

INTERIM REPORT – 9 MONTHS

1 April-31 December 2015

Third quarter (1 October-31 December 2015)

- **Revenue** amounted to MSEK 1,993 (2,027).
- **Operating profit** rose by 11 percent to MSEK 115 (104), corresponding to an **operating margin** of 5.8 percent (5.1).
- **Profit after financial items** increased by 16 percent to MSEK 111 (96).
- **Net profit** rose by 18 percent to MSEK 85 (72).
- **Earnings per share** increased to SEK 3.05 (2.55).
- **Cash flow from operating activities** amounted to MSEK 207 (207) and **cash flow per share** for the most recent 12-month period was SEK 16.05 (8.35).
- **The return on equity** for the most recent 12-month period was 14 percent (13).
- **The equity/assets ratio** at the end of the period was 52 percent (46).

Reporting period – 9 months (1 April-31 December 2015)

- **Revenue** amounted to MSEK 5,886 (5,909).
- **Operating profit** rose by 11 percent to MSEK 375 (339) and the **operating margin** was 6.4 percent (5.7).
- **Profit after financial items** increased by 17 percent to MSEK 361 (308).
- **Net profit** rose by 19 percent to MSEK 275 (231).

B&B TOOLS IN SUMMARY

	QUARTER			REPORTING PERIOD			FULL-YEAR		
	3 MONTHS ENDING 31 DEC 2015	2014	Change	9 MONTHS ENDING 31 DEC 2015	2014	Change	12 MONTHS ENDING 31 DEC 2015	2014	Change
Revenue, MSEK	1,993	2,027	–2%	5,886	5,909	–0%	7,880	7,869	+0%
Operating profit, MSEK	115	104	+11%	375	339	+11%	486	442	+10%
Profit after financial items, MSEK	111	96	+16%	361	308	+17%	461	398	+16%
Net profit (after taxes), MSEK	85	72	+18%	275	231	+19%	350	300	+17%
Earnings per share, SEK	3.05	2.55	+20%	9.80	8.20	+20%	12.50	10.70	+17%
Operating margin	5.8%	5.1%		6.4%	5.7%		6.2%	5.6%	
Profit margin	5.6%	4.7%		6.1%	5.2%		5.9%	5.1%	
Return on equity							14%	13%	
Equity per share, SEK				91.15	82.35	+11%			
Equity/assets ratio				52%	46%				
Number of employees at the end of the period				2,662	2,678	–1%			

PRESIDENT'S STATEMENT

The Group's total revenue remained largely unchanged during the reporting period. During the period we have actively worked at shifting sales from items with lower margins to more profitable product areas. There were also significant variations between the Group's various geographic markets and customer segments. For example, ESSVE, TOOLS Sweden and Momentum reported increased revenue and improved operating profit during the period. The market situation in Norway has affected the Group negatively. Exclusive of the Norwegian operations, the other units have increased their revenue by a total of 5 percent during the period and the operating profit by more than 40 percent.

Despite a turbulent operating environment with major currency fluctuations and a weak economic climate, particularly in Norway, we continue to improve our key financial ratios. During the most recent 12-month period, earnings per share increased by 17 percent, our cash flow per share nearly doubled compared with the preceding year. At the same time we have considerably reduced our indebtedness.

In recent years, we have radically improved our basic prerequisites for growth and development. With our strong balance sheet and lower debt, I believe we have the right conditions for attractive corporate acquisitions.

Stockholm, February 2016

Ulf Lilius

President & CEO

PROFIT AND REVENUE

Third quarter (1 October-31 December 2015)

Revenue for the third quarter decreased by –2 percent to MSEK 1,993 (2,027). Exchange-rate translation effects had an impact of MSEK –41 (+18) on revenue. Revenue for comparable units, measured in local currency and adjusted for the number of trading days, decreased by approximately –1 percent during the quarter.

In the third quarter, operating profit rose by 11 percent to MSEK 115 (104). Exchange-rate translation effects had an impact of MSEK +0 (+2) on operating profit. The operating margin was 5.8 percent (5.1). Profit after financial items amounted to MSEK 111 (96) and net profit to MSEK 85 (72) for the quarter, corresponding to earnings per share of SEK 3.05 (2.55).

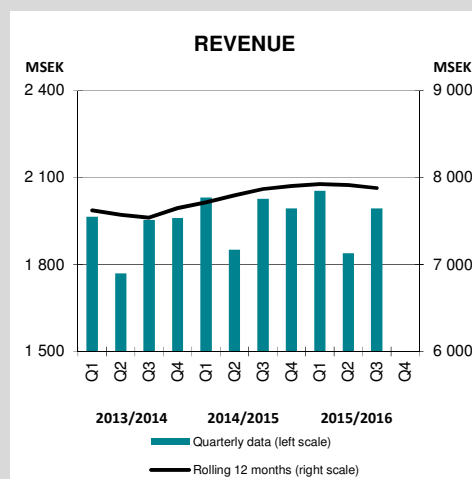
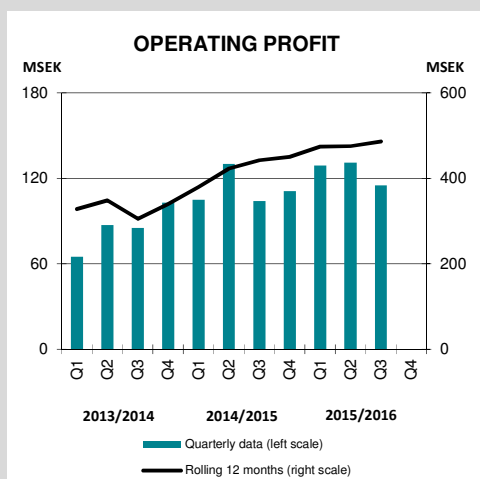
Reporting period – 9 months (1 April-31 December 2015)

Revenue for the full reporting period amounted to MSEK 5,886 (5,909). Exchange-rate translation effects had an impact of MSEK –67 (+55) on revenue. Revenue for comparable units, measured in local currency and adjusted for the number of trading days, was essentially unchanged during the reporting period compared with the preceding year.

Operating profit for the reporting period rose by 11 percent to MSEK 375 (339). Operating profit was charged with depreciation and impairment losses of MSEK –19 (–19) on tangible non-current assets and amortisation and impairment losses of MSEK –2 (–2) on intangible non-current assets. Exchange-rate translation effects had a net impact of MSEK +3 (+4) on operating profit. The operating margin increased to 6.4 percent (5.7).

Profit after financial items rose by 17 percent to MSEK 361 (308) and net financial items amounted to MSEK –14 (–31). The profit margin was 6.1 percent (5.2). Net profit amounted to MSEK 275 (231), corresponding to earnings per share of SEK 9.80 (8.20). Earnings per share for the most recent 12-month period amounted to SEK 12.50 (10.70).

OPERATING PROFIT AND REVENUE



OPERATIONS

The B&B TOOLS Group comprises two operating segments – TOOLS / Momentum and Product Companies – as well as shared administrative, logistics and IT functions. The Group's operating segments currently include nine operating areas.

B&B TOOLS GROUP

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
Revenue	1,993	2,027	5,886	5,909	7,880	7,903
Operating profit	115	104	375	339	486	450
Operating margin	5.8%	5.1%	6.4%	5.7%	6.2%	5.7%

TOOLS / Momentum – sales directly to end customers

TOOLS and Momentum are the B&B TOOLS Group's own market channels for industrial consumables and industrial components for Nordic industry. Via TOOLS and Momentum, the Group has a presence in some 200 locations in Sweden, Norway and Finland.

Revenue for comparable units in TOOLS / Momentum declined by –1 percent¹ during the third quarter.

During the quarter, revenue for *TOOLS Sweden* rose by 1 percent¹ and the operating margin tripled. Not only have the activities implemented to increase efficiency had a positive impact on earnings, the unit has also boosted its business strength and competitiveness in the market, including as a supplier in the area of occupational health and safety (“OHS”). Efforts to reduce working capital in the operations continue.

The economic situation in Norway remained weak and demand in the offshore sector during the third quarter showed no signs of recovery. However, *TOOLS Norway's* sales to the construction and civil engineering industry, public administration sector and fishing industry were stable. In total, revenue decreased by –12 percent¹. The business is continuing its efforts to adjust its cost levels, increase its market shares and raise its contribution ratios. Revenue for *TOOLS Finland* declined during the quarter (by approximately –1 percent¹).

Efforts to increase efficiency and reduce cost levels in the operations are continuing.

Despite a persistently cautious industrial market in the Nordic region, *Momentum* increased its revenue by approximately 3 percent¹ during the quarter and reported an operating margin of 11.8 percent. Among other developments, the mining industry has recovered slightly during the year. The newly acquired subsidiary Carl A Nilsson continued to perform well in the area of electromechanical service in southern Sweden.

TOOLS / MOMENTUM

MSEK	QUARTER(3 MOS)		OPERATING PROFIT		OPERATING MARGIN	
	REVENUE		OCT-DEC		OCT-DEC	
	2015	2014	2015	2014	2015	2014
TOOLS Sweden	530	515	16	5	3.0%	1.0%
TOOLS Norway	322	390	2	10	0.6%	2.6%
TOOLS Finland	196	196	0	0	0.0%	0.0%
Momentum	262	247	31	26	11.8%	10.5%
Eliminations	–15	–16	0	0	–	–
TOTAL	1,295	1,332	49	41	3.8%	3.1%

MSEK	REPORTING PERIOD (9 MOS)		OPERATING PROFIT		OPERATING MARGIN	
	REVENUE		APR-DEC		APR-DEC	
	2015	2014	2015	2014	2015	2014
TOOLS Sweden	1,476	1,426	40	10	2.7%	0.7%
TOOLS Norway	999	1,176	13	52	1.3%	4.4%
TOOLS Finland	597	567	7	3	1.2%	0.5%
Momentum	739	711	85	81	11.5%	11.4%
Eliminations	–40	–41	1	0	–	–
TOTAL	3,771	3,839	146	146	3.9%	3.8%

MSEK	FULL-YEAR (12 MOS)		OPERATING PROFIT		OPERATING MARGIN	
	REVENUE		ROLLING 12 MOS		ROLLING 12 MOS	
	2015	2014	2015	2014	2015	2014
TOOLS Sweden	1,953	1,903	44	14	2.3%	0.7%
TOOLS Norway	1,385	1,562	19	58	1.4%	3.7%
TOOLS Finland	785	755	7	3	0.9%	0.4%
Momentum	980	952	115	111	11.7%	11.7%
Eliminations	–51	–52	2	1	–	–
TOTAL	5,052	5,120	187	187	3.7%	3.7%

PRODUCT COMPANIES

MSEK	QUARTER(3 MOS)		OPERATING PROFIT		OPERATING MARGIN	
	REVENUE		OCT-DEC		OCT-DEC	
	2015	2014	2015	2014	2015	2014
Luna	271	280	16	24	5.9%	8.6%
Skydda	330	320	25	23	7.6%	7.2%
ESSVE	195	176	16	7	8.2%	4.0%
Grunda	120	126	1	5	0.8%	4.0%
Gigant	98	106	1	1	1.0%	0.9%
Eliminations	–7	0	0	–1	–	–
TOTAL	1,007	1,008	59	59	5.9%	5.9%

Product companies – sales via resellers

The Group's five product companies – Luna, Skydda, ESSVE, Grunda and Gigant – supply TOOLS and other market channels with industrial consumables and related services.

Revenue for comparable units for the Group's product companies increased by a total of 1 percent¹ during the third quarter. However, the sales trends for the product companies continued to vary and were adversely impacted by the decline in demand in the Norwegian market.

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

PRODUCT COMPANIES – cont.

MSEK	REPORTING PERIOD (9 MOS)					
	REVENUE		OPERATING PROFIT		OPERATING MARGIN	
	APR-DEC 2015	2014	APR-DEC 2015	2014	APR-DEC 2015	2014
Luna	809	820	59	75	7.3%	9.1%
Skydda	959	934	69	74	7.2%	7.9%
ESSVE	631	583	67	48	10.6%	8.2%
Grunda	360	372	8	10	2.2%	2.7%
Gigant	276	296	2	7	0.7%	2.4%
Eliminations	-11	-8	0	-1	-	-
TOTAL	3,024	2,997	205	213	6.8%	7.1%

MSEK	FULL-YEAR (12 MOS)					
	REVENUE		OPERATING PROFIT		OPERATING MARGIN	
	ROLLING 12 MOS	2014/ 2015	ROLLING 12 MOS	2014/ 2015	ROLLING 12 MOS	2014/ 2015
Luna	1,090	1,101	86	102	7.9%	9.3%
Skydda	1,255	1,230	96	101	7.6%	8.2%
ESSVE	850	802	82	63	9.6%	7.9%
Grunda	489	501	13	15	2.7%	3.0%
Gigant	387	407	5	10	1.3%	2.5%
Eliminations	-19	-16	1	0	-	-
TOTAL	4,052	4,025	283	291	7.0%	7.2%

Revenue for *Luna* declined by –4 percent² during the quarter, mainly due to the weak trend in the Norwegian market. Earnings were negatively affected by the exchange rate trend for the USD and NOK. Sales growth of proprietary brands and to customers in the area of construction materials remained favourable.

Revenue for *Skydda* increased by 3 percent² during the third quarter, with growth in all markets except Norway. Profit rose by 9 percent during the quarter, despite the continued negative impact of the exchange rate trend for the USD and NOK.

Revenue for *ESSVE* increased by more than 11 percent² and operating profit more than doubled to MSEK 16 during the quarter. Growth of the core product range for chain customers in the area of construction materials in Sweden and Norway remained favourable, and ESSVE continued to gain market shares.

Revenue for *Grunda* declined by –4 percent² during the third quarter, primarily due to the trend in Norway and the weakening of the NOK. *Gigant* was impacted adversely by these factors, and

revenue declined by a total of –8 percent² during the quarter. The companies are continuing to implement measures to enhance their efficiency, adjust their prices and strengthen their market positions.

Group-wide and eliminations

Operating profit for “Group-wide” amounted to MSEK 12 (–18) for the reporting period. As reported in the preceding quarter and Interim Report, capital gains from the sale of properties and the conveyance of a previously concluded pension obligation had a total positive impact of approximately MSEK 15 on operating profit during the reporting period.

The Parent Company’s revenue amounted to MSEK 31 (22) and profit after financial items to MSEK 311 (217). These results include Group contributions, intra-Group dividends and corresponding items totalling MSEK 254 (172).

Eliminations for intra-Group inventory gains had a positive impact of MSEK +12 (–2) on earnings during the reporting period.

CORPORATE ACQUISITIONS

In early July 2015, Momentum signed an agreement to acquire all shares in Carl A Nilsson AB (“CAN”). CAN is a comprehensive service company specialising in electromechanical services and sales for the industrial sector in southern Sweden. CAN generates annual revenue of approximately MSEK 20 and has 13 employees. Closing took place on 1 September 2015, and the acquisition is expected to have a marginally positive impact on B&B TOOLS’ earnings per share during the current financial year.

No other corporate acquisitions were implemented during the reporting period.

PROFITABILITY, CASH FLOW AND FINANCIAL POSITION

The Group’s profitability, measured as the return on working capital, P/WC (operating profit in relation to working capital³), increased to 27 percent (25) for the most recent 12-month period. The return on capital employed for the corresponding period was 14 percent (13) and the return on equity was 14 percent (13).

Cash flow from operating activities before changes in working capital for the reporting period totalled MSEK 329 (296). Funds tied up in working capital decreased by MSEK 99. During the period, the Group’s inventories increased by MSEK 7, while operating receivables declined by MSEK 103. Operating liabilities increased by MSEK 3. Accordingly, cash flow from operating activities for the period amounted to MSEK 428 (307).

Cash flow for the reporting period was also impacted in a net amount of MSEK –39 (–37) pertaining to investments and divestments of non-current assets, and a net amount of MSEK +18 (+89) pertaining to the acquisition and divestment of subsidiaries and other business units. Two Group properties were disposed of during the reporting period, which generated approximately MSEK 25 in cash flow and had a marginally positive impact on earnings per share.

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

³ Working capital = Inventories + Accounts receivable – Accounts payable.

At the end of the reporting period, the Group's operational net loan liability amounted to MSEK 262 (557). Interest-bearing liabilities totalled MSEK 314 (635), excluding expensed pension obligations of MSEK 460 (532). Liabilities to credit institutions amounted to MSEK 266 (560), net. Cash and cash equivalents, including unutilised granted credit facilities, totalled MSEK 834 (644).

The equity/assets ratio was 52 percent at the end of the reporting period, compared with 45 percent at the beginning of the financial year.

Equity per share totalled SEK 91.15 at the end of the reporting period, compared with SEK 82.80 at the beginning of the financial year. Equity per share after dilution totalled SEK 91.15 at the end of the reporting period, compared with SEK 82.65 at the beginning of the financial year.

EMPLOYEES

At the end of the reporting period, the number of employees in the Group was 2,662, compared with 2,682 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 56.9. The distribution by class of share is as follows:

SHARE STRUCTURE

CLASS OF SHARE	AS OF 31 DECEMBER 2015
Class A shares	1,063,780
Class B shares	27,372,636
Total number of shares before repurchasing	28,436,416
Less: Repurchased Class B shares	-340,000
Total number of shares after repurchasing	28,096,416

As of 31 March 2015, the number of Class B shares held in treasury totalled 340,000. During the reporting period, there were no changes to the holding of treasury shares. Accordingly, the number of Class B shares held in treasury as of 31 December 2015 amounted to 340,000, corresponding to 1.2 percent of the total number of shares and 0.9 percent of the total number of votes. Of the total number of shares held in treasury, 338,000 are reserved to cover the Company's obligations in the two call option programmes issued to senior management in the Group in September 2013 and September 2014, respectively.

The redemption price for call options issued in connection with the share-based incentive programme for 2013 is SEK 101.90 and the redemption period is from 12 September 2016 until 9 June 2017, inclusive. The redemption price for call options issued in connection with the share-based incentive programme for 2014 is SEK 176.50 and the redemption period is from 11 September 2017 until 8 June 2018, inclusive. At 31 December 2015, the share price was SEK 123.75. For more information about the dilution effect of call options issued, refer to page 10.

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

TRANSACTIONS WITH RELATED PARTIES

As reported in the Interim Report for the first quarter of 2015/2016, a previously concluded pension obligation for the benefit of a former CEO, who is now Chairman of the Board of B&B TOOLS AB, was conveyed to one of the Chairman's related companies during that quarter. No other transactions having a material impact on the Group's position or earnings otherwise occurred between B&B TOOLS and its related parties during the reporting period.

RISKS AND UNCERTAINTIES

During the reporting period, no significant changes occurred with respect to risks and uncertainties, for either the Group or the Parent Company. For information about the Group's risks and uncertainties, refer to page 29 of B&B TOOLS' Annual Report for 2014/2015.

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. 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 the Annual Report for 2014/2015 have been applied.

EVENTS AFTER THE END OF THE REPORTING PERIOD

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

ELECTION COMMITTEE FOR THE ELECTION OF THE BOARD OF DIRECTORS

In accordance with a resolution passed at the Annual General Meeting held in August 2015, the largest shareholders in terms of votes as of 31 December 2015 have been contacted and asked to appoint four members who, together with the Chairman of the Board, will form the Election Committee for the upcoming election of the Board of Directors. The Election Committee thus comprises Board Chairman Anders Börjesson, Marianne Flink (representative of Swedbank Robur funds), Tom Hedelius, Jan Särilvik (representative of Nordea Funds) and Per Trygg (representative of SEB Funds). Contact information for the Election Committee is available on B&B TOOLS' website.

Stockholm, 8 February 2016

Ulf Lilius

President & Chief Executive Officer

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

Contact information

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Comprehensive contact information for B&B TOOLS and forthcoming information dates are presented on page 12.

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.

REPORTING BY OPERATING SEGMENT

REVENUE BY OPERATING SEGMENT

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
TOOLS / Momentum	1,295	1,332	3,771	3,839	5,052	5,120
Product Companies	1,007	1,008	3,024	2,997	4,052	4,025
Group-wide	139	153	413	473	558	618
Eliminations	-448	-466	-1,322	-1,400	-1,782	-1,860
The B&B TOOLS Group	1,993	2,027	5,886	5,909	7,880	7,903

REVENUE BY QUARTER

MSEK			2015/2016		2014/2015		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
TOOLS / Momentum	1,295	1,162	1,314	1,281	1,332	1,194	1,313
Product Companies	1,007	965	1,052	1,028	1,008	960	1,029
Group-wide	139	135	139	145	153	154	166
Eliminations	-448	-423	-451	-460	-466	-457	-477
The B&B TOOLS Group	1,993	1,839	2,054	1,994	2,027	1,851	2,031

OPERATING PROFIT BY OPERATING SEGMENT

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
TOOLS / Momentum	49	41	146	146	187	187
Product Companies	59	59	205	213	283	291
Group-wide	0	0	12	-18	4	-26
Eliminations	7	4	12	-2	12	-2
The B&B TOOLS Group	115	104	375	339	486	450

OPERATING PROFIT BY QUARTER

MSEK			2015/2016		2014/2015		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
TOOLS / Momentum	49	57	40	41	41	58	47
Product Companies	59	70	76	78	59	80	74
Group-wide	0	3	9	-8	0	-5	-13
Eliminations	7	1	4	0	4	-3	-3
The B&B TOOLS Group	115	131	129	111	104	130	105

GROUP SUMMARY

CONSOLIDATED INCOME STATEMENT

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
Revenue	1,993	2,027	5,886	5,909	7,880	7,903
Shares of profit in associated companies	0	0	0	0	0	0
Other operating income	11	6	32	23	57	48
Total operating income	2,004	2,033	5,918	5,932	7,937	7,951
Cost of goods sold	-1,162	-1,204	-3,467	-3,482	-4,645	-4,660
Personnel costs	-441	-432	-1,248	-1,253	-1,670	-1,675
Depreciation, amortisation, impairment losses and reversal of impairment losses	-7	-7	-21	-21	-28	-28
Other operating expenses	-279	-286	-807	-837	-1,108	-1,138
Total operating expenses	-1,889	-1,929	-5,543	-5,593	-7,451	-7,501
Operating profit	115	104	375	339	486	450
Financial income and expenses	-4	-8	-14	-31	-25	-42
Profit after financial items	111	96	361	308	461	408
Taxes	-26	-24	-86	-77	-111	-102
Net profit	85	72	275	231	350	306
Of which, attributable to:						
Parent Company shareholders	85	72	275	231	350	306
Earnings per share, SEK						
– Before dilution	3.05	2.55	9.80	8.20	12.50	10.90
– After dilution	3.00	2.55	9.75	8.20	12.40	10.85

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
Net profit	85	72	275	231	350	306
OTHER COMPREHENSIVE INCOME						
<i>Components that will not be reclassified to net profit</i>						
Remeasurement of defined-benefit pension plans	22	-20	167	-76	73	-170
Tax attributable to components that will not be reclassified	-5	5	-37	17	-17	37
	17	-15	130	-59	56	-133
<i>Components that will be reclassified to net profit</i>						
Translation differences	-16	-12	-59	22	-46	35
Effects of hedge accounting	-5	16	3	17	0	14
Tax attributable to components that will be reclassified	1	-4	-2	-4	-1	-3
	-20	0	-58	35	-47	46
Other comprehensive income, net after tax	-3	-15	72	-24	-9	-87
Total comprehensive income	82	57	347	207	359	219
Of which, attributable to:						
Parent Company shareholders	82	57	347	207	359	219

CONSOLIDATED BALANCE SHEET

MSEK	31 DEC 2015	31 DEC 2014	31 MAR 2015
ASSETS			
Intangible non-current assets	1,815	1,805	1,803
Tangible non-current assets	97	129	113
Financial non-current assets, pension funds	2	2	2
Financial non-current assets, other interest-bearing	4	3	3
Shares in associated companies	12	11	11
Deferred tax assets	113	117	122
Inventories	1,504	1,558	1,525
Accounts receivable	1,121	1,085	1,296
Other current receivables	234	276	197
Cash and cash equivalents	48	75	57
Total assets	4,950	5,061	5,129
EQUITY AND LIABILITIES			
Equity	2,561	2,314	2,326
Non-current interest-bearing liabilities	200	365	365
Provisions for pensions	460	532	628
Other non-current liabilities and provisions	111	83	73
Current interest-bearing liabilities	114	270	225
Accounts payable	833	812	859
Other current liabilities	671	685	653
Total equity and liabilities	4,950	5,061	5,129
Operational net loan liability *	262	557	530

* Interest-bearing current and non-current liabilities, excluding net pension provisions, less cash and cash equivalents and interest-bearing receivables.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	31 DEC 2015	31 DEC 2014	31 MAR 2015
Opening equity	2,326	2,203	2,203
Dividend, Parent Company shareholders	-112	-98	-98
Sale of call options	-	2	2
Total comprehensive income attributable to: Parent Company shareholders	347	207	219
Closing equity	2,561	2,314	2,326

CONSOLIDATED CASH-FLOW STATEMENT

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
Operating activities before changes in working capital	87	75	329	296	417	384
Changes in working capital	120	132	99	11	34	-54
Cash flow from operating activities	207	207	428	307	451	330
Investments in intangible & tangible non-current assets	-14	-14	-41	-38	-44	-41
Proceeds from sale of intangible & tangible non-current assets	0	1	2	1	2	1
Acquisition of subsidiaries & other business units	-3	-4	-11	-4	-10	-3
Proceeds from sale of subsidiaries & other business units	1	14	29	93	38	102
Cash flow before financing	191	204	407	359	437	389
Financing activities	-173	-191	-409	-345	-459	-395
Cash flow for the period	18	13	-2	14	-22	-6
Cash and cash equivalents at the beginning of the period	30	58	57	53	75	53
Exchange-rate differences in cash and cash equivalents	0	4	-7	8	-5	10
Cash and cash equivalents at the end of the period	48	75	48	75	48	57

B&B TOOLS 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. According to IFRS 7, financial instruments measured at fair value in the balance sheet are included in level 2 of the fair value hierarchy. The carrying amounts for financial assets and liabilities correspond to fair value in all material respects.

OPERATING SEGMENTS

MSEK	EXTERNAL REVENUE		REVENUE FROM INTERNAL CUSTOMERS		TOTAL REVENUE		OPERATING PROFIT	
	APR-DEC		APR-DEC		APR-DEC		APR-DEC	
	2015	2014	2015	2014	2015	2014	2015	2014
TOOLS / Momentum	3,767	3,834	4	5	3,771	3,839	146	146
Product Companies	2,113	2,064	911	933	3,024	2,997	205	213
Total operating segment	5,880	5,898	915	938	6,795	6,836	351	359
Group-wide	6	11	407	462	413	473	12	-18
Eliminations	-	-	-1,322	-1,400	-1,322	-1,400	12	-2
The B&B TOOLS Group	5,886	5,909	0	0	5,886	5,909	375	339

The Group's operating segments comprise TOOLS / Momentum (with four operating areas) and the Group's Product Companies (with five operating areas). The operating segments are consolidations of the operational organisation, as used by Group management and the Board of Directors to monitor operations.

TOOLS / Momentum comprises the Group's reseller operations in Sweden, Norway and Finland (which operate within the framework of TOOLS) and Momentum, which together form the Group's market channels for industrial consumables and industrial components for Nordic industry. The Group's **Product Companies** conduct operations in various product and application areas (tools and machinery, personal protective equipment, fastening elements, consumables and work environment) and provide TOOLS and other market channels with industrial consumables and related services. **Group-wide** includes the Group's management, accounting, support functions, infrastructure operations and property management. The support functions include HR, internal communications, IR and legal affairs. The infrastructure operations comprise IT and Supply Chain.

Intra-Group pricing between the operating segments occurs on market terms. There are no assets in the operating segments that are affected by material changes compared with the most recent Annual Report. The accounting policies are the same as those applied in the consolidated financial statements.

KEY PER-SHARE DATA⁴

SEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC		APR-DEC		ROLLING 12 MOS	2014/ 2015
	2015	2014	2015	2014		
Earnings before dilution	3.05	2.55	9.80	8.20	12.50	10.90
Earnings after dilution	3.00	2.55	9.75	8.20	12.40	10.85
Equity, at the end of the period			91.15	82.35		82.80
Equity after dilution, at the end of the period			91.15	82.20		82.65
NUMBER OF SHARES OUTSTANDING IN THOUSANDS						
Number of shares outstanding before dilution	28,096	28,096	28,096	28,096	28,096	28,096
Weighted number of shares outstanding before dilution	28,096	28,096	28,096	28,096	28,096	28,096
Weighted number of shares outstanding after dilution	28,120	28,148	28,127	28,144	28,131	28,144

⁴ Dilution effect based on issued and outstanding call options on repurchased Class B shares as of 31 December 2015.

3 months	0.1%	9 months	0.1%	Rolling 12 months	0.1%	2014/2015	0.2%
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PARENT COMPANY SUMMARY

INCOME STATEMENT

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC 2015	2014	APR-DEC 2015	2014	ROLLING 12 MOS	2014/ 2015
Revenue	10	7	31	22	48	39
Other operating income	0	0	0	0	0	–
Total operating income	10	7	31	22	48	39
Operating expenses	–10	–12	–21	–34	–34	–47
Operating profit	0	–5	10	–12	14	–8
Financial income and expenses	15	20	301	229	317	245
Profit after financial items	15	15	311	217	331	237
Appropriations	–	–	–	–	125	125
Profit before taxes	15	15	311	217	456	362
Taxes	–3	–4	–14	–10	–46	–42
Net profit	12	11	297	207	410	320

STATEMENT OF COMPREHENSIVE INCOME

MSEK	QUARTER (3 MOS)		REPORTING PERIOD (9 MOS)		FULL-YEAR (12 MOS)	
	OCT-DEC 2015	2014	APR-DEC 2015	2014	ROLLING 12 MOS	2014/ 2015
Net profit	12	11	297	207	410	320
OTHER COMPREHENSIVE INCOME						
Effects of hedge accounting	–5	16	3	17	0	14
Taxes attributable to other comprehensive income	1	–3	–2	–3	–2	–3
Other comprehensive income, net after tax	–4	13	1	14	–2	11
Total comprehensive income	8	24	298	221	408	331

BALANCE SHEET

MSEK	31 DEC 2015	31 DEC 2014	31 MAR 2015
ASSETS			
Intangible non-current assets	0	0	0
Tangible non-current assets	1	1	1
Financial non-current assets	3,557	3,718	3,653
Current receivables	250	96	390
Cash and cash equivalents	0	0	0
Total assets	3,808	3,815	4,044
EQUITY, PROVISIONS AND LIABILITIES			
Equity	2,092	1,796	1,906
Untaxed reserves	206	192	206
Provisions	47	47	47
Non-current liabilities	291	456	456
Current liabilities	1,172	1,324	1,429
Total equity, provisions and liabilities	3,808	3,815	4,044

COMPILATION OF KEY FINANCIAL RATIOS

KEY FINANCIAL RATIOS

	12 MONTHS ENDING			
	31 DEC 2015	31 MAR 2015	31 MAR 2014	31 MAR 2013
Revenue, MSEK	7,880	7,903	7,648	7,666
Operating profit, MSEK	486	450	340	289
Profit after financial items, MSEK	461	408	286	216
Net profit, MSEK	350	306	214	222
Operating margin	6.2%	5.7%	4.4%	3.8%
Profit margin	5.9%	5.2%	3.7%	2.8%
Return on capital employed	14%	13%	10%	8%
Return on equity	14%	14%	10%	11%
P/WC (Operating profit/Working capital*)	27%	25%	20%	15%
Operational net loan liability (closing balance), MSEK	262	530	819	914
Equity (closing balance), MSEK	2,561	2,326	2,203	2,065
Equity/assets ratio	52%	45%	43%	39%
Operational net debt/equity ratio	0.10	0.23	0.37	0.44
Number of employees at the end of the period	2,662	2,682	2,655	2,780

* Working capital = Inventories + Accounts Receivable – Accounts Payable.

KEY PER-SHARE DATA

	12 MONTHS ENDING			
	31 DEC 2015	31 MAR 2015	31 MAR 2014	31 MAR 2013
Earnings, SEK	12.50	10.90	7.60	7.90
Earnings after dilution, SEK	12.40	10.85	7.60	7.90
Cash flow from operating activities, SEK	16.05	11.75	7.45	9.30
Equity, SEK	91.15	82.80	78.40	73.50
Share price, SEK	123.75	141.00	119.00	85.00

Dates for forthcoming financial information

The Financial Report 2015/16 (12 months) for 1 April 2015 – 31 March 2016 will be presented on 11 May 2016.

The Annual Report for the 2015/2016 financial year will be distributed to shareholders who have so requested in mid-July 2016 and will be available at the Company's office and website as of the same date.

B&B TOOLS AB's 2016 Annual General Meeting will be held in Stockholm on 25 August 2016.

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The information in this report is such that it shall be disclosed by B&B TOOLS in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act or requirements imposed in the Rulebook for Issuers on Nasdaq Stockholm. The information was submitted for publication on 8 February 2016 at 12:05 a.m.

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