



# SVOLDER

## INTERIM REPORT 2012/2013

Interim period: 1st September 2012–28th February 2013 (6 months). Current reporting period: 1st December 2012–28th February 2013 (3 months)

New dividend policy established:

» *The dividend level of the Svolder share is mainly determined by the net of the portfolio companies' ordinary dividends and Svolder's ongoing management costs.*«

» ...growth in net worth also exceeded the CSRX comparison index by seven percentage points! «

Managing Director's comments, page 2

Major contributors to the net worth (3 months)

- + Positive: Nolato, Beijer Alma and B&B TOOLS
- Negative: None

Major changes in the equities portfolio (3 months)

- + Bought: Klövern, Tribona and Acando
- Sold: Beijer Alma, Hakon Invest and B&B TOOLS

### RESULT FOR THE INTERIM PERIOD, 6 MONTHS

- ➔ The company posted a result for the period (6 months) of SEK **199.4** million (SEK 72.3 m), corresponding to SEK **15.60** (SEK 5.70) per share.
- ➔ The net worth rose by **24.5%**, adjusted for dividends, to SEK **76.00** per share.
- ➔ The listed price of the class B share increased by **13.0%**, adjusted for dividends, to SEK **60.00** per share.
- ➔ The closing discount on net worth was **21.0%**.

### RESULT FOR CURRENT REPORTING PERIOD, 3 MONTHS

- ➔ The company posted a result for the period (3 months) of SEK **193.0** million (SEK 124.5 m), corresponding to SEK **15.10** (SEK 9.70) per share.
  - ➔ The net worth rose by **24.7%** to SEK **76.00** per share.
  - ➔ The listed price of the class B share increased by **21.2%** to SEK **60.00** per share.
- 8<sup>TH</sup> MARCH 2013
- ➔ The net worth was SEK **76** per share and the listed price was SEK **60.00**.

# THE MANAGING DIRECTOR'S COMMENTS



## DEAR SHAREHOLDER,

I am delighted that Svolder is able to submit a very strong interim report. Not only did Svolder's net worth and listed price increase by more than 20 per cent in absolute terms during the three-month period, but growth in net worth also exceeded the CSRX comparison index by seven percentage points! If we were to calculate the results in the same way as this index is structured, i.e. with reinvestment of dividend paid and with the latest prices paid rather than the bid prices, the outcome would be almost a further two percentage points better.

### Excellent portfolio selection

The figures are the result of an excellent portfolio selection in which Nolato, Beijer Alma and B&B TOOLS in particular have contributed strongly to net worth. The additional return has been generated even though we have not fully invested our assets, but have had cash funds during the period. Those with a positive turn of mind comment that Svolder has thereby generated additional return at lower risk, the other possibility being that we have read the market wrong by having liquidity. At any rate, I think that this is Svolder's best management performance during a single quarter to date.

Thanks to good growth in net worth, the comparison index for both the current financial year and the period one year ago has been exceeded. This is valuable after a somewhat less successful 2011. We will not rest on our laurels, but will continue to navigate Svolder's portfolio through waters both hazardous and open.

### Total return, % on 28/2 2013

	1 year 1/3 2012– 28/2 2013	3 years 1/3 2010– 28/2 2013	5 years 1/3 2008– 28/2 2013
<b>Svolder<sup>1)</sup></b>			
Svolder, net worth	18	25	41
Share price (class B)	11	22	52
<b>Share market index</b>			
CSRX	15	44	45
SIXRX	13	39	43

Source: Morningstar, Svolder and SIX

<sup>1)</sup> Total return is calculated using methods whereby the dividend paid is reinvested at the time of the dividend in underlying types of assets.

### Uncertain world, optimistic stock market players

During the current reporting period, the Swedish small cap market has exceeded the broad stock market considerably. Capital infusion in Swedish small cap funds in particular has influenced this development. The Swedish stock market, however, has also strongly exceeded the world's stock markets. In several countries a strong currency has meant a weak stock market. However, this is not the case in Sweden. The Swedish krona has increased in value, and the krona index is currently showing some of the strongest values since the devaluation of 1992.

There are both positive and negative economic conditions for the stock exchange. We have long been highlighting the discrepancy in valuations between shares and government bonds, and have emphasised a risk with the latter which has rarely been mentioned in the financial media, manager reports from bond managers or in inspections of the degree of solvency, for example, from supervisory authorities. After a long period of growth in value for government bonds in particular, it is worth noting, for example, that in the last three-month period a Swedish 10-year government bond actually fell almost 20 per cent in

value. I think that from this perspective, shares are still valued low. It also looks as though the economy is improving in several regions, if from low levels.

However, it is not just the dramatic over-performance of Swedish shares, and small cap shares in particular, from an international perspective that troubles me. The political risks in the US, with highly polarised decision-makers, European voters' judgements of responsible politicians and, finally, attempts by the Chinese government to cope with deeply rooted speculation in real estate are clouds on the horizon. The players on the capital markets, however, do not currently see the problems which they were worried about only three months ago, and which just under a year ago led to dramatic reductions in the values of European financial assets. In this maelstrom it is good for peace of mind to have portfolio companies that produce dividends as well as a certain degree of portfolio liquidity, even though it should be emphasised that over time Svolder will be fully invested.

#### Focus on the discount

Svolder's share price has developed well after the AGM and the dividend that was decided on. It has not, however, quite kept up with the company's net worth, and on the closing day it is evident that Svolder's class B shares are traded with a discount of as much as 21 per cent compared to their net worth. Historically, Svolder has had an average, but strongly varying, discount of 8 per cent. Following the abolition of the wealth tax, however, the average discount has increased to 14 per cent. The current high discount increases the need to better explain Svolder's operation, development and circumstances to players on the stock market.

The investment companies have been attempting to eliminate or significantly reduce the discount for years. This has been tough, also for companies that have demonstrated good growth in net worth. There are, however, a number of measures in the company's arsenal against the discount that could come into play. I am primarily thinking of the potential for the board to seek a mandate via the AGM to buy back shares on the market. This could be carried out synthetically with the help of an external party, usually a bank, by the company itself or via a redemption procedure. Svolder has the liquid assets required to carry out a significant buy-back. There could be an extra dividend, although this seldom has lasting positive effects on the discount.

Ultimately, shareholders of one-third of the shares (irrespective of share type) at the AGM also have an opportunity to request the company's termination via liquidation, and thereby bring about termination under a formal set of rules and regulations (see descriptions in previous annual reports). I neither believe nor hope that this will happen. I would, however, like to illustrate that Svolder's shareholders have better conditions than the majority of other listed investment companies to recover the company's net worth long-term. The

discount in Svolder should, therefore, be lower.

If as an owner you believe that the net worth will increase over time and that the discount will not last for ever, or will at least be reduced, this means that the current discount is also an opportunity for a good investment. If, for example, the underlying net worth should rise by 10 per cent and the discount is 20 per cent, growth per invested Swedish krona in the investment company amounts to 12.5 per cent, in contrast to 10.0 per cent in a fund. This extra return lays the foundation for higher share dividends, higher net worth or a higher 'terminal value' in the event of liquidation.

There could be several incentives from the company for direct ownership of Svolder shares. It is currently possible to start an investment savings account at any bank and, thereby, invest in Svolder shares, for example. Investments in an investment savings account have a low management cost and are subject to very low taxation, currently around half of one percentage point. Composing the account with Svolder shares, for example, and a selection of investment company shares generates considerable tax-free dividends, shares with a discount to net asset value and, in the event of an increase in value, tax-free capital gains as well. Compare this with the management costs for various fund products and the taxation on potential capital gains, even though it should be mentioned that funds can also be placed in an investment savings account. Ask about direct ownership of shares via an investment savings account at the bank the next time you are there, be it an actual branch or an online bank. At Svolder we have also been discussing the possibility of offering brokerage-free trading in Svolder shares for a limited period, the aim being to stimulate direct ownership via investment savings accounts, securities accounts or deposits at banks or stockbrokers.

Svolder's best ambassadors are our shareholders. A positive attitude to the company was evident in the survey we sent out in connection with the year-end report. At the same time we were urged to review our costs and have, therefore, asked you in the enclosure if in future you would like to read the company's reports via the website or, as before, as a paper copy sent by post. If you feel things are fine as they are, you do not need to return the enclosure. We consider it our natural duty to provide information about our operations and think that the written, printed and posted word is still an excellent form of communication even in the age of the Internet. At the same time we are striving to continuously develop the website's accessibility and readability.

Yours faithfully

ULF HEDLUNDH  
*Managing Director*





## MARKET COMMENTARY

The current reporting period of 1st December 2012 – 28th February 2013 was characterised by rising or dramatically rising stock markets. The World Index, measured in USD, increased by 7 per cent. The Japanese stock exchange was particularly strong as were some European exchanges, including those in the Nordic region. In several places a strong stock exchange has been coupled with a weak currency. This applies to Japan, as well as to the UK, for example. In this respect, the Nordic region is an exception. The Swedish stock exchange increased by almost 12 per cent during the three-month period, while at the same time the Swedish krona appreciated in relation to all other significant currencies. The current trade-weighted Total Competitive Weights (TCW) krona index has only been lower in 1996 since the major devaluation of 1992. This makes conditions extremely difficult for Swedish exports, while imported goods, foreign services and foreign assets have become less expensive.

### Trade-weighted (TCW) krona index since devaluation in 1992

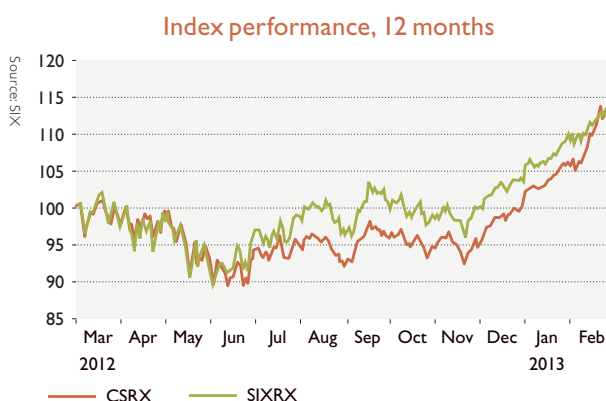


The Swedish small cap market developed very well during the current reporting period and noted an upswing of almost 18 per cent (CSRX). This figure is over six percentage points better than for the Stockholm stock exchange as a whole. Significant inflows to small cap funds and increasingly high activity among private individuals, particularly online brokers, have had a positive impact on the market. The companies' year-end accounts have generally shown a higher profit and dividend level than expected by investors and analysts. Similarly, comments about the future have been less negative than in previous financial reports. The values in the Swedish National Institute of Economic Research's Economic Tendency Indicator have stopped falling, and in some sectors or groups there are signs of a recovery.

The long-term interest rates for bonds have increased, especially for governments which are considered particularly creditworthy. The interest rates for money markets have remained stable or decreased slightly. Real

rates of interest in the majority of economies in the industrialised world are currently still negative as a result of the central banks' expansive monetary policy.

Commodity prices have been stable or decreased slightly, particularly measured in USD. This is especially true for gold and other precious metals, some of which have fallen by double-digit percentages.



## SHARE PRICE TRENDS

The closing price for Svolder's class B share was SEK 60.00, corresponding to an increase during the current reporting period of 21.2 per cent. The share's value on the closing day represented a discount of 21.0 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 17,000 shares traded on each day of trading. Trading in Svolder's class A share was restricted and shares were traded on just two trading days. 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

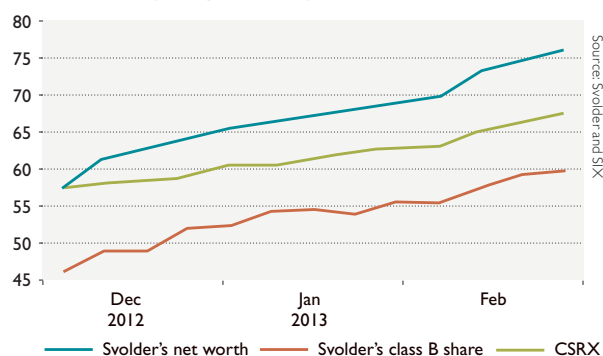
	3 months	6 months	Rolling 12 months
	1/12 2012– 28/2 2013	1/9 2012– 28/2 2013	1/3 2012– 28/2 2013
Share price (class B) <sup>1)</sup>	21.2	13.0	9.6
Net worth <sup>1)</sup>	24.7	24.5	16.6
CSRX <sup>2)</sup>	17.7	23.6	14.7
SIXRX <sup>2)</sup>	11.5	16.8	13.1

<sup>1)</sup> Svolder – including dividends paid during the period, not reinvested.  
<sup>2)</sup> Index – including reinvested dividends.

## CHANGE IN NET WORTH

Svolder's closing net worth was SEK 76.00 per share, which represents an increase during the current reporting period of 24.7 per cent. This figure is up by 7.0 percentage points on that of the small cap index. The positive deviation is particularly attributable to the strong development of **Nolato**, **Beijer Alma** and **HiQ**, which jointly accounted for over 40 per cent of the equities portfolio on the closing day.

### 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
<b>Net worth, 30th November 2012</b>	<b>779.5</b>	<b>60.90</b>
<b>Equities portfolio</b>		
Opening value	726.1	56.70
Purchase of shares	131.3	
Sale of shares	-183.4	
Change in value, equities portfolio	196.9	11.30
Closing value	<b>870.9</b>	<b>68.00</b>
<b>Net debt (-) / Net receivable (+)</b>		
Opening value	53.4	4.20
Administrative costs	-3.9	
Net financial items	0.0	
Sale of shares, net	52.1	3.80
Closing value	101.5	7.90
<b>Net worth, 28th February 2013</b>	<b>972.5</b>	<b>76.00</b>

As in earlier periods during the financial year, during the current reporting period Nolato has been the largest contributor to net worth in the equities portfolio. In the company's year-end report, the Telecom business area continued its recovery after a problematic 2011 and other business areas reported stable profitability. The proposed dividend of SEK 6.00 per share, of which SEK 3.50 is designated standard, also exceeded the forecasts of Svolder and analysts alike. The strong increase in share price means the share is no longer as cheap as before, which is why Svolder has decreased its holding somewhat. Nolato is, however, still Svolder's largest shareholding.

Beijer Alma surprised the stock market with very strong year-end accounts and a continued high dividend ratio. Previous falls in volume and profit margin have ceased, and the company's comments about the future have become more positive. The profitable expansion of the subsidiary company Habia in Asia in particular should be emphasised. The integration of subsidiary Le-

sjöfors' acquisition in Germany is continuing as planned, but the outcome reduces the group's margins. Svolder has viewed previous falls in margins and volume and the expected effect on profit resulting from the strong Swedish krona with concern. The holding has therefore been reduced slightly, while the net worth contribution has been high during the three-month period.

Trading company B&B TOOLS is one of the best contributors during this three-month period. This is very pleasing, particularly in light of the former weak value development, and it is proof that the streamlining in administration, sales and IT support, which were promised a long time ago, is now starting to have an effect. A partially changed corporate management is focusing more on sales and closeness to customers than before. The market situation, however, remains difficult and both the Swedish and Finnish markets for industrial supplies are decreasing in volume. Svolder has chosen to gradually decrease its holding.

IT consultancy HiQ continues to report strong profit margins, a good level of technology and a high dividend ratio for the industry. The share has enjoyed good value development during the three-month period, which led Svolder to reduce its holding in order to make further purchases in another IT consultancy, Acando. Acando also has very strong finances and a high dividend ratio. It has also become clear that Acando's focus is on organic growth rather than its previously acquisition-led expansion. This reduces the risk of investment in the company considerably.

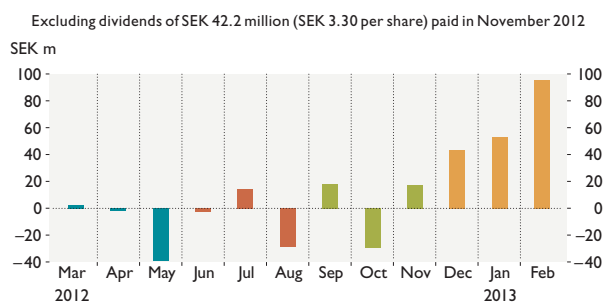
MTG's interim report for the fourth quarter was better than expected. The company announced that the Internet-based TV service Viaplay is continuing to develop positively, and believes that the profitability of pay-TV in the Nordic region will improve in 2014. During the quarter, the share recovered much of its sharp fall after the last interim report.

### Biggest contributors to changes in net worth 1st December 2012–28th February 2013 (3 months)

(Based on net worth of SEK 779.5 million or SEK 60.90 per share on 30th November 2012)

	SEKm	SEK/share
Nolato	39.8	3.10
Beijer Alma	31.6	2.50
B&B TOOLS	21.8	1.70
HiQ	19.2	1.50
XANO Industri	17.9	1.40
JM	17.8	1.40
MTG	11.1	0.90
Saab	9.6	0.70
Acando	6.6	0.50
Höganäs	6.3	0.50
<b>Total, ten positive</b>	<b>181.7</b>	<b>14.20</b>
Other shares	15.2	1.20
<b>Shares, total</b>	<b>196.9</b>	<b>15.40</b>
Other	-4.0	-0.30
<b>Change in value</b>	<b>193.0</b>	<b>15.10</b>

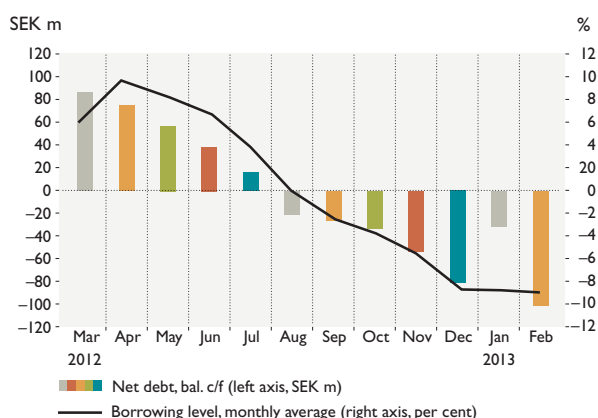
### Change in net worth in SEK million per month (12 months)



## BORROWING

The equities portfolio was not pledged on the closing day. The net receivable, which also includes the share trading's unliquidated transactions etc., totalled SEK 101.5 million on the closing day, corresponding to 10.4 per cent of the company's net worth. This can be compared with a net receivable of SEK 53.4 million at the beginning of the current reporting period.

### Net debt and borrowing level, 12 months



## THE EQUITIES PORTFOLIO

Shares were acquired for a total of SEK 131.3 million (gross) during the current reporting period. Shares for a gross amount of SEK 183.4 million were sold during the corresponding period, and net sales hence totalled SEK 52.1 million.

New holdings during the three-month period were Klövern, Tribona, Höganäs, ProAct and KappAhl, while all shares in Hakon Invest and Cybercom were sold during the same period. On the closing day, the portfolio thus comprised 17 holdings.

### Major net purchases for the equities portfolio (3 months) 1st December 2012–28th February 2013

Share	Number	SEK m	SEK/share <sup>1)</sup>
Klövern	1 501 712	39.1	26.00
Tribona	900 000	29.3	32.50
Acando	1 785 581	27.2	15.20
Höganäs	66 104	15.2	229.90

<sup>1)</sup> 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.

Real estate companies Klövern and Tribona are new holdings in the equities portfolio. Klövern is one of the most expansive real estate companies on the Swedish stock exchange and is expected to show some of the market's strongest growth figures for its portfolio's operating surplus. Strategic ambitions regarding geographic concentration, lower vacancies and sales of both its own shareholdings and holdings in Diös make the company easier to overview. This reduces the risk in the company and should, therefore, lead to lower return requirements from investors.

Tribona (previously Northern Logistic Property, NLP) is a purely Swedish real estate company operating in the field of logistics real estate, but oddly enough it is listed on the Oslo stock exchange. Tribona was founded before the financial crisis in 2008, and with high, uncertain borrowing the company has found it hard to attract investors. Thanks to an AGM decision in February 2013, the Norwegian parent company will merge with the Swedish subsidiary and will then apply to move its listing from Oslo to Stockholm. This is expected to take place with the first listing on 21st May 2013. The share is valued low in relation to the company's net worth and cash flow. Thanks to new financing the refinancing risk is, therefore, eliminated and the focus can turn to developing the company. The growth in share price has made a good contribution to Svolder's net worth. The strengthening of the Swedish krona, however, has offset this to some extent. Owing to the standard complicity between the Swedish krona and the Norwegian krone, and the fact that the company's assets and liabilities are in Swedish kronor, Svolder has decided not to hedge the purchase, which was in Norwegian kroner.

Metal powder manufacturer Höganäs is a new holding in Svolder's portfolio. Höganäs is a world leader in its industry, with a good global market position and a strong financial position. In early February the company's largest shareholder Lindéngruppen, along with Foundation Asset Management, announced a cash offer to shareholders in Höganäs to acquire all shares in the company at a price of SEK 320 per share.

### Major net sales from the equities portfolio (3 months) 1st December 2012 – 28th February 2013

Share	Number	SEK m	SEK/share <sup>1)</sup>
Beijer Alma	254 273	33.3	130.90
Hakon Invest	280 000	32.8	117.00
B&B TOOLS	392 689	28.4	72.20
JM	174 470	21.3	146.70
HiQ	521 051	20.0	38.40

<sup>1)</sup> 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.

In conjunction with its interim report, Hakon Invest announced that it is buying Dutch Ahold's shares in ICA. Hakon Invest will therefore be the sole owner of ICA and will change name to ICA Gruppen. Unfortunately Svolder sold all its shares in Hakon Invest before the acquisition was announced. We were surprised by the very favourable price for the buyer reached in agreement with Ahold. During the financial year the share has contributed SEK 5.8 million to Svolder's net worth.

### 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. .

### NEW DIVIDEND POLICY

Svolder endeavours to pursue an offensive dividend policy. The new policy, which was notified at the AGM in November 2012, is based on the company's ongoing cash flow, rather than net worth as before. This enables the company to grow in line with the portfolio companies' expansion. The upper limit for dividends will henceforth be steered by the portfolio companies' dividend income and redemption programme, as well as Svolder's management costs. The portfolio companies' dividends and desire to pay a dividend will be crucial to Svolder's dividend capacity and will continue to be an important criterion for Svolder's investment decisions. Svolder strives to achieve good long-term dividend growth. Based on the current circumstances, Svolder's dividend for the 2011/2012 financial year would be an estimated SEK 2.00 per share or so rather than SEK 3.30 per share. In light of the above, the following dividend policy has been drawn up.

"The dividend level of the Svolder share is mainly determined by the net of the portfolio companies' ordinary dividends and Svolder's ongoing management costs. The policy strives to achieve good long-term dividend growth. The dividend policy presupposes that profit is available for distribution and that the dividend does not have seriously negative effects for the company."

### VARIABLE REMUNERATION/ INCENTIVE PROGRAMME

The board has decided to introduce a modified incentive programme for the company's personnel to take effect from the 2012/2013 financial year. The programme, which was described at the 2012 AGM and in Interim Report 1 2012/2013, relates to possible variable remuneration based on Svolder's long-term net worth development in relation to the relevant comparison index

(CSRX), and with a requirement that amounts paid out after tax must be invested in Svolder shares and be held for at least three years. The annual payment is limited to one year's salary, including payroll overheads.

### 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 2011/2012 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 8th March was SEK 76 per share and the listed price was SEK 60.00.

### FINANCIAL CALENDAR

The reports for the period 1st September 2012–31st May 2013 (9 months) and for the current reporting period 1st March–31st May 2013 will be published on 14th June 2013.

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 15<sup>TH</sup> MARCH 2013

CAROLINE SUNDEWALL  
*Chairperson*

MATS ANDERSSON  
*Board member*

LENA APLER  
*Board member*

CHRISTER DAHLSTRÖM  
*Board member*

ROLF LUNDSTRÖM  
*Board member*

ULF HEDLUNDH  
*Managing Director*

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

## THE EQUITIES PORTFOLIO, 28<sup>TH</sup> FEBRUARY 2013

Sector/share	No. of shares	Share price (SEK) <sup>1)</sup>	Market value (MSEK)	% of net worth	Total net worth, %	Sector weighting in CSRX, %	Acc. change in value, %	Gross exposure (SEK) <sup>2)</sup>
<b>Energy and utilities</b>					–	0.3	–	
<b>Materials</b>					2.2	9.1	0.8	
Höganäs	66 104	325.00	21.5	2.2				
<b>Capital goods</b>					30.0	17.5	10.9	
Beijer Alma	720 000	148.50	106.9	11.0				8.40
Saab	700 000	141.90	99.3	10.2				7.80
XANO Industri	441 875	123.00	54.4	5.6				4.20
B&B TOOLS	335 000	92.25	30.9	3.2				2.40
<b>Commercial services</b>					–	7.1	–	
<b>Transport</b>					–	0.8	–	
<b>Consumer discretionary and services</b>					14.0	21.8	3.6	
MTG class B share	232 631	270.80	63.0	6.5				4.90
JM	360 000	148.25	53.4	5.5				4.20
Björn Borg	300 000	41.00	12.3	1.3				1.00
New Wave Group	150 000	37.80	5.7	0.6				0.40
KappAhl	60 000	27.00	1.6	0.2				0.10
<b>Healthcare</b>					–	6.8	–	
<b>Financials and real estate</b>					7.6	30.2	0.7	
Klövern	1 501 712	28.80	43.2	4.4				
Tribona <sup>4)</sup>	900 000	34.00	30.6	3.1				
<b>Software and services</b>					21.2	2.8	3.1	
HiQ	2 757 700	39.90	110.0	11.3				8.60
Acando B <sup>3)</sup>	5 488 993	15.90	87.3	9.0				6.80
Proact	96 353	95.00	9.2	0.9				0.70
<b>Technology hardware and equipment</b>					14.6	3.6	6.1	
Nolato	1 352 000	103.75	140.3	14.4				11.00
Beijer Electronics	20 000	70.25	1.4	0.1				0.10
<b>Telecom operators</b>					–	0.1	–	
<b>Equities portfolio</b>			<b>870.9</b>	<b>89.6</b>	<b>89.6</b>	<b>-</b>	<b>25.2</b>	<b>68.00</b>
<b>Net debt (-)/net receivable (+)</b>			<b>101.5</b>	<b>10.4</b>	<b>10.4</b>	<b>-</b>	<b>0.0</b>	<b>7.90</b>
<b>Total/net worth</b>			<b>972.5</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>25.2</b>	<b>76.00</b>
<b>Change in value after management costs, 6 months</b>							<b>24.5</b>	

1) Bid price on NASDAQ OMX Nordic.

2) Market value per Svolder share.

3) of which 500,000 class A shares.

4) Tribona (changed name from Northern Logistic Property) is a Swedish real estate company listed on the Oslo stock exchange, and its latest bid price is NOK 30.20.

The share is expected to be listed on the NASDAQ OMX Stockholm from 21st May 2013.

The following information, for example, can be obtained from the table. Svolder's largest holding is Nolato, which has a market value of SEK 140.3 million, corresponding to 14.4 per cent of the net worth. Nolato is viewed in the CSRX as a company in the technology hardware and equipment sector which, along with other companies in the sector, accounts for 14.6 per cent of Svolder's net worth. The equivalent percentage for the technology hardware and equipment sector in CSRX is 3.6 per cent in total. The portfolio is therefore dominated by companies in the software and services sector compared with CSRX. Shares in this sector have accounted for 6.1 percentage points of the change in Svolder's net worth to date during the 2012/2013 financial year, measured in relation to opening net worth. It should be noted that approximately 40% of Nolato's turnover relates to Telecom, while other operations refer to the production and sale of polymer materials in medical technology and industry.



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	3 months 1/12 2012– 28/2 2013	3 months 1/12 2011– 29/2 2012	6 months 1/9 2012– 28/2 2013	6 months 1/9 2011– 29/2 2012	Rolling 12 months 1/3 2012– 28/2 2013	12 months 1/9 2011– 31/8 2012
<b>Management operations</b>						
Dividend income	-	-	-	1.4	40.3	41.7
Administrative costs	-3.9	-4.3	-7.8	-8.3	-16.7	-17.2
Earnings from securities	196.9	128.8	207.3	79.5	121.6	-6.2
<b>Operating profit</b>	<b>193.0</b>	<b>124.6</b>	<b>199.5</b>	<b>72.6</b>	<b>145.1</b>	<b>18.3</b>
<b>Profit on financial investments</b>						
Financial income	0.1	0.1	0.1	0.1	0.2	0.1
Financial expenses	-0.1	-0.1	-0.2	-0.3	-1.1	-1.2
<b>Results after financial items</b>	<b>193.0</b>	<b>124.5</b>	<b>199.4</b>	<b>72.3</b>	<b>144.2</b>	<b>17.1</b>
Tax	-	-	-	-	-	-
<b>Profit for the period</b>	<b>193.0</b>	<b>124.5</b>	<b>199.4</b>	<b>72.3</b>	<b>144.2</b>	<b>17.1</b>
Other comprehensive income	-	-	-	-	-	-
<b>Comprehensive income for the period</b>	<b>193.0</b>	<b>124.5</b>	<b>199.4</b>	<b>72.3</b>	<b>144.2</b>	<b>17.1</b>
<b>Earnings per share, SEK</b>	<b>15.10</b>	<b>9.70</b>	<b>15.60</b>	<b>5.70</b>	<b>11.30</b>	<b>1.30</b>

## CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	3 months 1/12 2012– 28/2 2013	3 months 1/12 2011– 29/2 2012	6 months 1/9 2012– 28/2 2013	6 months 1/9 2011– 29/2 2012	Rolling 12 months 1/3 2012– 28/2 2013	12 months 1/9 2011– 31/8 2012
<b>Cash flow from operating activities</b>						
before changes in working capital	-4.4	-4.8	-7.8	-5.9	24.2	26.1
<b>Changes in working capital</b>						
Increase (+)/decrease (-) in current liabilities	-0.5	-0.5	-0.3	0.0	0.0	0.3
<b>Cash flow from operating activities</b>	<b>-4.9</b>	<b>-5.3</b>	<b>-8.1</b>	<b>-5.9</b>	<b>24.1</b>	<b>26.4</b>
<b>Investing activities</b>						
Purchase of securities	-130.5	-204.2	-187.7	-238.3	-389.6	-440.2
Sale of securities	182.5	205.9	319.1	311.6	516.8	509.2
Investment in machinery and equipment	-	0.0	0.0	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>52.0</b>	<b>1.7</b>	<b>131.4</b>	<b>73.2</b>	<b>127.2</b>	<b>69.0</b>
<b>Financing activities</b>						
Loans raised (+)/amortised (-)	-	3.6	-	-25.1	-11.8	-36.9
Dividend paid	-	-	-42.2	-42.2	-42.2	-42.2
<b>Cash flow from financing activities</b>	<b>-</b>	<b>3.6</b>	<b>-42.2</b>	<b>-67.3</b>	<b>-54.1</b>	<b>-79.1</b>
Increase (+)/decrease (-) in liquid assets	47.0	-	81.1	-	-	16.2
Liquid assets at beginning of period	50.3	-	16.2	-	-	-
<b>Liquid assets at end of period</b>	<b>97.3</b>	<b>0.0</b>	<b>97.3</b>	<b>0.0</b>	<b>0.0</b>	<b>16.2</b>

## CONSOLIDATED KEY RATIOS PER SHARE

	3 months 1/12 2012– 28/2 2013	3 months 1/12 2011– 29/2 2012	6 months 1/9 2012– 28/2 2013	6 months 1/9 2011– 29/2 2012	Rolling 12 months 1/3 2012– 28/2 2013	12 months 1/9 2011– 31/8 2012
Change in net worth, SEK	15.10	9.70	12.30	2.40	8.00	-2.00
Dividend paid during the period, SEK	-	-	3.30	3.30	3.30	3.30
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)	28/2 2013	30/11 2012	31/8 2012	29/2 2012	30/11 2011	31/8 2011
<b>Non-current assets</b>						
<i>Property, plant and equipment</i>						
Equipment	0.1	0.2	0.2	0.2	0.2	0.2
<i>Financial assets</i>						
Securities holdings	870.9	726.1	794.2	882.7	752.8	873.1
<b>Current assets</b>						
Current receivables	8.4	7.2	17.1	4.9	7.7	8.1
Cash and bank balances	97.3	50.3	16.2	-	-	-
<b>Total assets</b>	<b>976.8</b>	<b>783.7</b>	<b>827.7</b>	<b>887.8</b>	<b>760.7</b>	<b>881.4</b>

### SHAREHOLDERS' EQUITY AND LIABILITIES

<b>Shareholders' equity</b>	<b>972.5</b>	<b>779.5</b>	<b>815.3</b>	<b>870.5</b>	<b>746.0</b>	<b>840.4</b>
<b>Liabilities</b>						
Current liability to credit institution	-	-	-	13.0	8.2	36.9
Current liabilities	4.3	4.2	12.4	4.3	6.5	4.0
<b>Total liabilities and shareholders' equity</b>	<b>976.8</b>	<b>783.7</b>	<b>827.7</b>	<b>887.8</b>	<b>760.7</b>	<b>881.4</b>

### CHANGES IN SHAREHOLDERS' EQUITY

(SEK m)	3 months 1/12 2012– 28/2 2013	3 months 1/12 2011– 29/2 2012	6 months 1/9 2012– 28/2 2013	6 months 1/9 2011– 29/2 2012	12 months 1/9 2011– 31/8 2012
<b>Opening balance</b>	<b>779.5</b>	<b>746.0</b>	<b>815.3</b>	<b>840.4</b>	<b>840.4</b>
Dividend paid	-	-	-42.2	-42.2	-42.2
Comprehensive income for the period	193.0	124.5	199.4	72.3	17.1
<b>Closing balance</b>	<b>972.5</b>	<b>870.5</b>	<b>972.5</b>	<b>870.5</b>	<b>815.3</b>

### CONSOLIDATED KEY RATIOS PER SHARE

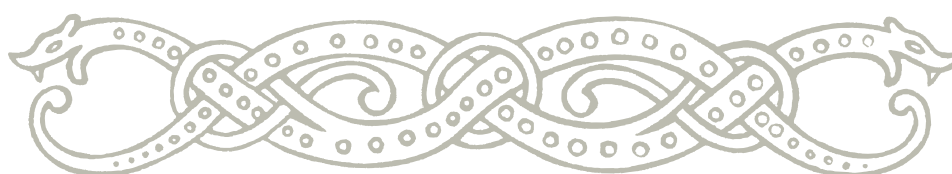
	28/2 2013	30/11 2012	31/8 2012	29/2 2012	30/11 2011	31/8 2011
Net worth per share, SEK	76.00	60.90	63.70	68.00	58.30	65.70
Share price (class B), SEK	60.00	49.50	56.00	57.75	49.00	61.50
Net worth, premium (+)/discount (-), %	-21	-19	-12	-15	-16	-6
Liquidity (+)/Borrowing (-), %	11	7	3	-1	-1	-4
Equity/assets ratio, %	100	100	99	98	98	95
Number of shares, million	12.8	12.8	12.8	12.8	12.8	12.8

Definitions as in the Annual Report for 2011/2012. 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

Offensive dividend policy based on the portfolio companies' dividends less Svolder's ongoing management costs.

#### SVOLDER

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

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](http://WWW.SVOLDER.SE).



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