



# Fouriertransform

Interim Report  
Q3, 2011

## Interim Report, Q3 2011

“Intense investment activity continues”

### Significant events in the third quarter

- The net result for the quarter was SEK -73.1 million (25.0) excluding unrealized gains in investments in securities of SEK 11.9 million
- The result was affected primarily by an unrealized reassessment of the net asset value of managed mutual funds in the amount of SEK -44.3 million and a write-down of the carrying amount of the portfolio company Effpower of SEK -35.8 million
- The total cash flow was SEK -68.3 million (-38.4), of which investments in portfolio companies accounted for SEK -55.7 million (-8.8) including directly attributable costs
- At the end of the quarter cash and bank balances and investments in securities amounted to SEK 2,592 million (SEK 2,748)
- In September Fouriertransform decided to invest SEK 20.0 million in Pelagicore AB in Gothenburg
- Since its start in 2009 Fouriertransform has approved investments totaling SEK 418 million in twelve companies



### CEO's comments

After relatively strong market growth in the first half of the year with increasing sales volumes for both cars and commercial vehicles, we are now facing great uncertainty about the future. The general economic situation is reminiscent of August and September 2008 when the main issue was whether economic growth would stagnate or continue at a slower rate. The difference today compared to 2008 is that macro has taken over micro, i.e. the inability of nations and politicians to tackle their debt problems is having a very negative effect on demand, willingness to invest and consumer purchasing behavior.

The weak market growth in the summer put Fouriertransform into high gear, arranging numerous meetings and discussing business proposals with both large and small companies. The share of growth companies and mature companies has grown in our portfolio of potential investments. During the summer we increased our focus on smart vehicles and concluded negotiations with Pelagicore in Gothenburg.

The inflow of investment applications remains high and we currently have around 20 ongoing investment prospects of interest.

The weak results for the quarter were mainly due to a dramatic downturn in the stock markets and to the write-down of Effpower AB, a portfolio company that has not reached its product development targets and is now being converted into a consulting company in the energy storage systems area.



Per Nordberg

| Fouriertransform highlights, SEK m                   | Q3 2011 | Q3 2010 | %    | Q1-3 2011 | Q1-3 2010 | %    |
|--|---------|---------|------|-----------|-----------|------|
| Net result for the period                            | -73.1   | 25.0    | -392 | -104.2    | 36.5      | -385 |
| Investments in portfolio companies                   | 55.7    | 8.8     | 533  | 94.5      | 259.7     | -64  |
| Cash flow for the period                             | -68.3   | -38.4   | -    | -133.7    | -211.5    | -    |
| Cash and bank balances and investments in securities | 2,592.2 | 2,748.0 | -6   | 2,592.2   | 2,748.0   | -6   |
| Equity   | 2,908.7 | 3,044.8 | -4   | 2,908.7   | 3,044.8   | -4   |
| Equity/assets ratio                                  | 99.7%   | 99.4 %  | -    | 99.7%     | 99.4 %    | -    |

## Q3, 2011

### Business environment and markets – recovery quickly halted

#### *The Swedish economy weakens*

Despite good domestic conditions, the Swedish economy has not been able to withstand the growing anxiety around the world over the past few months. Forecasting institutions and governments have now lowered their expectations significantly for both the second half of 2011 and for 2012, despite the fact that most sectors of the economy are still growing. The Swedish National Institute of Economic Research (NIER) is expecting growth of only 0.2% per quarter in the second half of 2011 and 1.9% for the whole of 2012. NIER indicates in a worst-case scenario that growth may be significantly lower in 2012 with a predicted GDP growth of 0.5%, mainly due to the risk of an outright recession in the euro zone. The budgetary problems in the US as well as in several large and small euro nations, coupled with the anxiety this has caused in the financial markets, makes growth very difficult to assess in the short term and this is also affecting expectations. The NIER Economic Tendency Survey for September 2011 also indicates fast-growing pessimism among Swedish households, while the confidence indicator for the manufacturing industry and construction activity remained the same from August to September.

According to Bil Sweden, however, automotive sales in Sweden remained strong in September. From January to September, new car registrations were 10.1% higher than the same period the previous year, while the corresponding figure for commercial vehicle registrations was a full 24.4%.

The number of green cars continues to increase and amounted to a share of 45% in September compared to 42.8% in September last year. Diesel vehicles' share of new registrations is also increasing and was at 61% in September compared to 51% in September last year. So far this year, diesel's share is 61% compared to 49% in 2010 according to Bil Sweden. Sales of fuel efficient cars are increasing sharply and the share of cars with carbon dioxide emissions up to 140g/km was 54% in September, compared to 44% in September last year. Registrations of new cars with carbon dioxide emissions up to 120g/km were up by 28% in September.

Production slowed in the Swedish automotive industry in the second quarter of 2011. But production in June was still 15% higher than the same month in 2010. According to the SCB's Industrial Production Index, this growth rate is higher than the rate for industry as a whole.

The major commercial vehicle manufacturers continue to report good sales. In August the Volvo Group, which includes Volvo Trucks, Mack, Renault Trucks, UD Trucks and Eicher, increased its deliveries by 35% compared to the previous year. In the January – August period, deliveries increased by 40%. In Europe, the largest market, the increase during this period was 69%. The Eastern European markets enjoyed the fastest growth with 114%.



Deliveries in North America have also increased significantly, by 86% during the period. In its Q3 report published on October 23, Scania reported a 48% increase in commercial vehicle deliveries during the first six months of the year. The increase in Europe was 66% and in Asia 56%. The figures for buses were not as good due to a sharp decline in Europe, although this was counterbalanced by a 34% increase in Latin America. The total increase in bus deliveries was 3%.

At the end of the quarter there was still uncertainty about the outcome of the reconstruction of Saab and the future involvement in the company of the intended Chinese owners.

#### *Sustained upward trend for commercial vehicles in Europe*

Despite the political and financial problems in the euro zone, the automotive market in Europe as a whole has not yet been affected to the same extent. Although new car registrations fell by 1.3% during the first eight months of the year, the situation was mixed; in August new registrations increased by 8% compared to the previous year and there was expansion in all of the large markets, i.e. Germany, UK, Spain, France and Italy, during that month compared to 2010. Looking at the whole 8-month period, the only countries showing growth out of the larger nations were Germany (11.2%) and France (0.4%).

The recovery for commercial vehicles is continuing. In the EU as a whole, new registrations increased by 12% during the first eight months of the year. This figure includes light, medium and heavy commercial vehicles as well as buses. With the exception of Spain, where new registrations declined by 6%, there was positive development in all of the important markets. In Germany the upswing for the period totaled 23%, closely followed by the UK with 21%. The increase in France was 6%.

In markets outside the EU the macroeconomic outlook is not as troubling as in the euro zone and this is compensating for a broad global decline. This region includes the so-called BRIC nations (Brazil, Russia, India and China) whose economies are expected to grow by between 4% and 7 – 8% this year and in 2012.

In October commercial vehicle manufacturer Scania announced a decline in demand in Europe and the Middle East.

## Fouriertransform in Q3, 2011

### *Fouriertransform offers opportunities*

Interest remains high in Fouriertransform's ability to finance high-potential companies with innovative business concepts. Companies are still finding it hard to secure financing for investments from banks and other players in the market. There are numerous projects and companies in Sweden that meet Fouriertransform's investment criteria, which include innovative products or services with growth potential, attractive underlying markets and dynamic leadership.

Fouriertransform sees good potential to make profitable investments in the Swedish automotive cluster in the future.

### *Fouriertransform's strategic investment areas*

Fouriertransform has identified nine strategic investment areas, three of which have been tagged as the most important ones where the company will actively seek investment objects:

- Sustainable Vehicles – investments in battery technologies, hybrid systems, combustion and engine technology, materials science and energy efficiency enhancing technology.
- Smart Vehicles – intelligent functions in both commercial vehicles and cars based partly on a technology platform in the vehicle, and partly on content services made possible by the platform.
- More Efficient Production – e.g. areas in green production with profitability potential based on growing environmental drivers such as energy efficiency, emissions, re-use and waste.

The selection of focus areas should be viewed from a Swedish perspective, where more sustainable and smarter vehicles as well as more efficient production are particularly attractive due to the strengths that exist in the Swedish automotive cluster.

### *Meetings with companies and potential partners*

During the quarter Fouriertransform continued its fast-paced efforts to identify potential investment objects, partly by evaluating the investment applications it received and partly through Fouriertransform's network of contacts.

Fouriertransform's efforts during the quarter focused on the Smart Vehicles and More Efficient Production investment areas, particularly engineering workshops. Consolidation is needed in mechanical processing and sheet metal processing to strengthen the competitiveness of suppliers. The large metal processing companies have clear goals and plans to follow with respect to their overseas customers, while the smaller companies, reminded of the last crisis, are seeking consolidation opportunities and critical mass to be strong enough to withstand future conditions.

In September Fouriertransform took part in the annual forum in Gothenburg of FKG, the trade association representing Scandinavian suppliers to the automotive industry. The forum addressed issues such as financing of investments and what to do about the current economic anxiety. Numerous meetings were held during the forum between FKG's corporate members.

## Investment activity in Q3, 2011

### *Investment applications*

During the quarter Fouriertransform received around 15 investment applications and rejected 15. Fewer applications were received than in the first and second quarters, which can only be explained by a generally lower level of activity during the summer months. The percentage of growth companies and mature companies in the portfolio of potential investors has increased. Fouriertransform's application portfolio now contains around 50 applications, around 20 of which are under investigation with a view to investment.

#### *New investments*



During the quarter Fouriertransform decided to invest SEK 20.0 million in Pelagicore AB in Gothenburg. SEK 10.4 million of this amount, including directly attributable costs, has been paid out. Pelagicore is a technology and product development company specializing in open source software for infotainment systems in the automotive industry. The company develops and licenses software that reduces the time and cost involved in developing infotainment systems for vehicles. The customers are primarily car manufacturers and their suppliers.

This investment makes Fouriertransform the largest individual minority shareholder with a 30% share of capital and votes.

#### *Follow-up investments*

Fouriertransform has made a follow-up investment in the portfolio company Norstel AB of SEK 45.1 million in the form of a convertible loan. Fouriertransform's share of the company's capital following the investment is 80% and its share of the votes remains the same at 48%.

#### **Significant events relating to the portfolio companies in Q3, 2011**

Effpower AB's development of bipolar lead-acid batteries has not reached the targets that were set and the company is now looking for a way to become a consulting company in the energy storage systems area.

Fouriertransform has invested a total of SEK 47.7 million including directly attributable costs in the company, which is equivalent to the company's carrying amount. 75% of the carrying amount, i.e. SEK 35.8 million, was written down and will affect the results for the quarter.

#### **Financial development in Q3, 2011**

##### *Profit/loss*

The loss for the quarter after tax was SEK -73.1 million. This does not include unrealized gains from fixed income funds of SEK 11.9 million. The main impact on the result was from an unrealized reassessment of the net asset value of managed mutual funds in the amount of SEK -44.3 million and the write-down of the carrying amount of the portfolio company Effpower AB of SEK -35.8 million. Net financial items amounted to SEK -22.1 million and was mainly affected by a write-down of the net asset value of mutual funds.

The company's costs mainly relate to employee benefit expenses and consultancy costs. Interest income of SEK 22.2 million relates mainly to the return on fixed income funds and bonds. Interest expenses of SEK -44.3 million relate in their entirety to mutual fund write-downs.

##### *Cash flow*

The total cash flow during the quarter amounted to SEK -68.3 million, of which investments in portfolio companies accounted for SEK -55.7 million. The company's cash and bank balances and investments in securities, bonds and mutual and fixed income funds amounted to SEK 2,592 million at the end of the quarter.

##### *Equity*

On September 30 Fouriertransform's equity amounted to SEK 2,908.7 million, of which the result for the quarter accounted for SEK -73.1 million.

For further information, please refer to the attached income statement, cash flow statement, balance sheet and statement of changes in equity.

**Fouriertransform's investments as of September 30, 2011**

As of September 30, 2011 Fouriertransform had approved investments in twelve companies: PowerCell Sweden AB, Norstel AB, NovaCast Technologies AB, FlexProp AB, Effpower AB, Alelion Batteries AB, El-Forest AB, Max Truck AB, Applied Nano Surfaces AB, Vicura AB, Jobro Plåtkomponenter AB and Pelagicore AB. The investment in NovaCast Technologies AB has been written off in its entirety and the portfolio as of September 30 therefore consists of eleven active portfolio companies in the automotive industry.

Investments totaling SEK 418 million have been approved, of which a total of SEK 408 million, including directly attributable costs, has been paid out. The sums invested vary between SEK 7 million for Max Truck AB and SEK 150 million for Norstel AB. The investments are mainly focused on the strategic investment areas of Sustainable Vehicles and More Efficient Production.

**Portfolio summary as of September 30, 2011**

|                                 | Location    | Initial investment | Carrying amount (SEK 000s) | % of capital | Ownership |
|---------------------------------|-------------|--------------------|----------------------------|--------------|-----------|
| Powercell Sweden AB             | Gothenburg  | Oct 2009           | 38,461 <sup>1)</sup>       | 19%          | 19%       |
| Norstel AB                      | Norrköping  | Feb 2010           | 150,341                    | 80%          | 48%       |
| FlexProp AB                     | Halmstad    | Feb 2010           | 10,315                     | 37%          | 37%       |
| Effpower AB                     | Gothenburg  | Feb 2010           | 11,937 <sup>2)</sup>       | 19%          | 19%       |
| Alelion Batteries AB            | Nödinge     | June 2010          | 34,987                     | 27%          | 27%       |
| El-Forest AB                    | Sundsvall   | June 2010          | 20,286                     | 36%          | 36%       |
| Max Truck AB                    | Östersund   | July 2010          | 7,583                      | 35%          | 35%       |
| Applied Nano Surfaces Sweden AB | Uppsala     | Dec 2010           | 9,173                      | 27%          | 27%       |
| Vicura AB                       | Trollhättan | Jan 2011           | 10,200                     | 86%          | 86%       |
| Jobro Plåtkomponenter AB        | Ulricehamn  | May 2011           | 12,802                     | 71%          | 45%       |
| Pelagicore AB                   | Gothenburg  | Sept 2011          | 10,442                     | 30%          | 30%       |
| <b>Total</b>                    |             |                    | <b>316,527</b>             |              |           |

<sup>1)</sup> Written down by 25 % in Q4 2010 in the amount of SEK -12.8 million

<sup>2)</sup> Written down by 75 % in Q3 2011 in the amount of SEK -35.8 million

**Fouriertransform's portfolio companies****PowerCell Sweden AB – fuel cell makes electricity from hydrogen**

|                    |                      |   |
|--------------------|----------------------|---|
| Phase              | Start-up             | The company develops and distributes advanced fuel cell systems for the transport industry and certain other high-tech markets. The company, which has its origins in the Volvo Group's fuel cell development project, aims to accelerate the launch of fuel cells on the market through development, production and sales.<br><a href="http://www.powercell.se">www.powercell.se</a> |
| Area               | Sustainable vehicles |   |
| Location           | Gothenburg           |   |
| Initial investment | Oct 2009             |   |
| % if capital       | 19%                  |   |
| % of votes         | 19%                  |   |
| Carrying amount    | SEK 38.5 million     |   |

## NORSTEL<sup>+</sup>

### Norstel AB – new technology for hybrid vehicles

|                    |                      |   |
|--------------------|----------------------|---|
| Phase              | Early stage          | The company develops SiC wafers which are an important component for the successful development and production of green hybrid vehicles. The company's results, combined with a modern development and production facility, provide a good basis for a prompt launch onto the market.<br><i>www.norstel.com</i> |
| Area               | Sustainable Vehicles |   |
| Location           | Norrköping           |   |
| Initial investment | Feb 2010             |   |
| % of capital       | 80%                  |   |
| % of votes         | 48%                  |   |
| Carrying amount    | SEK 150.3 million    |   |



### FlexProp AB – robust low-weight grippers

|                    |                              |   |
|--------------------|------------------------------|---|
| Phase              | Early stage                  | The company specializes in developing and selling lightweight, robust fixtures and grippers in composite materials mainly for the automotive and aircraft industries. Thanks to the company's specialist knowledge of composite materials, it is able to reduce the weight of the products, in some cases to less than a tenth of their current weight.<br><i>www.flexprop.se</i> |
| Area               | More Efficient<br>Production |   |
| Location           | Halmstad                     |   |
| Initial investment | Feb 2010                     |   |
| % of capital       | 37%                          |   |
| % of votes         | 37%                          |   |
| Carrying amount    | SEK 10.3 million             |   |



### Effpower AB – efficient battery for hybrids

|                    |                      |  |
|--------------------|----------------------|--|
| Phase              | Early stage          | The company's business concept is to develop a high power, bipolar lead-acid battery which is recyclable and has a long service life at a cost. Effpower AB is currently looking for a way to become an engineering company within the energy storage systems area.<br><i>www.effpower.com</i> |
| Area               | Sustainable Vehicles |  |
| Location           | Gothenburg           |  |
| Initial investment | Feb 2010             |  |
| % of capital       | 19%                  |  |
| % of votes         | 19%                  |  |
| Carrying amount    | SEK 11.9 million     |  |



### Alelion Batteries AB – energy storage systems for the automotive industry

|                    |                      |   |
|--------------------|----------------------|---|
| Phase              | Early stage          | The company develops, manufactures and markets complete energy storage systems primarily for the automotive industry. The systems are largely based on lithium iron phosphate batteries and are currently used in vehicles such as the electric Fiat 500.<br><i>www.alelion.com</i> |
| Area               | Sustainable Vehicles |   |
| Location           | Nödinge              |   |
| Initial investment | June 2010            |   |
| % of capital       | 27%                  |   |
| % of votes         | 27%                  |   |
| Carrying amount    | SEK 35.0 million     |   |

**EI-Forest AB – forestry machinery using series electric hybrid technology**

|                    |                      |  |
|--------------------|----------------------|--|
| Phase              | Early stage          | <p>The company has developed the world's first forestry machine to use series electric hybrid technology – a technology that offers a number of environmental benefits. The machine is what is known as a forwarder which carries felled logs from the stump to a roadside landing. It is operated by a new concept in machinery in which each individual wheel is driven by electric motors fitted to the wheel axles, reducing fuel consumption, CO<sub>2</sub> emissions and also damage to the forest.</p> <p><a href="http://www.el-forest.se">www.el-forest.se</a></p> |
| Area               | Sustainable Vehicles |  |
| Location           | Örnsköldsvik         |  |
| Initial investment | June 2010            |  |
| % of capital       | 36%                  |  |
| % of votes         | 36%                  |  |
| Carrying amount    | SEK 20.3 million     |  |

**Max Truck AB – electric forklift offering unique maneuverability**

|                    |                      |   |
|--------------------|----------------------|---|
| Phase              | Start-up             | <p>The company is developing an electric forklift that can maneuver in all four directions from a stationary position and rotate around its own axis. The forklift therefore requires significantly less space than a conventional one. The distances it travels are much shorter and warehouse space can be utilized more efficiently.</p> <p><a href="http://www.maxtruck.se">www.maxtruck.se</a></p> |
| Area               | Sustainable Vehicles |   |
| Location           | Östersund            |   |
| Initial investment | July 2010            |   |
| % of capital       | 35%                  |   |
| % of shares        | 35%                  |   |
| Carrying amount    | SEK 7.6 million      |   |



Applied Nano Surfaces

**Applied Nano Surfaces Sweden AB – unique technology for reduced friction losses**

|                    |                              |  |
|--------------------|------------------------------|--|
| Phase              | Early stage                  | <p>The company has developed unique technology for creating surface coatings with properties that reduce friction and wear on steel and cast iron surfaces in mechanical systems. Applied Nano Surfaces' technology enables large-scale industrial production of coated components at a fraction of the cost of equivalent coatings.</p> <p><a href="http://www.appliednanosurfaces.com">www.appliednanosurfaces.com</a></p> |
| Area               | More Efficient<br>Production |  |
| Location           | Uppsala                      |  |
| Initial investment | Dec 2010                     |  |
| % of capital       | 27%                          |  |
| % of votes         | 27%                          |  |
| Carrying amount    | SEK 9.2 million              |  |



#### Vicura AB – SAAB's transmission developers

|                    |                      |  |
|--------------------|----------------------|--|
| Phase              | Early stage          | <p>Vicura is a spin-off of the transmissions development department built up at Saab while under the ownership of GM. The new standalone company provides consulting services in the area of transmission systems for the international automotive industry.</p> <p><a href="http://www.vicura.se">www.vicura.se</a></p> |
| Area               | Sustainable Vehicles |  |
| Location           | Trollhättan          |  |
| Initial investment | Jan 2011             |  |
| % of capital       | 86%                  |  |
| % of votes         | 86%                  |  |
| Carrying amount    | SEK 10.2 million     |  |



#### Jobro Plåtkomponenter AB – full service supplier of complex sheet metal parts

|                    |                           |   |
|--------------------|---------------------------|---|
| Phase              | Expansion                 | <p>The company manufactures and sells prototypes and short production runs of complex sheet metal parts for the engineering industry, focusing on the automotive industry. The company is a full service supplier with in-depth knowledge of materials science, tool making and production engineering.</p> <p><a href="http://www.jobro.se">www.jobro.se</a></p> |
| Area               | More Efficient Production |   |
| Location           | Ulricehamn                |   |
| Initial investment | May 2011                  |   |
| % of capital       | 71%                       |   |
| % of votes         | 45%                       |   |
| Carrying amount    | SEK 12.8 million          |   |



#### Pelagicore AB – technology and product development for infotainment systems

|                    |                  |   |
|--------------------|------------------|---|
| Phase              | Start-up         | <p>Pelagicore is a technology and product development company specializing in open source software for infotainment systems in the automotive industry. The company develops and licenses software that reduces the time and cost involved in developing infotainment systems in vehicles. Its customers are primarily car manufacturers and their suppliers.</p> <p><a href="http://www.pelagicore.com">www.pelagicore.com</a></p> |
| Area               | Smart Vehicles   |   |
| Location           | Gothenburg       |   |
| Initial investment | Sept 2011        |   |
| % of capital       | 30%              |   |
| % of votes         | 30%              |   |
| Carrying amount    | SEK 10.4 million |   |

**Accounting policies**

This interim report was prepared in accordance with the Annual Accounts Act and based on NASDAQ OMX Stockholm's Rule Book for Issues and the Guidelines for External Reporting by State-Owned Companies

Investments in portfolio companies have been measured at the lower of the acquisition cost, including costs directly attributable thereto, and an assessed fair value.

Investments in securities exclude any unrealized gains.

**Risks and uncertainties**

Significant risks and uncertainties pertaining to the company are described in the Directors' Report in the 2010 Annual Report.

**Credit facilities**

Fouriertransform AB has no utilized credit facilities.

**Related party transactions**

No transactions that significantly affected the company's financial position or earnings have taken place between Fouriertransform and related parties.

**Fouriertransform in brief**

Fouriertransform AB was founded in December 2008 following a parliamentary resolution and was capitalized with equity of around SEK 3 billion. The company commenced operations in 2009.

Fouriertransform is a state-owned venture capital company tasked with increasing the international competitiveness of the Swedish automotive cluster on a commercial basis. Investments are made in enterprises that will enable the Swedish automotive industry to enhance its position and with a strong profile within the areas of the environment and safety.

For further information, please see Fouriertransform's website [www.fouriertransform.se](http://www.fouriertransform.se)

Stockholm, October 25, 2011



Per Nordberg  
Chief Executive Officer

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**Financial calendar 2011**

Q4 interim report and year-end report

Feb. 10, 2012

**Appendices**

Income statement, cash flow statement,  
balance sheet and statement of changes in equity

## Income statement

| Income statement,<br>SEK 000s                  | Q3<br>2011             | Q3<br>2010    | %           | Q1-3<br>2011          | Q1-3<br>2010   | %           |
|--|------------------------|---------------|-------------|-----------------------|----------------|-------------|
| <b>Investment activities</b>                   |                        |               |             |                       |                |             |
| Write-down of portfolio companies              | -35,810                | -             | -           | -80,012               | -              | -           |
| Other operating income                         | 4                      | 30            | -87         | 4                     | 30             | -87         |
| <b>Profit/loss from investment activities</b>  | <b>-35,806</b>         | <b>30</b>     | <b>-</b>    | <b>-80,008</b>        | <b>30</b>      | <b>-</b>    |
| <b>Operating expenses</b>                      |                        |               |             |                       |                |             |
| Other external expenses                        | -5,893                 | -3,145        | -87         | -16,382               | -14,846        | -10         |
| Employee benefit expenses                      | -6,461                 | -4,631        | -40         | -20,086               | -12,237        | -78         |
| Depreciation of property, plant and equipment  | -201                   | -84           | -           | -536                  | -176           | -           |
| Total operating expenses                       | -12,555                | -7,860        | -60         | -37,004               | -27,259        | -36         |
| <b>Operating loss</b>                          | <b>-48,361</b>         | <b>-7,830</b> | <b>-518</b> | <b>-117,012</b>       | <b>-27,229</b> | <b>-330</b> |
| <b>Profit/loss from financial items</b>        |                        |               |             |                       |                |             |
| Interest income and similar profit/loss items  | 22,237                 | 37,366        | -40         | 64,629                | 76,083         | -15         |
| Interest expense and similar profit/loss items | -44,346, <sup>1)</sup> | -             | -           | -44,655 <sup>1)</sup> | -              | -           |
| Total profit/loss from financial items         | -22,109                | 37,366        | -159        | 19,974                | 76,083         | -74         |
| <b>Profit/loss after financial items</b>       | <b>-70,470</b>         | <b>29,536</b> | <b>-339</b> | <b>-97,038</b>        | <b>48,854</b>  | <b>-299</b> |
| Tax on profit/loss for the period              | -2,682 <sup>2)</sup>   | -4,513        | -           | -7,161 <sup>2)</sup>  | -12,365        | -           |
| <b>Net profit/loss for the period</b>          | <b>-73,152</b>         | <b>25,023</b> | <b>-392</b> | <b>-104,199</b>       | <b>36,489</b>  | <b>-386</b> |

<sup>1)</sup> Relates mainly to write-down of mutual funds of SEK -44.3 million

<sup>2)</sup> After reversal of write-down of mutual funds and write-down of portfolio company

## Cash flow statement

| Cash flow statement, SEK 000s  | Q3<br>2011            | Q3<br>2010           | Q1-3<br>2011         | Q1-3<br>2010         |
|--|-----------------------|----------------------|----------------------|----------------------|
| <b>Operating activities</b>  |                       |                      |                      |                      |
| Operating loss before financial items  | -48,361               | -7,830               | -72,810              | -27,229              |
| Depreciation and write-downs   | 36,012                | 84                   | 36,346               | 175                  |
| Interest received and paid on investments in securities etc.                       | 2,878                 | 2,249                | 21,765               | 83,663               |
| Corporation tax paid   | -                     | -657                 | -                    | -5,756               |
| Interest paid and similar profit/loss items  | -                     | -                    | -4                   | -                    |
| Increase/decrease in trade receivables   | -5                    | -37                  | 78                   | -37                  |
| Increase/decrease in other current receivables                                     | -1,012                | -2,019               | 14,462               | -4,237               |
| Increase/decrease in accounts payable  | -1,739                | -729                 | -2,424               | 2,446                |
| Increase/decrease in other current operating liabilities                           | -428                  | -20,464              | -34,891              | 989                  |
| <b>Cash flow from operating activities</b>   | <b>-12,655</b>        | <b>-29,403</b>       | <b>-37,478</b>       | <b>50,014</b>        |
| <b>Investment activities</b>   |                       |                      |                      |                      |
| Investments in property, plant and equipment                                       | -51                   | -181                 | -1,572               | -1,822               |
| Investments in portfolio companies   | -55,668               | -8,786               | -94,481              | -259,660             |
| Disposal of portfolio companies  | 60                    | -                    | 144                  | -                    |
| Exchange rate differences on receivables from portfolio companies                  | -                     | -                    | -307                 | -                    |
| <b>Cash flow from investment activities</b>  | <b>-55,659</b>        | <b>-8,967</b>        | <b>-96,216</b>       | <b>-261,482</b>      |
| <b>Financing activities</b>  |                       |                      |                      |                      |
| New share issue  | -                     | -                    | -                    | -                    |
| <b>Cash flow from financing activities</b>   | <b>-</b>              | <b>-</b>             | <b>-</b>             | <b>-</b>             |
| <b>Cash flow for the period</b>  | <b>-68,288</b>        | <b>-38,370</b>       | <b>-133,695</b>      | <b>-211,468</b>      |
| <b>Cash and bank balances and investments in securities at beginning of period</b> | <b>2,686,082</b>      | <b>2,751,788</b>     | <b>2,728,813</b>     | <b>2,964,567</b>     |
| Cash flow for the period   | -68,288               | -38,370              | -133,695             | -211,468             |
| Other increase/decrease in carrying amount   | -25,625 <sup>1)</sup> | 34,636 <sup>1)</sup> | -2,949 <sup>1)</sup> | -5,045 <sup>1)</sup> |
| <b>Cash and bank balances and investments in securities at end of period</b>       | <b>2,592,169</b>      | <b>2,748,054</b>     | <b>2,592,169</b>     | <b>2,748,054</b>     |

<sup>1)</sup> Write-down and reversal of write-down of net asset value of fixed income and mutual funds

## Balance sheet and statement of changes in equity

| Balance sheet, SEK 000s              | Sept 30, 2011    | Sept 30, 2010    | Dec 31, 2010     |
|--------------------------------------|------------------|------------------|------------------|
| <b>Assets</b>                        |                  |                  |                  |
| <b>Non-current assets</b>            |                  |                  |                  |
| <b>Property, plant and equipment</b> |                  |                  |                  |
| Equipment                            | 3,212            | 1,678            | 2,175            |
| <b>Financial fixed assets</b>        |                  |                  |                  |
| Investments in portfolio companies   | 316,527          | 303,606          | 300,866          |
| Other non-current receivables        | 367              | 366              | 367              |
| <b>Total non-current assets</b>      | <b>320,106</b>   | <b>305,650</b>   | <b>303,408</b>   |
| <b>Current assets</b>                |                  |                  |                  |
| <b>Current receivables</b>           |                  |                  |                  |
| Trade receivables                    | 42               | 37               | 120              |
| Other current receivables            | 20               | 49               | 10,056           |
| Prepaid expenses and accrued income  | 4,951            | 8,622            | 9,244            |
| <b>Investments in securities</b>     |                  |                  |                  |
| Investments in securities            | 2,586,174        | 2,742,235        | 2,695,244        |
| Cash and bank balances               | 5,995            | 5,819            | 33,569           |
| <b>Total current assets</b>          | <b>2,597,182</b> | <b>2,756,762</b> | <b>2,748,233</b> |
| <b>Total assets</b>                  | <b>2,917,288</b> | <b>3,062,412</b> | <b>3,051,641</b> |
| <b>Equity and liabilities</b>        |                  |                  |                  |
| <b>Equity</b>                        |                  |                  |                  |
| <b>Restricted equity</b>             |                  |                  |                  |
| Share capital                        | 3,000,100        | 3,000,100        | 3,000,100        |
| <b>Non-restricted equity</b>         |                  |                  |                  |
| Profit brought forward               | 12,782           | 8,256            | 8,256            |
| Net profit for the period            | -104,199         | 36,489           | 4,526            |
| <b>Total equity</b>                  | <b>2,908,683</b> | <b>3,044,845</b> | <b>3,012,882</b> |
| <b>Current liabilities</b>           |                  |                  |                  |
| Accounts payable                     | 1,125            | 3,448            | 3,549            |
| Current tax liability                | 2,232            | 10,572           | 3,578            |
| Other current liabilities            | 2,305            | 794              | 27,950           |
| Accrued expenses                     | 2,943            | 2,753            | 3,682            |
| <b>Total current liabilities</b>     | <b>8,605</b>     | <b>17,567</b>    | <b>38,759</b>    |
| <b>Total equity and liabilities</b>  | <b>2,917,288</b> | <b>3,062,412</b> | <b>3,051,641</b> |
| Pledged assets                       | None             | None             | None             |
| Contingent liabilities               | None             | None             | 2,500            |

| Statement of changes in equity, SEK 000s | Share capital    | Other non-restricted equity | Total equity     |
|--|------------------|-----------------------------|------------------|
| Equity Dec 31, 2010                      | 3,000,100        | 12,782                      | 3,012,882        |
| Profit/loss for the period               | –                | -104,199                    | -104,199         |
| <b>Equity Sept 30, 2011</b>              | <b>3,000,100</b> | <b>-91,417</b>              | <b>2,908,683</b> |

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