



SVOLDER

YEAR-END REPORT, 12 MONTHS

1st September 2009–31st August 2010

Report for Q4 2009/2010 begins on page 8

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 exchange. Svolder's net worth is published weekly and appears on the company's website, www.svolder.se.

The company posted a result for the period, 12 months, of SEK **186.3** million (SEK –120.7 m), corresponding to SEK **14.60** (SEK –9.40) per share.

The net worth rose by **24.8%**, adjusted for dividends, to SEK **70.20** per share.

The listed price of the class B share increased by **26.0%**, adjusted for dividends, to SEK **64.75** per share.

The **CSRX** small cap index and the Stockholm Stock Exchange's broad **SIXRX** index increased by **17.7%** and **16.9%** respectively.

The closing discount on net worth was **7.8%**.

The net worth on 17th September was SEK **75** per share and the listed price was SEK **66.50**.

Proposed dividend SEK **4.00** (3.00) per share.

Major contributors to the net worth, 12 months

Positive:

Beijer Alma, Nolato and Beijer Electronics

Negative:

Niscayah, Unibet and Transcom

Major changes in the equities portfolio, 12 months

Bought:

HiQ, Transcom and Unibet

Sold:

Getinge, Peab and Elekta

The Annual General Meeting will be held on 17th November 2010 in Stockholm



» The development of Svolder's net worth and the Svolder share for the stated periods is highly satisfactory. »



THE MANAGING DIRECTOR'S COMMENTS

Dear shareholder,

The 2009/2010 financial year has been a very successful one for Svolder. The company's net worth rose by 25 per cent and the Svolder share by 26 per cent, in both cases including dividend paid. This is far better than the Swedish small cap market, which according to CSRX rose by just under 18 per cent. Svolder's value growth has also been excellent compared with Swedish small cap funds.

In the most recent interim reports, the development of Svolder's net worth and share has been reported on a rolling 1, 3 and 5-year basis. This has now been systemised and quality-assured through a collaboration with investment research company Morningstar. We will therefore not only be able to report Svolder's net worth and share development compared with the Swedish small cap market, but also as a non-weighted average of Swedish small cap funds.

The development of Svolder's net worth and the Svolder share for the stated periods is highly satisfactory.

The past 12-month period has been eventful as regards the economy, public finances and the financial markets. A year ago a positive future outlook was forecast for the share markets, even though it was expected to be accompanied by an instable economic recovery. This has largely been fulfilled, although the development has at

times shown even greater movements than feared and a continued need for monetary and fiscal measures in many countries.

Amid an environment of these large, global events, many individual companies have been neglected. This is unfortunate, because it is perhaps here that the main and most judicious measures for countering the recession have been taken. It is impressive that so many Swedish companies have been able to regain good operating margins and profits within such a short time. Svolder builds its equities portfolio based on the properties and valuation of individual companies. Quality and the ability of corporate management teams, directors and personnel to adapt are particularly evident in difficult times, and investment opportunities are always created in turbulent periods. Svolder's holdings in Beijer Alma and Nolato are particularly worth mentioning this financial year. Their contributions to the net worth trend of SEK 148 million (SEK 11.5 per Svolder share) is responsible for the surplus return in Svolder's equities portfolio, which in addition has seen a more uneven value outcome. In the specific cases of Beijer Alma and Nolato, stable company finances have been utilised both for growth-oriented acquisitions, and for a continued sound dividend policy.

Dividend and value growth are also closely linked in Svolder's case. Since the company was founded in 1993, the original investment amount of SEK 320 million has grown to SEK 900 million on the closing day, while at the same time almost SEK 740 has been distributed to shareholders. This entails a total value increase, excluding reinvested dividends, of more than 400 per cent. In comparison the return has been approximately 10 per cent a year.

In other words, investments in the shares of small companies are an attractive option. As a result of the particularly good results, the Board recommends a dividend for the concluded 2009/2010 financial year of SEK 4.00 per share in accordance with the company's dividend po-

Total return, per cent, on 31/8 2010

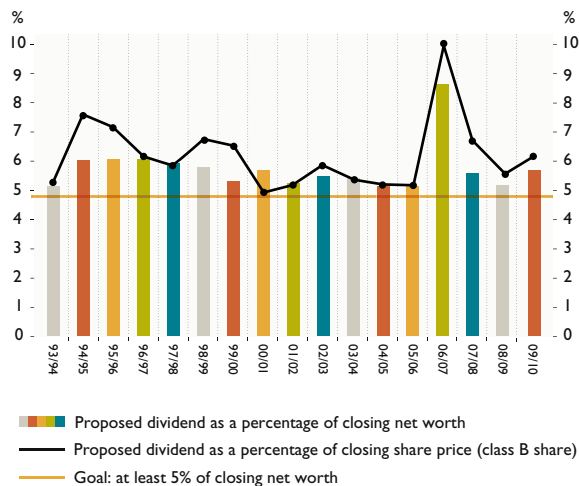
Source: Morningstar

Svolder ¹⁾	1 year	3 years	5 years
Svolder, net worth	25	-2	69
Svolder class B share	26	5	61
Share market index			
Carnegie Small Cap Return Index	17	-14	44
SIX Return Index	16	-9	43
Morningstar fund index			
Sweden, small/medium companies	17	-9	45

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

policy of “at least 5 per cent of the company’s closing net worth...” The company has complied with this policy since its formation, whether the stock market has been strong or weak.

Goal fulfilment of dividend policy



Svolder is approaching the 2010/2011 financial year with cautious optimism when it comes to Swedish share investment – despite the uncertainty regarding economic growth and the stability of state finances. Many listed small and medium-sized companies have attractive valuations, particularly when their profitability and yield far exceed the return generated by investments on the money and bond markets. Svolder’s portfolio managers and analysts deem that the median company in Svolder’s equities portfolio is currently valued at approximately 10 times its annual profit in 2011, and generates a yield of approximately 5 per cent for subsequent dividends. If these underlying forecasts remain in a year’s time, there is a very good chance that we will be able to report that Svolder’s return has exceeded both the net worth trend of the small cap market and interest rate levels.

Yours faithfully

ULF HEDLUNDH
Managing Director

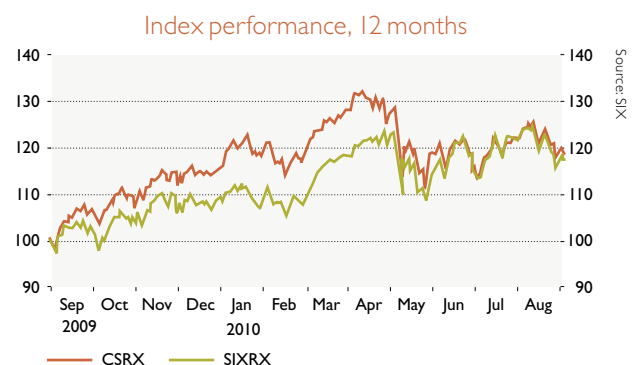
MARKET COMMENTARY

Svolder’s 2009/2010 financial year, 1st September 2009 to 31st August 2010, was on the whole a strong year for listed companies in Sweden. At the same time the stock market was volatile. The greatest turbulence was during the spring in connection with rising concerns about the public finances of several countries in the euro zone, including Greece, Spain and the Republic of Ireland. During the 12-month period, the Swedish small cap market increased by 18 per cent in total, which was marginally better than the 17 per cent reported by the Swedish stock market overall. This clearly exceeded the MSCI World Index which, measured in Swedish kronor, increased by just 3 per cent.

When leading macroeconomic indicators peaked in winter 2010, there was increasing concern about future economic growth in the world. Analyses forecasting a double-dip recession became increasingly common. Growth itself was good on several markets, but the rate of growth declined more and more quickly. Employment in the US, for example, did not improve to the extent common in previous economic recoveries. Interest rates for government bonds decreased once again in countries where investors perceived the risk level as low. For example, the interest rate for US 10-year bonds fell by almost 100 points during the financial year, while the corresponding interest rate for Swedish 5-year bonds fell by approximately 90 points. At the same time the Swedish central bank, Riksbanken, unlike the central banks of major economies, introduced a period of higher key interest rates. This has resulted in higher interest rates on the money market of 30-35 points during the last 12-month period. Inflationary pressure worldwide has been low, possibly with the exception of some countries and regions in Southeast Asia.

The Swedish krona has strengthened considerably against the euro (8.7 per cent) but has decreased against the US dollar (3.1 per cent). In international comparison it is the euro that has weakened, while the Japanese yen in particular has strengthened considerably. The trade-weighted Total Competitiveness Weights index, which measures the value of the Swedish krona against a basket of other currencies, fell by just over 4 per cent during the financial year. All else being equal, this means that Swedish companies have lost some degree of competitiveness compared with foreign competitors.

Raw materials such as oil and several industrial metals have risen by around 15 per cent measured in Swedish kronor. This increase was mainly concentrated at the beginning of the financial year. Gold is excelling with a higher increase than other raw materials. Concerns surrounding imbalances among the trade flows of the major powers and global problems on the financial markets have probably been the main causes of a price increase for gold of almost 35 per cent.



SHARE PRICE TRENDS

The closing price for Svolder's class B share was SEK 64.75, corresponding to an increase during the financial year of 26.0 per cent, adjusted for dividends. The share's value on the closing day represented a discount of 7.8 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 14,000 shares traded on each day of trading.

The bid price for Svolder's class A share, which has a very low turnover, was SEK 71.25 on the closing day. 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. No class A shares were converted into class B shares during the financial year. On the closing day, the total number of shares in Svolder totalled 12,800,000, of which 730,688 were class A shares and 12,069,312 class B shares. The number of shareholders has increased by approximately 400 and amounted to just over 8,700 according to the most recently published share register on 30 June 2010.

Total return, per cent, 12 months

	12 months 1/9 2009– 31/8 2010	12 months 1/9 2008– 31/8 2009
Share price (class B) ¹	26.0	-3.3
Net worth ¹⁾	24.8	-13.1
CSRX ²⁾	17.7	-2.6
SIXRX ²⁾	16.9	3.9

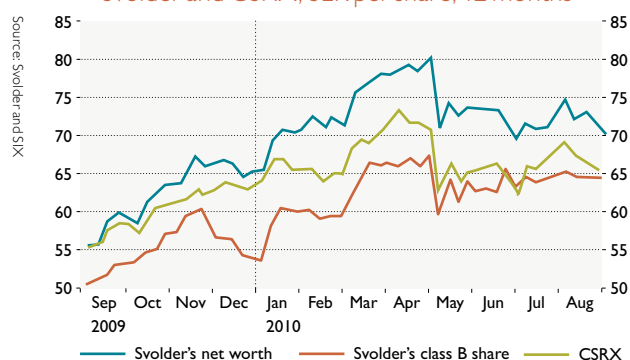
¹⁾ Svolder – including dividends paid during the period, not reinvested.
²⁾ Index – including reinvested dividends.

CHANGE IN NET WORTH

Svolder's closing net worth was SEK 70.20 per share, which represents an increase during the financial year of 24.8 per cent, including the dividend paid to shareholders. This figure is 7.1 percentage points above that of the CSRX comparison index, which rose by 17.7 per cent during the corresponding period.

This positive deviation can be attributed in particular to **Beijer Alma** and **Nolato**, both of which have enjoyed a very positive development and make up a significant proportion of Svolder's equities portfolio.

Svolder and CSRX, SEK per share, 12 months



Net worth trend, 12 months

	SEK m	SEK/share
Net worth, 31st August 2009	751.0	58.70
Equities portfolio		
Opening value	800.2	62.50
Purchase of shares	522.0	
Sale of shares	-482.8	
Change in value, equities portfolio	172.0	16.50
Closing value	1 011.5	79.00
Net debt		
Opening value	-49.2	-3.80
Derivatives, equities portfolio	0.2	
Share dividends received	29.9	
Warranty provision	2.8	
Dividend paid	-38.4	
Administrative costs	-17.4	
Net financial items	-1.2	
Purchase of shares, net	-39.2	-63.4
Closing value	-112.6	-8.80
Net worth, 31st August 2010	898.9	70.20

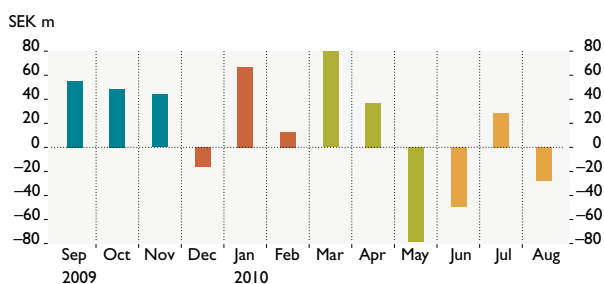
Biggest contributors to changes in net worth 1st September 2009–31st August 2010

(Based on net worth of SEK 751.0 million or 58.70 SEK/share on 31st August 2009)

	SEK m	SEK/share
Beijer Alma	99.0	7.70
Nolato	48.6	3.80
Beijer Electronics	29.5	2.30
AAK	24.6	1.90
B&B TOOLS	13.7	1.10
XANO	13.1	1.00
Getinge	7.6	0.60
Total, seven positive	236.2	18.50
Niscayah	-20.0	-1.60
Unibet	-16.7	-1.30
Transcom class B share	-14.6	-1.10
Total, three negative	-51.4	-4.00
Other shares	20.2	1.60
Shares, total	205.0	16.00
Other	-18.6	-1.50
Change in value before dividend	186.3	14.60

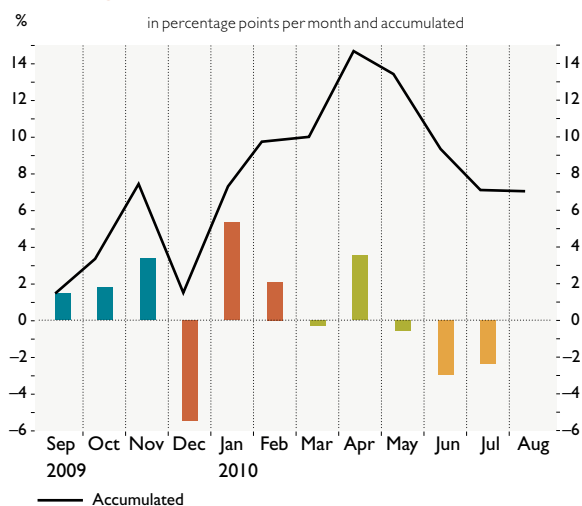
Change in net worth in SEK million per month, 12 months

Excluding dividends of SEK 38.4 million (SEK 3.00 per share) paid in November 2009.



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.

Change in net worth relative to CSRX, 12 months



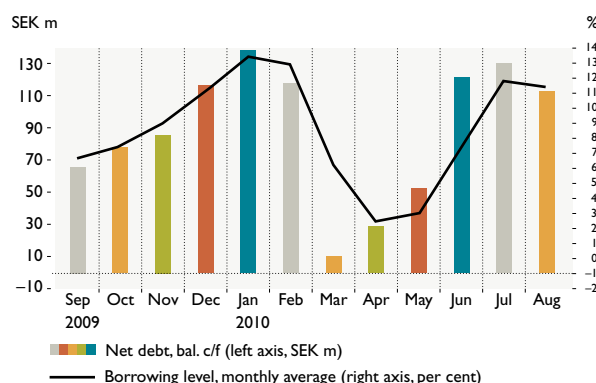
BORROWING

The net debt, which also includes the share trading's unliquidated transactions etc., totalled SEK 112.6 million on the closing day, corresponding to 12.5 per cent of the company's net worth and 11.1 per cent of the 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. It is estimated that borrowing against the equities portfolio during the financial year has had a positive effect of approximately SEK 19 million on the net worth.

Net debt and borrowing level, 12 months



EQUITIES PORTFOLIO

Shares were acquired for SEK 522.0 million (gross) and sold for SEK 482.8 million (gross) during the financial year, and net purchases hence totalled SEK 39.2 million. A dividend of SEK 38.4 million was paid to shareholders in November 2009 for the 2008/2009 financial year. The portfolio has been expanded during the financial year from 14 to 15 listed holdings on the closing day.

Major net purchases for the equities portfolio 1st September 2009–31st August 2010, 12 months

Share	Number	SEK m	SEK/share ¹⁾
HiQ	2 670 000	73.8	29.40
Transcom class B share	2 000 000	57.8	28.90
Unibet	300 000	50.2	180.20
Orc Software	330 000	46.2	140.10
Cardo	210 000	44.5	211.80

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.

Comments on the majority of purchases and sales have been continuously reported in Svolder's interim reports. Transactions, along with the prevailing portfolio strategy and focus, will be presented in detail in the forthcoming Annual Report which will be distributed at the beginning of November.

Major net sales from the equities portfolio 1st September 2009–31st August 2010, 12 months

Share	Number	SEK m	SEK/share ¹⁾
Getinge	400 000	56.2	140.50
Peab	1 250 000	52.9	42.60
Elektro	385 000	52.6	136.70
Beijer Alma	418 500	42.9	102.60
Acando	2 800 000	38.8	13.80

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.

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 0.1 million, and the corresponding current liability. The Parent Company and the Group have an overdraft facility totaling SEK 450 million.

RISKS AND UNCERTAINTY FACTORS

The identified risks and uncertainty factors for the Group and the Parent Company are presented on page 43 and in note 17 on page 55 of the 2008/2009 Annual Report. The market risk and, in particular, the equities portfolio's price risk, are adjudged to be the most significant of the risks listed there. No significant changes are deemed to have occurred since then.

DIVIDEND

The Board will propose a share dividend of SEK 4.00 (3.00) per share for the 2009/2010 financial year at the Annual General Meeting, which equates to SEK 51.2 million (38.4 m).

The proposal equates to 5.7 per cent of the closing net worth and a yield of 6.2 per cent based on the share price on the closing day. The proposal is based on Svolder's dividend policy of consistently paying a dividend of at least 5 per cent of the closing net worth.

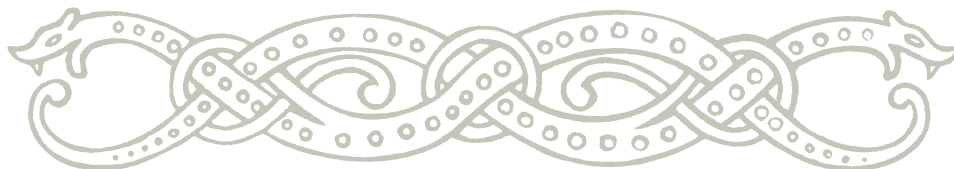
EVENTS AFTER THE REPORTING PERIOD

The net worth on 17th September was SEK 75 per share and the listed price was SEK 66.50.

ANNUAL GENERAL MEETING AND FINANCIAL REPORTING

The Annual General Meeting will be held on 17th November 2010 in Stockholm. A notice to attend will be sent to shareholders on around 18th October. The notice will also be announced through a press release, a presentation on Svolder's website and through an advertisement in Dagens Industri, as new legislation regarding the procedure for notices to attend has still not come into effect.

The Annual Report will be distributed at the beginning of November to all shareholders, except for any who have declined to receive corporate stock market information via their depositary bank. The interim report for the period 1st September 2010–30th November 2010 will be published on 10th December 2010.



THE EQUITIES PORTFOLIO, 31ST AUGUST 2010

Sector/share	No. of shares	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					-	2.4	0.7	
Materials					-	7.7	-	
Capital goods					46.9	22.3	17.8	
Beijer Alma	2 081 500	116.75	243.0	27.0				19.00
B&B TOOLS	1 000 000	91.00	91.0	10.1				7.10
XANO	417 300	78.50	32.8	3.6				2.60
Cardo	210 000	227.00	47.7	5.3				3.70
Sweco class B share	140 000	50.00	7.0	0.8				0.50
Commercial services					10.7	7.1	-4.6	
Niscayah	5 600 000	9.40	52.6	5.9				4.10
Transcom class B share	2 000 000	21.60	43.2	4.8				3.40
Transport					-	1.4	-	
Consumer discretionary and services					16.8	21.7	1.1	
AAK	550 000	145.50	80.0	8.9				6.30
Unibet	500 000	129.50	64.8	7.2				5.10
JM	55 000	116.00	6.4	0.7				0.50
Healthcare					-	10.6	1.6	
Financials and real estate					-	21.8	-	
Software and services					15.8	2.5	0.2	
HiQ	3 420 000	28.30	96.8	10.8				7.60
Orc Software	330 000	120.50	39.8	4.4				3.10
Acando class A share	500 000	11.50	5.8	0.6				0.40
Technology hardware and equipment					22.3	2.4	10.5	
Nolato	1 355 500	77.75	105.4	11.7				8.20
Beijer Electronics	660 000	144.50	95.4	10.6				7.50
Telecom operators					-	0.1	-	
Equities portfolio			1 011.5	112.5	112.5	-	27.3	79.00
Net debt			-112.6	-12.5	-12.5	-	-0.2	-8.80
Total/net worth			898.9	100.0	100.0	100.0	27.1	70.20
Change in value after management costs, 12 months							24.8	

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 243.0 million, corresponding to 27.0 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 46.9 per cent of Svolder's net worth. The corresponding weighting for the Capital goods sector in CSRX totals 22.3 per cent, and the portfolio is therefore overweighted in terms of companies in the Capital goods sector in relation to CSRX. Shares in this sector have accounted for 17.8 percentage points of the change in Svolder's net worth to date during the 2009/2010 financial year, measured in relation to opening net worth.



SVOLDER

INTERIM REPORT IV 2009/2010

Current reporting period: 1st June–31st August 2010 (3 months)

RESULT FOR THE CURRENT REPORTING PERIOD (3 MONTHS)

The company posted a result for the period (3 months) of SEK **-51.9** million (SEK 44.8 m), corresponding to SEK **-4.10** (SEK 3.50) per share.

The net worth decreased by **5.5%** to SEK **70.20** per share.

The listed price of the class B share increased by **0.8%** to SEK **64.75** per share.

The **CSRX** small cap index decreased by **0.4%** and the Stockholm Stock Exchange's broad **SIXRX** index increased by **2.8%**.

Major contributors to the net worth (3 months)

Positive:
Beijer Alma

Negative:
HiQ, Niscayah and Unibet

Major changes in the equities portfolio (3 months)

Bought:
Orc Software, Transcom and Cardo

Sold:
Enquest and AAK

MARKET COMMENTARY

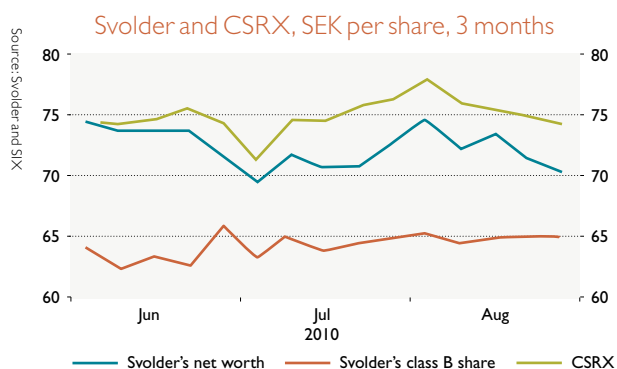
The world's stock markets during the current reporting period, 1st June–31st August 2010, have been characterised by volatile market development. The Swedish stock market was changeable at the beginning of the period, continued strongly in July but was correspondingly weak in August. This entailed an upturn of 2.8 per cent for the stock exchange overall (SIXRX). At the same time the small cap market experienced a negative net worth trend of 0.4 per cent (CSRX), and continued an established trend in 2010 of underperformance in relation to the shares of larger companies. The MSCI World Index, measured in US dollars, was virtually unchanged during the three-month period.

The strong share price movements during the current reporting period are the result of extremely varied assessments of the strength of the world economy. In the US in particular, increasingly weaker economic signals were noted, which was also reflected in stock exchange, interest rate and exchange rate development. Economic growth and consumer confidence particularly in Northern Europe, including Germany, during the period were a positive surprise.

Sweden's central bank, Riksbanken, raised its key interest rate by 25 points in July, which resulted in correspondingly higher interest rates on the Swedish money market. The majority of countries' central banks have not deemed it necessary to begin normalising their expansive monetary policy. Rather there have been statements, in

particular from the US Federal Reserve, regarding an extended period of active measures with an expansive aim for the domestic and global economy. International short-term interest rates have therefore remained unchanged or decreased slightly. The lack of inflationary tendencies in general, alongside increasing concern among economists about a new recession shortly after the previous one, have resulted in interest rates for government bonds falling in economies with public finances perceived as stable. In the US, the interest rate for US 10-year government bonds has fallen by more than 80 points during the three-month period, and returns are currently less than 2.5 per cent a year. The Swedish 5-year bond is currently offering an annual return of just 1.8 per cent.

The US dollar, which increased strongly in connection with financial concerns in the EU during the spring, fell back during the current reporting period. The Swedish krona appreciated against the dollar by 5.8 per cent and against the euro by 2.5 per cent. Industrial metals and raw materials such as oil increased during the three-month period, although only in individual cases in kronor after adjustment for the weakening of the US dollar during the period.



Total return, per cent, 3 months

	3 months 1/6 2010– 31/8 2010	12 months 1/9 2009– 31/8 2010
Share price (class B) ¹⁾	0.8	26.0
Net worth ¹⁾	-5.5	24.8
CSRX ²⁾	-0.4	17.7
SIXRX ²⁾	2.8	16.9

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 70.20 per share, which represents a decrease during the current reporting period of 5.5 per cent. This figure is down 5.1 percentage points on that of the CSRX comparison index, which decreased by 0.4 per cent during the corresponding period. This negative deviation can be attributed in particular to the lack of real estate companies in the equities portfolio, along with weak development among the portfolio's service-oriented companies.

Net worth trend, 3 months

	SEK m	SEK/share
Net worth, 31st May 2010	950.9	74.30
Equities portfolio		
Opening value	1 002.9	78.30
Purchase of shares	107.8	
Sale of shares	-48.6	
Change in value, equities portfolio	-50.5	8.6
Closing value	1 011.5	79.00
Net debt		
Opening value	-52.0	-4.10
Share dividends received	2.6	
Warranty provision	2.8	
Administrative costs	-6.4	
Net financial items	-0.4	
Purchase of shares.net	-59.2	-60.6
Closing value	-112.6	-8.80
Net worth, 31st August 2010	898.9	70.20

Biggest contributors to changes in net worth 1st June–31st August 2010, 3 months

(Based on net worth of SEK 950.9 million or 74.30 SEK/share on 31st May 2010)

	SEK m	SEK/share
Beijer Alma	21.5	1.70
Cardo	3.0	0.20
AAK	2.9	0.20
PA Resources	2.8	0.20
Total, four positive	30.2	2.40
HiQ	-18.1	-1.40
Niscayah	-17.2	-1.30
Unibet	-15.9	-1.20
B&BTOOLS	-14.9	-1.20
Orc Software	-6.5	-0.50
Transcom class B share	-5.3	-0.40
Total, six negative	-77.8	-6.10
Other shares	2.3	0.20
Shares, total	-45.2	-3.50
Other	-6.8	-0.50
Change in value before dividend	-52.0	-4.10

Once again **Beijer Alma** presented a very strong interim report. The improvement in results can mainly be attributed to the Lesjöfors subsidiaries and the recently acquired Beijer Tech. The cash flow was strong and the company is virtually debt free. Development was predicted to be positive for the remainder of the year. The results forecast for the next few years was increased, which contributed to the rise in the share price.

IT consultancy **HiQ** presented an interim report for the second quarter which was somewhat worse than expected.

At the same time, however, there were signs of higher demand during the remainder of the year, which was partly reflected in the intensified recruitment of personnel. Seve-

ral of the large IT consultancies have reported poor share price development in recent months and this is thought to have had an adverse impact on HiQ's share price.

Niscayah's latest interim report was a disappointment. The service side of the operation grew, but this was not enough to compensate for the decrease in project implementation. The most recent in a range of cost-cutting programmes also engendered disruption internally, which burdened profitability on several markets in the short term. Moreover, the corporate management team does not forecast any swift improvement in the general market position. There is, however, clear potential for improvement in growth and profitability following the lengthy restructuring process undertaken by the group, and once the security market is normalised and demand for installation projects returns.

In the half-year report from Unibet, strong development for sports betting in connection with the soccer World Cup was overshadowed by continued uncertainty surrounding the French betting market. The company has applied for a licence in France, but the operation will not be able to commence until the end of 2010, and then on a limited scale. This will entail a significant fall in profit during the second half of the year. In the longer term, however, ongoing re-regulation of the betting markets in Europe is expected to create higher growth and increase the penetration of online betting.

BORROWING

The net debt, which also includes the share trading's unliquidated transactions etc., totalled SEK 112.6 million on the closing day, corresponding to 12.5 per cent of the company's net worth and 11.1 per cent of the equities portfolio.

It is estimated that borrowing against the equities portfolio during the current reporting period had a marginally negative effect on the net worth.

EQUITIES PORTFOLIO

Shares were acquired for SEK 107.8 million (gross) and sold for SEK 47.6 million (gross) during the current reporting period, and net purchases hence totalled SEK 59.2 million.

New holdings during the three-month period were Orc Software, JM and Sweco, while all shares in EnQuest were sold during the same period. On the closing day, the portfolio thus comprised 15 listed holdings.

Major net purchases for the equities portfolio, 1st June–31st August 2010, 3 months

Share	Number	SEK m	SEK/share ¹⁾
Orc Software	330 000	46.2	140.10
Transcom B	611 433	15.2	24.80
Cardo	62 392	13.4	215.00

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.

Software company Orc Software delivers technology and services for advanced trading in financial instruments.

Its customers include banks, trading companies, stock exchanges, brokers and hedge funds worldwide. Following its merger with Swedish Neonet, the group also offers broker services and broad systems solutions. Demand for the company's products is driven by rising transaction volumes and an increasing proportion of automated trading. Orc Software has a stable position with a subscription-based income model and healthy finances.

Svolder continued to increase its holdings in Transcom and Cardo during the current reporting period.

Major net sales from the equities portfolio, 1st June–31st August 2010, 3 months

Share	Number	SEK m	SEK/share ¹⁾
EnQuest	2 185 000	26.2	12.00
AAK	100 612	15.6	155.00

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 EnQuest were sold during the period. The sale was prompted by a rapid increase in the share price, which in turn coincided with a significant fall in oil prices and the US dollar exchange rate.

Part of the holding in specialised fats producer AAK has been sold. The main reason for the decrease is lower profit expectations and greater uncertainty surrounding development in the fast-growing area of chocolate fats.

The preferential share issue in PA Resources was fully subscribed and no guarantee commitments have been required. Svolder has received a warranty provision of SEK 2.8 million.

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 0.1 million, and the corresponding current liability. The Parent Company and the Group have an overdraft facility totalling SEK 450 million.

STOCKHOLM 22ND SEPTEMBER 2010

SVOLDER AB (PUBL)
THE BOARD OF DIRECTORS

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This Year-End Report has not been subject to
examination by the company's auditors.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	3 months 1/6 2010– 31/8 2010	3 months 1/6 2009– 31/8 2009	12 months 1/9 2009– 31/8 2010	12 months 1/9 2008– 31/8 2009
Management operations				
Dividend income	2.6	1.9	29.9	32.1
Administrative costs	–6.4	–4.3	–17.4	–15.4
Earnings from securities	–47.7	47.4	175.0	–136.4
Operating profit	–51.5	44.9	187.5	–119.7
Profit on financial investments				
Financial income	0.0	0.0	0.0	0.0
Financial expenses	–0.4	–0.1	–1.2	–1.0
Results after financial items	–51.9	44.8	186.3	–120.7
Tax	-	-	-	-
Profit for the period	–51.9	44.8	186.3	–120.7
Other comprehensive income	-	-	-	-
Comprehensive income for the period	–51.9	44.8	186.3	–120.7
Earnings per share, SEK	–4.10	3.50	14.60	–9.40

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	3 months 1/6 2010– 31/8 2010	3 months 1/6 2009– 31/8 2009	12 months 1/9 2009– 31/8 2010	12 months 1/9 2008– 31/8 2009
Cash flow from operating activities				
before changes in working capital	–0.3	–3.8	16.4	13.5
Changes in working capital				
Increase (+)/decrease (–) in current liabilities	0.0	–0.2	0.2	0.0
Cash flow from operating activities	–0.3	–4.0	16.6	13.5
Investing activities				
Purchase of securities	–132.6	–119.3	–523.2	–288.0
Sale of securities	53.6	57.9	485.8	313.0
Investment in machinery and equipment	–0.1	0.0	–0.2	–0.1
Cash flow from investing activities	–79.1	–61.4	–37.5	24.9
Financing activities				
Loans raised (+)/amortised (–)	79.4	65.4	59.3	12.8
Dividend paid	0.0	0.0	–38.4	–51.2
Cash flow from financing activities	79.4	65.4	20.9	–38.4
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

CONSOLIDATED KEY RATIOS PER SHARE

(SEK m)	3 months 1/6 2010– 31/8 2010	3 months 1/6 2009– 31/8 2009	12 months 1/9 2009– 31/8 2010	12 months 1/9 2008– 31/8 2009
Change in net worth, SEK	–4.10	3.50	11.60	–13.40
Dividend paid during the period, SEK	-	-	3.00	4.00
Number of shares, million	12.8	12.8	12.8	12.8

Amounts per Svolder share have been rounded off to the nearest SEK 0.1 throughout this Year-End Report, except for share prices. The company has no ongoing programme of financial instruments that entail any dilution in the number of shares.

CONSOLIDATED BALANCE SHEET

ASSETS

(SEK m)	31/8 2010	31/5 2010	31/8 2009	31/5 2009	31/8 2008
Fixed assets					
<i>Tangible fixed assets</i>					
Equipment	0.3	0.3	0.3	0.3	0.2
<i>Financial fixed assets</i>					
Securities holdings	1 011.5	1 002.9	800.2	704.7	963.1
Current assets					
Current receivables	3.0	5.5	5.0	1.4	0.8
Cash and bank balances	-	-	-	15.2	-
Total assets	1 014.8	1 008.7	805.4	721.6	964.1

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity	898.9	950.9	751.0	706.2	922.9
Liabilities					
Current liability to credit institution	109.4	30.0	50.1	-	37.3
Current liabilities	6.4	27.8	4.3	15.4	3.9
Total liabilities and shareholders' equity	1 014.8	1 008.7	805.4	721.6	964.1

CHANGES IN SHAREHOLDERS' EQUITY

(SEK m)	3 months 1/6 2010– 31/8 2010	3 months 1/6 2009– 31/8 2009	12 months 1/9 2009– 31/8 2010	12 months 1/9 2008– 31/8 2009
Opening balance	950.9	706.2	751.0	922.9
Dividend paid	-	-	-38.4	-51.2
Comprehensive income for the period	-51.9	44.8	186.3	-120.7
Closing balance	898.9	751.0	898.9	751.0

CONSOLIDATED KEY RATIOS PER SHARE

	31/8 2010	31/5 2010	31/8 2009	31/5 2009	31/8 2008
Net worth per share, SEK	70.20	74.30	58.70	55.20	72.10
Market price (class B), SEK	64.75	64.25	53.75	48.90	59.75
Net worth, premium (+)/discount (-), %	-8	-14	-8	-11	-17
Liquidity (+)/Borrowing (-), %	-12	-5	-6	0	-4
Equity/assets ratio, %	89	97	93	100	96
Number of shares, million	12.8	12.8	12.8	12.8	12.8

Definitions as in the Annual Report for 2008/2009. Amounts per Svolder share have been rounded off to the nearest SEK 0.1 throughout this Year-End Report, except for share prices. The company has no ongoing programme of financial instruments that entail any dilution in the number of shares.

Accounting principles

This Year-End 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 2.2. As of 1st September 2009, the Group has followed the revised IAS 1. Otherwise the same accounting principles and bases for assessment have been used as in the most recent Annual Report.

