



SVOLDER

INTERIM REPORT 2011/2012

Interim period: 1st September 2011–29th February 2012 (6 months). Current reporting period: 1st December 2011–29th February 2012 (3 months)



»Both the listed price and the net worth rose dramatically, even exceeding developments on the Swedish stock exchange and the small cap market.»

RESULT FOR THE INTERIM PERIOD

6 months

- The company posted a result for the period (6 months) of **SEK 72,3** million (SEK 165.5 m), corresponding to **SEK 5,70** (SEK 12,90) per share.
- The net worth rose by **8,6%**, adjusted for dividends, to **SEK 68,00** per share.
- The listed price of the class B share decreased by **0,7%**, adjusted for dividends, to **SEK 57,75** per share.
- The closing discount on net worth was **15,1%**.



RESULT FOR THE CURRENT REPORTING PERIOD

3 months

- The company posted a result for the period (months) of **SEK 124,5** million (SEK 51,8 m), corresponding to **SEK 9,70** (SEK 4,10) per share.
- The net worth rose by **16,7%**, to **SEK 68,00** per share.
- The listed price of the class B share increased by **17,9%**, to **SEK 57,75** per share.



15TH MARCH 2012

- The net worth was **SEK 69** per share and the listed price was **SEK 58**.

Major contributors to the net worth (3 months)

- + Positive: Nolato, HiQ and Beijer Alma
- Negative: MTG

Major changes in the equities portfolio (3 months)

- + Bought: MTG, Hakon Invest and JM
- Sold: Beijer Alma, AAK and Orc Group

THE MANAGING DIRECTOR'S COMMENTS



DEAR SHAREHOLDER,

It has been an excellent quarter for Svolder. Both the listed price and the net worth rose dramatically, even exceeding developments on the Swedish stock exchange and the small cap market. The improved stock exchange situation also enabled more portfolio changes than earlier in the financial year, as convertibility was low. Acquisitions were largely made in what, for Svolder, are relatively large companies. The purchases were made only after sales of smaller liquid companies had proven possible. Therefore, no borrowing needed to be utilised. The strong keenness to pay dividends among the portfolio companies, combined with Svolder's good financial position, means that the cash flow is strong for the coming period, enabling acquisitions should interesting investment opportunities present themselves.

The shares that saw the worst development in 2011 have in most cases enjoyed a good start to 2012. This is normal in connection with a steady rise on the stock market. However, as time passes quality criteria such as organic growth, stable high operating margins, financial strength and dividend growth tend to be increasingly valued by investors. Moreover, the generally weak conditions in the wider market in 2012 and 2013 are not ideal for companies in a turnaround phase.

Small cap shares – an interesting market niche

Management and analysis will therefore focus particularly on companies with the above-mentioned qualitative characteristics, and to a somewhat larger extent also on more liquid small companies. This does not mean, however, that we will stop monitoring companies with market values of one or several billion Swedish kronor. History has taught us that analysts at large portfolio management companies and investment banks do not have the resources to monitor these companies in any depth. This phenomenon is even more pronounced in times of

savings and cutbacks in the financial industry. This presents opportunities for companies like Svolder. With fixed management capital, a well-established analysis and management mindset, and a clear business concept focused on investment in Swedish small and medium-sized listed companies, Svolder has an important role to play on the market.

Valuation paradoxes among shares and government bonds

In its latest annual report and interim report, Svolder has strongly advocated shares as a form of long-term saving. The established business model, strong financial position and low valuation of many companies have made their shares a highly interesting investment option, particularly in relation to products on the money and bond markets.

However, unfortunately the high volatility and weak 21st century to date have dissuaded shareholders from direct share ownership, but also indirect ownership via funds and investment companies, for instance. There is something not quite right on the stock market when companies' profits are tending to rise, but they are being valued lower and lower by the market while interest rate levels fall. High volatility on the stock market raises investors' return requirements. Ought long-term investments not be based on return requirements over longer periods and with normalised price fluctuations? Company profits are generated over long periods, and in my opinion share valuation ought therefore be linked to long-term capital yield.

One explanation for the volatility is that authorities around the world demand that life companies in a low interest rate situation increase their proportion of interest rate investments at the expense of shares, a situation known by some as the 'death spiral'. Ironically though,

it is fairly true to say that when life company representatives during a stock market decline tell proudly of their dramatic decrease in shareholdings in favour of interest-bearing instruments, we all know that the mood on the stock exchange will soon be due for an upswing. Long-term investments should not need to be valued on daily prices in a troubled financial world, where stock exchange robots and the media also play their part in strengthening the short-term trends. In times of trouble, capital is needed to reduce turbulence and counteract unhealthy stock exchange hysteria. Because the risk in life and pension saving is increasingly being transferred to individuals, who can also quickly rearrange their assets thanks to the internet and altered regulations, the life companies no longer have the settling role they used to.

Volatile relative net worth trend

Svolder's good development during the last quarter is countered by a weak 2011. In previous reports we have mentioned various explanations, and also emphasised that Svolder's 'stock picking' portfolio strategy occasionally leads to major deviations from comparison indices. However, over long periods both Svolder's and the small cap market's net worth trend tends to be good.

Total return, % on 29/2 2012

	1 year 1/3 2011– 29/2 2012	3 years 1/3 2009– 29/2 2012	5 years 1/3 2007– 29/2 2012
Svolder¹⁾			
Svolder; net worth	-9	94	14
Share price (class B)	-8	112	13
Share market index			
CSRX	2	117	12
SIXRX	0	94	11

Source: Morningstar, Svolder and SIX

¹⁾Total return is calculated using comparable methods to reinvestment indices and large investment companies, i.e. including reinvested dividends.

Relative excess return on net worth in percentage points on 29/2 2012

	1 year 1/3 2011– 29/2 2012	3 years 1/3 2009– 29/2 2012	5 years 1/3 2007– 29/2 2012
Share market index			
CSRX	-11	-23	2
SIXRX	-9	0	4

Rise has decreased potential

In recent months investors have shaken off their main worries about a Europe in financial crisis, the political bewilderment in the US and weakened growth in Southeast Asia. Despite the upswing, shares remain of great interest as a long-term option compared to other types of investment. From a medium-term perspective however, companies' profit development is vital to a continued rise on the stock market. Unfortunately, it is hard to imagine companies' profits developing particularly strongly in 2012, and probably also in 2013. At the same time, strong finances enable a high dividend ratio, which is a foundation for share valuation.

The main rise on the stock exchange in 2012 has probably already occurred, after just two months.



Svolder is setting its stock exchange expectations at a level on a par with an assessed annual return requirement of just under 10 per cent, including dividends received. Uncertain situations with public finances and weak growth can engender serious concern on the capital market at times. However, it can also be noted that these factors are today well known to the investor collective and should therefore likewise be discounted in the asset prices. A continued low interest rate situation and improved access to liquidity in the banking system are favourable for asset prices, but it is important that long-term positive effects are also achieved in the growth of different countries, and that restorative structures in particular on the labour markets are opened up. Otherwise all that has happened is that more liquidity has been pumped into national finances, which in the long run could once again have a serious impact on financial stability. The perceived security of government bonds, while the risks in the stock markets appear to be exaggerated, could prove costly for many investors.

Yours faithfully

ULF HEDLUNDH
Managing Director

MARKET COMMENTARY

The current reporting period of 1st December 2011–29th February 2012 was characterised by lower volatility and dramatically rising stock exchanges worldwide. This development should be seen from the perspective of a very turbulent summer and autumn in 2011. Various forms of action programmes within the EU, the European Central Bank (ECB) and from international financial support organisations have jointly served to calm players on the capital markets, restoring confidence in the European banking system and in stock, currency and interest rate markets. The ECB's three-year financing programme for various banks, known as the LTRO (Long Term Refinancing Operation) has been particularly significant.

Growth expectations around the world have continued to decline apart from in the US, where various indicators have recently exceeded the markets' expectations. However, the weak growth has been well discounted by the markets, and the results have been less alarming than the most pessimistic assumptions.

The Swedish stock market rose by almost 14 per cent (SIX-RX) and the small cap market (CSRX) by a further one percentage point. The World Index (MSCI), measured in SEK, rose by around 7 per cent. The Swedish stock exchange has therefore once again shown that it is considerably more volatile than the world's stock exchanges collectively.

Bond interest rates in states such as the US, UK, Sweden and Germany were relatively stable, while in previously troubled countries they suffered a setback. However, there are still considerable differences between different EMU countries. Interbank interest rates have fallen.

The Swedish krona has risen around 3 per cent against both the US dollar and the euro.

Raw material prices have risen once again. Several industrial metals, and oil, have noted price increases of 10 per cent or more (USD). The price of gold has fallen slightly.



SHARE PRICE TRENDS

The closing price for Svolder's class B share was SEK 57.75, corresponding to an increase during the current reporting period of 17.9 per cent. The share's value on the closing day represented a discount of 15.1 per cent on its net worth. The class B share was traded on all of the trading days during the period, with an average of approximately 12,000 shares traded on each day of trading.

Trading in Svolder's class A share was traded on only 14 per cent of all the trading days during the current reporting period. Under the terms of Svolder's Articles of Association, class A shareholders wishing to convert class A shares into class B shares may do so by application to the Board of Svolder.

Total return, per cent

	Rolling		
	3 months 1/12 2011– 29/2 2012	6 months 1/9 2011– 29/2 2012	12 months 1/3 2011– 29/2 2012
Share price (class B) ¹⁾	17.9	-0.7	-8.9
Net worth ¹⁾	16.7	8.6	-9.9
CSRX ²⁾	14.9	16.5	2.2
SIXRX ²⁾	13.7	14.8	0.1

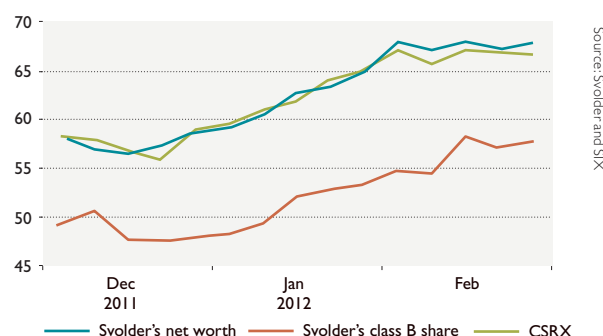
¹⁾ Svolder – including dividends paid during the period, not reinvested.

²⁾ Index – including reinvested dividends.

CHANGE IN NET WORTH

Svolder's closing net worth was SEK 68.00 per share, which represents an increase during the current reporting period of 16.7 per cent. This figure is 1.8 percentage points better than the development of the small cap index. The positive deviation is particularly attributable to the strong development of the large portfolio holdings in Nolato and HiQ, and to the absence of real estate stock in the portfolio.

Svolder (SEK per share) and CSRX 3 months



Svolder's equities portfolio is not an index portfolio: investment decisions are, instead, based on valuation of the individual shares. A certain strategic focus on individual sectors based on macroeconomic factors complements the share evaluation. The portfolio's results in relation to benchmark indices can, therefore, differ substantially between different accounting periods.

Net worth trend, 3 months

	SEKm	SEK/share
Net worth, 30th November 2011	746.0	58.30
Equities portfolio		
Opening value	752.8	58.80
Purchase of shares	202.6	
Sale of shares	-201.6	
Change in value, equities portfolio	128.8	10.10
Closing value	882.7	69.00
Net debt		
Opening value	-6.9	-0.50
Administrative costs	-4.3	
Net financial items	0.0	
Purchase of shares, net	-1.0	-0.40
Closing value	-12.2	-1.00
Net worth, 29th February 2012	870.5	68.00

The largest contributor to net worth during the current reporting period was **Nolato**. The share price was under great pressure in autumn 2011. When the end-of-year accounts indicated a result in line with expectations and a high dividend ratio, the share price rose. There remains

great uncertainty surrounding the future profitability of the Telecom business area, but it is expected to develop far better in 2012 than the previous year. Business area Medical's share of the group is growing, which entails higher, more stable profitability. The valuation is still considered attractive, also after the rise in share price.

IT consultancy HiQ reported strong results for the fourth quarter of 2011 as well as a high dividend ratio. HiQ continues to report high operating margins for the industry. The share price rose accordingly and the holding became a strong contributor to net worth.

The development of Beijer Alma's share price was slightly below the stock exchange during the current reporting period. However, as the holding was such a large part of the portfolio, the share was a strong contributor to net worth. Profits for the fourth quarter were slightly worse than expected. Developments in Lesjöfors were a positive surprise, while Habia and Beijer Tech were weaker than anticipated. Due to the size of the holding in Svolder's equities portfolio and a strong price development, Svolder's holding in Beijer Alma has decreased.

The considerable portfolio holding in Beijer Electronics was among the best contributors to net worth during the quarter, even though the price growth was below CSRX. The group is in a phase of expansion. Offices have recently been opened in Brazil and India to drive sales and support local customers. However the biggest business area, operator terminals in HMI, reported a weak end to 2011. While the other two business areas are developing well, there is uncertainty regarding how quickly HMI will start rising again. Svolder decided to reduce its holding in Beijer Electronics during the three-month period.

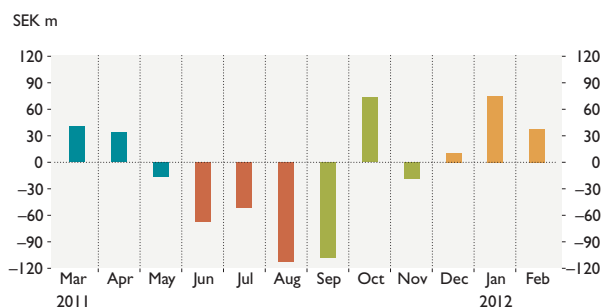
Biggest contributors to changes in net worth 1st December 2011–29th February 2012 (3 months)

(Based on net worth of SEK 746.0 million or SEK 58.30/share on 30th November 2011)

	SEK m	SEK/share
Nolato	28.3	2.20
HiQ	24.8	1.90
Beijer Alma	18.6	1.50
Beijer Electronics	10.9	0.90
XANO	7.4	0.60
Orc Group	7.2	0.60
AAK	6.1	0.50
Nobia	5.8	0.50
Saab	5.6	0.40
Hakon Invest	5.3	0.40
Total ten positive	120.0	9.40
Other shares	8.8	0.70
Shares, total	128.8	10.10
Other	-4.3	-0.30
Change in value	124.5	9.70

Change in net worth in SEK million per month (12 months)

Excluding dividends of SEK 42.2 million (SEK 3.30 per share) paid in November 2011

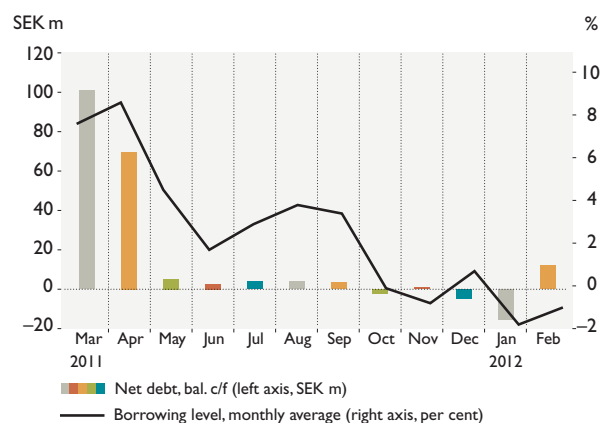


BORROWING

The net debt, which also includes the share trading's unliquidated transactions etc., totalled SEK 12.2 million on the closing day, corresponding to 1.4 per cent of the company's net worth and equities portfolio.

Svolder's net worth trend is primarily determined by the equities portfolio's results. The portfolio's performance can be compared with that of a benchmark index, such as CSRX or SIXRX, but can also be assessed on the basis of long-term absolute required returns. Borrowing strengthens the result because the value of the equities portfolio then exceeds that of the net worth. This leverage effect, as it is known, can be both positive and negative. For the majority of the current reporting period, the equities portfolio has not been pledged.

Net debt and borrowing level, 12 months



THE EQUITIES PORTFOLIO

Shares were acquired for a total of SEK 202.6 million (gross) during the current reporting period. Shares for a gross amount of SEK 201.6 million were sold during the corresponding period, and net purchases hence totalled SEK 1.0 million.

Hakon Invest, **MTG**, **Nobia** and **Transmode** were new holdings during the three-month period, while all shares in **AAK**, **ORC Group** and **Unibet** were sold. On the closing day, the portfolio thus comprised 14 holdings.

Major net purchases for the equities portfolio (3 months) 1st December 2011–29th February 2012

Share	Number	SEK m	SEK/share ¹⁾
MTG	221 000	73.5	332.40
Hakon Invest	390 731	39.5	101.20
JM	279 050	33.3	119.30
Nobia	802 856	20.8	26.60
Transmode	242 522	18.1	74.60

¹⁾ The purchase price per share is arrived at on the basis of the aggregate purchase price for all shares of the same class acquired during the period.

Hakon Invest is an investment company in which the holding of 40 per cent in ICA AB comprises virtually the entire value. In addition Hakon Invest has smaller investments in retail-oriented companies in the Nordic region, including Kjell & Company, Cervera and Hemtex. In 2011 the ICA Group, excluding capital gains and write-downs, delivered its best operating profit ever, and that while the grocery market was weak. Looking forward, there are great opportunities for further increasing profitability. ICA Sweden has a strong market position and a profitability among the highest in Europe, even though the 2011 figures were burdened for instance by costs for the newly started Cura pharmacy and temporarily higher costs for logistics. The Baltic operation is also showing good development. For ICA Norway, the problem child of recent years, the management is now announcing powerful measures to turn the operation around and start making a profit. Low valuation, strong finances, a high dividend and the improvement potential in ICA AB are behind the decision to invest in Hakon Invest.

Share price development for **MTG** has been weak during the current reporting period. The Q4 interim report in 2011 was burdened by various one-off effects primarily attributable to previously announced write-downs of the operation in Bulgaria. Adjusted for these items, the results were in line with analysts' expectations. At the same time, the management's comments in the interim report suggested that the outlook for the quarters to come could be below analysts' expectations. Free-to-air TV in Scandinavia has seen declining viewing figures in 2011, and the uncertainty regarding the short-term development of the advertising market remains. **MTG** has announced higher investments in programme content to improve view-

ing figures. As we see it, the potential of the structural growth in the Scandinavian commercial TV market continues to be more important in the long term, along with stronger market positions in free-to-air TV in Eastern Europe and the strong customer intake in pay TV in Eastern Europe.

Svolder increased its shareholding in housing development company **JM** during the current reporting period. We stand by the assessment that **JM's** valuation is very low based on expected profit for a normal year.

Shares were acquired in kitchen manufacturer **Nobia**. The company has been restructuring and refining its operation over a period of time in order to achieve its target operating margin of 10 per cent. While this internal process is under way, economic conditions in continental Europe and the UK have weakened. The results were still low in 2011 and the share price reported weak development. In **Svolder's** opinion, the valuation is low based on a long-term normalised result. If the set margin target is achieved, the share price potential is considerable.

Technology company **Transmode** supplies optical network solutions which help fixed and mobile network operators manage their capacity requirements cost effectively. These requirements are growing constantly as a result of rapid growth in video and data traffic. The technology makes it possible to transfer large quantities of data over existing networks, which means customers can increase their capacity without having to invest in new optical fibre. The Nordic countries, the UK, Germany and the US are important markets. The operation has developed well since it was listed on the stock exchange in May 2011. Last year **Transmode** increased its market shares and sales rose by more than 30 per cent. The board also unexpectedly proposed a dividend of SEK 1.50 per share. In light of the company's good growth prospects and financial position, the share is, in **Svolder's** opinion, attractively valued.

Major net sales from the equities portfolio (3 months) 1st December 2011–29th February 2012

Share	Number	SEK m	SEK/share ¹⁾
Beijer Alma	468 355	57.1	122.00
AAK	248 504	50.2	202.10
Orc Group	350 000	28.1	80.40
Unibet	160 000	25.5	159.20
Beijer Electronics	358 974	22.6	67.50

¹⁾ The sales proceeds per share are arrived at on the basis of the aggregate market value for all shares of the same class sold during the period.

All shares in speciality fats company **AAK** were sold during the three-month period. The reason for the sale was a very strong share price development which led to an increase in the valuation, and **Svolder** deemed that the price potential decreased considerably. Contribution to net worth for the financial year amounted to SEK 7.5 million and follows several years of good value growth.

All shares in Orc Group have been sold. In December the company became the subject of a cash takeover bid from venture capital company Nordic Capital. The bid level of SEK 86 per share entailed a premium of more than 50 per cent compared to the average price for the Orc Group share over the previous three months. Svolder accepted the offer and the majority of the shareholding was sold in conjunction with this. Contribution to net worth over the financial year was a solid SEK 8.2 million. Historically, however, the Orc share has burdened Svolder's value development.

Svolder continued to decrease its holding in Unibet during the current reporting period, and the remaining holding was divested. After good share price development the company is valued at historically high multiples, while at the same time there remains uncertainty regarding political decisions and the effect on results of the ongoing deregulation of the betting markets in Europe. Contribution to net worth over the financial year was SEK 7.3 million. Previous results have varied.

THE PARENT COMPANY

The results for the Group and the Parent Company correspond in full. The Parent Company balance sheet is the same as for the Group with the exception of the Parent Company's holdings in subsidiaries, worth SEK 1.3 million, and a current liability of SEK 0.1 million, as well as liquid assets in the Group equivalent to SEK 1.2 million. The Parent Company and the Group have an overdraft facility totalling SEK 450 million.

FUND COMPANY

The processing of Svolder's application to Finansinspektionen (FI), the Swedish Financial Supervisory Authority, to form a wholly owned fund company has taken longer than expected, but it is at a crucial stage. Svolder's aim with the fund company is, as previously explained, to be able to harness the economies of scale in share analysis and management in light of institutional interest in small company portfolio management under Svolder's auspices. Alongside the FI application, various forms of consultations into legal aspects have been conducted.

RISKS AND UNCERTAINTY FACTORS

The identified risks and uncertainty factors for the Group and the Parent Company are presented on page 45 and in note 17 on page 57 of the 2010/2011 Annual Report. The market risk (the equities portfolio's price risk) is adjudged to be the most significant of the risks listed there. No significant changes are deemed to have occurred since then.

EVENTS AFTER THE REPORTING PERIOD

The net worth on 15th March was SEK 69 per share and the listed price was SEK 58.

FINANCIAL CALENDAR

The reports for the period 1st September 2011–31st May 2012 (9 months) and for the next reporting period 1st March–31st May 2012 will be published on 15th June 2012.



The Board and the Managing Director warrant that the half-year report provides a true and fair overview of the business, financial position and results of the parent company and the Group and describes significant risks and uncertainties with which the parent company and the companies forming the Group are faced.

STOCKHOLM 16TH MARCH 2012

CAROLINE SUNDEWALL
Chairperson

MATS ANDERSSON
Board member

LENA APLER
Board member

CHRISTER DAHLSTRÖM
Board member

ROLF LUNDSTRÖM
BOARD MEMBER

ULF HEDLUNDH
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*This Interim Report has not been subject to
examination by the company's auditors.*

THE EQUITIES PORTFOLIO, 29th FEBRUARY 2012

Sector/share	No. of shares	Share price (SEK) ¹⁾	Market value (SEK m)	% of net worth	Total net worth, %	Sector weighting in CSRX, %	Acc. change in value, %	Gross exposure (SEK) ²⁾
Energy and utilities					–	0.4	–	
Materials					–	11.9	–	
Capital goods					35.3	18.0	1.7	
Beijer Alma	1 055 000	129.50	136.6	15.7				10.70
Saab	509 000	133.50	68.0	7.8				5.30
B&BTOOLS	864 000	63.75	55.1	6.3				4.30
XANO	467 400	101.00	47.2	5.4				3.70
Commercial services					–	6.9	–3.4	
Transport					–	0.6	–	
Consumer discretionary and services					25.7	21.2	3.5	
MTG	221 000	323.60	71.5	8.2				5.60
JM	582 050	120.25	70.0	8.0				5.50
Hakon Invest	390 731	114.70	44.8	5.1				3.50
Nobia	802 856	33.10	26.6	3.1				2.10
Björn Borg	250 000	43.00	10.8	1.2				0.80
Healthcare					–	5.7	–	
Financials and real estate					–	28.9	–	
Software and services					12.2	2.7	3.3	
HiQ	2 657 000	37.10	98.6	11.3				7.70
Acando A	500 000	15.20	7.6	0.9				0.60
Technology hardware and equipment					28.3	3.7	4.5	
Nolato	1 750 000	71.75	125.6	14.4				9.80
Beijer Electronics	1 563 498	65.25	102.0	11.7				8.00
Transmode	242 522	76.00	18.4	2.1				1.40
Telecom operators					–	0.2	–	
Equities portfolio			882.7	101.4	101.4	-	9.6	69.00
Net debt			-12.2	-1.4	-1.4	-	0.0	-1.00
Total/net worth			870.5	100.0	100.0	100.0	9.6	68.00
Change in value after management costs, 6 months							8.6	

1) Bid price on NASDAQ OMX Nordic.

2) Market value per Svolder share.

The following information, for example, can be obtained from the table. Svolder's largest holding is Beijer Alma, which has a market value of SEK 136.6 million, corresponding to 15.7 per cent of the net worth. Beijer Alma is a company in the Capital Goods sector, which, including other companies in the sector, accounts for 35.3 per cent of Svolder's net worth. The equivalent percentage for the Capital Goods sector in CSRX is 18.0 per cent in total. The portfolio is therefore dominated by companies in the Capital Goods sector compared with CSRX. Shares in this sector have accounted for 1.7 percentage points of the change in Svolder's net worth to date during the 2011/2012 financial year, measured in relation to opening net worth.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MSEK)	3 months 1/12 2011– 29/2 2012	3 months 1/12 2010– 28/2 2011	6 months 1/9 2011– 29/2 2012	6 months 1/9 2010– 28/2 2011	Rolling 12 months 1/3 2011– 29/2 2012	12 months 1/9 2010– 31/8 2011
Management operations						
Dividend income	-	-	1.4	0.1	37.8	36.5
Administrative costs	-4.3	-3.9	-8.3	-8.4	-16.7	-16.8
Earnings from securities	128.8	56.0	79.5	174.4	-120.5	-25.6
Operating profit	124.6	52.1	72.6	166.0	-99.3	-5.9
Profit on financial investments						
Financial income	0.1	0.0	0.1	0.0	0.1	0.0
Financial expenses	-0.1	-0.2	-0.3	-0.5	-1.3	-1.5
Results after financial items	124.5	51.8	72.3	165.5	-100.5	-7.3
Tax	-	-	-	-	-	-
Profit for the period	124.5	51.8	72.3	165.5	-100.5	-7.3
Other comprehensive income	-	-	-	-	-	-
Comprehensive income for the period	124.5	51.8	72.3	165.5	-100.5	-7.3
Earnings per share, SEK	9.70	4.10	5.70	12.90	-7.90	-0.60

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	3 months 1/12 2011– 29/2 2012	3 months 1/12 2010– 28/2 2011	6 months 1/9 2011– 29/2 2012	6 months 1/9 2010– 28/2 2011	Rolling 12 months 1/3 2011– 29/2 2012	12 months 1/9 2010– 31/8 2011
Cash flow from operating activities						
before changes in working capital	-4.8	-6.1	-5.9	-9.7	19.6	15.8
Changes in working capital						
Increase (+)/decrease (-) in current liabilities	-0.5	-0.8	0.0	-0.2	0.0	-0.1
Cash flow from operating activities	-5.3	-6.9	-5.9	-9.8	19.6	15.6
Investing activities						
Purchase of securities	-204.2	-149.3	-238.3	-155.6	-394.8	-312.0
Sale of securities	205.9	118.6	311.6	262.8	468.8	420.0
Investment in machinery and equipment	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	1.7	-30.8	73.2	107.2	74.0	108.0
Financing activities						
Loans raised (+)/amortised (-)	3.6	37.7	-25.1	-46.2	-51.5	-72.5
Dividend paid	-	-	-42.2	-51.2	-42.2	-51.2
Cash flow from financing activities	3.6	37.7	-67.3	-97.4	-93.7	-123.7
Increase (+)/decrease (-) in liquid assets	-	-	-	-	-	-
Liquid assets at beginning of period	-	-	-	-	-	-
Liquid assets at end of period	0.0	0.0	0.0	0.0	0.0	0.0

CONSOLIDATED KEY RATIOS PER SHARE

	3 months 1/12 2011– 29/2 2012	3 months 1/12 2010– 28/2 2011	6 months 1/9 2011– 29/2 2012	6 months 1/9 2010– 28/2 2011	Rolling 12 months 1/3 2011– 29/2 2012	12 months 1/9 2010– 31/8 2011
Change in net worth, SEK	9.70	4.10	2.40	8.90	-11.20	-4.60
Dividend paid during the period, SEK	-	-	3.30	4.00	3.30	4.00
Number of shares, million	12.8	12.8	12.8	12.8	12.8	12.8

Amounts per share have been rounded off to the nearest SEK 0.1 throughout the Interim Report, except for share prices.

The company has no ongoing programmes of financial instruments that entail any dilution in the number of shares. The number of outstanding shares equals 12,800,000.

CONSOLIDATED BALANCE SHEET

ASSETS

(SEK m)	29/2 2012	30/11 2011	31/8 2011	28/2 2011	30/11 2010	31/8 2010
Non-current assets						
<i>Property, plant and equipment</i>						
Equipment	0.2	0.2	0.2	0.3	0.3	0.3
<i>Financial fixed assets</i>						
Securities holdings	882.7	752.8	873.1	1 079.7	992.8	1 011.5
Current assets						
Current receivables	4.9	7.7	8.1	0.7	4.5	3.0
Cash and bank balances	-	-	-	-	-	-
Total assets	887.8	760.7	881.4	1 080.7	997.6	1 014.8

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity	870.5	746.0	840.4	1 013.3	961.4	898.9
Liabilities						
Current liability to credit institution	13.0	8.2	36.9	63.3	25.6	109.4
Current liabilities	4.3	6.5	4.0	4.1	10.6	6.4
Total liabilities and shareholders' equity	887.8	760.7	881.4	1 080.7	997.6	1 014.8

CHANGES IN SHAREHOLDERS' EQUITY

(SEK m)	3 months 1/12 2011– 29/2 2012	3 months 1/12 2010– 28/2 2011	6 months 1/9 2011– 29/2 2012	6 months 1/9 2010– 28/2 2011	12 months 1/9 2010– 31/8 2011
Opening balance	746.0	961.4	840.4	898.9	898.9
Dividend paid	-	-	-42.2	-51.2	-51.2
Comprehensive income for the period	124.5	51.8	72.3	165.5	-7.3
Closing balance	870.5	1 013.3	870.5	1 013.3	840.4

CONSOLIDATED KEY RATIOS PER SHARE

	29/2 2012	30/11 2011	31/8 2011	28/2 2011	30/11 2010	31/8 2010
Net worth per share, SEK	68.00	58.30	65.70	79.20	75.10	70.20
Share price (class B), SEK	57.75	49.00	61.50	67.00	65.25	64.75
Net worth, premium (+)/discount (-), %	-15	-16	-6	-15	-13	-8
Liquidity (+)/Borrowing (-), %	-1	-1	-4	-6	-3	-12
Equity/assets ratio, %	98	98	95	94	97	89
Number of shares, million	12.8	12.8	12.8	12.8	12.8	12.8

Definitions as in the Annual Report for 2010/2011. Amounts per share have been rounded off to the nearest SEK 0.1 throughout the Interim Report, except for share prices. The company has no ongoing programmes of financial instruments that entail any dilution in the number of shares. The number of outstanding shares equals 12,800,000.

ACCOUNTING PRINCIPLES

This Interim Report has been prepared in accordance with IAS 34, Interim Reporting. The consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU and in accordance with Sweden's Annual Accounts Act. The Parent Company accounts follow Sweden's Annual Accounts Act and Swedish Financial Reporting Board recommendation RFR 2. Otherwise the same accounting principles and bases for assessment have been used as in the most recent Annual Report.



THE KEY TO SOUND INVESTMENT

At Svolder we see a close link between value growth and active stock management, i.e. a concentrated, judiciously leveraged portfolio of shares valued low. We call this *Svolder Shareholder Responsibility* – SSR.

This means that you the shareholder can rest assured that we are doing everything to manage your funds in the best way – something we have done very successfully in the longer term.

$$\begin{array}{l} \oplus \text{ SSR} \\ \oplus \text{ GTH} \\ \oplus \text{ DVD} \\ \hline = \text{ SVO} \end{array}$$

SVOLDER SHAREHOLDER RESPONSIBILITY

Management of other people's money entails a tremendous responsibility. This view is pivotal to our investment work.

GROWTH

Svolder invests in listed small and medium-sized Swedish companies with long-term growth potential.

DIVIDEND

At least 5 per cent of Svolder's closing net worth shall be paid to shareholders each year in the form of a dividend.

SVOLDER

Svolder is a Swedish investment company listed on NASDAQ OMX Stockholm.

Prioritaire **A**

POSTAGE
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SVOLDER IS A DEDICATED INVESTMENT TRUST THAT INVESTS IN THE SHARES OF LISTED SMALL AND MEDIUM-SIZED SWEDISH COMPANIES. THE COMPANY IS LISTED ON NASDAQ OMX STOCKHOLM AB. SVOLDER'S NET WORTH IS PUBLISHED WEEKLY AND APPEARS ON THE COMPANY'S WEBSITE, WWW.SVOLDER.SE.



SVOLDER

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