

# INTERIM REPORT – 9 MONTHS

1 April-31 December 2017

## Third quarter (1 October-31 December 2017)

- **Revenue** increased by 5 percent to MSEK 1,486 (1,419).
- **Operating profit** totalled MSEK 76 (34). **Adjusted operating profit (excluding items affecting comparability)** rose by 73 percent to MSEK 76 (44), corresponding to an **adjusted operating margin** of 5.1 percent (3.1).
- **The return on working capital (P/WC)** for the most recent 12-month period was 24 percent (21).
- **Profit after financial items** increased by 139 percent to MSEK 74 (31).
- **Net profit** rose by 152 percent to MSEK 58 (23), corresponding to **earnings per share** of SEK 2.05 (0.80).
- The **operational net loan liability** amounted to MSEK 256 (229) and the **equity/assets ratio** at the end of the quarter was 41 percent (37).
- **In mid-October 2017, TOOLS Sweden acquired the remaining 70 percent of the shares in the former associated company AB Knut Sehlins Industrivaruhus**, which thus became a wholly owned subsidiary. Sehlins is a leading industrial reseller in Örnsköldsvik and generates annual revenue of approximately MSEK 40.

## Reporting period (1 April-31 December 2017)

- **Revenue** increased by 4 percent to MSEK 4,179 (4,011).
- **Operating profit** totalled MSEK 180 (135). **Adjusted operating profit (excluding items affecting comparability)** rose by 32 percent to MSEK 191 (145), corresponding to an **adjusted operating margin** of 4.6 percent (3.6).
- **Profit after financial items** rose by 38 percent to MSEK 175 (127).
- **Net profit** increased by 39 percent to MSEK 136 (98).

## PRESIDENT'S STATEMENT

### Increased sales and healthy earnings growth

The development of Momentum Group continued, with a high activity level, increased revenue and healthy earnings growth in the third quarter of the financial year. The business climate in our main markets in the Nordic region remains favourable, particularly in the industrial sector which is our primary customer segment. Although growth in the construction sector has slowed somewhat in recent quarters, this segment accounts for a smaller share of our total revenue. Most of our units improved their operating profit in the first nine months of the financial year.

#### *Business area Tools & Consumables*

In this business area, TOOLS Finland's sales trend remained favourable and revenue in TOOLS Norway stabilised further. Over the year to date, we have seen a gradual increase in our sales volume to focus customers in TOOLS Sweden, despite the closure of 15 less profitable sales units in 2017. The decline in sales to store customers due to these closures was in line with our plans and expectations.

It was particularly gratifying to see that the measures implemented in TOOLS Sweden continued to generate earnings improvements according to plan and that earnings in TOOLS Norway gradually recovered toward the end of the year. TOOLS Finland and our niche companies Mercus and TriffiQ continued to improve and delivered strong profitability levels for the reporting period.

#### *Business area Components & Services*

The sales trend in Momentum Industrial remained positive for both components and services and the earnings performance continued to be favourable. Gigant's earnings gradually recovered toward the end of the year and its volumes were on par with the previous year. During the third quarter, Gigant established a new manufacturing company together with its largest supplier, which is expected to have a positive impact on efficiency and result in lower costs in the operations.

### Continued positive performance as an independent company

Combined with a positive underlying market, the improvement efforts carried out in the Group in 2017/18 have helped to strengthen our earnings performance. We are also continuously analysing attractive acquisition candidates in the Nordic region that are leaders in their market niches and have a high level of knowledge and/or technological content. We are continuing our established path and develop our various companies with a constant focus on being "better than yesterday".

Stockholm, February 2018

**Ulf Lilius**

President & CEO

## Momentum Group in summary

	QUARTER			REPORTING PERIOD			FULL-YEAR		
	3 MONTHS ENDING 31 DEC			9 MONTHS ENDING 31 DEC			12 MONTHS ENDING 31 DEC		
	2017	2016	Δ	2017	2016	Δ	2017	2016	Δ
Revenue, MSEK	1,486	1,419	5%	4,179	4,011	4%	5,579	5,262	6%
Operating profit, MSEK	76	34	124%	180	135	33%	110	179	-39%
<i>of which, items affecting comparability</i>	0	-10		-11	-10		-129	-10	
Adjusted operating profit	76	44	73%	191	145	32%	239	189	26%
Profit after financial items, MSEK	74	31	139%	175	127	38%	102	169	-40%
Net profit (after taxes), MSEK	58	23	152%	136	98	39%	80	129	-38%
Earnings per share, SEK	2.05	0.80	156%	4.80	3.45	39%	2.85	4.55	-37%
Operating margin	5.1%	2.4%		4.3%	3.4%		2.0%	3.4%	
Adjusted operating margin	5.1%	3.1%		4.6%	3.6%		4.3%	3.6%	
Profit margin	5.0%	2.2%		4.2%	3.2%		1.8%	3.2%	
Return on equity							8%	13%	
Equity per share, SEK				38.70	37.60	3%			
Equity/assets ratio				41%	37%				
Adjusted equity/assets ratio				41%	43%				
Number of employees at the end of the period				1,656	1,578	5%			

## PROFIT AND REVENUE

### Third quarter (1 October-31 December 2017)

Revenue for the third quarter increased by 5 percent to MSEK 1,486 (1,419). Exchange-rate translation effects had an impact of MSEK –16 on revenue. Revenue for comparable units, measured in local currency and adjusted for the number of trading days, rose by 2 percent during the quarter. The quarter contained one less trading day in total than the corresponding quarter in the previous financial year.

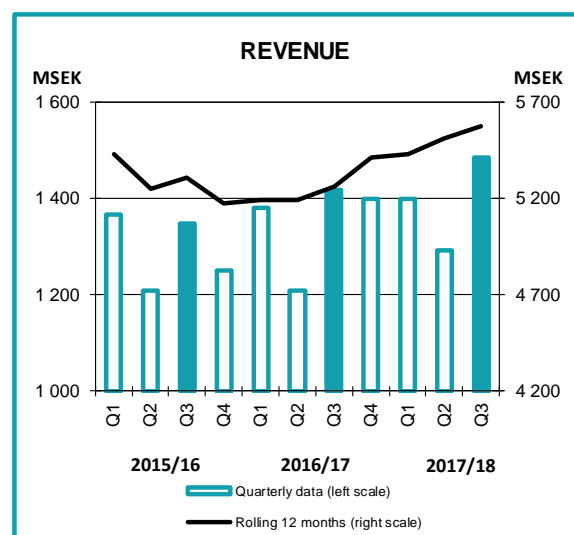
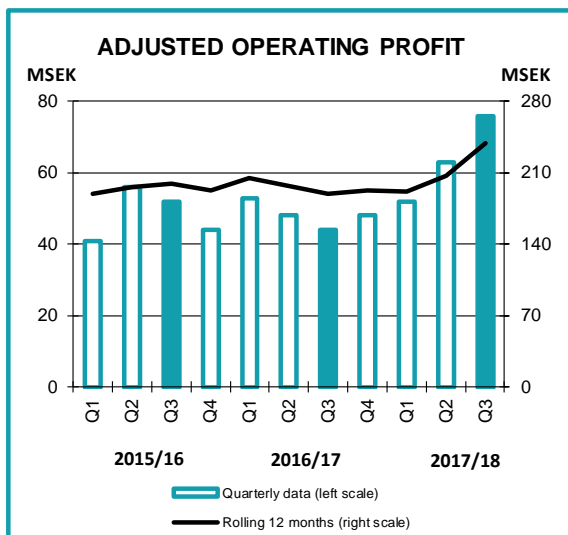
Operating profit totalled MSEK 76 (34) during the quarter. Profit for the quarter includes no items affecting comparability this year, which means that adjusted operating profit also amounted to MSEK 76 (44) – corresponding to an increase by 73 percent. MSEK 27 of the total restructuring reserve of MSEK 94, which was recognised in the annual accounts for 2016/17, was utilised during the quarter. Exchange-rate translation effects had a net impact of MSEK –1 (1) on operating profit. The adjusted operating margin (excluding items affecting comparability) was 5.1 percent (3.1). Profit after financial items increased by 139 percent to MSEK 74 (31) and net profit rose by 152 percent to MSEK 58 (23) for the quarter. This corresponded to earnings per share of SEK 2.05 (0.80).

### Reporting period (1 April-31 December 2017)

Revenue for the full reporting period increased by 4 percent to MSEK 4,179 (4,011). Exchange-rate translation effects had an impact of MSEK 6 on revenue. For comparable units, measured in local currency and adjusted for the number of trading days, revenue rose by 2 percent. The reporting period contained five less trading days in total than the corresponding period in the previous financial year.

Operating profit for the reporting period amounted to MSEK 180 (135). Adjusted operating profit (excluding items affecting comparability) rose by 32 percent to MSEK 191 (145). Items affecting comparability amounted to approximately MSEK –11 for the period and pertained to costs associated with the spin-off of Momentum Group from the B&B TOOLS Group and the Company's separate listing on Nasdaq Stockholm. MSEK 40 of the total restructuring reserve of MSEK 94, which was recognised in the annual accounts for 2016/17, was utilised during the reporting period. Operating profit was charged with depreciation and impairment losses of MSEK –13 (–11) on tangible non-current assets and amortisation and impairment losses of MSEK –14 (–3) on intangible non-current assets. Exchange-rate translation effects had a net impact of MSEK 0 (0) on operating profit. The adjusted operating margin (excluding items affecting comparability) was 4.6 percent (3.6).

Profit after financial items rose by 38 percent to MSEK 175 (127) and net financial items amounted to MSEK –5 (–8). Net profit totalled MSEK 136 (98), corresponding to earnings per share of SEK 4.80 (3.45).



## OPERATIONS

The Momentum Group comprises two business areas – Tools & Consumables and Components & Services. Group-wide includes the Group's management, finance function, support functions (including internal communications, investor relations and legal affairs) and logistics operations in Sweden.

On the whole, Momentum Group's main markets continued to display a favourable trend during the third quarter of the financial year. The industrial markets in Sweden and Finland continued to perform well, while the Norwegian industrial sector and oil and gas market stabilised further. The decline in activity in the Nordic construction market is deemed not have had any material impact on the sales trend for the quarter.

## The Momentum Group

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Revenue	1,486	1,419	4,179	4,011	5,579	5,411
Operating profit	76	34	180	135	110	65
of which, items affecting comparability	0	-10	-11	-10	-129	-128
Adjusted operating profit	76	44	191	145	239	193
Operating margin	5.1%	2.4%	4.3%	3.4%	2.0%	1.2%
Adjusted operating margin	5.1%	3.1%	4.6%	3.6%	4.3%	3.6%

## Business area Tools & Consumables

This business area comprises TOOLS Sweden, TOOLS Norway, TOOLS Finland, Mercus Yrkeskläder and TriffiQ Företagsprofilering, which offer products and services related to tools and industrial consumables for the industrial and construction sectors in the Nordic region.

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Revenue	1,170	1,122	3,303	3,162	4,410	4,269
Operating profit	46	13	102	57	57	12
of which, items affecting comparability	0	-	-5	-	-69	-64
Adjusted operating profit	46	13	107	57	126	76
Operating margin	3.9%	1.2%	3.1%	1.8%	1.3%	0.3%
Adjusted operating margin	3.9%	1.2%	3.2%	1.8%	2.9%	1.8%

Revenue in the *Tools & Consumables* business area remained largely unchanged<sup>1</sup> in the third quarter of the financial year. Acquisitions contributed approximately 7 percent to total revenue growth. The restructuring reserve utilised during the quarter, which amounted to approximately MSEK 27, pertained to the Tools & Consumables business area.

Revenue for *TOOLS Sweden* decreased by 7 percent<sup>1</sup> during the quarter compared with the preceding year, mainly due to the restructuring work ongoing in the operations, with an increased focus on selected customer groups and product areas, and to the winding down of 15 less profitable sales units in 2017. The underlying market for industrial consumables and tools for Swedish industry, infrastructure and the public sector is expected to remain positive, and the improvement activities designed to increase profitability, which were initiated in autumn 2016, had a positive impact on the earnings trend during the quarter.

Revenue for *TOOLS Norway* decreased by 1 percent<sup>1</sup> during the quarter. Demand in the industrial, construction and civil engineering sectors remained stable, while the oil price trend contributed to increased activity in the market. Along with the measures taken to improve efficiency and reduce costs, the increase in sales measured in NOK, including acquired units, had a positive impact on the earnings trend. The implementation of a new business system was completed according to plan during the quarter.

*TOOLS Finland* increased its revenue by 15 percent<sup>1</sup> during the quarter and continued to deliver a favourable sales trend in most customer groups. Sound cost control and an increased focus on the core product range resulted in healthy volume expansion, which had a positive impact on the earnings trend.

Revenue for *Mercus Yrkeskläder* increased by 7 percent<sup>1</sup> during the quarter, with a positive sales trend in most sales units. The implementation of a number of cost-saving measures had a favourable impact on the earnings trend. The new subsidiary *TriffiQ Företagsprofilering* continued to perform well and contributed positively to the business area's earnings during the quarter.

## Business area Components & Services

This business area comprises Momentum Industrial and Gigant, which offer spare parts and service as well as workplace equipment for customers in the industrial sector in the Nordic region.

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Revenue	369	355	1,027	1,003	1,383	1,359
Operating profit	32	30	87	88	112	113
of which, items affecting comparability	0	-	-1	-	-9	-8
Adjusted operating profit	32	30	88	88	121	121
Operating margin	8.7%	8.5%	8.5%	8.8%	8.1%	8.3%
Adjusted operating margin	8.7%	8.5%	8.6%	8.8%	8.7%	8.9%

<sup>1</sup> Comparable units, measured in local currency and adjusted for the number of trading days this year compared with the preceding year.

Revenue in the *Components & Services* business area increased by 4 percent<sup>2</sup> during the third quarter of the financial year. Acquisitions contributed approximately 2 percent to total revenue growth.

*Momentum Industrial's* revenue increased by 7 percent<sup>2</sup> during the quarter, mainly due to sales of components to major industrial companies in, for example, the automotive sector and process industry. Sales of engineering services also developed positively. The earnings trend for Momentum Industrial remained favourable and was impacted positively by the unit's strong capacity utilisation in maintenance and repairs. A new sales unit was established in Växjö during the quarter.

*Gigant's* revenue decreased by 3 percent<sup>2</sup> during the quarter, impacted positively by increased export sales to customers in Finland and outside the Nordic region while sales in Norway had a negative development. During the quarter, Gigant established a joint manufacturing company – Elka Produkter – together with its largest supplier, Workplaces for Industries WFI, which is expected to have a positive impact on efficiency and result in lower costs in the operations.

### Group-wide and eliminations

An operating loss of MSEK –9 (–10) was reported for "Group-wide and eliminations" for the full reporting period, of which items affecting comparability accounted for MSEK –5 (–10). Items affecting comparability in "Group-wide" for the period pertained to costs associated with the spin-off of Momentum Group from the B&B TOOLS Group and the Company's separate listing on Nasdaq Stockholm. Profit for the third quarter includes no items affecting comparability. Of the approximately MSEK 40 of the restructuring reserve utilised during the period, MSEK 7 pertained to "Group-wide".

The Parent Company's revenue for the reporting period amounted to MSEK 16 (–) and the loss after financial items totalled MSEK –4 (–). These results do not include any Group contributions, intra-Group dividends or other corresponding items.

## EMPLOYEES

At the end of the reporting period, the number of employees in the Group was 1,656, compared with 1,660 at the beginning of the financial year.

## CORPORATE ACQUISITIONS

Momentum Group conducted three corporate acquisitions during the reporting period.

In early July 2017, Momentum Group signed an agreement to acquire 70 percent of the shares in TriffiQ Företagsprofilering AB ("TriffiQ"). For the remaining 30 percent of the shares in TriffiQ, an option arrangement exists which entitles Momentum Group to purchase the remaining shares. TriffiQ is a leading reseller of workwear and protective footwear in Stockholm. TriffiQ generates annual revenue of approximately MSEK 70 with favourable profitability and has 18 employees. Closing took place in September 2017.

Since 2007, TOOLS Sweden owns 30 percent of the shares in Knut Sehlins Industrivaruhus AB ("Sehlins"), a leading industrial reseller in Örnsköldsvik, Sweden. In October 2017, TOOLS acquired the remaining 70 percent of the shares in Sehlins, which thus became a wholly owned subsidiary. Sehlins generates annual revenue of approximately MSEK 40 and has 14 employees. Sehlins has been part of TOOLS since the chain was formed in 2003. Closing took place in October 2017.

In an effort to strengthen its offering and competitiveness, Gigant established a joint manufacturing company – Elka Produkter AB ("Elka") – together with its largest supplier, Workplaces for Industries WFI ("WFI"), in autumn 2017. Gigant previously owned 40 percent of the shares in WFI, which were divested in connection with the acquisition of 70 percent of the shares in Elka. Closing on the shares in Elka took place in October 2017 and the acquisition is expected to have a marginally positive impact on Momentum Group's earnings per share for the 2017/18 financial year.

<sup>2</sup> Comparable units, measured in local currency and adjusted for the number of trading days this year compared with the preceding year.

According to the preliminary acquisition analysis, the assets and liabilities included in the acquisitions during the reporting period amounted to the following:

	Carrying amount on acquisition date	Adjustment to fair value	Fair value recognized in the Group
<b>Acquired assets:</b>			
Intangible non-current assets	-	25	25
Other non-current assets	1	-	1
Inventories	18	-	18
Other current assets	26	-	26
<b>Total assets</b>	<b>45</b>	<b>25</b>	<b>70</b>
<b>Acquired provisions and liabilities:</b>			
Deferred tax liability	0	-6	-6
Current operating liabilities	-29	-	-29
<b>Total provisions and liabilities</b>	<b>-29</b>	<b>-6</b>	<b>-35</b>
<b>Net of identified assets and liabilities</b>	<b>16</b>	<b>19</b>	<b>35</b>
Goodwill			25
Non-controlling interest <sup>1</sup>			-9
<b>Purchase consideration</b>			<b>51</b>
<i>Less/Plus: Net cash in acquired companies<sup>2</sup></i>			1
<i>Less: Fair value of previous participation in associated company</i>			-2
<b>Effect on consolidated cash and cash equivalents</b>			<b>50</b>

1) Non-controlling interest is calculated as the proportional share of the identified net assets.

2) Net of cash and cash equivalents and interest-bearing liabilities in the acquired operations.

Refer to the summary of acquisitions completed since the 2015/16 financial year on page 13.

## PROFITABILITY, CASH FLOW AND FINANCIAL POSITION

The Group's profitability, measured as the return on working capital (P/WC), amounted to 24 percent (21) for the most recent 12-month period. The return on capital employed for the corresponding period was 8 percent (11) and the return on equity was 8 percent (13). The return on adjusted capital employed totalled 17 percent (15), with adjustments for items affecting comparability and consideration for the Group's opportunities to apply net accounting to its balance with the internal bank of the former Parent Company, B&B TOOLS<sup>3</sup>.

Cash flow from operating activities before changes in working capital for the reporting period totalled MSEK 159 (140). Funds tied up in working capital rose by MSEK 59 (-50). During the period, inventories increased by MSEK 73, while operating receivables decreased by MSEK 5. Operating liabilities rose by MSEK 9. Accordingly, cash flow from operating activities for the period amounted to MSEK 100 (190), of which MSEK 129 (125) was attributable to the third quarter.

Cash flow for the reporting period was also impacted in a net amount of MSEK -26 (-40) pertaining to investments in and divestments of non-current assets, mainly investments in IT systems, and a net amount of MSEK -41 (-115) pertaining to acquisitions and divestments of subsidiaries and other business units.

At the end of the reporting period, the Group's operational net loan liability amounted to MSEK 256 (229). Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 545. The equity/assets ratio at the end of the reporting period was 41 percent, compared with 39 percent at the beginning of the financial year.

Equity per share, both before and after dilution, totalled SEK 38.70 at the end of the reporting period, compared with SEK 35.65 at the beginning of the financial year.

## SHARE STRUCTURE AND REPURCHASE OF OWN SHARES

At the end of the reporting period, share capital totalled MSEK 57. The distribution by class of share was as follows:

CLASS OF SHARE	AS OF 31 DECEMBER 2017
Class A shares	1,062,436
Class B shares	27,202,980
<b>Total number of shares before repurchasing</b>	<b>28,265,416</b>
<i>Less: Repurchased Class B shares</i>	<i>-250,000</i>
<b>Total number of shares after repurchasing</b>	<b>28,015,416</b>

As of 31 March 2017, Momentum Group held no treasury shares. An Extraordinary General Meeting of Shareholders in Momentum Group AB on 28 November 2017 resolved to authorise the Board of Directors to resolve on the acquisition and conveyance of treasury shares, and Momentum Group acquired 250,000

<sup>3</sup> For the historical comparative figures, the Group was unable to apply net accounting to its share in the cash pool of its former Parent Company, B&B TOOLS AB, vis-à-vis its loans with B&B TOOLS AB's internal bank.

Class B treasury shares in December 2017. Accordingly, the number of Class B shares held in treasury as of 31 December 2017 amounted to 250,000, corresponding to 0.9 percent of the total number of shares and 0.7 percent of the total number of votes.

The Extraordinary General Meeting of Shareholders in Momentum Group AB on 28 November 2017 also resolved on a share-based incentive programme with an issue of call options for repurchased Class B shares. In accordance with the resolution passed at the Meeting, 40 key individuals in senior positions in the Group were offered an opportunity to acquire a maximum of 250,000 call options, and the programmed was fully subscribed. The call options have been conveyed at a price of SEK 9.60 per call option, equivalent to the market value of the options according to a valuation performed by Nordea Bank. The redemption price for the call options is SEK 121.60 per share. Each call option entitles the holder to acquire one repurchased Class B share during the redemption periods of 12-25 February and 12-25 May 2021, respectively.

The share price on 31 December 2017 was SEK 116.50 and the issued call options did not result in any dilution effect during the reporting period. When fully exercised, the number of outstanding Class B shares will increase by 250,000, corresponding to 0.9 percent of the total number of shares and 0.7 percent of the total number of votes.

There have been no changes in the holding of treasury shares after the end of the reporting period.

## TRANSACTIONS WITH RELATED PARTIES

An Extraordinary General Meeting of Shareholders in B&B TOOLS AB on 14 June 2017 approved the spin-off and separate listing of the subsidiary Momentum Group AB on Nasdaq Stockholm. Other than purchases of goods from companies in the Bergman & Beving Group (formerly B&B TOOLS), no transactions having a material impact on the Group's position or earnings occurred between Momentum Group and its related parties during the reporting period.

## RISKS AND UNCERTAINTIES

Momentum Group's earnings, financial position and strategic position are impacted by a number of internal factors that are within the control of Momentum Group as well as a number of external factors where the Group's ability to influence the course of events is limited. The most important external risk factors for Momentum Group are the economic and market situation as well as the development in terms of the number of employees in the industrial and construction sectors combined with structural changes and the competitive situation. The risk and uncertainties impacting the Group are the same as in earlier periods. For more information, refer to Note 8 in Momentum Group's Financial Report for 2016/17. The Parent Company is impacted indirectly by the above risks and uncertainties through its function in the Group.

## ACCOUNTING POLICIES

The Interim Report for the Group was prepared in accordance with IFRS and by applying IAS 34 *Interim Financial Reporting*, the Swedish Annual Accounts Act and the Swedish Securities Market Act. In addition to the financial statements and associated notes, disclosures in accordance with IAS 34.16A are also presented in other sections of the Interim Report. The Interim Report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which conforms to the provisions detailed in RFR 2 *Accounting for Legal Entities*. The same accounting policies and bases of judgement as in Momentum Group's Financial Report for 2016/17 have been applied. New and amended IFRS and IFRIC interpretations applicable as of the 2017/18 financial year have not had a material impact on the Group's financial reporting.

Momentum Group AB was registered with the Swedish Companies Registration Office on 8 August 2016 and was dormant until September 2016. On 25 September 2016, Momentum Group AB acquired 12 operating companies (directly or indirectly) from B&B TOOLS Invest AB. The final stages of the structuring of Momentum Group involved the transfer of the logistics and warehousing operations within B&B TOOLS Business Infrastructure AB to Momentum Group Services AB through a conveyance of assets and liabilities in March 2017. Since the operations have not historically formed a group according the IFRS definition, there are no consolidated financial statements for the periods prior to March 2017. Accordingly, the historical information for the periods until 31 March 2017 has been prepared as combined financial statements for the reporting unit comprising Momentum Group AB and its associated subsidiaries.

### **New or amended IFRS that will be applied in coming periods**

A couple of new or amended IFRS will come into effect in the 2018/19 financial year and have not been applied in advance in the preparation of these financial statements. Work to analyse the impact of the implementation of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* is proceeding according to plan. As of the date of this Interim Report, the preliminary analysis published in Momentum Group's Financial Report 2016/17 still applies, meaning that the new standards are not

expected to have a material impact on the consolidated financial statements other than expanded disclosure requirements.

## PERFORMANCE MEASURES – DEFINITIONS & CALCULATIONS

Momentum Group uses certain financial performance measures in its analysis of the operations and their performance that are not defined in accordance with IFRS. Momentum Group believes that these performance measures provide valuable information for the Company's management, owners and investors, since they enable a more accurate assessment of current trends and the Company's performance when combined with other performance measures calculated in accordance with IFRS. Since not all listed companies calculate these financial performance measures in the same way, there is no guarantee that the information is comparable with other companies' performance measures of the same name. Hence, these financial performance measures must not be viewed as a replacement for those measures calculated in accordance with IFRS. For definitions and information on the calculation of certain financial performance measures, refer to pages 15-17.

## ELECTION COMMITTEE FOR THE ELECTION OF THE BOARD OF DIRECTORS

In accordance with a resolution passed at the Annual General Meeting held in May 2017, the largest shareholders in terms of votes as of 31 December 2017 have been contacted and asked to appoint four members who, together with the Chairman of the Board, will form the Election Committee for the election of the Board of Directors at the upcoming Annual General Meeting in August 2018. The Election Committee thus comprises Anders Börjesson (representative of Tisenhult-gruppen), Marianne Flink (representative of Swedbank Robur Funds), Tom Hedelius, Stefan Nilsson (representative of Handelsbanken Pension Fund & Handelsbanken Pension Foundation) and Chairman of the Board Jörgen Wigh. Contact information for the Election Committee is available on Momentum Group's website.

## EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events affecting the Group have occurred since the end of the reporting period.

Stockholm, 9 February 2018

**Ulf Lilius**  
President & CEO

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

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## Contact information

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## Dates for forthcoming financial information

**Presentation of Interim Report (9 months)** – Conference call today 9 February 2018 at 11:00 a.m. Please visit [www.momentum.group](http://www.momentum.group) for information about telephone numbers and the link to the webcast.

**Financial Report 2017/18 – 1 April 2017-31 March 2018** will be published on 8 May 2018.

**The Annual Report for the 2017/18 financial year** will be published at the end of June 2018 and will be available on the Company's website on the same date.

**Momentum Group AB's Annual General Meeting 2018** will be held in Stockholm on 22 August 2018.

Visit [www.momentum.group](http://www.momentum.group) to order reports and press releases.

*The information in this report is such that Momentum Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. CET on 9 February 2018.*

*This document is in all respects a translation of the Swedish original Interim Report. In the event of any differences between this translation and the Swedish original, the latter shall prevail.*

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## BUSINESS AREAS

### REVENUE BY BUSINESS AREA

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Tools & Consumables	1,170	1,122	3,303	3,162	4,410	4,269
Components & Services	369	355	1,027	1,003	1,383	1,359
Group-wide	27	0	89	0	89	0
Eliminations	-80	-58	-240	-154	-303	-217
<b>Momentum Group</b>	<b>1,486</b>	<b>1,419</b>	<b>4,179</b>	<b>4,011</b>	<b>5,579</b>	<b>5,411</b>

### REVENUE BY QUARTER

MSEK	2017/18				2016/17			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Tools & Consumables		1,170	1,023	1,110	1,107	1,122	955	1,085
Components & Services		369	317	341	356	355	299	349
Group-wide		27	31	31	0	0	0	0
Eliminations		-80	-78	-82	-63	-58	-44	-52
<b>Momentum Group</b>		<b>1,486</b>	<b>1,293</b>	<b>1,400</b>	<b>1,400</b>	<b>1,419</b>	<b>1,210</b>	<b>1,382</b>

### OPERATING PROFIT/LOSS BY BUSINESS AREA

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Tools & Consumables	46	13	102	57	57	12
Components & Services	32	30	87	88	112	113
Group-wide	-1	-11	-10	-11	-57	-58
Eliminations	-1	2	1	1	-2	-2
<b>Momentum Group</b>	<b>76</b>	<b>34</b>	<b>180</b>	<b>135</b>	<b>110</b>	<b>65</b>

### OPERATING PROFIT/LOSS BY QUARTER

MSEK	2017/18				2016/17			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Tools & Consumables		46	37	19	-45	13	20	24
Components & Services		32	29	26	25	30	29	29
Group-wide		-1	-5	-4	-47	-11	0	0
Eliminations		-1	1	1	-3	2	-1	0
<b>Momentum Group</b>		<b>76</b>	<b>62</b>	<b>42</b>	<b>-70</b>	<b>34</b>	<b>48</b>	<b>53</b>

### ADJUSTED OPERATING PROFIT/LOSS BY BUSINESS AREA

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Tools & Consumables	46	13	107	57	126	76
Components & Services	32	30	88	88	121	121
Group-wide	-1	-1	-5	-1	-6	-2
Eliminations	-1	2	1	1	-2	-2
<b>Momentum Group</b>	<b>76</b>	<b>44</b>	<b>191</b>	<b>145</b>	<b>239</b>	<b>193</b>

## GROUP SUMMARY

### INCOME STATEMENT

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Revenue	1,486	1,419	4,179	4,011	5,579	5,411
Shares of profit in associated companies	2	0	2	0	0	-2
Other operating income	1	3	3	5	6	8
<b>Total operating income</b>	<b>1,489</b>	<b>1,422</b>	<b>4,184</b>	<b>4,016</b>	<b>5,585</b>	<b>5,417</b>
Cost of goods sold	-937	-903	-2,643	-2,552	-3,551	-3,460
Personnel costs	-298	-279	-834	-767	-1,128	-1,061
Depreciation, amortisation, impairment losses and reversal of impairment losses	-9	-5	-27	-14	-35	-22
Other operating expenses	-169	-201	-500	-548	-761	-809
<b>Total operating expenses</b>	<b>-1,413</b>	<b>-1,388</b>	<b>-4,004</b>	<b>-3,881</b>	<b>-5,475</b>	<b>-5,352</b>
<b>Operating profit</b>	<b>76</b>	<b>34</b>	<b>180</b>	<b>135</b>	<b>110</b>	<b>65</b>
Financial income	0	1	0	2	0	2
Financial expenses	-2	-4	-5	-10	-8	-13
<b>Net financial items</b>	<b>-2</b>	<b>-3</b>	<b>-5</b>	<b>-8</b>	<b>-8</b>	<b>-11</b>
<b>Profit after financial items</b>	<b>74</b>	<b>31</b>	<b>175</b>	<b>127</b>	<b>102</b>	<b>54</b>
Taxes	-16	-8	-39	-29	-22	-12
<b>Net profit</b>	<b>58</b>	<b>23</b>	<b>136</b>	<b>98</b>	<b>80</b>	<b>42</b>
Of which, attributable to:						
Parent Company shareholders	57	23	135	98	79	42
Non-controlling interest	1	-	1	-	1	-
Earnings per share, SEK						
– before dilution	2.05	0.80	4.80	3.45	2.85	1.50
– after dilution	2.05	0.80	4.80	3.45	2.85	1.50

### STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Net profit	58	23	136	98	80	42
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>						
<b>Components that will not be reclassified to net profit</b>						
Remeasurement of defined-benefit pension plans	0	0	0	-2	2	0
Tax attributable to components that will not be reclassified	0	0	0	0	0	0
	0	0	0	-2	2	0
<b>Components that will be reclassified to net profit</b>						
Translation differences	2	-7	-2	32	-8	26
Fair value changes for the year in cash-flow hedges	0	0	0	0	0	0
Tax attributable to components that will be reclassified	0	0	0	0	0	0
	2	-7	-2	32	-8	26
<b>Other comprehensive income for the period</b>	<b>2</b>	<b>-7</b>	<b>-2</b>	<b>30</b>	<b>-6</b>	<b>26</b>
<b>Total comprehensive income for the period</b>	<b>60</b>	<b>16</b>	<b>134</b>	<b>128</b>	<b>74</b>	<b>68</b>
Of which, attributable to:						
Parent Company shareholders	59	16	133	128	73	68
Non-controlling interest	1	-	1	-	1	-

## BALANCE SHEET

MSEK	31 DEC 2017	31 DEC 2016	31 MAR 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible non-current assets	589	515	533
Tangible non-current assets	59	56	64
Shares in associated companies	–	11	9
Financial investments	5	4	5
Deferred tax assets	26	18	27
<b>Total non-current assets</b>	<b>679</b>	<b>604</b>	<b>638</b>
<b>Current assets</b>			
Inventories	927	859	823
Accounts receivable	897	867	912
Other current receivables	134	113	109
Cash and cash equivalents	5	418	69
<b>Total current assets</b>	<b>1,963</b>	<b>2,257</b>	<b>1,913</b>
<b>TOTAL ASSETS</b>	<b>2,642</b>	<b>2,861</b>	<b>2,551</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to Parent Company shareholders	1,094	1,063	1,007
Non-controlling interest	10	–	–
<b>Total equity</b>	<b>1,104</b>	<b>1,063</b>	<b>1,007</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities	99	634	150
Provisions for pensions	25	25	24
Other non-current liabilities and provisions	57	13	41
<b>Total non-current liabilities</b>	<b>181</b>	<b>672</b>	<b>215</b>
<b>Current liabilities</b>			
Current interest-bearing liabilities	162	13	182
Accounts payable	783	776	782
Other current liabilities	412	337	365
<b>Total current liabilities</b>	<b>1,357</b>	<b>1,126</b>	<b>1,329</b>
<b>TOTAL LIABILITIES</b>	<b>1,538</b>	<b>1,798</b>	<b>1,544</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,642</b>	<b>2,861</b>	<b>2,551</b>
Operational net loan liability	256	229	263

## STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to Parent Company shareholders				Non-controlling interest	Total equity
	Share capital	Reserves	Retained earnings, including net profit	Total		
<b>Closing equity, 31 March 2016</b>	–	–54	993	939	–	939
Net profit			42	42		42
Other comprehensive income		26	0	26		26
New share issue	57			57		57
Dividend			–10	–10		–10
Other transactions with owner <sup>1, 2</sup>			–47	–47		–47
<b>Closing equity, 31 March 2017</b>	<b>57</b>	<b>–28</b>	<b>978</b>	<b>1,007</b>	<b>–</b>	<b>1,007</b>
Net profit for the period			135	135	1	136
Other comprehensive income		–2	0	–2		–2
Sale of call options			2	2		2
Repurchase of own shares			–27	–27		–27
Acquisition of partly owned subsidiaries			–	–	9	9
Option liability, acquisition <sup>3</sup>			–21	–21		–21
<b>Closing equity, 31 December 2017</b>	<b>57</b>	<b>–30</b>	<b>1,067</b>	<b>1,094</b>	<b>10</b>	<b>1,104</b>

1) The Momentum Group has historically comprised the Momentum Group operating segment in the B&B TOOLS Group. However, some of the units that historically comprised part of the operating segment are not included in the Momentum Group. Net profit that is included in the historical combined income statement but does not impact Momentum Group's total assets is recognised as a transaction with the owner. For the 2016/17 financial year, net income from units not included in the Momentum Group amounted to MSEK 5.

2) On 25 September 2016, Momentum Group AB acquired 12 operating companies (directly and indirectly) from B&B TOOLS Invest AB. These internal acquisitions amounting to MSEK 615 were financed through a shareholders' contribution of MSEK 573 paid to Momentum Group AB by B&B TOOLS Invest AB and the remaining MSEK 42 through a loan raised via B&B TOOLS AB's internal bank. Since no net assets arose in the combined financial statements, the decrease in capital resulting from the raised loan is recognised as a transaction with the owner.

3) Refers to the value of call/put options in relation to the non-controlling interest in the acquired subsidiary Triffiq Företagsprofilering, which entail that: a) Momentum Group is entitled to purchase the remaining shares from the shareholders (call option), and b) the shareholders are entitled to sell their shares to Momentum Group (put option). The call option expires during the 2020/21 financial year and can thereafter be extended for a period of one year at a time. The put option can be exercised until the 2019/20 financial year. The price of the option is dependent on certain results being achieved in the company.

## CASH-FLOW STATEMENT

MSEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
<b>Operating activities</b>						
Operating activities before changes in working capital	63	44	159	140	167	148
Changes in working capital	66	81	-59	50	-80	29
<b>Cash flow from operating activities</b>	<b>129</b>	<b>125</b>	<b>100</b>	<b>190</b>	<b>87</b>	<b>177</b>
<b>Investing activities</b>						
Acquisition of intangible and tangible non-current assets	-9	-18	-26	-40	-53	-67
Proceeds from sale of intangible and tangible non-current assets	0	0	0	0	0	0
Acquisition of subsidiaries and other business units	-12	-109	-50	-115	-56	-121
Proceeds from sale of financial non-current assets	9	-	9	-	9	-
<b>Cash flow from investing activities</b>	<b>-12</b>	<b>-127</b>	<b>-67</b>	<b>-155</b>	<b>-100</b>	<b>-188</b>
<b>Cash flow before financing</b>	<b>117</b>	<b>-2</b>	<b>33</b>	<b>35</b>	<b>-13</b>	<b>-11</b>
<b>Financing activities</b>						
Financing activities	-127	-35	-97	-150	-395	-448
<b>Cash flow for the period</b>	<b>-10</b>	<b>-37</b>	<b>-64</b>	<b>-115</b>	<b>-408</b>	<b>-459</b>
Cash and cash equivalents at the beginning of the period	15	460	69	525	418	525
Exchange-rate differences in cash and cash equivalents	0	-5	0	8	-5	3
<b>Cash and cash equivalents at the end of the period</b>	<b>5</b>	<b>418</b>	<b>5</b>	<b>418</b>	<b>5</b>	<b>69</b>

## FINANCIAL INSTRUMENTS

Momentum Group measures financial instruments at fair value or cost in the balance sheet depending on their classification. In addition to items in the financial net debt, financial instruments also include accounts receivable and accounts payable. The fair value of all of the Group's financial assets is estimated to correspond with their carrying amount. Liabilities measured at fair value comprise options issued in connection with the acquisition of equity instruments in partly owned subsidiaries, which are measured using discounted cash flow and are thus included in level 3 according to IFRS 13.

MSEK	31 DEC 2017	31 MAR 2017
<b>Financial assets measured at fair value</b>		
Shares and participations available for sale	1	1
<b>Financial assets measured at amortised cost</b>		
Long-term receivables	0	0
Accounts receivable	897	912
Cash and cash equivalents	5	69
<b>Total financial assets</b>	<b>903</b>	<b>982</b>
<b>Financial liabilities measured at fair value</b>		
Option liability	21	-
<b>Financial liabilities measured at amortised cost</b>		
Interest-bearing liabilities	261	332
Accounts payable	783	782
<b>Total financial liabilities</b>	<b>1,065</b>	<b>1,114</b>

## OPERATING SEGMENTS

The Group's operating segments comprise the Tools & Consumables and Components & Services business areas. The operating segments are consolidations of the operational organisation, as used by Group management and the Board of Directors to monitor operations. Group management, comprising the CEO and CFO, are the Group's chief operating decision makers.

**Tools & Consumables** comprises resellers of consumables to the industrial, construction and public sectors in the Nordic region within TOOLS, Mercus Yrkeskläder and Triffiq Företagsprofilering. **Components & Services** comprises resellers of industrial components, workplace equipment, services and maintenance to the industrial sector in the Nordic region within Momentum Industrial and Gigant Arbetsplats. **Group-wide** includes the Group's management, finance function, support functions and logistics operations in Sweden. The support functions include internal communications, investor relations and legal affairs. Financial income and expenses are not distributed by operating segment but rather are recognised in their entirety in Group-wide.

Intra-Group pricing between the operating segments occurs on market terms. The accounting policies are the same as those applied in the consolidated financial statements.

**OPERATING SEGMENTS – cont.**

MSEK	APR-DEC 2017 (9 MON)				
	Tools & Consumables	Components & Services	Group-wide	Eliminations	Group total
<b>Revenue</b>					
From external customers	3,295	882	2	-	<b>4,179</b>
From other segments	8	145	87	-240	-
<b>Total</b>	<b>3,303</b>	<b>1,027</b>	<b>89</b>	<b>-240</b>	<b>4,179</b>
Adjusted operating profit	107	88	-5	1	<b>191</b>
<i>Items affecting comparability</i>	-5	-1	-5	-	<b>-11</b>
<b>Operating profit/loss</b>	<b>102</b>	<b>87</b>	<b>-10</b>	<b>1</b>	<b>180</b>
Net financial items	-	-	-5	-	<b>-5</b>
<b>Profit/loss after financial items</b>	<b>102</b>	<b>87</b>	<b>-15</b>	<b>1</b>	<b>175</b>

MSEK	APR-DEC 2016 (9 MON)				
	Tools & Consumables	Components & Services	Group-wide	Eliminations	Group total
<b>Revenue</b>					
From external customers	3,159	852	0	-	<b>4,011</b>
From other segments	3	151	0	-154	-
<b>Total</b>	<b>3,162</b>	<b>1,003</b>	<b>0</b>	<b>-154</b>	<b>4,011</b>
Adjusted operating profit	57	88	-1	1	<b>145</b>
<i>Items affecting comparability</i>	-	-	-10	-	<b>-10</b>
<b>Operating profit/loss</b>	<b>57</b>	<b>88</b>	<b>-11</b>	<b>1</b>	<b>135</b>
Net financial items	-	-	-8	-	<b>-8</b>
<b>Profit/loss after financial items</b>	<b>57</b>	<b>88</b>	<b>-19</b>	<b>1</b>	<b>127</b>

**KEY PER-SHARE DATA**

SEK	QUARTER		REPORTING PERIOD		FULL-YEAR	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016	ROLLING 12 MON	2016/17
Earnings before dilution	<b>2.05</b>	0.80	<b>4.80</b>	3.45	<b>2.85</b>	1.50
Earnings after dilution	<b>2.05</b>	0.80	<b>4.80</b>	3.45	<b>2.85</b>	1.50
Equity, at the end of the period			<b>38.70</b>	37.60		35.65
Equity after dilution, at the end of the period			<b>38.70</b>	37.60		35.65
<b>NUMBER OF SHARES OUTSTANDING IN THOUSANDS</b>						
Number of shares outstanding before dilution	<b>28,015</b>	28,265	<b>28,015</b>	28,265	<b>28,015</b>	28,265
Weighted number of shares outstanding before dilution	<b>28,265</b>	28,265	<b>28,265</b>	28,265	<b>28,265</b>	28,265
Weighted number of shares outstanding after dilution	<b>28,265</b>	28,265	<b>28,265</b>	28,265	<b>28,265</b>	28,265

**Weighted number of shares and dilution**

Average number of shares outstanding before or after dilution. Shares held by Momentum Group at any given time are not included in the number of shares outstanding. Dilution effects arise due to any call options issued by the Company that can be settled using shares in share-based incentive programmes. In such cases, the call options have a dilution effect when the average share price during the period is higher than the redemption price of the call options.

Momentum Group held 250,000 Class B shares as of 31 December 2017 and has issued 250,000 call options for these treasury shares. Since the average share price is lower than the redemption price of SEK 121.60 per call option, no dilution effect existed as of 31 December 2017. Refer also to page 7.

**ACQUISITIONS**

Corporate acquisitions carried out since the 2015/16 financial year are distributed between the Momentum Group's business areas as follows:

ACQUISITION	TIME (possession taken)	REVENUE <sup>1</sup>	NO. OF EMPLOYEES <sup>1</sup>	BUSINESS AREA
AB Carl A. Nilssons El. Rep.verkstad, SE	September 2015	MSEK 20	13	Components & Services
Tønsberg Maskinforretning AS, NO	April 2016	MNOK 20	10	Tools & Consumables
Astrup Industrivarer AS, NO	November 2016	MNOK 240	50	Tools & Consumables
Arboga Machine Tool AB, SE	March 2017	MSEK 10	5	Components & Services
TriffiQ Företagsprofilering AB <sup>2</sup> , SE	September 2017	MSEK 70	18	Tools & Consumables
AB Knut Sehllins Industrivaruhus, SE	October 2017	MSEK 40	14	Tools & Consumables
Elka Produkter AB <sup>3</sup> , SE	October 2017	- <sup>3</sup>	10	Components & Services

1) Refers to information for the full year on the date of acquisition.

2) Momentum Group owns 70 percent of the shares in each company.

3) The current operations of Elka Produkter AB were established in autumn 2017. Accordingly, there is no full-year information available regarding comparable revenue.

## PARENT COMPANY SUMMARY

Momentum Group AB was registered with the Swedish Companies Registration Office on 8 August 2016.

### INCOME STATEMENT

MSEK	QUARTER		REPORTING PERIOD APR-DEC 2017	FULL-YEAR ROLLING 12 MON	2016/17
	OCT-DEC 2017	OCT-DEC 2016			
Revenue	3	0	16	16	0
Other operating income	0	0	0	0	0
<b>Total operating income</b>	<b>3</b>	<b>0</b>	<b>16</b>	<b>16</b>	<b>0</b>
Operating expenses	-8	-1	-32	-39	-8
<b>Operating profit/loss</b>	<b>-5</b>	<b>-1</b>	<b>-16</b>	<b>-23</b>	<b>-8</b>
Financial income and expenses	5	0	12	19	7
<b>Profit/loss after financial items</b>	<b>0</b>	<b>-1</b>	<b>-4</b>	<b>-4</b>	<b>-1</b>
Appropriations	-	-	-	1	1
<b>Profit before taxes</b>	<b>0</b>	<b>-1</b>	<b>-4</b>	<b>-3</b>	<b>0</b>
Taxes	0	0	1	1	0
<b>Net profit</b>	<b>0</b>	<b>-1</b>	<b>-3</b>	<b>-2</b>	<b>0</b>

### STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER		REPORTING PERIOD APR-DEC 2017	FULL-YEAR ROLLING 12 MON	2016/17
	OCT-DEC 2017	OCT-DEC 2016			
Net profit	0	-1	-3	-2	0
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>					
<b>Components that will not be reclassified to net profit</b>					
	-	-	-	-	-
<b>Components that will be reclassified to net profit</b>					
	-	-	-	-	-
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>-1</b>	<b>-3</b>	<b>-2</b>	<b>0</b>

### BALANCE SHEET

MSEK	31 DEC 2017	31 DEC 2016	31 MAR 2017
<b>ASSETS</b>			
Intangible non-current assets	0	-	0
Tangible non-current assets	-	-	-
Financial non-current assets	858	615	810
Current receivables	141	0	93
Cash and cash equivalents	-	-	-
<b>Total assets</b>	<b>999</b>	<b>615</b>	<b>903</b>
<b>EQUITY, PROVISIONS AND LIABILITIES</b>			
Equity	602	572	630
Untaxed reserves	-	-	-
Provisions	-	-	-
Non-current liabilities	98	42	150
Current liabilities	299	1	123
<b>Total equity, provisions and liabilities</b>	<b>999</b>	<b>615</b>	<b>903</b>

## PERFORMANCE MEASURES – DEFINITIONS & CALCULATIONS

Certain performance measures presented below are calculated in accordance with IFRS and others are so-called alternative performance measures that Momentum Group considers to be important in forming an understanding of its operations. The derivation of the alternative performance measures is also presented in the tables. Insofar as the performance measures are used and commented on by business area (operating segment), the derivation of the performance measures is also presented at this level.

	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>IFRS PERFORMANCE MEASURES</b>				
Net profit, MSEK	80	42	139	140
Earnings per share, SEK	2.85	1.50	4.95	4.95
<b>ALTERNATIVE PERFORMANCE MEASURES</b>				
<i>Performance measures related to the income statement</i>				
Revenue, MSEK	5,579	5,411	5,176	5,351
Operating profit, MSEK	110	65	193	198
Adjusted operating profit, MSEK	239	193	193	198
Profit after financial items, MSEK	102	54	182	181
Operating margin, %	2.0%	1.2%	3.7%	3.7%
Adjusted operating margin, %	4.3%	3.6%	3.7%	3.7%
Profit margin, %	1.8%	1.0%	3.5%	3.4%
<i>Performance measures related to profitability</i>				
Return on working capital (P/WC), %	24%	21%	19%	17%
Return on capital employed, %	8%	4%	12%	11%
Return on adjusted capital employed, %	17%	16%	15%	14%
Return on equity, %	8%	4%	14%	13%
<i>Performance measures related to financial position</i>				
Operational net loan liability (closing balance), MSEK	256	263	117	382
Equity (closing balance)*, MSEK	1,094	1,007	939	980
Equity/assets ratio, %	41%	39%	35%	36%
Adjusted equity/assets ratio, %	41%	40%	43%	42%
<i>Other performance measures</i>				
Number of employees at the end of the period	1,656	1,660	1,573	1,618
Share price at the end of the period, SEK	116.50	-	-	-

\* Refers to equity attributable to Parent Company shareholders

### DEFINITIONS OF PERFORMANCE MEASURES

#### Revenue

Own invoicing, commission-based revenue from commission sales and side revenue.

#### Operating profit

Profit before financial items and tax.

#### Adjusted operating profit

Operating profit adjusted for items affecting comparability.

#### Operating margin, %

Operating profit relative to revenue.

#### Adjusted operating margin, %

Adjusted operating profit as a percentage of revenue.

#### Profit margin, %

Profit after financial items as a percentage of revenue.

#### Return on working capital (P/WC), %

Adjusted operating profit for the most recent 12-month period divided by average working capital measured as total working capital (accounts receivable and inventories less accounts payable) at the end of each month for the most recent 12-month period and the opening balance at the start of the period divided by 13.

#### Return on capital employed, %

Operating profit plus financial income for the most recent 12-month period divided by average capital employed measured as the balance-sheet total less non-interest-bearing liabilities and provisions at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

**Return on adjusted capital employed, %**

Adjusted operating profit plus financial income for the most recent 12-month period divided by average adjusted capital employed measured as the balance-sheet total less non-interest-bearing liabilities and provisions as well as cash vis-a-vis the former Parent Company, B&B TOOLS AB, at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

**Return on equity, %**

Net profit for the most recent 12-month period divided by average equity measured as total equity attributable to Parent Company shareholders at the end of the most recent four quarters and the opening balance at the start of the period divided by five.

**Operational net loan liability (closing balance)**

Operational net loan liability measured as non-current interest-bearing liabilities and current interest-bearing liabilities less cash and cash equivalents at the end of the period.

**Equity/assets ratio, %**

Equity attributable to Parent Company shareholders as a percentage of the balance-sheet total at the end of the period.

**Adjusted equity/assets ratio, %**

Equity attributable to Parent Company shareholders as a percentage of the balance-sheet total less cash vis-a-vis the former Parent Company, B&B TOOLS AB, at the end of the period.

**Earnings per share, SEK**

Net profit attributable to the Parent Company shareholders divided by the weighted number of shares. IFRS performance measure.

**DERIVATION OF ALTERNATIVE PERFORMANCE MEASURES**

MSEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>ADJUSTED OPERATING PROFIT</b>				
Operating profit	110	65	193	198
<i>Items affecting comparability</i>				
Restructuring expenses	94	94	-	-
Split and listing expenses	35	34	-	-
<b>Adjusted operating profit</b>	<b>239</b>	<b>193</b>	<b>193</b>	<b>198</b>
<i>Per segment: Tools &amp; Consumables</i>				
Operating profit	57	12	72	75
Items affecting comparability	69	64	-	-
<b>Adjusted operating profit – Tools &amp; Consumables</b>	<b>126</b>	<b>76</b>	<b>72</b>	<b>75</b>
<i>Per segment: Components &amp; Services</i>				
Operating profit	112	113	120	121
Items affecting comparability	9	8	-	-
<b>Adjusted operating profit – Components &amp; Services</b>	<b>121</b>	<b>121</b>	<b>120</b>	<b>121</b>
<i>Group-wide, including eliminations</i>				
Operating profit/loss	-59	-60	1	2
Items affecting comparability	51	56	-	-
<b>Adjusted operating profit/loss – Group-wide, including eliminations</b>	<b>-8</b>	<b>-4</b>	<b>1</b>	<b>2</b>

MSEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>WORKING CAPITAL</b>				
<i>Average operating assets</i>				
Average inventories	871	823	814	882
Average accounts receivable	885	821	780	832
<b>Total average operating assets</b>	<b>1,756</b>	<b>1,644</b>	<b>1,594</b>	<b>1,714</b>
<i>Average operating liabilities</i>				
Average accounts payable	-742	-709	-583	-538
<b>Total average operating liabilities</b>	<b>-742</b>	<b>-709</b>	<b>-583</b>	<b>-538</b>
<b>Average working capital</b>	<b>1,014</b>	<b>935</b>	<b>1,011</b>	<b>1,176</b>
Adjusted operating profit	239	193	193	198
<b>Return on working capital (P/WC), %</b>	<b>24%</b>	<b>21%</b>	<b>19%</b>	<b>17%</b>



M SEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>CAPITAL EMPLOYED</b>				
Average balance-sheet total	2,644	2,719	2,651	2,761
Average non-interest-bearing liabilities and provisions				
Average non-interest-bearing non-current liabilities	-44	-14	-4	-3
Average non-interest-bearing current liabilities	-1,141	-1,073	-948	-904
<b>Total average non-interest-bearing liabilities and provisions</b>	<b>-1,185</b>	<b>-1,087</b>	<b>-952</b>	<b>-907</b>
<b>Average capital employed</b>	<b>1,459</b>	<b>1,632</b>	<b>1,699</b>	<b>1,854</b>
Operating profit	110	65	193	198
Financial income	0	2	3	4
<b>Total operating profit + financial income</b>	<b>110</b>	<b>67</b>	<b>196</b>	<b>202</b>
<b>Return on capital employed, %</b>	<b>8%</b>	<b>4%</b>	<b>12%</b>	<b>11%</b>

M SEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>ADJUSTED CAPITAL EMPLOYED</b>				
Average capital employed	1,459	1,632	1,699	1,854
Average cash vis-a-vis B&B TOOLS AB	-93	-380	-420	-373
<b>Average adjusted capital employed</b>	<b>1,366</b>	<b>1,252</b>	<b>1,279</b>	<b>1,481</b>
Adjusted operating profit	239	193	193	198
Financial income	0	2	3	4
<b>Total adjusted operating profit + financial income</b>	<b>239</b>	<b>195</b>	<b>196</b>	<b>202</b>
<b>Return on adjusted capital employed, %</b>	<b>17%</b>	<b>16%</b>	<b>15%</b>	<b>14%</b>

M SEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>RETURN ON EQUITY</b>				
Average equity*	1,051	1,008	984	1,050
Net profit*	79	42	139	140
<b>Return on equity, %</b>	<b>8%</b>	<b>4%</b>	<b>14%</b>	<b>13%</b>

\* Refers to equity and earnings attributable to Parent Company shareholders.

M SEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>OPERATIONAL NET LOAN LIABILITY (CLOSING BALANCE)</b>				
Non-current interest-bearing liabilities	99	150	639	746
Current interest-bearing liabilities	162	182	3	8
Cash and cash equivalents	-5	-69	-525	-372
<b>Operational net loan liability (closing balance)</b>	<b>256</b>	<b>263</b>	<b>117</b>	<b>382</b>

M SEK	12 MONTHS ENDING			
	31 DEC 2017	31 MAR 2017	31 MAR 2016	31 MAR 2015
<b>BALANCE-SHEET TOTAL</b>				
Balance-sheet total (closing balance)	2,642	2,551	2,694	2,727
Cash vis-a-vis B&B TOOLS AB (closing balance)	-	-56	-520	-368
<b>Adjusted balance-sheet total</b>	<b>2,642</b>	<b>2,495</b>	<b>2,174</b>	<b>2,359</b>
Equity (closing balance)*	1,094	1,007	939	980
<b>Equity/assets ratio, %</b>	<b>41%</b>	<b>39%</b>	<b>35%</b>	<b>36%</b>
<b>Adjusted equity/assets ratio, %</b>	<b>41%</b>	<b>40%</b>	<b>43%</b>	<b>42%</b>

\* Refers to equity attributable to Parent Company shareholders.

### Change in revenue

Comparable units refer to sales in local currency from units that were part of the Group during the current period and the entire corresponding period in the preceding year. Trading days refer to the effect on sales in local currency depending on the difference the number of trading days compared with the comparative period. Other units refer to acquisitions or divestments of units during the corresponding period.

	QUARTER		REPORTING PERIOD	
	OCT-DEC 2017	OCT-DEC 2016	APR-DEC 2017	APR-DEC 2016
<b>Change in revenue for:</b>				
Comparable units in local currency	1.6%	-0.3%	2.2%	-0.7%
Currency effects	-1.0%	2.6%	0.2%	0.2%
Number of trading days	-1.6%	1.6%	-2.8%	1.7%
Other units	5.6%	1.3%	4.6%	1.0%
<b>Total change</b>	<b>4.6%</b>	<b>5.2%</b>	<b>4.2%</b>	<b>2.2%</b>