



Interim report, 1 January to 31 March 2019

9 May, 2019

Best Q1 ever in revenue and profit

First quarter, January - March 2019

- Sales amount to SEK 216.8 (183.8) million, giving growth of 18.0 (22.9) per cent
- Operating profit (EBIT) is SEK 15.3 (14.3) million, giving an operating margin of 7.1 (7.8) per cent
- Profit after tax is SEK 10.6 (9.3) million.
- Earnings per share before and after dilution amount to SEK 1.07 (1.08)
- A net increase of 40 co-workers to 649 during the quarter
- B3 acquires 60 per cent of the management consultant company Alenio Consulting AB with an option to increase the holding to 100 per cent
- The Board of Directors proposes to the Annual General Meeting a dividend of SEK 2.25 (2.17) per share, totalling SEK 16.7 (16.1) million

	First quarter, January - March			Full year, Jan - Dec		
	2019	2018	Change	2018	2017	Change
Net sales, SEK million	216,8	183,8	18,0%	726,3	619,7	17,2%
EBITDA, SEK million	21,8	16,1	35,4%	54,1	43,5	24,4%
EBITDA margin	10,1%	8,8%		7,4%	7,0%	
Operating profit (EBIT), SEK million	15,3	14,3	7,0%	47,1	36,8	28,0%
Operating margin (EBIT)	7,1%	7,8%		6,5%	5,9%	
Profit after tax, SEK million	10,6	9,3	14,0%	28,3	26,1	8,4%
Earnings per share, SEK	1,07	1,08	-0,1%	3,15	3,29	-4,3%
Number of co-workers, closing balance	649	530	119	609	493	116
Average number of co-workers	629	511	118	547	448	99

The table shows an extract from B3's key figures. See Note 3 for a table and definitions of key figures. The performance measures are impacted by the transition to IFRS 16 "Leases". See further Note 1.

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This information in Swedish is information that B3 Consulting Group AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact persons above, on 9 May 2019 at 08.00 CET.

Co-founder and Chief Executive Officer Sven Uthorn:

Best Q1 ever in revenue and profit



We are starting 2019 with a new best ever Q1 in the history of the company. After a weaker Q4 we are again increasing our growth rate to 18 per cent, which takes us to the new record level of SEK 217 million. The operating profit of SEK 15.3 million also exceeds last year's. The operating margin is just under last year's, as profit is reduced by SEK 2.8 million for a couple of expense items of a temporary nature – partly adjustments in organisation, partly a higher purchase price due to one of our acquired companies growing better than expected. This means that we close Q1 2019 as the sixty-second profitable quarter in a row since the company started and continue offensive growth into the 16th consecutive year.

Recruitment

Most gratifying during the quarter is that we achieved a net increase of 40 co-workers. With a total of 649 at the close of the quarter we have 22 per cent more co-workers than at the same time last year. We regard it as confirmation of both our high level of activity and attractiveness in the recruitment market.

A notable event in connection with this is that we are now rolling out our Rising Star programme, in which we have had the benefit of selecting around 10 promising talents from among 150 applicants, with the aim of giving them a flying start in their consultant careers by alternating assignments with training sessions in a one-year programme.

Market

In the client market we are experiencing continued strong demand, resulting in increased revenues, mainly in industry, media and entertainment, as well as retail. We are experiencing continued restraint in large parts of the public sector – in government agencies, county councils and municipalities, which primarily has a negative impact on our Digital Management business area. At the same time our growth continues to be strong in the other three business areas, where the Digital Innovation business area in particular stands out with 63 per cent growth and strong profit growth.

The driving force in the market mainly refers to innovation and efficiency. Though we have strong confidence in the opportunities in the public sector, we see that the competitive pressure in the private sector drives clients to think more offensively concerning digitalisation.

The journey forward

By combining organic and acquired growth we have gradually built B3 Consulting Group into a business with growing capacity, experience base and breadth of skills. This makes us exceptionally well-positioned to assume the role of digital partner to our clients and to help them forward, both in the role of advisor and implementer. Through this we also deliver on our brand promise: to help leading companies and organisations to make the most of the opportunities of digitalisation.

Translating this into shareholder value over the coming years is about continuing to drive offensive growth, but also about focusing on deeper client relations with selected clients and developing the business towards value-added services, team deliveries and project commitments.

Reinforcement in management

In conclusion I would also like to welcome Lars Fransson to B3's Group Management and his role of new head of the Digital Management business area. Lars brings with him 25 years experience of consulting enterprise, of building and developing client relations and of packaging and refining service deliveries. He will play an important part in our continued development.

Sven Uthorn

18%

Growth in Q1 2019

15.3

SEK million new EBIT record for Q1

22%

more co-workers Q1 2019 compared with Q1 2018

Group

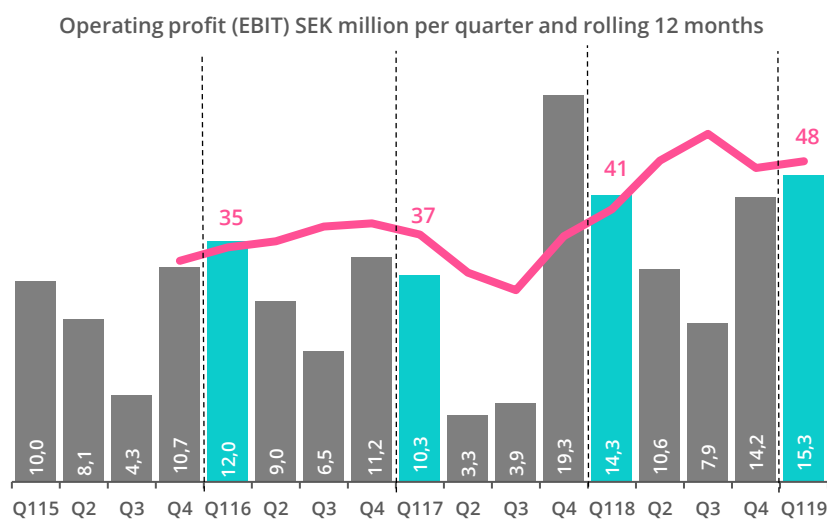
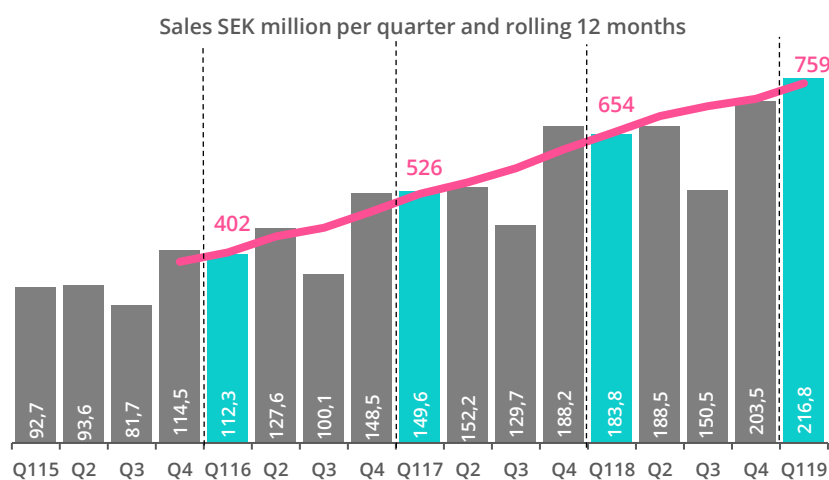
First quarter, January - March 2019

Revenue and profit

Sales in the first quarter were SEK 216.8 (183.8) million. Growth was 18.0 (22.9) per cent. The increase in revenue is due to improved delivery capability as a result of recruitment and acquisitions.

The market is generally characterised by sound demand. The business area Digital Management continues to report unsatisfactory growth, starting in late autumn, mainly in the public sector and banking, finance and insurance. Measures have been taken and there was some recovery in the first quarter of 2019.

Total operating expenses in the quarter were SEK 202.4 (169.9) million. Staff costs were SEK 151.8 (124.1) million, corresponding to 70.0 (67.5) per cent of sales. The operating profit for the quarter amounted to SEK 15.3 (14.3) million. This corresponds to an operating margin of 7.1 (7.8) per cent. In connection with the acquisition of Sentensia in 2017, a supplementary purchase price was determined, based on the company's growth in 2017 and 2018. Earnings were reduced by SEK 1.5 million supplementary purchase price for Sentensia, as that company had performed better than expected at the time of acquisition. In addition, IFRS 16 "Leases" increased the operating profit by SEK 0.4 million for the quarter. To see how IFRS 16 impacts other performance measures and the balance sheet, see further Note 1.



In general the first and second quarters have a relatively even work rate. The third quarter includes most of the holiday period and the fourth quarter is the most work-intensive. The number of working days in the first quarter of 2019 was 63 (63).

Segment reporting

Performance of the business areas.

Digital Management business area

The business area offers services in operations development, digital transformation, change leadership, decision support etc. Digital Management accounts for 38 (47) per cent of the Group's sales. The clients include county councils, authorities, the banking and finance sector and the telecom sector.

Digital Management sales were SEK 84.9 (89.0) million, with an operating profit of SEK 5.2 (9.7) million. Growth for the business area during the quarter was -4.6 (27.9) per cent, with an operating margin of 6.1 (10.9) per cent. The unsatisfactory performance since late autumn mainly concerns reduced demand in the public agency, municipal and banking, finance, insurance sectors. There has been some recovery and measures have been taken, including the appointment of a new business area manager from April, focusing on change and sales management. In January Alenio Consulting was acquired to further strengthen the position in the digital client meeting.

Digital Innovation business area

The business area is focused on development of application software, digital customer experiences, products and services. During the quarter the vigorous growth of the business area, 62.7 (27.6) per cent, led to Digital Innovation now accounting for 33 (24) per cent of the Group's sales.

Digital Innovation's sales strengthened by just over SEK 28 million to SEK 72.9 (44.8) million and the operating profit was strengthened by more than SEK 6 million to SEK 9.7 (3.1) million. Apart from growth in the IT, media & entertainment and Industry sectors, growth is also impacted by acquisitions in 2018. The acquisition in March 2018 of Third Base meant that B3 strengthened its position in the Öresund region and increased its delivery capability in systems development and mobility. In November 2018 Reach Consulting was acquired, with operations in Jönköping and Linköping and a focus on technology consulting and systems development, above all for the industrial sector. All in all, the business area's operating margin strengthened during the period to 13.3 (6.8) per cent, thanks to good demand and high capacity utilisation.

Digital Infra business area

The business area offers services relating to effective, secure, scalable and accessible infrastructure. Digital Infra accounts for 20 (20) per cent of the Group's sales. The market is characterised by the transfer of new and existing solutions to the cloud and IT security issues are in focus.

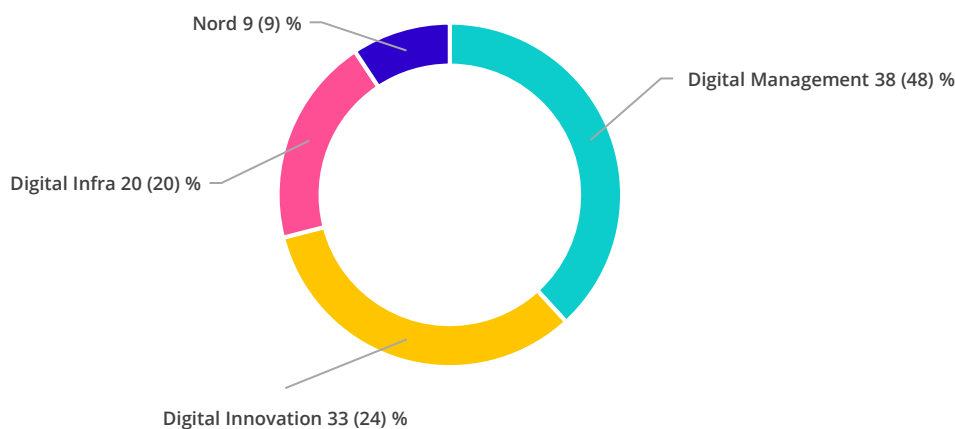
Digital Infra sales were SEK 43.8 (37.4) million, with an operating profit of SEK 1.0 (1.9) million. Growth amounts to 17.1 (36.0) per cent, with an operating margin of 2.3 (5.1) per cent.

Nord business area

The business area consists of geographically coherent companies with a focus on developing B3's operations in the local client markets of Sundsvall, Gävle and Borlänge. Nord accounts for 9 (9) per cent of the Group's sales.

Nord's sales were SEK 20.6 (16.2) million with growth of 27.2 (9.5) per cent, thanks to high capacity utilisation. The operating profit was strengthened to SEK 1.4 (0.1) million, which is equivalent to an operating margin of 6.8 (0.6) per cent. Business is mainly impacted by developments in the public sector and is gradually expanding into industry.

Share of revenue per business area, Q1 2019 (Q1 2018)



For a detailed list of the segments' revenue and profit, please see Note 2.

Cash flow and financial position

The Group's cash flow in the period amounts to SEK 0.1 (10.4) million. Cash flow from operating activities was SEK 3.5 (20.6) million, where the operations had a positive cash flow of SEK 11.7 (7.7) million and working capital changed by SEK -8.2 (12.9) million. The Group's cash flow was impacted by investing activities, SEK -7.5 (-28.1) million, which is mainly attributable to the acquisition of Alenio Consulting. Financing activities gave a cash flow of SEK 4.1 (17.9) million. The cash flow is impacted among other things by loans raised mainly in connection with acquisitions of SEK 9.0 (19.0) million.

The Group's cash and cash equivalents amounted to SEK 22.2 (28.4) million as at 31 March. Cash and cash equivalents amounted to SEK 22.1 (18.0) million as at 31 December 2018.

Equity at the close of the period was SEK 135.2 (118.9) million. As at 31 March the Group's net debt, excluding impact of IFRS 16 recognition of leases, was SEK -65.1 (-27.6) million. Net debt as a percentage of EBITA on a rolling 12-month basis is 1.3 (0.7). The company's long-term target is for net debt as a percentage of EBITA to be less than 1.5. The equity-assets ratio is 26.9 (29.6) per cent.

Investments

The Group's net investments in the period amounted to SEK 7.5 (28.1) million, which mainly refer to the acquisition of Alenio Consulting. See also Note 5.

Co-workers

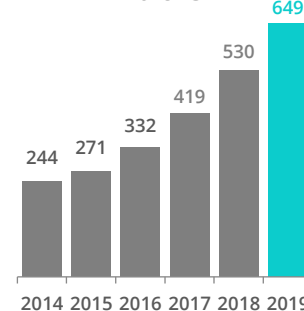
B3's net recruitment was 40 (37) co-workers during the period. As at 31 March the number of co-workers was 649 (530).

Clients

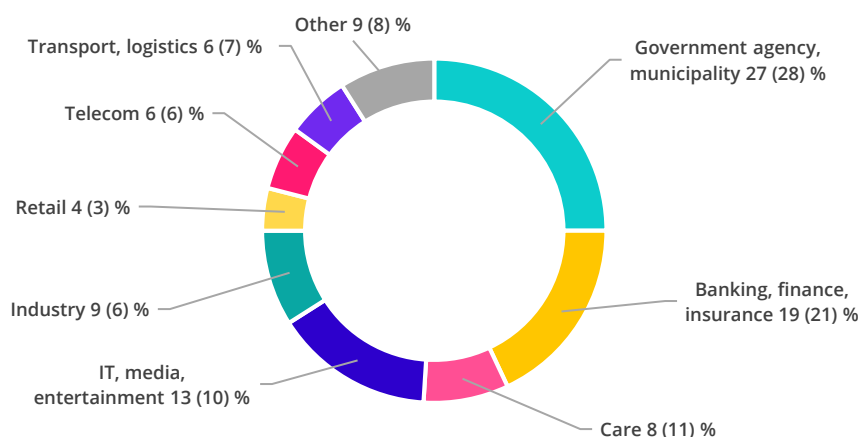
At the beginning of 2019 B3 had more than 200 active clients of which no individual client represents more than ten per cent of the company's total sales. The company's ten largest clients together represent more than 25 per cent of B3's sales and the 40 next largest clients represent just over 40 per cent of sales. More than 50 per cent of B3's sales are related to industries with low or moderate cyclical dependence. In addition, revenues from our own framework agreements constitute 20 per cent of the company's sales.

27%
equity/assets ratio
31 March

Number of co-workers
March 31



Share of revenue per industry, 12 months Q218-Q119 (Q217-Q118)



Parent company

B3 Consulting Group AB (publ) operates as a unifying parent company for the operations in all the subsidiaries. The parent company is responsible for group-wide services such as business development, IT, accounting, administration, HR and marketing. The parent company is also responsible for the overall offer in relation to major framework agreement clients.

First quarter, January - March 2019

Revenue and profit

The parent company's net sales in the quarter amounted to SEK 37.2 (32.4) million, which derives from framework agreements common to the Group and invoiced via B3 Consulting Group AB (publ). The parent company's total operating income amounts to SEK 60.6 (48.0) million. The difference between the parent company's sales and total operating income is re-invoicing to subsidiaries of group-wide services. The operating profit for the quarter amounted to SEK 0.1 (-0.4) million.

Financial position

Cash and cash equivalents amounted to SEK 12.3 (23.9) million as at 31 March. The parent company has overdraft facilities with a limit of a SEK 15.0 (15.0) million, of which SEK 0.0 (0.0) million has been used. In 2017 the company entered into a revolving credit facility agreement with a view to facilitating financing needs regarding acquisitions. The facility amounted to SEK 35 million, of which SEK 25 million has been used. In November 2018 the company signed a three-year term facility agreement for SEK 40 million in order to further increase flexibility for financing of acquisitions. The parent company's equity amounts to SEK 180.0 (152.6) million. On 31 March the company had net debt of SEK 52.7 (13.1) million. The equity/assets ratio is 45.3 (43.8) per cent.

The B3 share

The B3 share has been listed on Nasdaq Stockholm since December 2016. As at 31 March 2019 there is a total of 7,421,876 shares and the same number of votes, distributed among 2,319 shareholders. Share capital amounts to SEK 742,187:60.

2,319
shareholders in B3



2.25

SEK in dividend

Proposed dividend

The company's financial targets mean that every year B3 is to distribute two thirds of the Group's profit after tax attributable to the parent company's shareholders, while taking into account the company's capital requirements to deal with changes in working capital, and for investments, mainly acquisitions. The Board of Directors proposes to the Annual General Meeting a dividend of SEK 2.25 (2.17) per share, totalling SEK 16.7 (16.1) million

The record date for the dividend is 20 May, 2019. Payment is expected to take place on 23 May 2019.

Other information

Outlook

The B3 Group will develop in pace with improved delivery capacity as a result of recruitment and acquisition, based on customer demand and the general investment climate. The company makes no forecasts.

The Board of Directors has determined an overall objective for the next few years that, with 2015 as a base, increase profit per share in the company by about 20 per cent per year. This is to be achieved through continued growth higher than 15 per cent per year – through recruitment, acquisitions and new establishment – and with the aim of keeping the operating margin (EBIT) in the interval of 8–12 per cent, as a balance between short-term expansion costs and long-term economies of scale.

Net debt, excluding IFRS 15 "Leases", as a percentage of EBITA must normally be less than 1.5, but may be allowed temporarily to rise to higher levels in connection with acquisitions.

Every year B3 is to distribute two thirds of the company's profit after tax attributable to the shareholders of B3 Consulting Group AB (publ), while taking into account the company's capital requirements to deal with changes in working capital, and for investments, mainly acquisitions.

Risks and uncertainties

In its operations the B3 Group may be exposed to various risks. Some of these the company can control while others lie outside the control of the company. Material risks and uncertainties are described in the Annual Report for 2018 in the section "Risks and risk management" in the administration report and under Note 3. No material changes have subsequently arisen.

Other events during the reporting period

In January B3 acquired 60 per cent of the management consultant company Alenio Consulting AB with an option to increase the holding to 100 per cent. Alenio has eleven co-workers and specialises in strategy and leadership, focusing on the digital customer meeting. The new name of the acquired company is B3 Alenio Consulting AB.

Annual General Meeting

The Annual General Meeting will take place on 16 May 2019, at 16.00 at B3's premises in Stockholm. Notice to attend the Annual General Meeting has been published on the company's website and in Post & Inrikes Tidningar (the Swedish Official Gazette) and announced in Dagens Industri. General Meeting documents are available on the company's website.

Calendar

Annual General Meeting for 2018, Stockholm	16 May 2019
Interim report Q2, January-June 2019	21 August 2019
Interim report Q3, January-September 2019	6 November 2019

B3 acquires
Alenio Consulting

AGM
16 May at B3's
premises

Signing of the report

The Board of Directors and President certify that the interim report for the first quarter of 2019 gives a fair presentation of the Group's and the Parent Company's operations, financial position and performance and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

The interim report has not been subject to review.

Stockholm, 9 May, 2019

The Board of Directors of B3 Consulting Group AB (publ)

Henrik Holm
Chairman of the Board

Alf Blomqvist
Member of the Board

Rune Nordlander
Member of the Board

Marika Skärvik
Member of the Board

Sven Uthorn
Co-founder and Member of the Board

Presentation of the report

A webcast presentation in Swedish will be available for investors, analysts and the media today at 09.00. The webcast can be accessed via www.b3.se/ir. Select "Se alla" under "Rapporter och presentationer". It is possible to email questions via the webcast, as well as in advance via ir@b3.se

B3 Consulting Group is one of Sweden's fastest growing consulting companies and currently has more than 600 co-workers. We help Sweden's foremost companies and organisations to create tomorrow's opportunities using digitalisation and operations development. We also endeavour to build a corporate culture that values our diversity, experiences and common energy. Satisfied clients, together with top results in the Great Place To Work (GPTW) survey and five DI Gazelle awards are evidence of a sustainable model for success. Sales in 2018 amounted to SEK 726.3 million, with an operating profit of SEK 47.1 million. There are offices in Stockholm, Borlänge, Gävle, Gothenburg, Malmö, Sundsvall, Örebro and Warsaw. B3 is listed on Nasdaq Stockholm. More information can be found at www.b3.se

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There may be rounding differences in the tables

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT SEK MILLION	January -- March		January- December
	2019	2018	2018
Net sales	216.8	183.8	726.3
Other operating income	0.9	0.4	1.7
Operating revenue etc.	217.7	184.2	728.0
Operating expenses			
Engagement-specific external expenses	-24.4	-26.5	-103.4
Other external expenses	-18.2	-17.4	-74.3
Supplementary purchase price for business combination ¹	-1.5	-	-1.0
Staff costs	-151.8	-124.1	-495.5
Depreciation/amortisation	-6.5	-1.8	-7.0
Other operating expenses	0.0	-0.1	0.3
Operating profit	15.3	14.3	47.1
Profit from financial investments			
Financial income	0.0	-	-
Profit from investments in associated companies	-0.2	-0.7	-4.0
Financial expenses	-0.7	-0.7	-2.7
Profit after financial items	14.4	12.9	40.4
Taxes	-3.8	-3.6	-12.1
PROFIT FOR THE PERIOD	10.6	9.3	28.3
Income for the period attributable to:			
Parent company's shareholders	7.9	8.0	23.4
Non-controlling interests	2.7	1.3	4.9
PROFIT FOR THE PERIOD	10.6	9.3	28.3
Earnings per share before dilution, SEK ²	1.07	1.08	3.15
Earnings per share after dilution, SEK ²	1.07	1.08	3.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, SEK MILLION	January -- March		January - December
	2019	2018	2017
Profit for the period	10.6	9.3	28.3
Other comprehensive income for the period:	-	-	-
Comprehensive income for the period	10.6	9.3	28.3
Comprehensive income for the period attributable to:			
Parent company's shareholders	7.9	8.0	23.4
Non-controlling interests	2.7	1.3	4.9
Comprehensive income for the period	10.6	9.3	28.3

¹ The amount refers to remeasurement of the liability for supplementary purchase price for the acquisition in 2017 of all shares in Sentensia Q AB. Under International Financial Reporting Standards, IFRS, the B3 Consulting Group must recognise this remeasurement of supplementary purchase price as an expense in the business.

² Attributable to the parent company's shareholders (before and after dilution).

CONSOLIDATED BALANCE SHEET	31 March	31 March	31 December
SEK MILLION	2019	2018	2018
ASSETS			
<i>Non-current assets</i>			
Intangible fixed assets	168.9	149.0	158.5
Right-of-use assets	51.9	-	-
Property, plant and equipment	28.3	23.8	29.7
Deferred tax assets	3.6	5.1	3.1
Other long-term receivables	5.0	4.5	4.8
Investments in associated companies	7.3	5.3	8.0
Total non-current assets	265.0	187.7	204.1
<i>Current assets</i>			
Trade receivables	171.0	153.6	157.9
Receivables from associated companies	1.9	0.5	1.7
Current tax assets	22.7	18.5	18.5
Other receivables	2.4	1.7	8.0
Prepaid expenses and accrued income	17.1	11.0	13.4
Cash and cash equivalents	22.2	28.4	22.1
Total current assets	237.3	213.8	221.6
TOTAL ASSETS	502.3	401.5	425.7
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	0.7	0.7	0.7
Other contributed capital	53.9	53.9	53.9
Retained earnings including profit for the year	44.9	35.4	38.3
Equity attributable to the parent company shareholders	99.5	90.0	92.9
Non-controlling interests	35.7	28.9	29.5
Total equity	135.2	118.9	122.4
<i>Non-current liabilities</i>			
Deferred tax liabilities	1.8	2.9	1.8
Other provisions	0.3	0.7	0.2
Interest-bearing non-current liabilities*	86.3	46.8	48.1
Other non-current liabilities	14.1	27.3	14.1
Total non-current liabilities	102.5	77.7	64.2
<i>Current liabilities</i>			
Interest-bearing current liabilities*	54.8	9.5	31.4
Trade payables	27.8	29.8	35.0
Current tax liabilities	1.5	1.4	2.1
Liabilities to associated companies	2.1	1.1	1.9
Other current liabilities	120.2	115.9	116.8
Accrued expenses, deferred income	58.2	47.2	51.9
Total current liabilities	264.6	204.9	239.1
TOTAL EQUITY AND LIABILITIES	502.3	401.5	425.7

* To see how IFRS 16 "Leases" has impacted the item, please see Note 1.

CHANGES IN EQUITY <i>Group (SEK million)</i>	SHARE CAPITAL	OTHER CONTRIBUTED CAPITAL	RETAINED EARNINGS INCLUDING PROFIT FOR THE YEAR	TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	NON- CONTROLLING INTEREST	TOTAL EQUITY
Opening equity as at 1 January 2018	0.7	53.9	41.4	96.0	14.7	110.7
Profit for the period			8.0	8.0	1.3	9.3
Other comprehensive income for the period			-	-	-	-
Comprehensive income for the period			8.0	8.0	1.3	9.3
<i>Transactions with shareholders:</i>						
Dividend						0.0
Option redemption			0.1	0.1	0.0	0.1
Debt option acquisition			-14.1	-14.1		-14.1
growth through acquisition					12.9	12.9
Total transactions with shareholders			-6.0	-6.0	14.2	8.2
Closing equity as at 31 March 2018	0.7	53.9	35.4	90.0	28.9	118.9

CHANGES IN EQUITY <i>Group (SEK million)</i>	SHARE CAPITAL	OTHER CONTRIBUTED CAPITAL	RETAINED EARNINGS INCLUDING PROFIT FOR THE YEAR	TOTAL EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	NON- CONTROLLING INTEREST	TOTAL EQUITY
Opening equity as at 1 January 2019	0.7	53.9	38.3	92.9	29.5	122.4
Changed accounting policies IFRS 16			-1.3	-1.3	0.0	-1.3
Opening equity as at 1 January 2019 including effects of changed accounting policies	0.7	53.9	37.0	91.6	29.5	121.1
Profit for the period			7.9	7.9	2.7	10.6
Other comprehensive income for the period			-		-	-
Comprehensive income for the period			7.9	7.9	2.7	10.6
<i>Transactions with shareholders:</i>						
Growth through acquisition					3.6	3.6
Total transactions with shareholders			7.9	7.9	6.2	14.1
Closing equity as at 31 March 2019	0.7	53.9	44.9	99.5	35.7	135.2

CONSOLIDATED CASH FLOW STATEMENT			
	1/1/2019	1/1/2018	1/1/2018
SEK MILLION	31/3/2019	31/3/2018	31/12/2018
Operating profit	15.3	14.3	47.1
Adjustment for non-cash items	6.3	2.1	7.3
Interest received	0.0	-	0.1
Interest paid	-0.7	-0.7	-2.6
Income tax paid	-9.2	-8.0	-15.2
Cash flow from operating activities			
before change in working capital	11.7	7.7	36.7
Increase(-)/Decrease(+) in operating receivables	-6.7	6.6	2.3
Increase(+)/Decrease(-) in operating liabilities	-1.5	6.3	5.6
Cash flow from operating activities	3.5	20.6	44.6
Investing activities			
Business combinations	Note 5	-3.7	-24.9
Acquisition of property, plant and equipment		-1.1	-0.2
Acquisition of intangible fixed assets		-1.1	-
Shareholders' contributions paid to associated companies for the year		-1.6	-3.0
Other changes in financial assets Deposits		-	-
Cash flow from investing activities	-7.5	-28.1	-48.9
Financing activities			
Loans raised	9.0	19.0	59.0
Amortisation of loans	-4.9	-1.0	-26.6
Dividend paid to parent company shareholders	-	-	-16.1
Dividend paid to non-controlling interests	-	-	-1.7
Payment warrants	-	-	0.1
Transactions with non-controlling interests	-	-0.2	-6.3
Cash flow from financing activities	4.1	17.9	8.4
Cash flow for the period	0.1	10.4	4.1
Reconciliation of change in cash and cash equivalents			
Opening balance cash and cash equivalents	22.1	18.0	18.0
Closing balance cash and cash equivalents	22.2	28.4	22.1
Change in cash and cash equivalents	0.1	10.4	4.1

PARENT COMPANY FINANCIAL STATEMENTS

PARENT COMPANY INCOME STATEMENT IN SEK MILLION	January - March		January - December
	2019	2018	2018
Net sales	37.2	32.4	125.3
Other revenue	23.4	15.6	72.0
Operating revenue	60.6	48.0	197.3
Operating expenses			
Engagement-specific external expenses	-38.2	-33.3	-128.0
Other external expenses	-14.2	-9.2	-41.7
Staff costs	-7.9	-5.8	-27.5
Depreciation/amortisation	-0.2	-0.1	-0.6
Other operating expenses	0.0	0.0	0.0
Operating profit	0.1	-0.4	-0.5
Profit from financial investments			
Profit from investments in group companies	15.0	-	24.7
Other interest income and similar profit/loss items	0.0	0.1	0.3
Interest expense and similar profit/loss items	-0.2	-0.3	-1.5
Profit after financial items	14.9	-0.6	23.0
Appropriations			
Group contribution	-	-	6.3
Taxes	0.0	-0.2	-1.4
PROFIT FOR THE PERIOD	14.9	-0.8	27.9

PARENT COMPANY BALANCE SHEET	31 March	31 March	31 December
SEK MILLION	2019	2018	2018
ASSETS			
<i>Non-current assets</i>			
Intangible fixed assets	2.1	-	1.0
Property, plant and equipment	2.4	2.0	2.5
	4.5	2.0	3.5
<i>Financial assets</i>			
Investments in group companies	233.0	221.1	223.8
Receivables from group companies	0.9	0.9	0.9
Investments in associated companies	12.9	7.6	13.4
Other long-term receivables	3.2	3.3	3.2
Deferred tax assets	0.7	1.9	0.7
	250.7	234.8	242.0
Total non-current assets	255.2	236.8	245.5
<i>Current assets</i>			
<i>Current receivables</i>			
Trade receivables	29.9	26.4	28.1
Receivables from group companies	90.0	55.5	69.6
Receivables from associated companies	0.9	0.4	1.0
Tax assets	1.7	1.7	1.3
Other receivables	0.2	0.0	1.5
Prepaid expenses and accrued income	7.0	3.4	5.2
	129.7	87.4	106.7
Cash and bank balances	12.3	23.9	14.4
Total current assets	142.0	111.3	121.1
TOTAL ASSETS	397.2	348.1	366.6
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital	0.7	0.7	0.7
Statutory reserve	0.0	0.0	0.0
	0.7	0.7	0.7
<i>Non-restricted equity</i>			
Retained earnings	164.4	152.6	136.5
Profit/loss for the year	14.9	-0.7	27.9
	179.3	151.9	164.4
Total equity	180.0	152.6	165.1
<i>Non-current liabilities</i>			
Liabilities to credit institutions	32.5	35.0	32.5
Other non-current liabilities	0.0	13.0	-
Total non-current liabilities	32.5	48.0	32.5
<i>Current liabilities</i>			
Liabilities to credit institutions	32.5	2.0	23.5
Trade payables	5.9	11.6	13.2
Liabilities to group companies	123.9	120.5	108.5
Liabilities to associated companies	2.0	1.1	1.9
Income tax liability	-	-	-
Other current liabilities	12.3	8.8	16.1
Accrued expenses and deferred income	8.1	3.5	5.8
Total current liabilities	184.7	147.5	169.0
TOTAL EQUITY AND LIABILITIES	397.2	348.1	366.6

NOTES

NOTE 1 ACCOUNTING POLICIES AND VALUATION PRINCIPLES

B3 applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report was prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting. As of 1 January 2019 the Group applies IFRS 16 "Leases". In other respects the Group's accounting policies are unchanged in comparison with the most recently submitted annual report. A complete description of accounting policies and valuation principles is given in the Annual Report for 2018 under Note 2.

The parent company prepares its accounts in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 and applies accounting policies and valuation principles as in the annual report for 2018.

IFRS 16 "Leases"

On 1 January 2019 IFRS 16 "Leases" became effective and replaces IAS 17 "Leases". For B3 the change means that more or less all leases will be recognised as assets and liabilities on the balance sheet.

The Group recognises a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is initially measured at cost of acquisition, which consists of the initial value of the lease liability with the addition of lease payments made on or before the commencement date, plus any initial direct costs. The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset and the end of the lease term.

The lease liability is initially measured at the present value of the future lease payments that are not paid on the commencement date. Lease payments are discounted at the rate implicit in the lease. If this interest rate cannot readily be determined the Group's incremental borrowing rate is used.

Lease liabilities are measured at amortised cost applying the effective rate model. The lease liability is remeasured if the future lease payments are changed due to a change in an index or a rate, for example. When the lease liability is remeasured in this way a corresponding adjustment is made to the carrying amount of the right-of-use asset.

B3 has decided not to recognise right-of-use assets and lease liabilities for leases with a lease term of 12 months or less or underlying low-value assets. Lease payments for these leases are recognised as an expense on a straight-line basis over the lease term.

Previously B3 determined whether a contract contained a lease under IAS 17 or IFRIC 4 at the commencement of the contract. As of 1 January 2019 the Group determines whether a contract contains a lease on the basis of the definition of leases in IFRS 16.

On transition to IFRS 16 the Group has decided to apply the modified retroactive approach. Its meaning and impact on the Group are described below.

Previously the Group classified leases as operating or finance leases based on whether the lease transferred the significant risks and rewards associated with ownership of the underlying assets to the Group. Under IFRS 16 the Group recognises right-of-use assets and lease liabilities for most leases, i.e. leases are included on the balance sheet, exceptions to this are presented below.

Leases previously classified as operating leases under IAS 17

At the transition the lease liabilities were measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate on an initial application date (1 January 2019). The right-of-use asset was measured at an amount equivalent to the lease liability, adjusted for any prepaid or accrued lease payments.

The Group has decided to apply the following practical solutions.

- Applied a single discount rate on a portfolio of leases with similar characteristics.
- The right-of-use assets and lease liabilities have not been recognised for leases for which the lease term ends in 12 months or less (short-term leases)
- Excluded initial direct expenses from measurement of the right-of-use asset on the initial application date.
- Made assessments in retrospect when determining the lease term if the contract includes options to extend or terminate the lease.

Leases previously classified as finance leases

For leases classified as finance leases under IAS 17 the carrying amount of the right-of-use asset and lease liability were determined as at 1 January 2019 as the carrying amount of the lease asset and the lease liability under IAS 17 immediately before that date.

Effect on financial statements

When measuring the lease liability the Group discounted the lease payments at the incremental borrowing rate as at 1 January 2019. The weighted average interest rate used is 4%.

Adjustment due to transition to IFRS 16 "Leases"

	Closing balance	Opening balance
SEK MILLION	31 March 2019	1 Jan 2019
Right of use	51,9	55,6*
Lease liabilities, interest bearing, long-term component	-39,1	-42,9*
Lease liabilities, interest bearing, short-term component	-14,7	-14,4*
Deferred tax	0,4	0,4

* Opening balance adjusted from annual report of 31 December 2018 due to revaluation of extended contracts

Comparative figures as if IAS 17 had been applied in 2019 as well

	IFRS 16	IAS 17
SEK MILLION	Jan - March 2019	Jan - March 2019
EBITDA	21,8	17,6
EBITDA margin	10,1%	8,1%
Operating profit (EBIT)	15,3	14,9
Profit margin (EBIT)	7,1%	6,9%
Financial expenses	-0,7	-0,1
Profit/loss before tax	14,4	14,8

NOTE 2 OPERATING SEGMENTS AND BREAKDOWN OF REVENUE

An operating segment is a part of the Group that conducts operations from which it can generate income and incur expenses, and for which separate financial information is available. As of 1 January 2018, B3's companies are divided into four business areas for better development of the services and use of business opportunities. The Group currently only conducts operations in Sweden. For further description of the business areas please refer to page 4 onwards.

Segment reporting	Digital Management		Digital Innovation		Digital Infra		Nord		Other ¹		Total	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Revenue from external clients	82.0	86.9	68.5	41.6	40.1	34.0	20.0	15.6	6.2	5.8	216.8	183.8
Revenue from other segments	2.9	2.1	4.4	3.2	3.7	3.4	0.6	0.6	-11.6	-9.4		
Total revenue	84.9	89.0	72.9	44.8	43.8	37.4	20.6	16.2	-5.4	-3.6	216.8	183.8
Operating profit	5.2	9.7	9.7	3.1	1.0	1.9	1.4	0.1	-2.0	-0.5	15.3	14.3
Operating margin	6.1%	10.9%	13.3%	6.9%	2.3%	5.1%	6.8%	0.6%	n.a.	n.a.	7.1%	7.8%

¹Other includes group eliminations, group adjustments and parent company

¹Other includes group eliminations, group adjustments and parent company

Revenue broken down by segment and industry	Digital Management		Digital Innovation		Digital Infra		Nord		Other ¹		Total	
	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Revenue from external clients	82.0	86.9	68.5	41.6	40.1	34.0	20.0	15.6	6.2	5.8	216.8	183.8
Revenue from other segments	2.9	2.1	4.4	3.2	3.7	3.4	0.6	0.6	-11.6	-9.4	0.0	0.0
Total revenue	84.9	89.0	72.9	44.8	43.8	37.4	20.6	16.2	-5.4	-3.6	216.8	183.8
Industry sector												
Government agency, municipality	15.0	19.8	4.6	3.9	14.2	13.9	12.8	12.0	1.9	3.9	48.6	53.5
Banking, finance, insurance	27.7	29.5	6.2	7.7	4.7	5.0	0.0	0.0	-0.2	-1.1	38.4	41.1
Care	12.8	11.8	3.0	2.9	0.9	1.2	2.4	0.2	-2.1	-0.1	17.0	16.0
IT, media, entertainment	0.7	1.4	20.7	9.1	4.7	3.8	0.8	0.5	1.8	0.7	28.8	15.4
Industry	4.8	3.2	9.7	3.9	5.4	4.6	3.0	1.9	2.3	1.0	25.1	14.5
Transport/Logistics	4.5	8.7	3.1	1.6	2.0	2.0	0.9	0.5	0.3	0.1	10.8	12.9
Telecoms	5.7	5.9	2.6	2.6	3.1	0.7	0.0	0.0	0.2	0.6	11.7	9.9
Retail	2.7	2.2	6.9	0.0	1.3	0.5	0.5	0.3	0.3	0.5	11.6	3.4
other	8.1	4.5	11.7	9.9	3.8	2.4	-0.4	0.3	1.7	0.0	24.9	17.1
Total revenue	82.0	86.9	68.5	41.6	40.1	34.0	20.0	15.6	6.2	5.7	216.8	183.8

NOTE 3 KEY FIGURES FOR THE GROUP (SEK MILLION)

	January -- March		January - December
	2019	2018	2018
Net sales	216.8	183.8	726.3
Sales growth %	18.0%	22.9%	17.2%
Operating profit before depreciation/amortisation and impairment (EBITDA)	21.8	16.1	54.1
Operating margin before depreciation/amortisation and impairment (EBITDA) %	10.1%	8.8%	7.4%
Operating profit (EBIT)	15.3	14.3	47.1
Operating margin (EBIT) %	7.1%	7.8%	6.5%
Equity-assets ratio %	26.9%	29.6%	28.8%
Average number of employees	600	492	524
Average number of co-workers	629	511	547
Closing number of employees	618	512	581
Closing number of co-workers	649	530	609
Balance sheet total	502.3	401.5	425.7
Return on equity %	8.2%	8.1%	24.3%
Earnings per share, SEK	1.07	1.08	3.15

Definitions of key figures

B3 presents some financial measures that are not defined in accordance with IFRS, called alternative performance measures. B3 considers that these measures provide valuable supplementary information to investors and the company's management, as they enable evaluation of trends and the company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable with those used by other companies. These financial measures should therefore not be regarded as a replacement for measures defined in accordance with IFRS.

Net sales

Definition: The company's revenue during the period. Net sales are measured at the fair value of what has been received or will be received, less discounts.

Sales growth

Definition: The percentage change in net sales in the past period compared with the same period in the previous year.

Use: The key figure is assessed by the company to contribute to understanding of the company's historical development.

Operating profit before depreciation/amortisation and impairment (EBITDA)

Definition: Operating profit for the period before depreciation/amortisation and impairment of property, plant and equipment and intangible assets.

Use: The key figure is reported as it is a commonly used measure of a company's financial performance. The company considers that the key figure contributes to investors' understanding of the company's performance during the period and over time. Put simply, the measure shows the profit generating cash flow in the operations.

Operating margin before depreciation/amortisation and impairment (EBITDA)

Definition: EBITDA in relation to net sales for the same period.

Use: The key figure is reported as it is a commonly used measure of a company's financial performance. The company considers that the key figure contributes to investors' understanding of the company's performance during the period and over time.

Operating profit (EBIT)

Definition: Profit before tax for the period, interest expense, interest income and profit from interests in associated companies (refers to the "financial income" line in the income report).

Use: The key figure is presented to provide a picture of the company's performance generated in operating activities during the period and over time.

Operating margin (EBIT)

Definition: Operating profit in relation to net sales for the same period.

Use: The key figure is presented to provide a picture of the company's performance generated in operating activities during the period and over time. The measure reflects the profitability of the operations. It is useful for monitoring effectiveness of operations before taking tie-up of capital into account. The key figure is used both internally in governance and monitoring of operations and for benchmarking against other companies in the industry.

EBITA

Definition: Operating profit before any impairment of intangible assets.

Equity-assets ratio

Definition: Closing equity including non-controlling interests as a percentage of the balance sheet total.

Use: The company considers that the key figure contributes to investors' understanding of the company's financial position at the close of the period. A sound equity/assets ratio enables preparation for downturns and provides financial preparedness for growth.

Average number of employees

Definition: The number of employees at the start of the period plus the number of employees at the close of the period divided by two. For the full year each quarter's closing balances are added together and divided by the number of quarters.

Use: As the company's costs and revenues are largely dependent on its employees the company considers that the key figure contributes to understanding the company's development.

Average number of co-workers

Definition: The number of co-workers at the start of the period plus the number of co-workers at the close of the period divided by two. For the full year each quarter's closing balances are added together and divided by the number of quarters.

Use: As the company's costs and revenues are largely dependent on its co-workers the company considers that the key figure contributes to understanding the company's development.

Closing number of employees

Definition: Number of employees at the close of the period.

Use: As the company's costs and revenues are largely dependent on its employees the company considers that the key figure contributes to understanding the company's development.

Closing number of co-workers

Definition: The number of employees and the number of associated consultants (who only work for B3) at the close of the period.

Use: As the company's costs and revenues are largely dependent on its co-workers the company considers that the key figure contributes to understanding the company's development.

Balance sheet total

Definition: Total of the company's assets on the balance sheet.

Return on equity

Definition: Profit after tax as a percentage of average equity including non-controlling interests. If the key figure is calculated for a period shorter than one year the result is used for that period. The result is thus not restated as an annual figure. Average equity capital has been calculated as opening balance plus closing balance of equity capital, including non-controlling interests, divided by two.

Use: The company considers that this key figure provides a good picture of the company's historical profitability.

Net debt, excluding impact of IFRS 16 "Leases"

Definition: Interest-bearing short-term and long-term debt (external loans, cars financed via finance leases) less cash and cash equivalents and other interest-bearing assets (blocked funds, deposits).

Borrowings

Definition: Net debt, excluding impact of IFRS 16 "Leases", as a percentage of EBITA.

Use: The measure provides a picture of how fast the company can repay its debts.

Earnings per share

Definition: Profit for the period attributable to the parent company's shareholders net after tax, divided by the average number of outstanding shares in the company.

Use: The company considers that this provides a good picture of the company's performance.

Derivation of certain key figures

SEK million unless otherwise stated	Jan - March		Jan - Dec
	2019	2018	2018
Sales	216.8	183.8	726.3
Increased sales compared with previous year	33.0	34.2	106.6
Sales growth	18.0%	22.9%	17.2%
Operating profit	15.3	14.3	47.1
Depreciation/amortisation and impairment	6.5	1.8	7.0
Operating profit before depreciation/amortisation and impairment EBITDA	21.8	16.1	54.1
Operating profit before depreciation/amortisation and impairment EBITDA	21.8	16.1	54.1
Net sales	216.8	183.8	726.3
Operating margin before depreciation/amortisation and impairment (EBITDA), %	10.1%	8.8%	7.4%
Operating profit EBIT	15.3	14.3	47.1
Operating profit	15.3	14.3	47.1
Net sales	216.8	183.8	726.3
Operating margin (EBIT), %	7.1%	7.8%	6.5%
Operating profit	15.3	14.3	47.1
Impairment loss on intangible non-current assets	0.0	0.0	0.0
Operating profit before depreciation/amortisation EBITA	15.3	14.3	47.1
Equity including non-controlling interests.	135.2	118.9	122.4
Balance sheet total	502.3	401.5	425.7
EQUITY-ASSETS RATIO	26.9%	29.6%	28.8%
Profit after tax	10.6	9.3	28.3
Equity including non-controlling interests opening balance	122.4	110.7	110.7
Equity including non-controlling interests closing balance	135.2	118.9	122.4
Average equity	128.8	114.8	116.6
Return on equity, %	8.2%	8.1%	24.3%
Interest-bearing non-current liabilities excl. IFRS 16	-47.2	-46.5	-48.1
Interest-bearing current liabilities excl. IFRS 16	-40.1	-9.5	-31.4
Cash and cash equivalents	22.2	28.4	22.1
Net debt(-)/Net cash balance(+) excl. IFRS 16	-65.1	-27.6	-57.4
Interest-bearing non-current liabilities*	-86.3	-46.5	-48.1
Interest-bearing current liabilities*	-54.8	-9.5	-31.4
Cash and cash equivalents	22.2	28.4	22.1
Net debt(-)/Net cash balance(+) incl. IFRS 16	-118.9	-27.6	-57.4

*As of 1 January 2019 including interest-bearing liabilities related to IFRS 16, see further Note 1

NOTE 4 SUPPLEMENTARY DISCLOSURES FINANCIAL ASSETS AND LIABILITIES

The financial instruments measured at fair value on the balance sheet constitute a conditional purchase price of SEK 0.0 (11.5) million. The measurement is a valuation on level 3 of the fair value hierarchy.

The fair value of the Group's other financial assets and liabilities, which are not measured at fair value on the balance sheet, are estimated in all material respects to correspond to the carrying amounts.

Level 1: Fair value is determined in accordance with prices quoted in an active market for the same instruments

Level 2: Fair value is determined on the basis of either direct (for example price) or indirect (derived from prices) observable market data that is not included in level 1

Level 3: Fair value is determined on the basis of inputs that are not based on observable market data

NOTE 5 BUSINESS ACQUISITIONS

B3 acquires 60% of the shares in the management consulting company Alenio Consulting AB. Alenio Consulting AB was started in 2014 and has eleven co-workers, with sales of SEK 13.3 million in 2018 and an operating profit of SEK 0.9 million. The acquisition was made through a cash payment of SEK 5.4 million with an option to acquire the remaining business for a purchase price based on Alenio's growth in the next three years.

The acquisition gave goodwill of SEK 7.6 million under the full goodwill method. Goodwill refers mainly to the potential of the market position and profitability of the business.

The company is part of the B3 Group as of January 2019. Alenio's share of sales in the first quarter amounts to SEK 4.2 million, with an operating profit of SEK 0.6 million.

The table below shows the purchase price paid and acquired identifiable assets and liabilities at the time of acquisition.

On 1 January 2019 B3 acquires the remaining 50% of B3 Cyber Security AB, which thereby becomes a subsidiary instead of an associated company. B3 Cyber Security was started in July 2017 as an associated company of the B3 Consulting Group.

Alenio Consulting AB		B3 Cyber Security AB	
Fair value of acquired assets		Fair value of acquired assets	
and liabilities, SEK million	100%	and liabilities, SEK million	100%
Non-current assets	0.0	Non-current assets	0.0
Current assets excluding cash		Current assets excluding cash	
	3.5		1.3
Cash and bank balances including current investments	0.6	Cash and bank balances including current investments	1.1
Liabilities	-2.7	Liabilities	-2.0
Net identifiable assets and liabilities	1.4	Net identifiable assets and liabilities	0.4
Purchase price	5.4	Purchase price	2.1
Minority share, fair value	3.6	Fair value of identifiable net assets	0.4
Fair value of identifiable net assets	1.4	Goodwill	1.7
Goodwill	7.6		
		Impact of the acquisition on the Group's cash and cash equivalents	
Impact of the acquisition on the Group's cash and cash equivalents		Cash consideration paid	0.0
Cash consideration paid	-5.4	Cash and cash equivalents in acquired subsidiaries	1.1
Cash and cash equivalents in acquired subsidiaries	0.6	Impact on the Group's cash and cash equivalents on acquisition	1.1
Impact on the Group's cash and cash equivalents on acquisition	-4.8		

NOTE 6 TRANSACTIONS WITH RELATED PARTIES

None of the shareholders, board members, senior management or related parties of B3 Consulting Group AB (publ) have had any direct or indirect participation in any business transactions with the company that are or were unusual by their nature or in terms of their conditions. Nor has the company granted loans, issued guarantees or surety bonds to or for the benefit of any of the shareholders, board members, senior management or related parties. Agreements on services with related parties, including associated companies, are on a commercial basis. No transactions that have had a material impact on the Group's financial position and performance have taken place between B3 Consulting Group AB (publ) and related parties.

In connection with the acquisition of Sentensia Q AB in July 2017 it was agreed that a supplementary purchase price would be paid after adoption of the 2017 and 2018 annual reports. The total purchase price is based on the acquired company's performance in 2017 and 2018. In 2018 B3 Sentensia performed better than expected and the supplementary purchase price for 2018 totalled SEK 8 million, SEK 1.5 million of which is charged to the Group's operating profit for the first quarter of 2019. Payment of the last supplementary purchase price will take place on 1 April 2019.

In accordance with a resolution passed by the Annual General Meeting on 15 May 2018, on 14 January 2019 the B3 Consulting Group AB (publ) sold 100 per cent of the wholly-owned subsidiary B3 Digital Xperience AB to the subsidiary Rebel & Bird AB. B3 Consulting Group AB (publ) owns 51 per cent of Rebel & Bird.

NOTE 7 SEASONAL VARIATIONS

In general the first and second quarters have a relatively even work rate. The third quarter includes most of the holiday period and the fourth quarter is the most work-intensive. The number of working days in the first quarter of 2019 was 63, compared with 63 in the same period of the previous year.