

Interim first quarter report 2018

Press release 27 April 2018

First quarter 2018

- Net sales increased by 9% to MSEK 7,161 (6,568). Organic growth, which was negatively affected by the Easter effect* compared with the same period the previous year, amounted to 7% (9).
- Operating profit (EBIT) increased by 4% to MSEK 461 (443). Fewer trading days in the quarter had a negative effect of just over MSEK 40 on operating profit.
- Profit (EBITA) increased by 5% to MSEK 554 (530), with an EBITA margin of 7.7% (8.1).
- Profit after tax was MSEK 324 (334).
- Basic and diluted earnings per share amounted to SEK 0.75 (0.77).
- During the quarter, three businesses were acquired, with estimated combined annual sales of MSEK 691, distributed as follows: Sweden MSEK 276 and Norway MSEK 415.
- After the end of the quarter, an agreement has been signed to acquire Sentrum Motor och Verktøy AS in Norway with annual sales of approximately MSEK 40.

Financial summary

	2018	2017		Rolling	Full year
	Jan-Mar	Jan-Mar	change	12 months	2017
Net sales, MSEK	7,161	6,568	9%	28,077	27,484
Organic growth, %	7%	9%			9%
Operating profit, EBIT	461	443	4%	2,061	2,043
Profit (EBITA), MSEK	554	530	5%	2,418	2,394
Adjusted EBITA, MSEK	554	530	5%	2,429	2,405
EBITA margin, %	7.7%	8.1%		8.6%	8.7%
Adjusted EBITA margin, %	7.7%	8.1%		8.7%	8.8%
Profit after tax (profit for the period), MSEK	324	334	-3%	1,417	1,428
Basic earnings per share, SEK	0.75	0.77		3.27	3.28
Diluted earnings per share, SEK	0.75	0.77		3.27	3.28
Operating cash flow	208	425	-51%	1,774	1,991
Operating cash flow/EBITDA (Cash conversion)				68%	78%
External net debt/Adjusted EBITDA				2.9	2.6

A more detailed presentation of the alternative performance measures Organic growth, EBITA, Adjusted EBITA, EBITA margin and Adjusted EBITA margin can be found on page 22.

*The Easter effect means a reduction in Ahlsell's sales during the trading days that fall in Easter week. Sales are negatively affected, as market activity decreases during these days. The Easter effect, which varies in strength from country to country, is strongest in Norway and weakest in Finland. Ahlsell estimates that the Easter effect for the Group corresponds to the loss of about one full trading day.

Statement from the CEO

The year begins with continued strong organic growth

We continued our strong development in the first quarter of 2018, with a 9% increase in sales, including organic growth of 7%. We achieved this growth despite fewer trading days, Easter effect and a cold winter. Market conditions remained good in our main markets and I am convinced that we have successfully strengthened our customer relationships further. Our consistent efforts to make our customers' everyday lives easier led to results. All geographical segments showed positive organic sales growth in the quarter and profitability remained good. In total, we achieved an EBITA of MSEK 554 (530), corresponding to a margin of 7.7% (8.1).

The fact that 4 percentage points of our quarterly growth come from **acquisitions** reflects our high acquisition activity. While we are fully focused on realising acquisition synergies in line with what we historically have done, we also continue our work, with a high ambition level, for further acquisitions.



In Sweden, our work on several successful initiatives aimed at increasing customer value contributed to organic growth of 9%. We saw strong overall demand in the market, but a snowier winter than usual resulted in weaker demand from, for example, electrical, water and sewage infrastructure projects. Demand from customers in industry and construction, including renovation, continued to show strong growth. In new residential construction, we noted a slightly slowing, but still good, growth rate. The acquisition of Proffsmagasinet, a leading player in e-commerce, was closed in mid-January. The company has annual sales of approximately MSEK 260 and will be operated under a separate brand within Ahlseil. About 25% of the Ahlseil Group's sales already occur through e-commerce and the acquisition is aimed at further improving the customer offering through a mutual exchange of skills and shared initiatives.



Just as expected, we were negatively affected both by fewer trading days and Easter effect in **Norway**. A severe winter contributed further to reduced activity in the market. Despite this, we still achieved organic growth of 2% and underlying demand remained good. Several new customers were added during the quarter as a direct result of targeted initiatives. Among other things, the successful launch of the "efficient construction site" concept means that Ahlseil will supply products within both Electrical and HVAC & Plumbing to several large prestige projects in the future. In February, we closed the acquisition of Bekken & Strøm, with annual sales of approximately MSEK 415, which made Ahlseil a market leader in personal protective equipment (PPE) in Norway. After the end of the quarter, an agreement was signed to acquire Sentrum Motor och Verktøy AS in Alta, giving us a strong foothold in Tools & Supplies and improving our prerequisites for growth in northern Norway.



In Finland, market activity was good during the quarter. The market developed positively, and we achieved organic growth of 5%. Following the reorganisation carried out in 2017, conditions for meeting customers' needs are now improved. Initiatives have included strengthening the organisation with recruitments and several targeted investments in growth regions, including the establishment of yet a new branch in Helsinki.

Our customers have high expectations of us and our delivery capacity. This in combination with prolonged strong demand has resulted in prioritisation of high availability and therefore a higher inventory level. Similarly, our work on developing the branch network in Norway and Finland with full-range branches and a wider range of private label products has led to increased inventory levels. Reliability of delivery to our customers is a top priority for us, but we also aim to be a world-class distributor, which also means managing working capital in an efficient way.

Outlook - Demand has been strong in the early part of the year, and our broad exposure to several market segments with different cyclical patterns means that we have a broad and stable demand base. Looking ahead, I see continuing positive demand from industry and infrastructure. We have seen a high activity level in new residential construction so far this year, but this is expected to gradually ease off. However, our exposure to new residential construction is small, and the renovation, maintenance and improvement (RMI) sector has historically had a balancing effect on both sales and earnings in periods of declining new construction. My assessment is that this will not be any different in the future.

Johan Nilsson
President and CEO



Personal protective equipment is becoming increasingly important for both customers and Ahlseil.

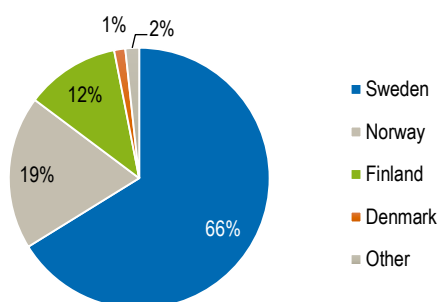
Net sales

Net sales for the quarter increased by 9% to MSEK 7,161 (6,568). Growth was negatively affected by fewer trading days and the Easter effect.

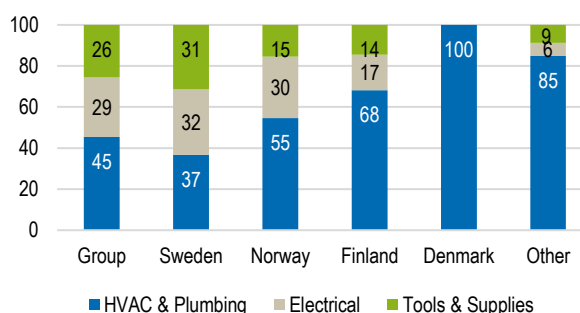
Market conditions remained good during the quarter. Despite relatively cold and snowy winter months and a declining growth rate for new housing starts, activity in the market has been high. Demand from industry customers remained strong. All geographical segments showed positive development and the highest growth rate for the Group's main segments was achieved in the Swedish and Finnish operations.

Growth	Jan-Mar	
	%	MSEK
Organic	7%	469
Acquisitions	4%	273
Trading days	-2%	-163
Currency	0%	13
Total growth	9%	592

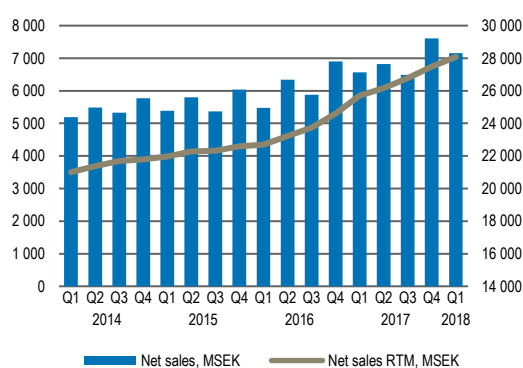
Net sales by segment
(rolling 12 months)



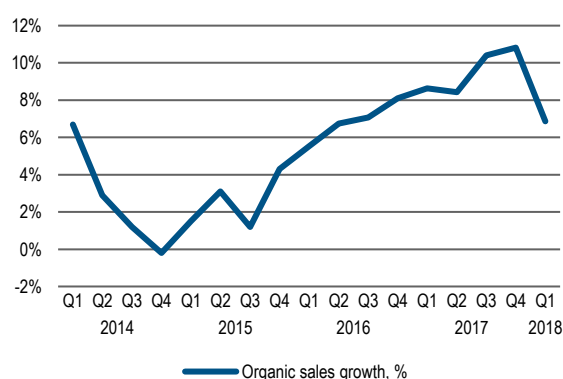
Net sales by product segment
(rolling 12 months), %



Net sales
(per quarter and rolling 12 months)



Organic sales growth
(per quarter)



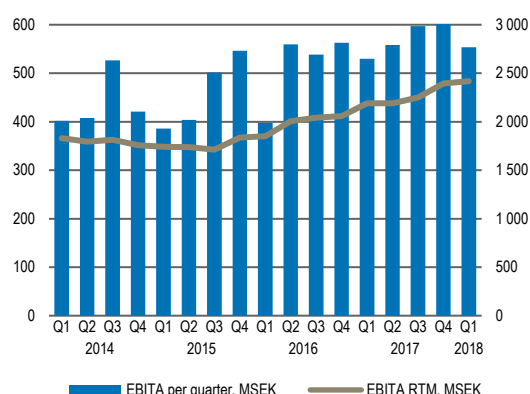
Earnings

The Group's EBITA for the quarter was MSEK 554 (530), an increase of 5% from the previous year, corresponding to an EBITA margin of 7.7% (8.1). The EBITA margin decline is attributable to the Easter effect and fewer trading days, with the change in trading days having a negative effect of MSEK 43 on operating profit. The gross margin was 27.2% (27.2), which is in line with the previous year.

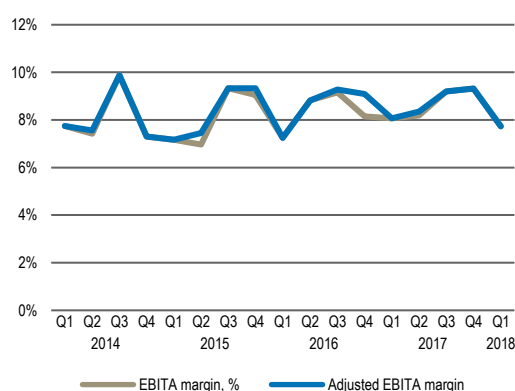
The Group's operating expenses increased as a result of strong growth and acquisitions, but as a proportion of sales they were lower than in the previous year if the Easter effect and fewer trading days are taken into account.

Profit before tax for the period was MSEK 419 (428). Profit for the period was MSEK 324 (334), corresponding to basic and diluted earnings per share of SEK 0.75 (0.77).

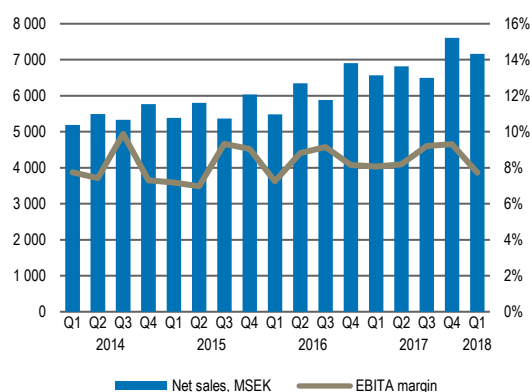
EBITA
(per quarter and rolling 12 months)



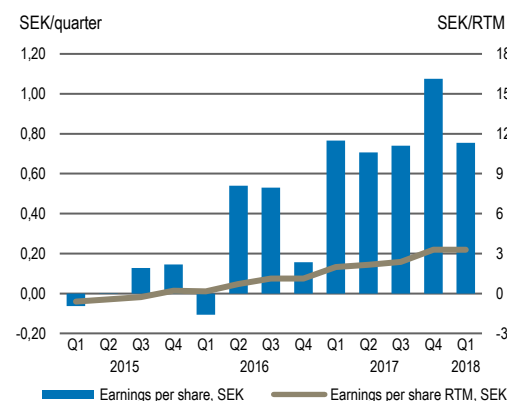
EBITA margin
(per quarter)



Net sales and EBITA margin
(per quarter)



Diluted earnings per share
(per quarter and rolling 12 months)



Segment Sweden

Net sales and earnings	2018 Jan-Mar	2017 Jan-Mar	change	Rolling 12 months	Full year 2017
External net sales, MSEK	4,758	4,261	12%	18,584	18,087
Organic growth, %	9%	9%			11%
Profit (EBITA), MSEK	545	510	7%	2,248	2,213
Adjusted EBITA, MSEK	545	510	7%	2,248	2,213
EBITA margin, %	11.5%	12.0%		12.1%	12.2%
Adjusted EBITA margin, %	11.5%	12.0%		12.1%	12.2%

- **Continuing strong demand in all market segments.**
- **Two acquisitions were made, with estimated annual sales of MSEK 276.**
- **Organic growth was 9%.**
- **EBITA increased by 7% to MSEK 545 (510), corresponding to a margin of 11.5% (12.0).**

Growth	Jan-Mar %	MSEK
Organic	9%	379
Acquisitions	5%	194
Trading days	-2%	-76
Currency	0%	0
Total growth	12%	497

First quarter

External net sales for the Swedish operations amounted to MSEK 4,758 (4,261). The quarter had one trading day less than the comparative period.

The market is driven by good GDP growth, low interest rates and population and employment growth. Despite relatively cold and snowy winter months and a slowdown in the market for housing project starts, the installation market still showed growth. Demand from industry continued to develop strongly, as did demand from infrastructure, even though the market was adversely affected by weather conditions during the quarter. The renovation, maintenance and improvement (RMI) market also developed positively, both for commercial and residential properties, partly driven by the age structure of apartment buildings constructed in the 60s and 70s. Several growth initiatives have been successful, which has further strengthened Ahlsell's position, both towards large and small customers. Examples include continuing modernisation and extension of the branch network, improved sales efficiency and targeted customer and product initiatives.

EBITA for the quarter increased by 7% to MSEK 545 (510), corresponding to an EBITA margin of 11.5% (12.0). The

improvement is attributable to increased sales in all product segments and a somewhat stronger gross margin level. However, recently completed acquisitions, fewer trading days and the Easter effect had a negative impact on the EBITA margin. After adjustment for these factors, costs as a proportion of sales are in line with the previous year. One less trading day during the quarter had a negative effect of MSEK 22 on operating profit.

Two acquisitions were completed in the Tools & Supplies product segment during the period: Proffsmagasinet Svenska AB and HMK i Västerås AB, with estimated combined annual sales of MSEK 276. Proffsmagasinet AB is a leading Nordic e-commerce business with estimated annual sales of about MSEK 260 and 50 employees. HMK i Västerås AB is a professional store with a wide range of products in workwear and personal protection, with 8 employees and estimated annual sales of MSEK 16.

External net sales and adj. EBITA margin per quarter



Segment Norway

Net sales and earnings	2018	2017	change	Rolling 12 months	Full year 2017
	Jan-Mar	Jan-Mar			
External net sales, MSEK	1,389	1,390	0%	5,348	5,349
Organic growth, %	2%	12%			8%
Profit (EBITA), MSEK	25	39	-36%	163	177
Adjusted EBITA, MSEK	25	39	-36%	163	177
EBITA margin, %	1.8%	2.8%		3.1%	3.3%
Adjusted EBITA margin, %	1.8%	2.8%		3.1%	3.3%

- **Good development for the Norwegian economy, but unusually severe winter conditions negatively affected demand.**
- **Acquisition of leading company in personal protective equipment, with estimated annual sales of MSEK 415.**
- **Organic growth was 2%, which was negatively affected by a relatively strong comparative period, as Easter 2017 occurred in the second quarter.**
- **EBITA amounted to MSEK 25 (39), corresponding to an EBITA margin of 1.8% (2.8).**

Growth	Jan-Mar	
	%	MSEK
Organic	2%	31
Acquisitions	5%	68
Trading days	-5%	-69
Currency	-2%	-31
Total growth	0%	-1

First quarter

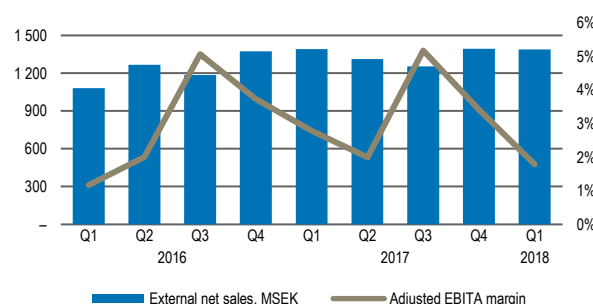
External net sales for the Norwegian operations amounted to MSEK 1,389 (1,390). The quarter had three fewer trading days than the comparative period and, as in previous years, operations were relatively strongly affected by the Easter effect, with reduced activity in the week before the Easter weekend. It is estimated that reduced sales during these days correspond to two full trading days, which fell in April in 2017, while Easter 2018 mainly affects the first quarter.

The Norwegian economy developed well during the quarter with a good growth rate, reduced unemployment and an upward trend in the oil sector. Just as in Sweden, the trend in the housing market differed somewhat from the general market picture, with a slowdown in new housing starts. The main drivers in the construction sector during the quarter were new construction of commercial buildings and positive growth in the renovation, maintenance and improvement (RMI) sector. Unusually severe winter conditions with large amounts of snow and cold weather affected market activity, particularly in earthworks. For Ahlsell, the quarter's strongest growth was achieved among customers in electrical installation, industry and construction. This reflects successful initiatives that brought several new customers during the quarter, particularly in the electrical segment. In addition, the successful launch of the "efficient construction site" concept means that Ahlsell will supply products within both Electrical and HVAC & Plumbing to several large prestige projects.

Profit (EBITA) for the quarter declined to MSEK 25 (39), corresponding to an EBITA margin of 1.8% (2.8). Operating profit was negatively affected by fewer trading days, representing a loss in earnings of MSEK 17, and by the Easter effect, which had a significant impact on earnings for the quarter. The gross margin was a somewhat stronger compared with the previous year. Costs as a proportion of sales increased during the period. However, adjusted for fewer working days and the Easter effect, the cost level shows a slight improvement compared with the previous year.

Bekken & Strøm, a leading Norwegian retailer of workwear and PPE was acquired in February. The company has estimated annual sales of MSEK 415 and about 160 employees. The acquisition means that Ahlsell is now a market leader in PPE in Norway.

External net sales and adj. EBITA margin per quarter



After the end of the interim period

An agreement has been signed to acquire Sentrum Motor och Verktyg AS in Norway with annual sales of approximately MSEK 40. SMV has a strong position in tools, PPE and aquaculture in the region of Finnmark in northern Norway. The company has 9 employees and a broad customer base encompassing construction, infrastructure and aquaculture. The acquisition gives Ahlsell a strong foothold in Tools & Supplies and improves the conditions for growth within HVAC & Plumbing in the region.

Segment Finland

Net sales and earnings	2018	2017	change	Rolling	Full year
	Jan-Mar	Jan-Mar		12 months	2017
External net sales, MSEK	803	727	11%	3,277	3,201
Organic growth, %	5%	4%			4%
Profit (EBITA), MSEK	16	14	14%	119	117
Adjusted EBITA, MSEK	16	14	14%	131	129
EBITA margin, %	2.0%	1.9%		3.6%	3.7%
Adjusted EBITA margin, %	2.0%	1.9%		4.0%	4.0%

- Favourable market conditions driven by an upturn in industry and a strong construction sector.
- Strengthening of the organisation and investments in southern Finland, together with continuing development of the branch network.
- Organic growth was 5%.
- EBITA increased by 14% to MSEK 16 (14), corresponding to a margin of 2.0% (1.9).

Growth	Jan-Mar	
	%	MSEK
Organic	5%	40
Acquisitions	2%	12
Trading days	-2%	-12
Currency	5%	37
Total growth	11%	76

First quarter

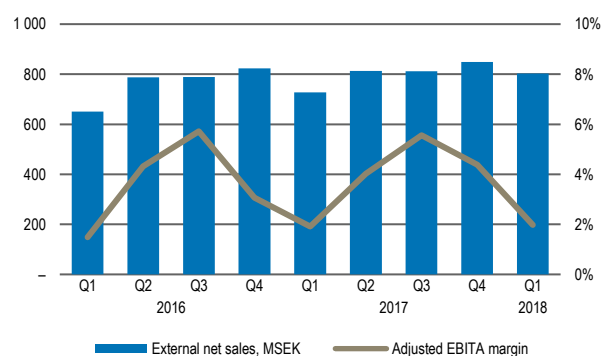
External net sales for the Finnish operations amounted to MSEK 803 (727). The quarter had one less trading day than the comparative period.

The Finnish economy showed an upward trend during the quarter driven by industry, which was favoured by international growth, and increased demand, which encouraged production-related investments. The construction sector is also showing strong development, mainly as a result of private investments, which are taking an increased share of construction activity, and continuing strong residential construction. For Ahlsell, growth during the quarter has been strongest for installation customers in HVAC & Plumbing. The reorganisation in Finland has been completed and the focus has been on strengthening the organisation through recruitment and skills development in sales and leadership during the quarter. In addition, the branch network has been further developed, including a

new branch in Helsinki, and targeted customer initiatives have been conducted in regions with good growth, such as southern Finland.

Profit (EBITA) for the quarter was MSEK 16 (14), corresponding to an EBITA margin of 2.0% (1.9). Operating profit was negatively affected by fewer trading days, corresponding to MSEK 3. The gross margin is weaker than in the previous year, partly due to negative mix effects.

External net sales and adj. EBITA margin per quarter



Segment Denmark

Net sales and earnings	2018 Jan-Mar	2017 Jan-Mar	change	Rolling 12 months	Full year 2017
External net sales, MSEK	101	96	6%	388	382
Organic growth, %	6%	-5%			4%
Profit (EBITA), MSEK	11	8	36%	45	42
Adjusted EBITA, MSEK	11	8	36%	45	42
EBITA margin, %	11.3%	8.8%		11.7%	11.1%
Adjusted EBITA margin, %	11.3%	8.8%		11.7%	11.1%

- The refrigeration operations continue to benefit from higher prices for refrigerants.
- Organic growth was 6%.
- EBITA increased by 36% to MSEK 11 (8), corresponding to a margin of 11.3% (8.8).

Growth	Jan-Mar %	MSEK
Organic	6%	6
Acquisitions	0%	0
Trading days	-5%	-5
Currency	5%	5
Total growth	6%	6

First quarter

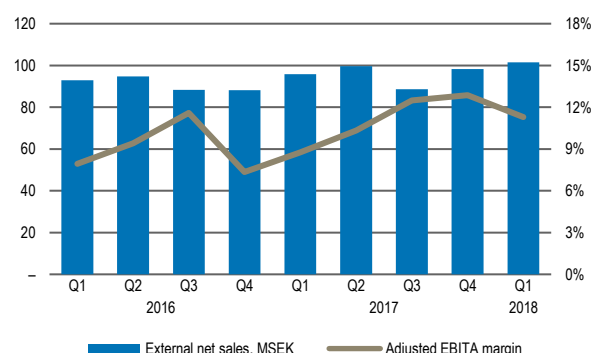
External net sales for the Danish operations amounted to MSEK 101 (96). The quarter had three fewer trading days than the comparative period.

Danish refrigeration sales continue to increase, mainly as a result of higher prices for refrigerants. The DIY business (Do-It-Yourself) has shown stable sales development.

Profit (EBITA) for the quarter increased to MSEK 11 (8), corresponding to an EBITA margin of 11.3% (8.8). The

gross margin improved in both the refrigeration and DIY operations. Increased refrigerant sales and favourable exchange rates on purchases contributed to earnings growth.

External net sales and adj. EBITA margin per quarter



Segment Other

Net sales and earnings	2018	2017		Rolling	Full year
Estonia, Russia, Poland	Jan-Mar	Jan-Mar	change	12 months	2017
External net sales, MSEK	109	95	15%	480	465
Organic growth, %	14%	5%			10%
Profit (EBITA), MSEK	2	1	60%	13	12
Adjusted EBITA, MSEK	2	1	60%	13	12
EBITA margin, %	1.5%	1.1%		2.7%	2.6%
Adjusted EBITA margin, %	1.5%	1.1%		2.7%	2.6%

- **Strong growth in all three geographical regions.**
- **Organic growth was 14%.**
- **EBITA increased by 60% to MSEK 2 (1), corresponding to a margin of 1.5% (1.1).**

Growth	Jan-Mar	
	%	MSEK
Organic	14%	13
Acquisitions	0%	0
Trading days	-2%	-2
Currency	3%	3
Total growth	15%	15

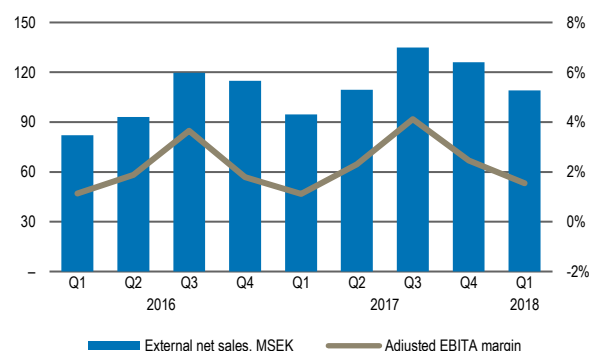
First quarter

External net sales for segment Other amounted to MSEK 109 (95).

The organic sales growth is driven by good growth in all geographical regions and successful initiatives aimed at increasing sales efficiency and expanding the product offering.

Profit (EBITA) for the quarter increased to MSEK 2 (1), corresponding to an EBITA margin of 1.5% (1.1).

External net sales and adj. EBITA margin per quarter



Acquisitions

Three acquisitions with combined annual sales of MSEK 691 were made during the first quarter. The total purchase consideration was MSEK 697, with a cash flow effect of MSEK 649. Acquired liquid assets amount to MSEK 39. The total purchase price includes conditional additional purchase price attributable to the acquisition of Proffsmagasinet Svenska AB, valued at SEK 9 million. The acquired companies have reported net assets of MSEK 172. Intangible surplus values were allocated as follows: MSEK 167 to customer relationships and MSEK 399 to goodwill. Goodwill is attributable to the synergies that are expected to arise.

Closing	Completed acquisitions 2018	Country	Product segment	Annual sales MSEK ^a	Number of employees ^b
16/01/2018	Proffsmagasinet Svenska AB	Sweden	Tools & Supplies	260	50
	<i>Strengthens Ahlsell's already strong position in e-commerce.</i>				
01/02/2018	HMK i Västerås AB	Sweden	Tools & Supplies	16	8
	<i>Strengthens Ahlsell's presence in Västerås in professional workwear and personal protective equipment.</i>				
02/02/2018	Bekken & Strøm AS, Sandefjord Skofabrikk AS, Jenger Oy	Norway	Tools & Supplies	415	160
	<i>Strengthens Ahlsell's position in professional workwear and personal protective equipment in Norway.</i>				
Total				691	218

As acquired businesses are fully, or to some extent, integrated into Ahlsell's existing operations after the acquisition date, it is not possible to present information about contribution to the Group's sales and earnings. Ahlsell considers the analysis of the acquired net assets to be provisional, and subsequent fair value adjustments may therefore be made. If all acquisitions closed in 2018 had been conducted on January 1st, the Group's sales would have been approximately MSEK 53 higher and EBITA about MSEK 3 higher.

After the end of the quarter, an agreement has been signed to acquire Sentrum Motor och Verktøy AS in Norway with annual sales of approximately MSEK 40. Learn more under "Events after the end of the interim period" on page 12.

Closing	Completed acquisitions 2017	Country	Product segment	Annual sales MSEK ^a	Number of employees ^b
28/02/2017	G-ESS Yrkeskläder AB	Sweden	Tools & Supplies	120	37
	<i>Broadens Ahlsell's product portfolio and strengthens the position in professional workwear and footwear.</i>				
02/05/2017	C.J. Jäm & Maskin AB	Sweden	Tools & Supplies	46	18
	<i>Strengthens the position in tools in Vårgårda and surroundings and brings new customers within industry.</i>				
01/06/2017	Svensk Industri & Kommunservice AB	Sweden	Tools & Supplies	55	13
	<i>Broadens and strengthens the offering in professional workwear and footwear in the Gothenburg region.</i>				
02/10/2017	Lenson Elektro AS	Norway	Electrical	23	5
	<i>Strengthens the offering in temporary electrical installations in Norway.</i>				
01/11/2017	ViaCon VA (assets and liabilities)	Sweden	HVAC & Plumbing	320	81
	<i>Strengthens the focus on attractive customer segments in construction and infrastructure (water & sewer).</i>				
01/12/2017	Gehås AB (assets and liabilities)	Sweden	Tools & Supplies	15	6
	<i>Further strengthens the presence in Värmland within personal protective equipment, workwear and profile clothing.</i>				
04/12/2017	Infästningsspecialisten Göteborg AB	Sweden	Tools & Supplies	28	8
	<i>Strengthens the position in an attractive product segment in Västra Götaland.</i>				
28/12/2017	Nordic Sprinkler AB, Enexia AB, Prepipe Construction AB	Sweden	HVAC & Plumbing	80	21
	<i>Strengthens the presence in an attractive market driven by an increased focus on safety.</i>				
28/12/2017	Enexia Oy	Finland	HVAC & Plumbing	40	8
	<i>Strengthens the presence in an attractive market driven by an increased focus on safety.</i>				
29/12/2017	Jobline i Umeå AB	Sweden	Tools & Supplies	26	8
	<i>Strengthens the position in professional workwear and protective equipment for small and medium-sized customers in Umeå.</i>				
29/12/2017	SAFE Workwear Sweden AB	Sweden	Tools & Supplies	24	9
	<i>Strengthens the presence in both Stockholm and Mälardalen in personal protective equipment.</i>				
Total				777	214

^a Estimated sales for the last 12 months on date of closing

^b On acquisition date

The purchase price allocation for G-ESS Yrkeskläder AB is final and no changes have been made to what was previously presented. If all acquisitions in 2017 had been made on 1 January, the Group's sales would have been approximately MSEK 555 higher and EBITA about MSEK 35 higher.

Net financial items

The Group's net financial items for the first quarter amounted to MSEK -41 (-14). Net interest expense was MSEK -39 (-46). Currency effects had an impact of MSEK 30 (-6) on net financial items, while revaluation of currency and interest rate derivatives had an impact of MSEK -27 (9) on net financial items. Other financial items, which consisted mainly of bank charges, had a net effect of MSEK -5 (-3) on net financial items during the first quarter. Revaluation of equity swaps (used to secure the Group's long-term share-saving programme in 2017) had a positive effect of MSEK 32 on the figure for the comparative period. These equity swaps were terminated in the fourth quarter of 2017.

Tax

Tax on profit for the first quarter amounted to MSEK -96 (-94). The effective tax rate for the quarter was -22.8% (-22.0). For the 2017 financial year, the effective tax rate was -22.1%.

Financial position and liquidity

The Group's cash and cash equivalents at 31 March were MSEK 1,088 (1,375), a decline of MSEK 207 since the beginning of the year. There are also unused credit facilities of MSEK 3,224. Outstanding commercial papers amounted to MSEK 1,474 on the reporting date.

Net debt at March 31 was MSEK 7,495 (7,260), an increase of MSEK 753 since the beginning of the year. The increase is mainly related to the acquisitions during the first quarter. Net debt/adjusted EBITDA was 2.9 (3.0) times.

The Group's equity at March 31 was MSEK 9,542 (8,415), an increase of MSEK 538 since the beginning of the year.

Cash flow and investments

Cash flow from operating activities before changes in working capital for the first quarter was MSEK 381 (392). Cash flow from changes in working capital was MSEK -334 (-103). The decline is partly due to unfavourable calendar effects but is also due to investments in strengthening the product range in the branch network and investments in private labels. Cash flow from investing activities, including acquisitions, was MSEK -703 (-123). Investments in property, plant and equipment and intangible assets during quarter amounted to MSEK -54 (-36). Cash flow from financing activities for the first quarter amounted to MSEK -444 (0) and was affected by issued commercial papers of MSEK 475 (net). Cash flow for the period amounted to MSEK -212 (166).

Operating cash flow (see also note 3) for the last 12 months was SEK 1,774, a decline of MSEK 217 from the previous full year. The lower figure is solely the result of the decline in cash flow from changes working capital in the first quarter compared with the same quarter the previous year. Operating cash flow/EBITDA (Cash conversion) was 68% for the last twelve months.

Personnel

The number of employees at the end of the period was 5,706 (5,143) and the average number of employees during the period was 5,632 (5,125). Acquisitions during the year have increased the number of employees by 218.

The Group's share-savings programme costs were MSEK 13 (13) during the first quarter. MSEK 9 (9) of this amount was credited to equity and MSEK 4 (4) was reserved for social security contributions. The costs are reported in the Central segment and are included in the income statement under administration expenses. Own shares have been repurchased for the purpose of securing the Group's long-term share-savings programme. The number of repurchased shares is seven million.

Parent Company

Ahlsell AB (publ), corp. ID 556882-8916, is the Parent Company of the Group. The Parent Company's net sales for the first quarter amounted to MSEK 17 (109). Profit/loss before tax was MSEK 94 (202). The Parent Company's cash and cash equivalents were MSEK 52 (1) at the end of the period. The Company is financed via the Group's cash pool. Ahlsell AB is listed on Nasdaq Stockholm under the ticker AHSL.

Related-party transactions

There have been no transactions between Ahlsell and related parties that have significantly affected the Company's position and results during the period.

Annual General Meeting

Ahlsell's 2018 annual general meeting will be held on May 3, 2018. The Board proposes a dividend of SEK 1.65 (0.35) per share, which corresponds to a payout ratio of SEK 50%. The total dividend is MSEK 708 (153).

In addition, the Board recommends that the AGM adopt the introduction of a) a share-savings programme for senior executives and other key personnel, and b) a call option programme for senior executives. The purpose of the long-term incentive programmes which are proposed to the AGM 2018 are, just like in previous programs, to encourage a broad shareholding among Ahlsell's key employees and to strengthen the link between the interests of key employees and Ahlsell's shareholders. The proposal can be found in its entirety in the notice convening the Annual General Meeting.

Ahlsell's Nomination Committee recommends to the AGM on May 3, 2018 the election of Susanne Ehnåge as a new Board member and the re-election of the Board members Kenneth Bengtsson, Magdalena Gerger, Satu Huber, Gustaf Martin-Löf, Johan Nilsson, Peter Törnquist, Terje Venold and Søren Vestergaard-Poulsen. As previously announced, Charlotta Sund has declared herself unavailable for re-election.

Events after the end of the interim period

An agreement has been signed to acquire Sentrum Motor och Verktøy AS in Norway with annual sales of approximately MSEK 40. SMV has a strong position in tools, personal protective equipment and aquaculture in the region of Finnmark in northern Norway. The company has 9 employees and a broad customer base encompassing construction, infrastructure and aquaculture. The acquisition gives Ahlsell a strong foothold in Tools & Supplies and improves the conditions for growth within HVAC & Plumbing in Finnmark.

Risks and uncertainties

The Group and the Parent Company are exposed to a number of risks relating to both operating and financing activities. The risks that Ahlsell considers to be the most significant to its business are listed below.

- Activity in the building sector, comprising new construction projects, service and repairs, and renovation, maintenance and improvement (RMI), is the single most important driving force for Ahlsell's sales development.
- Acquisitions are a key part of Ahlsell's growth strategy. The acquisition process can be subject to difficulties, such as identifying acquisition objects, integrating acquired businesses and achieving expected synergies. Ahlsell's acquisitions mean that intangible assets constitute a large part of Ahlsell's total assets. Ahlsell's intangible assets consist primarily of customer relationships, trademarks and goodwill.
- If Ahlsell's own warehouse and distribution operations were disrupted or shut down for some reason or if the distribution companies contracted by Ahlsell had insufficient distribution capacity to meet requirements, Ahlsell's ability to deliver its products to the market would be adversely affected.
- Ahlsell is greatly dependent on IT systems for the day-to-day operation of its business and the performance of its financial reporting. External suppliers are responsible for the administration and maintenance of all Ahlsell's central IT systems.
- Upholding Ahlsell's reputation is key to the success of its business. Ahlsell's customers are placing ever increasing demands on Ahlsell and on Ahlsell's suppliers' responsibility. If Ahlsell is found wanting in its sustainability performance and in the control of its suppliers' sustainability practices, there is a risk that this will adversely impact sales.
- Due to the nature and financial effects of its business activities, Ahlsell is exposed to risks relating to fluctuations in currency exchange rates.
- Ahlsell has outstanding debts at variable interest rates. An unfavourable development in interest rates can have an adverse impact on Ahlsell's business activities and financial position.

Accounting policies

This interim report has been prepared under International Financial Reporting Standards (IFRS), in accordance with IAS 34 Interim Financial Reporting. The accounting policies and methods of calculation used in the preparation of the latest annual report have been applied, with the exception of new and amended standards and interpretations effective on 1 January 2018. The IASB has issued amendments to standards effective on 1 January 2018. The new standards IFRS 9 (Financial Instruments) and IFRS 15 (Revenue from Contracts with Customers) are effective from 1 January 2018. The transition to these standards has not affected the Group's earnings and financial position.

The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, which is in compliance with RFR 2 Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. The IASB has issued amendments to standards effective on or after 1 January 2018. These standards have not had any material impact on the Parent Company's financial statements.

Stockholm, 27 April 2018
Johan Nilsson, President and CEO, Ahlsell AB (publ)

This report has not been reviewed by the Company's auditors. This is a translation of the Swedish version of the Interim first quarter 2018. In case of any discrepancies, the Swedish version shall prevail.

Consolidated financial statements

As the reported figures have been rounded in some cases, tables and calculations do not always add up exactly.

CONDENSED INCOME STATEMENT

MSEK	Note	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Net sales	1	7,161	6,568	28,077	27,484
Cost of goods sold		-5,215	-4,784	-20,492	-20,062
Gross profit		1,946	1,784	7,585	7,423
Selling expenses		-1,376	-1,237	-5,102	-4,962
Administration expenses		-116	-114	-457	-455
Other operating income and expenses		6	9	35	38
Operating profit, EBIT	1.2	461	443	2,061	2,043
Net financial items		-41	-14	-236	-209
Profit before tax		419	428	1,825	1,834
Income tax		-96	-94	-407	-406
Profit/loss for the period		324	334	1,417	1,428
Attributable to					
owners of the parent company		324	334	1,417	1,428
Non-controlling interests		–	–	–	–
Basic earnings per share, SEK	6	0.75	0.77	3.27	3.28
Diluted earnings per share, SEK	6	0.75	0.77	3.27	3.28

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Profit/loss for the period	324	334	1,417	1,428
Other comprehensive income for the period				
Items that will be reclassified to profit or loss for the period				
Translation differences	200	-15	204	-11
Change in hedging reserve	-4	0	-14	-10
Tax attributable to components of other comprehensive income	9	-3	6	-6
Items that will not be reclassified to profit or loss for the period				
Actuarial gains and losses	0	0	-1	-1
Tax attributable to actuarial gains and losses	0	0	0	0
Comprehensive income for the period	529	316	1,612	1,399
Attributable to				
owners of the parent company	529	316	1,612	1,399
Non-controlling interests	–	–	–	–

CONDENSED BALANCE SHEET

MSEK	Note	2018 31 Mar	2017 31 Mar	2017 31 Dec
ASSETS				
Customer relationships		3,062	3,176	2,929
Trademark		3,837	3,837	3,837
Goodwill		7,730	7,053	7,206
Other intangible assets		143	124	136
Property, plant and equipment		890	783	853
Financial assets	4	10	56	10
Deferred tax assets		9	7	8
Total non-current assets		15,681	15,036	14,980
Inventories		4,201	3,227	3,888
Trade receivables	4	3,835	3,512	3,491
Other receivables	4	1,109	1,024	1,220
Cash and cash equivalents	4	1,088	1,375	1,295
Total current assets		10,233	9,138	9,894
TOTAL ASSETS		25,914	24,174	24,874
EQUITY AND LIABILITIES				
Equity		9,542	8,415	9,004
Non-current interest-bearing liabilities	4	8,020	7,927	7,934
Provisions		56	55	55
Deferred tax liabilities		1,518	1,406	1,494
Other non-current liabilities	4	32	26	29
Total non-current liabilities		9,626	9,413	9,512
Current interest-bearing liabilities	4	513	727	51
Trade payables	4	5,119	4,677	5,218
Provisions		11	17	10
Other current liabilities		1,103	925	1,079
Total current liabilities		6,746	6,346	6,358
TOTAL EQUITY AND LIABILITIES		25,914	24,174	24,874

CONDENSED CASH FLOW STATEMENT

MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Profit after financial items	419	428	1,825	1,834
Adjustments for non-cash items	126	108	581	563
- of which depreciation and impairment of assets	139	127	531	519
- capitalised and accrued interest	-3	15	-10	9
- other	-11	-34	59	35
Tax paid	-164	-145	-223	-203
Cash flow from operating activities before changes in working capital	381	392	2,183	2,193
Change in inventories	-31	72	-592	-489
Change in operating receivables	-56	-367	-236	-547
Change in operating liabilities	-247	192	264	703
Cash flow from changes in working capital	-334	-103	-564	-333
Cash flow from operating activities	47	289	1,619	1,861
Cash flow from acquisition of assets, liabilities and operations	-649	-63	-932	-346
Other cash flow from investing activities	-54	-60	-189	-195
Cash flow from investing activities	-703	-123	-1,120	-541
Cash flow before financing activities	-656	166	498	1,320
Dividend paid	–	–	-153	-153
Repurchase of shares	–	–	-369	-369
Proceeds from borrowings	475	–	1,474	999
Repayment of borrowings	-31	–	-1,743	-1,712
Cash flow from financing activities	444	–	-791	-1,235
CASH FLOW FOR THE PERIOD	-212	166	-292	86
Cash and cash equivalents at beginning of period	1,295	1,209	1,375	1,209
Exchange differences	6	0	6	0
Cash and cash equivalents at end of period	1,088	1,375	1,088	1,295
Additional information				
Interest received	5	5	17	17
Interest paid	-37	-27	-161	-152

CONDENSED STATEMENT OF CHANGES IN EQUITY

MSEK	2018 Jan-Mar	2017 Jan-Mar	2017 Jan-Dec
Opening equity	9,004	8,089	8,089
Comprehensive income for the period	529	316	1,399
Total recognised income and expenses	529	316	1,399
Long-term share-savings programme	9	9	37
Repurchase of own shares	–	–	-369
Dividend	–	–	-153
Total shareholder transactions	9	9	-485
Closing equity	9,542	8,415	9,004

Parent Company financial statements

CONDENSED INCOME STATEMENT – PARENT COMPANY

MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Net sales	17	109	361	453
Gross profit	17	109	361	453
Administration expenses	-36	-34	-135	-133
Operating profit/loss	-19	75	226	320
Interest and similar income	182	129	646	592
Interest and similar expense	-69	-2	-2,048	-1,982
Profit after financial items	94	202	-1,177	-1,070
Appropriations	–	–	-170	-170
Profit/loss before tax	94	202	-1,347	-1,240
Income tax	-21	-44	-90	-112
Profit/loss for the period	74	158	-1,437	-1,353

CONDENSED STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Profit/loss for the period	74	158	-1,437	-1,353
Change in hedging reserve	-4	0	-14	-10
Tax attributable to components of other comprehensive income	1	0	3	2
Other comprehensive income for the period	-3	0	-11	-8
Comprehensive income for the period	70	158	-1,448	-1,361
Attributable to:				
owners of the parent company	70	158	-1,448	-1,361

CONDENSED BALANCE SHEET – PARENT COMPANY

MSEK	2018 31 Mar	2017 31 Mar	2017 31 Dec
Intangible assets	2	3	2
Property, plant and equipment	0	0	0
Shares in Group companies	1,446	3,032	1,658
Financial investments	1	1	1
Receivables from Group companies	13,067	12,999	11,791
Deferred tax assets	4	2	3
Total non-current assets	14,520	16,036	13,455
Other receivables	2	62	6
Cash and cash equivalents	52	1	2
Total current assets	54	63	7
TOTAL ASSETS	14,574	16,100	13,462
Equity	5,898	7,343	5,330
Untaxed reserves	357	112	282
Non-current liabilities	7,733	7,651	7,655
Current liabilities	586	993	195
TOTAL EQUITY AND LIABILITIES	14,574	16,100	13,462

Notes

Disclosures in accordance with IAS 34.16A are presented in the financial statements and related notes, and also in other sections of the interim report.

NOTE 1. INFORMATION BY SEGMENT

Net sales by product segment, RTM, MSEK	HVAC & P	Electrical	T&S	Total
Sweden	6,814	5,945	5,824	18,584
Norway	2,919	1,602	825	5,347
Finland	2,235	567	474	3,277
Denmark	388	-	-	388
Other	407	29	42	479
Central	-	-	-	-
Group	12,765	8,145	7,166	28,076
External net sales by segment, MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Sweden	4,758	4,261	18,584	18,087
Norway	1,389	1,390	5,348	5,349
Finland	803	727	3,277	3,201
Denmark	101	96	388	382
Other	109	95	480	465
Central	-	-	-	-
Group	7,161	6,568	28,077	27,484
EBITA by segment, MSEK				
Sweden	545	510	2,248	2,213
Norway	25	39	163	177
Finland	16	14	119	117
Denmark	11	8	45	42
Other	2	1	13	12
Central	-45	-43	-171	-169
Eliminations	-	-	-	-
Group	554	530	2,418	2,394
EBITA margin by segment, %				
Sweden	11.5%	12.0%	12.1%	12.2%
Norway	1.8%	2.8%	3.1%	3.3%
Finland	2.0%	1.9%	3.6%	3.7%
Denmark	11.3%	8.8%	11.7%	11.1%
Other	1.5%	1.1%	2.7%	2.6%
Central	-	-	-	-
Group	7.7%	8.1%	8.6%	8.7%
Adjusted EBITA per segment, MSEK				
Sweden	545	510	2,248	2,213
Norway	25	39	163	177
Finland	16	14	131	129
Denmark	11	8	45	42
Other	2	1	13	12
Central	-45	-43	-171	-169
Eliminations	-	-	-	-
Group	554	530	2,429	2,405
Adjusted EBITA margin by segment, %				
Sweden	11.5%	12.0%	12.1%	12.2%
Norway	1.8%	2.8%	3.1%	3.3%
Finland	2.0%	1.9%	4.0%	4.0%
Denmark	11.3%	8.8%	11.7%	11.1%
Other	1.5%	1.1%	2.7%	2.6%
Central	-	-	-	-
Group	7.7%	8.1%	8.7%	8.8%

Quarterly figures

Year	2018	2017				2016			
Quarter	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Sweden									
External net sales	4,758	5,140	4,202	4,484	4,261	4,501	3,699	4,102	3,572
EBITA	545	651	515	537	510	573	451	522	391
as % of net sales	11.5%	12.7%	12.2%	12.0%	12.0%	12.7%	12.2%	12.7%	10.9%
Adjusted EBITA	545	651	515	537	510	573	451	522	391
as % of net sales	11.5%	12.7%	12.2%	12.0%	12.0%	12.7%	12.2%	12.7%	10.9%
Norway									
External net sales	1,389	1,393	1,254	1,312	1,390	1,375	1,185	1,267	1,082
EBITA	25	48	65	26	39	51	53	25	13
as % of net sales	1.8%	3.4%	5.2%	2.0%	2.8%	3.7%	4.5%	2.0%	1.2%
Adjusted EBITA	25	48	65	26	39	51	60	25	13
as % of net sales	1.8%	3.4%	5.2%	2.0%	2.8%	3.7%	5.1%	2.0%	1.2%
Finland									
External net sales	803	848	812	813	727	824	789	787	651
EBITA	16	37	45	21	14	25	45	34	10
as % of net sales	2.0%	4.4%	5.6%	2.6%	1.9%	3.1%	5.7%	4.3%	1.5%
Adjusted EBITA	16	37	45	33	14	25	45	34	10
as % of net sales	2.0%	4.4%	5.6%	4.0%	1.9%	3.1%	5.7%	4.3%	1.5%
Denmark									
External net sales	101	98	89	100	96	88	88	95	93
EBITA	11	13	11	10	8	6	10	9	7
as % of net sales	11.3%	12.9%	12.5%	10.3%	8.8%	7.3%	11.6%	9.4%	7.9%
Adjusted EBITA	11	13	11	10	8	6	10	9	7
as % of net sales	11.3%	12.9%	12.5%	10.3%	8.8%	7.3%	11.6%	9.4%	7.9%
Other									
External net sales	109	126	135	110	95	115	120	93	82
EBITA	2	3	6	3	1	2	4	2	1
as % of net sales	1.5%	2.5%	4.1%	2.3%	1.1%	1.8%	3.7%	1.9%	1.1%
Adjusted EBITA	2	3	6	3	1	2	4	2	1
as % of net sales	1.5%	2.5%	4.1%	2.3%	1.1%	1.8%	3.7%	1.9%	1.1%
Central									
EBITA	-45	-43	-44	-39	-43	-95	-25	-32	-24
Adjusted EBITA	-45	-43	-44	-39	-43	-30	-25	-32	-24
Eliminations									
EBITA	-	-	-	-	-	-	-	-	-
Adjusted EBITA	-	-	-	-	-	-	-	-	-
Group									
External net sales	7,161	7,606	6,492	6,818	6,568	6,902	5,880	6,344	5,480
EBITA	554	709	597	558	530	563	538	560	397
as % of net sales	7.7%	9.3%	9.2%	8.2%	8.1%	8.2%	9.2%	8.8%	7.3%
Adjusted EBITA	554	709	597	570	530	628	545	560	397
as % of net sales	7.7%	9.3%	9.2%	8.4%	8.1%	9.1%	9.3%	8.8%	7.3%

NOTE 2. DEPRECIATION, AMORTISATION AND IMPAIRMENT

MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Amortisation of intangible assets	-93	-87	-357	-351
Impairment of intangible assets	–	–	–	–
Depreciation of property, plant and equipment	-47	-40	-174	-168
Impairment of property, plant and equipment	–	–	–	–

NOTE 3. CONDENSED OPERATING CASH FLOW

In addition to the cash flow statement prepared in accordance with IAS 7, Ahlsell prepares a cash flow based on business operations, excluding financial transactions, taxes and acquisitions and disposals of operations. This cash flow measure is used by management to monitor business performance.

MSEK	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Operating profit	461	443	2,061	2,043
Adjustments for non-cash items	135	121	506	493
Cash flow from changes in working capital	-334	-103	-564	-333
Operating cash flow before investments	262	461	2,003	2,202
Acquisition of intangible assets	-10	-6	-43	-39
Acquisition of property, plant and equipment	-44	-30	-192	-178
Sale of property, plant and equipment	0	0	6	6
Cash flow from operating investments	-54	-36	-229	-211
Operating cash flow	208	425	1,774	1,991

NOTE 4. FAIR VALUE OF FINANCIAL INSTRUMENTS

MSEK	2018 31 Mar	2018 31 Mar	2017 31 Mar	2017 31 Mar	2017 31 Dec	2017 31 Dec
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets						
Financial assets held for trading measured at fair value	1	1	29	29	0	0
Loans and receivables	4,930	4,930	4,939	4,939	4,793	4,793
Available-for-sale financial assets	3	3	3	3	3	3
Total	4,934	4,934	4,971	4,971	4,796	4,796
Financial liabilities						
Financial liabilities held for trading measured at fair value	27	27	5	5	14	14
Other financial liabilities	13,656	13,656	13,352	13,352	13,218	13,218
Total	13,683	13,683	13,357	13,357	13,232	13,232

Financial instruments measured at fair value in the balance sheet relate to currency and interest rate swaps. These are measured using valuation techniques that only use observable market inputs at level two according to the framework for fair value measurement.

For borrowing, there is no material difference between the carrying amount and fair value, as the Group's borrowings are at variable interest rates. Nor does the Group have any other off-balance sheet financial assets or liabilities.

NOTE 5. ITEMS AFFECTING COMPARABILITY

To achieve better comparability between years, EBITA is presented in the interim report net of items affecting comparability. Items affecting comparability are large non-recurring items which have an effect on EBITA.

MSEK		2018	2017	Rolling	Full year
Type of cost/revenue	Segment	Jan-Mar	Jan-Mar	12 months	2017
Costs attributable to restructuring (staff under notice with pay)	Finland	-	-	-11	-11
Total items affecting comparability		-	-	-11	-11

NOTE 6. EARNINGS PER SHARE

MSEK	2018	2017	Rolling	Full year
	Jan-Mar	Jan-Mar	12 months	2017
Earnings per share				
Profit attributable to owners of the parent company (MSEK)	324	334	1,417	1,428
Weighted average number of basic ordinary shares outstanding (millions)	429.3	436.3	433.7	435.4
Basic earnings per share, SEK	0.75	0.77	3.27	3.28

Diluted earnings per share

The Ahlsell Group's two long-term incentive programmes could potentially lead to future dilution of the number of shares. As of March 31, 2018, there is a dilutive effect for the share savings programme, but no dilutive effect for the warrants programme. There is no other dilution associated with ordinary shares.

Weighted average number of diluted ordinary shares outstanding (millions)	429.9	436.3	433.8	435.4
Diluted earnings per share, SEK	0.75	0.77	3.27	3.28

PERFORMANCE MEASURES

MSEK unless otherwise stated	2018 Jan-Mar	2017 Jan-Mar	Rolling 12 months	Full year 2017
Sales measures				
Net sales	7,161	6,568	28,077	27,484
Growth, %	9%	20%		12%
Organic growth, %	7%	9%		9%
Income measures				
Operating profit (EBIT)	461	443	2,061	2,043
EBITA	554	530	2,418	2,394
Adjusted EBITA	554	530	2,429	2,405
EBITDA	600	570	2,592	2,562
Adjusted EBITDA	600	570	2,604	2,573
Margin measures				
EBIT margin, %	6.4%	6.7%	7.3%	7.4%
EBITA margin, %	7.7%	8.1%	8.6%	8.7%
Adjusted EBITA margin, %	7.7%	8.1%	8.7%	8.8%
Cash flow measures				
Cash flow for the period	-212	166	-292	86
Operating cash flow	208	425	1,774	1,991
Operating cash flow/EBITDA (cash conversion)			68%	78%
Capital structure				
Cash	1,088	1,375	1,088	1,295
External net debt	7,495	7,260	7,495	6,742
External net debt/Adjusted EBITDA			2.9	2.6
Debt/equity ratio, times			0.8	0.7
Equity/assets ratio, %			37%	36%
Working capital (average)	2,764	2,093	2,630	2,429
Working capital at end of period	3,046	2,144	3,046	2,483
Operating capital (average)	16,512	15,607	16,202	15,890
Operating capital, excluding intangible assets (average)	3,577	2,948	3,474	3,277
Returns				
Return on operating capital, %			13%	13%
Return on operating capital (excluding intangible assets), %			70%	73%
Return on equity, %			16%	17%
Return on working capital %			92%	99%
The share				
Number of shares outstanding at end of period (thousands)	436,302	436,302	436,302	436,302
Number of shares outstanding, net after repurchase (thousands)	429,302	436,302	429,302	429,302
Weighted average number of basic shares outstanding, net after repurchase (thousands)	429,302	436,302	433,692	435,415
Weighted average number of diluted shares outstanding, net after repurchase (thousands)	429,942	436,325	433,849	435,428
Basic earnings per share, SEK	0.75	0.77	3.27	3.28
Diluted earnings per share, SEK	0.75	0.77	3.27	3.28
Other				
Number of employees at end of period	5,706	5,143	5,706	5,471

PER SHARE DATA - quarterly figures

Year	2018	2017				2016
Quarter	Q1	Q4	Q3	Q2	Q1	Q4
Share price at end of period	52.55	52.80	52.90	57.75	60.45	52.00
Diluted earnings per share	0.75	1.08	0.74	0.71	0.77	0.16
Return on equity, RTM	16%	17%	15%	16%	18%	15%
Equity per share	22.2	20.6	20.4	19.6	19.3	18.5
Operating cash flow per share, RTM	4.1	4.6	4.1	4.9	5.4	4.6

ALTERNATIVE PERFORMANCE MEASURES

Organic growth, EBITA, Adjusted EBITA, EBITA margin and Adjusted EBITA margin are alternative performance measures, for which detailed calculations are presented below. The APMs are used by management to monitor business performance.

Organic growth						
Jan-Mar	Group	Sweden	Norway	Finland	Denmark	Other
Growth, %	9%	12%	0%	11%	6%	15%
Acquisitions, %	-4%	-5%	-5%	-2%	0%	0%
Currency, %	0%	0%	2%	-5%	-5%	-3%
Difference in number of trading days, %	2%	2%	5%	2%	5%	2%
Organic growth, %	7%	9%	2%	5%	6%	14%
Number of trading days Jan-Mar 2018		63	62	63	62	
Number of trading days Jan-Mar 2017		64	65	64	65	

EBITA/Adjusted EBITA							
Jan-Mar, MSEK	Group	Sweden	Norway	Finland	Denmark	Other	Central
EBIT	461	480	10	5	10	2	-45
Amortisation and impairment of intangible assets	93	65	15	11	2	0	0
Profit (EBITA), MSEK	554	545	25	16	11	2	-45
Items affecting comparability	–	–	–	–	–	–	–
Adjusted EBITA, MSEK	554	545	25	16	11	2	-45

EBITA margin/Adjusted EBITA margin						
Jan-Mar	Group	Sweden	Norway	Finland	Denmark	Other
EBIT margin, %	6.4%	10.1%	0.7%	0.6%	9.8%	1.5%
Amortisation and impairment of intangible assets, %	1.3%	1.4%	1.1%	1.4%	1.5%	0.0%
Profit (EBITA) margin, %	7.7%	11.5%	1.8%	2.0%	11.3%	1.5%
Items affecting comparability, %	–	–	–	–	–	–
Adjusted EBITA margin, %	7.7%	11.5%	1.8%	2.0%	11.3%	1.5%

NUMBER OF TRADING DAYS

	Q1	Q2	Q3	Q4	H1	H2	Full year
2016							
Sweden	61	62	66	64	123	130	253
Norway	61	62	66	64	123	130	253
Finland	61	63	66	63	124	129	253
Denmark	61	61	66	64	122	130	252
2017							
Sweden	64	59	65	63	123	128	251
Norway	65	58	65	63	123	128	251
Finland	64	60	65	62	124	127	251
Denmark	65	58	65	63	123	128	251
2018*							
Sweden	63	60	65	62	123	127	250
Norway	62	60	65	62	122	127	249
Finland	63	61	65	62	124	127	251
Denmark	62	59	65	62	121	127	248
2019*							
Sweden	63	59	66	62	122	128	250
Norway	63	58	66	62	121	128	249
Finland	63	60	66	62	123	128	251
Denmark	63	57	66	62	120	128	248

*Preliminary figures, may be amended.

SEASONALITY

Ahlsell's sales are affected by seasonal variations to a certain extent. Sales are strongest in the second and fourth quarters. Sales are affected by the number of trading days in a quarter. In addition, the quarter in which Easter falls (Q1 or Q2) will have lower sales. The Easter effect means a reduction in Ahlsell's sales during the trading days that fall in Easter week, as market activity decreases on these days. The Easter effect, which varies in strength from country to country, is strongest in Norway and weakest in Finland.

Definitions of performance measures

Definitions of performance measures can be found in the Annual Report.

Ahlsell is the Nordic region's leading distributor of installation products, tools and supplies for installers, construction companies, facility managers, industrial and power companies and the public sector. The unique customer offer covers more than one million individual products and solutions. The Group has a turnover of just over SEK 28 billion and about 97% of revenue is generated in the three main markets of Sweden, Norway and Finland. With about 5,600 employees, more than 230 branches and three central warehouses, we constantly fulfil our customer promise:

Ahlsell makes it easier to be professional!

Business concept

To create effective trading in installation products, tools and supplies for professional users.

Overall objective

Ahlsell's goal is to continuously contribute to strengthening our customers' competitiveness and to be an attractive partner to our suppliers. We aim to constantly develop our offering to fulfil our customers' requirements and exceed their expectations. We aim to achieve profitable growth through a combination of organic and acquired growth and operational improvements. Our objective is to be the leading distributor within the respective product segment in our main markets.

Calendar

Webcasted conference call

At 10.00 on the report issue date, the Company will host a webcasted conference call, with President and CEO Johan Nilsson and CFO Kennet Göransson presenting the report. The presentation will be conducted in English and can be followed via webcast and telephone.

Link to the webcast: <http://www.financialhearings.com/event/10698>

Telephone number for the conference call: SE 08 5055 6453, UK: +44 203 008 9811, US: +1 855 831 5944.

Calendar

- 3 May - 2018 Annual General Meeting, Stockholm
- 3 May - Last day of trading in the Ahlsell share including dividend entitlement
- 7 May - Dividend record date
- 11 May - Dividend payment date
- 19 July - Q2, Interim report April-June 2018
- 4 September - Capital Markets Day
- 26 October - Q3, Interim report July-September 2018
- 25 January 2019 - Q4, Year-end report 2018, January-December

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This information is information that Ahlsell AB (publ) is required to make public pursuant to the EU Market Abuse Regulation.

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