual Report.

Covid-19 effects

The Group's different businesses during the quarter were impacted to a varying degree by the Covid-19 pandemic, but all in all, the Group's operations could be conducted without larger disruptions.

The Group has analysed the conditions for government support and applied for support where the criteria were considered to be met. No material impairment losses or bad debt losses have been recognised during the quarter. Situation-adapted measures have been implemented in the subsidiaries where required to meet the challenges resulting from the pandemic but also to take advantage of future growth opportunities.

Post-balance sheet events

After the end of the period, Lagercrantz subsidiary Direktronik acquired Nexlan AS, see information under Acquisitions.

After the end of the period, a 3:1 share split was carried out with 8 October 2020 as the record day.

The incentive programme that was approved by the Annual General Meeting 2020, relating to call options on repurchased Class B shares, was subscribed for after the end of the period, see information under Share capital.

No other significant events for the company have occurred after the balance sheet date on 30 September 2020.

Annual General Meeting 2020

The 2020 Annual General Meeting (AGM) was held on 25 August 2020 in Stockholm. The AGM discharged the Board of Directors and the President & CEO from liability for their administration during 2019/20.

Minutes from the AGM are published on the company's website.

Certification

The Board of Directors and the CEO believe that the undersigned interim report provides a true and fair overview of the Company's and the Group's operations, their financial position and performance and describes the material risks and uncertainty factors facing the Company and the Group.

Stockholm, 23 October 2020

Anders Börjesson Chairman of the Board	Anna Almlöf Board member	Fredrik Börjesson Board member
Anders Claeson Board member	Anna Marsell Board member	Ulf Södergren Board member
	Jörgen Wigh President and Board member	

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

Segment information by quarter

Net sales	2020/21		2019/20			
MSEK	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	236	224	278	279	281	279
Mechatronics	295	313	356	335	273	297
Communications	172	199	239	251	198	209
Niche Products	215	241	239	234	202	230
Parent Company/consolidation items	-	-	-	-	-	-
GROUP TOTAL	**918**	**977**	**1,112**	**1,099**	**954**	**1,015**

Operating profit (EBITA)	2020/21		2019/20			
MSEK	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	23	16	20	29	33	31
Mechatronics	52	46	58	52	39	43
Communications	21	28	40	48	28	24
Niche Products	43	51	41	35	36	41
Parent Company/consolidation items	-7	-17	-7	-8	-10	-9
GROUP TOTAL	**132**	**124**	**152**	**156**	**126**	**130**

EBITA margin	2020/21		2019/20			
%	Q2	Q1	Q4	Q3	Q2	Q1
Electronics	9.7	7.1	7.2	10.4	11.7	11.1
Mechatronics	17.6	14.7	16.3	15.5	14.3	14.5
Communications	12.2	14.1	16.7	19.1	14.1	11.5
Niche Products	20.0	21.2	17.2	15.0	17.8	17.8
Parent Company/consolidation items	-	-	-	-	-	-
GROUP TOTAL	**14.4**	**12.7**	**13.7**	**14.2**	**13.2**	**12.8**

**Adjustment of the comparative figures has been made in view of the move of some companies between the divisions that occurred as of 1 April 2020. See the first quarter report for the 2020/21 financial year for a description.*

Consolidated Income Statement – condensed

MSEK	3 months Jul-Sep 2020/21	3 months Jul-Sep 2019/20	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	Moving 12-months, Oct-Sep 2019/20	Financial year 2019/20
Net revenue	918	954	1,895	1,969	4,106	4,180
Cost of goods sold	-574	-605	-1,173	-1,246	-2,545	-2,618
GROSS PROFIT	**344**	**349**	**722**	**723**	**1,561**	**1,562**
Selling expenses	-166	-176	-347	-363	-753	-769
Administrative expenses	-79	-74	-173	-155	-360	-341
Other operating income and operating expenses	12	7	11	12	30	31
OPERATING PROFIT *)	**111**	**106**	**213**	**217**	**478**	**483**
Net financial items*	-7	-6	-16	-12	-27	-23
PROFIT AFTER FINANCIAL ITEMS	**104**	**100**	**197**	**205**	**451**	**460**
Taxes	-23	-22	-46	-45	-95	-94
NET PROFIT FOR THE PERIOD	**81**	**78**	**151**	**160**	**356**	**366**
**) Of which:*						
- amortisation of intangible assets arising in connection with acquisitions:	(-21)	(-20)	(-43)	(-39)	(-86)	(-82)
- depreciation of other non-current assets *:	(-38)	(-37)	(-74)	(-73)	(-153)	(-152)
Operating profit (EBITA)	132	126	256	256	564	565
The information below refers to conditions after the 3:1 split						
Earnings per share, SEK	0.40	0.38	0.74	0.79	1.76	1.80
Earnings per share after dilution, SEK	0.40	0.38	0.74	0.79	1.75	1.80
Weighted number of shares after repurchases, ('000)	203,244	203,151	203,220	203,130	203,196	203,151
Weighted number of shares after repurchases adjusted after dilution ('000)	203,901	203,904	203,739	203,814	203,640	203,616
Number of shares after repurchases during the period ('000)	203,244	203,151	203,244	203,151	203,244	203,178

In view of the redemption price (after split) on outstanding call options during the period (SEK 32.30, SEK 35.30 and SEK 52.10) and the average share price (after split) of SEK 48.59 during the latest 12-month, when the option programmes were outstanding, there was a dilutive effect of 0.22 percent for the latest 12-month period. For the latest quarter, there was a dilutive effect of 0.32 percent (average share price after split of SEK 59.48).

Consolidated Statement of Comprehensive Income and Other Comprehensive Income

MSEK	3 months Jul-Sep 2020/21	3 months Jul-Sep 2019/20	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	Moving 12-months, Oct-Sep 2019/20	Financial year 2019/20
Net profit for the period	81	78	151	160	357	366
Other comprehensive income						
Items that have been reposted/may be reposted to net profit for the period						
Change in translation reserve	-3	3	-27	13	-44	-4
Translation differences transferred to net profit for the period	-	-	-	-	-	-
Debt instruments measured at fair value	-7	-	-7	-	-7	-
Items that cannot be reposted to net profit for the period						
Actuarial effects on pensions	-	-	-	-	-2	-2
Taxes attributable to actuarial effects	-	-	-	-	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	**71**	**81**	**117**	**173**	**304**	**360**

Consolidated Statement of Financial Position – condensed

MSEK	30 Sep 2020	30 Sep 2019	31 Mar 2020
ASSETS			
Goodwill	1,491	1,406	1,518
Other intangible non-current assets	729	764	758
Property, plant and equipment	447	431	480
Financial assets	18	14	18
Inventories	570	579	562
Trade receivables and contract assets	625	684	716
Other current receivables	129	156	180
Cash and bank balances	148	126	117
TOTAL ASSETS	**4,157**	**4,160**	**4,349**
EQUITY AND LIABILITIES			
Equity	1,662	1,516	1,684
Non-current liabilities	1,076	362	1,102
Trade payables and contract liabilities	312	351	367
Other current liabilities	1,107	1,931	1,196
TOTAL EQUITY AND LIABILITIES	**4,157**	**4,160**	**4,349**
Interest-bearing assets	148	126	117
Interest-bearing liabilities, excluding pension liabilities*	1,321	1,461	1,353

** Including IFRS 16 effect.*

Consolidated Statement of Changes in Equity

MSEK	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	Moving 12-months, Oct-Sep 2020/21	Financial year 2019/20
Opening balance	1,684	1,508	1,516	1,508
Comprehensive income for the period	117	173	304	360
Shareholders’ contributions from minority owners in subsidiaries	3	12	3	12
Dividend to minority owners in subsidiaries	-3	-	-13	-10
Transactions with owners				
Dividend	-135	-169	-135	-169
Redemption and acquisition of options on repurchased shares, net	-4	-8	-13	-17
Repurchase of own shares	-	-	-	-
CLOSING BALANCE	**1,662**	**1,516**	**1,662**	**1,684**

Consolidated Statement of Cash Flows

MSEK	3 months Jul-Sep 2020/21	3 months Jul-Sep 2019/20	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	Moving 12-months, Oct-Sep 2019/20	Financial year 2019/20
Operating activities						
Profit after financial items	104	100	197	205	452	460
Adjustments for taxes paid, items not included in cash flow, etc.	10	18	74	53	164	143
Cash flow from operating activities before changes in working capital	**114**	**118**	**271**	**258**	**616**	**603**
Cash flow from changes in working capital						
Increase (-)/Decrease (+) in inventories	-7	-13	-8	-16	11	3
Increase (-)/Decrease (+) in operating receivables	-8	-38	97	20	88	11
Increase (+)/Decrease (-) in operating liabilities	-33	12	-34	-71	-73	-110
Cash flow from operating activities	**80**	**79**	**326**	**191**	**642**	**507**
Investing activities						
Investment in businesses	-57	-117	-70	-186	-144	-260
Investments in/disposals of other non-current assets, net	-13	-21	-27	-44	-74	-91
Cash flow from investing activities	**-70**	**-138**	**-97**	**-230**	**-218**	**-351**
Financing activities						
Dividends, redemption of options & repurchase of own shares/options	-138	-170	-142	-178	-160	-196
Financing activities	131	247	-56	204	-242	18
Cash flow from financing activities	**-7**	**77**	**-198**	**26**	**-402**	**-178**
CASH FLOW FOR THE PERIOD	**3**	**18**	**31**	**-13**	**22**	**-22**
Cash and cash equivalents at the beginning of the period	145	108	117	139	126	139
Cash and cash equivalents at the end of the period	148	126	148	126	148	117

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	**30 Sep 2020**	**31 Mar 2020**
Assets measured at fair value	**-**	**-**
Assets measured at amortised cost	745	803
TOTAL ASSETS, FINANCIAL INSTRUMENTS	**745**	**803**
Liabilities measured at fair value	158	199
Liabilities measured at amortised cost	1,446	1,503
TOTAL LIABILITIES, FINANCIAL INSTRUMENTS	**1,604**	**1,702**

Change in contingent considerations	6 months Apr – Sep 2020/21	Financial year 2019/20
Opening balance	199	185
Liabilities settled during the year	-49	-47
Remeasurement of liabilities during the year	8	-14
Year's liabilities from acquisitions during the year	-	76
Exchange difference	-	-1
Carrying amount at end of the period	158	**199**

Parent Company Balance Sheet – condensed

MSEK	30 Sep 2020	30 Sep 2019	31 Mar 2020
ASSETS			
Property, plant and equipment	1	1	1
Financial assets	2,749	2,651	2,734
Current receivables	473	714	684
Cash and bank balances	-	1	-
TOTAL ASSETS	**3,223**	**3,367**	**3,419**
EQUITY AND LIABILITIES			
Equity	1,630	1,738	1,784
Untaxed reserves	14	-	14
Non-current liabilities	720	720	720
Current liabilities	859	909	901
TOTAL EQUITY AND LIABILITIES	**3,223**	**3,367**	**3,419**

Parent Company Income Statement – condensed

MSEK	3 months Jul-Sep 2020/21	3 months Jul-Sep 2019/20	6 months Apr-Sep 2020/21	6 months Apr-Sep 2019/20	Moving 12-months, Oct-Sep 2020/21	Financial year 2019/20
Net revenue	9	9	18	18	37	37
Administrative expenses	-17	-15	-35	-32	-73	-70
Other operating income and operating expenses	1	-	1	-	1	-
OPERATING PROFIT	**-7**	**-6**	**-16**	**-14**	**-35**	**-33**
Financial income	4	2	12	368	123	479
Financial expenses	-4	-4	-16	-9	-24	-17
PROFIT AFTER FINANCIAL ITEMS	**-7**	**-8**	**-20**	**345**	**64**	**429**
Appropriations	-	-	-	-	-14	-14
Taxes	2	2	6	4	-6	-8
NET PROFIT FOR THE PERIOD	**-5**	**-6**	**-14**	**349**	**44**	**407**

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, Oct-Sep 2019/20	Financial year 2019/20	2018/19	2017/18	2016/17
Revenue	4,106	4,180	3,932	3,410	3,096
Change in revenue, %	1.2	6.3	15.3	10.1	1.3
Operating profit (EBITA)	565	565	519	436	409
Operating margin (EBITA), %	13.8	13.5	13.2	12.8	13.2
EBIT	479	483	451	378	361
EBIT margin, %	11.7	11.6	11.5	11.1	11.7
Profit after financial items	452	460	431	358	351
Profit margin, %	11.0	11.0	10.7	10.5	11.3
Profit after taxes	357	366	342	286	274
Equity ratio,% *	40	39	39	36	41
Return on working capital (P/WC), %	63	64	63	60	66
Return on capital employed, %	16	17	18	17	20
Return on equity, %	22	23	24	23	25
Net debt (+)/receivables (-), MSEK **	1,249	1,312	1,004	1,102	628
Net debt/equity ratio, times**	0.8	0.8	0.7	0.9	0.6
Operational net debt (+)/receivables (-), MSEK	1,020	1,056	928	1,035	565
Operational net debt/equity ratio, times	0.6	0.6	0.6	0.8	0.5
Interest coverage ratio, times	12	13	15	14	22
Number of employees at end of period	1,487	1,532	1,450	1,387	1,247
Revenue outside Sweden, MSEK	2,643	2,706	2,491	2,151	1,940

* *The equity ratio includes the IFRS 16 effect from 1 April 2019.*

*** Net debt and net debt/equity ratio includes pensions. The IFRS effect is included from 1 April 2019.*

Per-share data (after 3:1 split)

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, Oct-Sep 2019/20	Financial year 2019/20	2018/19	2017/18	2016/17
Number of shares at end of period after repurchases ('000)	203,244	203,178	203,061	202,968	203,956
Weighted number of shares after repurchases, ('000)	203,196	203,151	203,046	203,604	203,823
Weighted number of shares after repurchases & dilution ('000)	203,640	203,616	203,046	203,772	204,291
Earnings per share, SEK	1.76	1.80	1.68	1.40	1.34
Earnings per share after dilution, SEK	1.75	1.80	1.68	1.40	1.34
Cash flow from operations per share after dilution, SEK *	3.15	2.49	2.28	1.38	1.84
Equity per share, SEK	8.18	8.29	7.43	6.42	5.87
Latest price paid per share, SEK	60.33	38.60	33.33	27.83	29.00

*Includes IFRS 16 effects from 1 April 2019.

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)
Operating profit (EBITA) 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).

EBIT margin
Profit before net financial items 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 adjusted for 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 adjusted for dilution.

Net debt/receivables
Interest-bearing provisions and liabilities including pension liabilities and including IFRS 16, less cash and cash equivalents and investments in securities.

Net debt/equity ratio
Interest-bearing provisions and liabilities including pension liabilities and including IFRS 16, less cash and cash equivalents and investments in securities, divided by equity plus non-controlling interests.

Operational net debt/receivables
Interest-bearing provisions and liabilities, excluding pensions and excluding IFRS 16, less cash and cash equivalents and investments in securities.

Operational net debt/equity ratio
Interest-bearing provisions and liabilities, excluding pensions and excluding IFRS 16, 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.

Earnings per share
Profit for the year attributable to the Parent Company's shareholders in relation to the weighted number of shares outstanding after repurchases.

Earnings per share after dilution
Profit for the year attributable to the Parent Company's shareholders in relation to the weighted number of shares outstanding after repurchases and dilution.

Interest coverage ratio
Profit after financial items plus financial expenses divided by financial expenses.

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.

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 such 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 23 October 2020.

Reporting dates:

28 January 2021	Quarterly Report Q3 for the period 1 October 2020–31 December 2020
11 May 2021	Year-end Report for the period 1 April 2020–31 March 2021
16 July 2021	Quarterly Report Q1 for the period 1 April 2021–30 June 2021

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This is a translation from the Swedish version. Should there be any discrepancies, the Swedish version shall prevail.