



SVOLDER

INTERIM REPORT 2 2016/2017

“ *The second quarter of the financial year follows the positive trend of recent years* »

The Managing Director's comments, page 2

SHARE PRICE
219.00

NET WORTH
203

SEK/share on 3rd March 2017

Result for the interim period

6 months: 1st September 2016–28th February 2017

- The company posted a result for the period of SEK **434.3** million (SEK 213.8 m), corresponding to SEK **33.90** (SEK 16.70) per share
- The net worth increased by **20.1%**, including reinvested dividend, to SEK **201.70** per share
- The listed price of the Class B share increased by **35.5%**, including reinvested dividend, to SEK **215.00** per share
- The Carnegie Small Cap Return Index rose by **6.0%**
- The closing net worth premium was **6.6%** for the Class B share and **78.5%** for the Class A share

Current reporting period

3 months: 1st December 2016 – 28th February 2017

- The company posted a result for the period of SEK **351.3** million (SEK –25.8 m), corresponding to SEK **27.40** (SEK –2.00) per share
- The net worth increased by **15.7%** to SEK **201.70** per share
- The listed price of the Class B share increased by **16.5%** to SEK **215.00** per share
- The Carnegie Small Cap Return Index rose by **7.7%**

Current reporting period (3 months)

MAJOR CONTRIBUTORS TO NET WORTH

+ Positive	Negative –
Troax	Magnolia Bostad
Acando	
GARO	

MAJOR CHANGES IN THE EQUITIES PORTFOLIO

+ Bought	Sold –
Nordic Waterproofing	JM
Nolato	SSAB
Magnolia Bostad	Beijer Alma

Dear Shareholder,

Half of Svolder's 2016/2017 financial year has now passed and there is good reason to stop a while, report to our shareholders about developments, and also to focus on developments moving forwards. Time flies when you're having fun, as they say, so a brief pause is a good idea from various perspectives.

The second quarter of the financial year follows the positive trend of recent years, both for Svolder's share price and its net worth. This in turn is based on a good market for Svolder's core business, i.e. primarily small and medium-sized listed companies on the Swedish stock market, defined as Nasdaq Stockholm. But a large part of our value creation is also down to good stock picking.

In the past three-month period net worth rose by just over SEK 350 million, which equates to SEK 27.40 per Svolder share and growth of almost 16 per cent. In the same period the Class B share price increased by just over 16 per cent, and the closing premium to net asset value rose slightly to 6.6 per cent. During the period, the Swedish small cap

market (CSRX) increased by just under 8 percent, and the stock exchange overall (SIXRX) by just over 7 per cent.

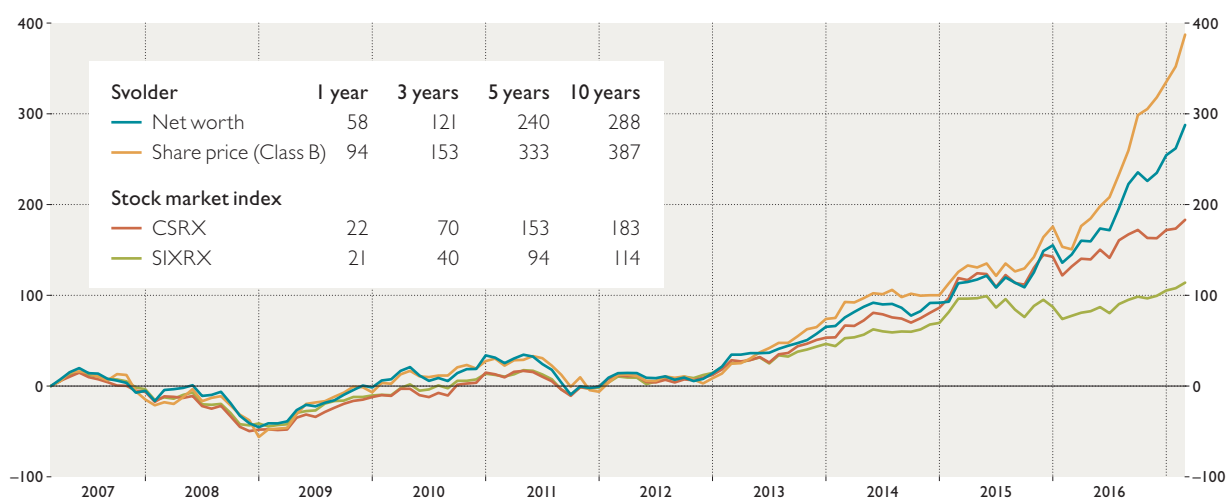
Having said that, stock management cannot be judged on one or two quarters alone. Therefore, as usual my comments here refer to figures for Svolder's performance in relation to different comparison indices in periods of up to 10 years. In all the presented periods, value creation for the company's share price (Class B) and net worth deviate significantly in our favour.

The positive outcome for Svolder therefore continues both in absolute and relative terms. There are, however, always reasons to be humble in times of success. History has taught us that there will be times when value development is worse, and our own management performance will be brought into question.

Svolder is a stock picker, a company that composes its equities portfolio based on shares in individual companies with assessed valuation potential. We believe that this kind of share analysis and management, in our niche of Swedish

» *The second quarter of the financial year follows the positive trend of recent years, both for Svolder's share price and its net worth.* »

Total return¹⁾ 10 years in % on 28th February 2017



Source: Morningstar Svolder and SIX

¹⁾ Total return is calculated using comparable methods to reinvestment indices and funds, i.e. assuming that the dividend paid is reinvested at the time of the dividend in underlying types of assets.

small companies, provides the best foundation for creating value for our shareholders in the long term. In the latest three-month period, two former 'anchor investments', Troax and Garo, and the two 'relics' Acando and New Wave, jointly accounted for 77 per cent of the portfolio's growth in value. This indicates the variation in value-creators, and also serves as a reminder that the success of our management is not attributable to individual IPOs, but also to existing portfolio companies that we have owned for a long time.

THE INVESTMENT COMPANIES' STRENGTHS

Publicly listed investment and holding companies have often been in the firing line of financial journalists and professional investors. Instruments of power and rigid equity analysis, even stock market dinosaurs: these are just some of the epithets used to explain why the stock market should apply a considerable discount to these shares in relation their net worth. In recent years, however, the stock market has altered its view of these companies for indirect ownership. It's never a good idea to generalise, but I feel that there is good reason to stand up for the investment companies. They can usually demonstrate a change in value which, over long periods, exceeds that of various funds. The advantage of stable investment capital, compared to capital dependent on volatile capital flows, is clear when setting a shareholder and portfolio strategy. Add to this the fact that administrative costs are considerably lower than the equivalent management costs of traditional funds such as venture capital companies. Finally, the claim that portfolio companies perform and develop better with investment companies as significant owners is a personal opinion, which is probably not shared by everyone.



CORPORATE GOVERNANCE MORE POWERFUL THAN GOVERNMENT CONTROL

The Swedish corporate governance model, combined with the stock market's guiding role for capital allocation, often proves superior to other kinds of more formal regulatory review. Nowadays, 'investigative' media scrutinise different funds in the PPM system which appear to prioritise their own profitability before those of their clients, i.e. the savers – and this can only be a good thing. Over the years, many formal obstacles in fund-related activities have been created, and it is the task of different authorities in both Sweden and throughout the EU to monitor the players involved. The regulations may be expanding in scope but undesirable players still slip through the net, and government controls seem in retrospect to be surprisingly ineffective and perfunctory, to the detriment of the savers and the more serious asset managers. Also marketplaces such as Nasdaq Stockholm and the companies'

own control bodies occasionally appear far too cautious in actively dealing with problems in the self-regulating processes that all the involved parties speak so fondly of. Even so, I do seem to notice that over time, the owners and boards of investment and holding companies are dealing with this in a manner that is wise from the shareholders' perspective.

LISTED SHARES ONCE AGAIN APPROACH RECORD LEVELS

As I write, the stock exchanges are reaching new heights. Is this a sign that this stock exchange cycle will soon be over? I don't think there are any simple answers. The economies of most industrialised nations look stronger now than they did a year ago. Bond interest rates have risen slightly, but are not reaching anything like dangerous levels. Companies' input costs are however rocketing, and the risk of inflation and wage increases could once again make itself known, after years of concern about deflation. There are also political threats from more and more countries, whose leaders have little diplomatic or constitutional experience and who criticise alliances such as the EU, the value of free trade and the movement of labour.

And yet there is plenty to suggest that we can be somewhat more optimistic right now than we were in our annual report, when we predicted a 'normal return' for the year. At the same time, it should be noted that during the first half of our financial year, and adjusted for dividends, the Swedish stock exchange has already increased by almost 10 per cent overall, the CSRX by 6 per cent and Svolder's net worth by 20 per cent! Personally, I react to certain overheating phenomena, such as increasing financial and ethical scandals, and a flurry of public listings of promising companies on alternative stock exchange lists, with limited insight and profitability. In this ski-season time of year, it is worth remembering that the air is thinner the further up the mountain you go, and that changes in weather come not only thicker and faster, but also a lot more dramatically.

A SAD NOTE TO END ON

Svolder's first auditor George Pettersson has died suddenly after a short illness. Svolder was George's first audit assignment for a publicly listed company, and one he performed for fourteen years with great dedication. We convey our commiserations to George's family and many colleagues, while remembering him fondly as a knowledgeable, committed, forward-looking professional. George left us at the young age of 52.

Yours faithfully

ULF HEDLUNDH
Managing Director

THE EQUITIES PORTFOLIO

28TH FEBRUARY 2017

Share	Quantity	Share price (SEK) ¹⁾	Market value (SEK m)	% of net worth	% of the company's capital ²⁾	% of the company's votes ²⁾
Troax	1,400,000	244.50	342.3	13.3	7.0	7.0
Saab	607,000	358.40	217.5	8.4	0.6	0.5
Acando ³⁾	5,186,332	32.20	167.0	6.5	5.0	7.1
Nolato	602,969	274.50	165.5	6.4	2.3	1.2
GARO	700,000	227.00	158.9	6.2	7.0	7.0
Klövern Class B	16,280,000	9.32	151.6	5.9	1.8	1.0
Scandic Hotels	1,822,918	81.50	148.6	5.8	1.8	1.8
Nordic Waterproofing	1,448,205	91.75	132.9	5.1	6.0	6.0
Boule Diagnostics	480,000	276.50	132.7	5.1	10.2	10.2
New Wave Group ⁴⁾	1,700,000	64.50	109.7	4.2	2.5	0.7
Mekonomen	621,367	171.50	106.6	4.1	1.7	1.7
Magnolia Bostad	1,155,600	89.75	103.7	4.0	3.1	3.1
Platzer Fastigheter	1,787,500	46.20	82.6	3.2	1.5	0.6
XANO Industri	356,781	228.00	81.3	3.2	5.1	1.5
Serneke Group	702,125	107.25	75.3	2.9	3.1	1.0
Elos Medtech	592,700	95.00	56.3	2.2	9.8	3.7
AGES Industri	500,000	103.75	51.9	2.0	7.4	2.2
Verisec	229,095	95.50	21.9	0.8	5.2	5.2
Bong	16,661,088	0.94	15.7	0.6	7.9	7.9
JM	46,330	283.50	13.1	0.5	0.1	0.1
Equities portfolio			2,335.1	90.4		
Net debt (-)/net receivable (+)			246.6	9.6		
Total/net worth			2,581.7	100.0		

201.70 SEK per Svolder share

All securities holdings come under level 1 of the value hierarchy.

¹⁾ In calculating the market value (fair value), the bid price for the securities on Nasdaq Stockholm on the closing day has been used.

²⁾ Based on outstanding shares in the portfolio company.

³⁾ Of which 4,686,332 Acando Class B and 500,000 Acando Class A shares.

⁴⁾ The above-mentioned holdings on the closing day 28th February 2017 included 167,262 New Wave Group loaned shares.

The following is an example of information that can be drawn from the table: Svolder's largest holding is Troax, which has a market value of SEK 342.3 million, corresponding to 13.3 per cent of net worth. A one per cent change in Troax's share price (bid price on the closing day) affects Svolder's net worth by SEK 3.4 million, which equates to SEK 0.30 per Svolder share.

INTERIM REPORT 2

CURRENT REPORTING PERIOD: 1ST DECEMBER 2016 – 28 FEBRUARY 2017

MARKET COMMENTARY

The current reporting period of 1st December 2016 – 28th February 2017 was characterised by strong stock markets and slight increases in interest rates. The Swedish stock exchange (SIXRX) rose 7.3 per cent, marginally less than the 7.7 per cent rise for small and medium-sized companies (CSRX). Large companies (OMXS30) rose 6.1 per cent. This brought the Swedish stock market back in favour of the small and medium-sized companies, after a brief period of the opposite.

The global stock exchanges also showed a generally positive development. The MSCI world index was up 7.4 per cent, i.e. roughly the same as the American S&P 500. The European stock markets increased slightly more. Exchange rates were relatively volatile, but without a distinct trend during the three-month period. The Swedish krona improved significantly during the start of the current reporting period, only to weaken again in February. The Swedish central bank, Riksbanken should therefore remain satisfied with the krona's performance, as should the majority of exporting companies.

At the beginning of the reporting period, bond interest rates globally continued to rise in the wake of the American presidential election and dramatic increases in commodity prices. Development has since stabilised, and falling interest rates are once again evident in many countries. Global economic statistics, combined with higher input costs and increased employment, are however signals that inflation is picking up. This should cause the central banks, and primarily the US Federal Reserve, to consider increasing key interest rates.

As mentioned above, commodity prices have generally increased both during the current reporting period and the current financial year. This applies primarily to various industrial metals and oil. The price of gold also rose during the three-month period, which seems to run against the trend.

Political developments in several parts of the world are deemed by many experts to be more uncertain than before, and there will be parliamentary elections in 2017 in significant European countries. Free trade which is so important to companies, and indeed citizens, is being called into question, for instance, as is the free movement of capital and labour. The same goes for attitudes towards the EU and European collaboration generally, particularly based on the UK's express ambition to leave the EU. There is also great uncertainty as regards security policy, with increasing demands on higher defence spending. It would seem though that investors have so far chosen to disregard these potential threats, and have instead focused on good economic statistics, stronger consumer confidence, and a continued strong flow of capital into the stock markets.

Index performance (12 months)



Source: SIX

SHARE PRICE TRENDS

The closing price for Svolder's Class B share was SEK 215.00. This corresponds to an increase during the current reporting period of 16.5 per cent. The Class B share's value on the closing day represented a premium of 6.6 per cent on its net worth. The Class B share was traded on all trading days during the period, with an average of approximately 13,000 shares traded each day of trading on Nasdaq Stockholm.

Trading in Svolder's class A shares was limited and shares were traded on 89 per cent of trading days, with an average of just under 300 shares each day of trading on Nasdaq Stockholm. The closing price for Svolder's Class A share was SEK 360.00, which means that the Class A share was valued at a premium of 78.5 per cent in relation to net worth.

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 Svolder's Board of Directors.

Total return¹⁾ in %

	3 months 1/12 2016 – 28/2 2017	6 months 1/9 2016 – 28/2 2017	Rolling 12 months 1/3 2016 – 28/2 2017
Svolder			
Share price (Class B)	16.5	35.5	94.4
Net worth	15.7	20.1	58.3
Stock market index			
Carnegie Small Cap Return Index	7.7	6.0	22.2
SIX Return Index	7.3	9.7	20.6

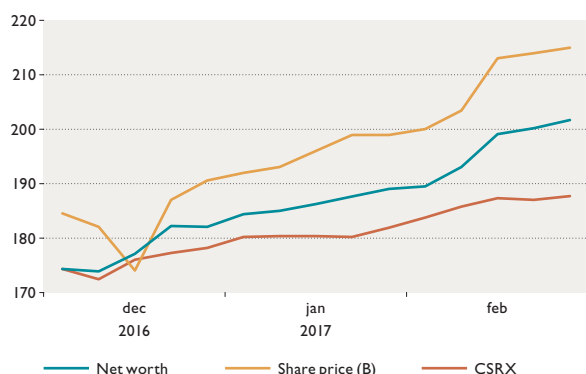
¹⁾ Total return is calculated using comparable methods to reinvestment indices and funds, i.e. assuming that the dividend paid is reinvested at the time of the dividend in underlying types of assets.

Source: Svolder, SIX and Morningstar

CHANGE IN NET WORTH

Svolder's closing net worth was SEK 201.70 per share, which represents an increase during the current reporting period of 15.7 per cent. This figure is 8.0 percentage points better than that of the small cap index (CSRX), which increased by 7.7 per cent during the corresponding period. This can be compared with the Swedish market as a whole (SIXRX), which increased by 7.3 per cent.

Svolder (SEK per share) and CSRX (3 months)

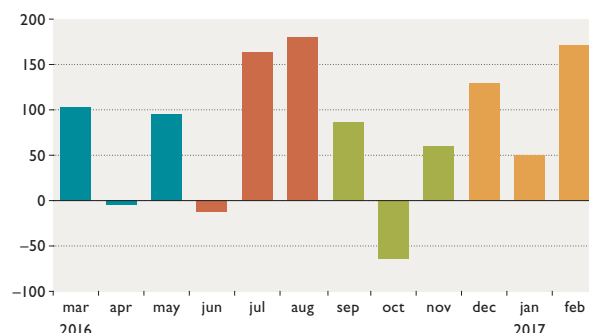


Svolder's equities portfolio is not an index portfolio: investment decisions are, instead, based on valuation of the individual shares. The portfolio's results in relation to comparison indices may, therefore, differ substantially from one accounting period to another. Share evaluation is complemented by a certain strategic focus on individual sectors based on macroeconomic factors.

Net worth trend (3 months)
1st December 2016–28th February 2017

	SEK m	SEK/share
Net worth, 30th November 2016	2,230.4	174.20
Equities portfolio		
Opening value	2,184.0	170.60
Purchase of shares	199.6	
Sale of shares	-404.2	
Change in value, equities portfolio	355.7	11.80
Closing value	2,335.1	182.40
Net debt (-)/Net receivable (+)		
Opening value	46.4	3.60
Administrative costs	4.5	
Net financial items	0.0	
Sale of shares, net	204.6	15.60
Closing value	246.6	19.30
Net worth, 28th February 2017	2,581.7	201.70

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



Source: Svolder and SIX

Excluding dividends of SEK 35.2 million (SEK 2.75/share) paid in November 2016.

Perimeter protection company **Troax** made a major acquisition in the US in December, thereby securing a good foundation to increase the rate of growth on this interesting market. The company also posted a very strong report for the final quarter of 2016, with far stronger results across the board. Thanks to these two positive events the share price rose dramatically during the current reporting period, and the company was by far the largest contributor to Svolder's net worth. The holding has decreased somewhat as the share price has risen, but it is still the largest in Svolder's equities portfolio.

IT consultancy **Acando's** Q4 report, like the Q3 report, was better than expected. The share price thereby continued its positive trend, and the holding was once again a major contributor to net worth during the current reporting period. All geographic markets finished the year off strongly, and the company remains optimistic about the future. Many companies' increasing interest in digitalisation bodes well for companies like Acando. Svolder deems the future prospects still to be good, but has taken advantage of the rising share price to reduce its holding slightly.

After a period of weaker price development at the end of 2016, the share price in electrical product company **GARO** rose again during Svolder's second quarter, and the holding was a major contributor to net worth. The interim report for the company's fourth quarter was strong and exceeded expectations. The Swedish operation in particular showed significant growth in turnover, while both the profit and the margin increased considerably. Svolder believes the company's growth opportunities are good and that its product portfolio is interesting.

The share price of profiling and brand group **New Wave** benefited from a strong Q4 report, and the share was a major contributor to net worth. It was particularly pleasing to note a continued positive trend in both turnover and profit. The trend of increasing margins was intact, proving that there is a leverage effect on the higher sales. Communication regarding the future was optimistic, and the company is facing some exciting product launches during 2017. Svolder has taken advantage of the rising share price to reduce its holding slightly.

Biggest contributors to changes in net worth 1st December 2016–28th February 2017

(Based on net worth of SEK 2,230.4 million or SEK 174.20/share on 30th November 2016)

	SEK m	SEK/share
Troax	142.8	11.20
Acando	48.3	3.80
GARO	44.8	3.50
New Wave Group	37.9	3.00
Boule Diagnostics	19.9	1.60
Scandic Hotels	18.3	1.40
Nolato	11.9	0.90
Saab	11.3	0.90
XANO Industri	9.2	0.70
Total, nine positive	344.6	26.90
Magnolia Bostad	-22.7	-1.80
Total, one negative	-22.7	-1.80
Other shares	33.9	2.60
Shares, total	355.8	27.80
Other	-4.5	-0.40
Change in value	351.3	27.40

The housing development company **Magnolia Bostad** continued to increase its project portfolio at the end of 2016, and it encompassed over 15,000 homes at the year-end. At the same time the organisation was expanded and further financing was secured. The most important steps have therefore now been taken towards becoming a player that produces around 3,000 homes a year in the long term. No homes were sold during the fourth quarter, which brought the profit in under expectation. A couple of projects were delayed slightly and will be completed in the early part of 2017. Svolder still deems the company's business model to be interesting, and believes that there is a great need for new production of primarily rental properties. The company has announced that it will be changing its share listing in 2017 to the Nasdaq Stockholm main market list, which Svolder deems to be positive.

LIQUIDITY/BORROWING

The equities portfolio was unpledged on the closing day. The net receivable, which also includes the share trading's unliquidated transactions etc., was SEK 246.6 million on the closing day, corresponding to 9.6 per cent of the company's net worth. This is to be compared with a net receivable of SEK 46.4 million at the beginning of the current reporting period.

THE EQUITIES PORTFOLIO

Shares to the value of SEK 199.6 million (gross) were acquired during the current reporting period. Shares to the

value of SEK 404.2 million (gross) were sold during the corresponding period, and net sales consequently amounted to SEK 204.6 million.

All shares in Beijer Alma and SSAB were sold during the three-month period. On the closing day, the portfolio thus comprised 20 holdings.

Major net purchases for the equities portfolio (3 months) 1st December 2016–28th February 2017

Share	Quantity	SEK m	SEK/share ¹⁾
Nordic Waterproofing	821,509	70.7	87.00
Nolato	141,007	36.0	255.40
Magnolia Bostad	255,394	24.6	96.50

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.

Waterproofing company **Nordic Waterproofing (NWG)** was the largest acquisition during the current reporting period. Svolder has owned shares in NWG since it was listed in June 2016. When the former owners were intending to sell their remaining shares in mid-February, Svolder took part in the offering. As communicated previously, the company's well-established business model, strong market positions, good cash flow, healthy finances and established corporate management are particularly valued. The Q4 report was in line with expectations. Developments in Norway and Finland were strong. Sweden on the other hand developed weakly, primarily due to effects of the reduced ROT tax deduction. The company's valuation is deemed attractive based on profit for a normal year.

Major net sales from the equities portfolio (3 months) 1st December 2016 – 28th February 2017

Share	Quantity	SEK m	SEK/share ¹⁾
JM	323,670	88.4	273.30
SSAB	1,811,755	56.4	31.10
Beijer Alma	247,654	54.2	218.90
Troax	238,494	50.4	211.10
New Wave Group	881,099	49.0	55.60

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.

Housing development company **JM** rounded off 2016 strongly with rising margins in all business segments. The highly profitable Stockholm region is once again starting to approach JM's historic high margins of two years ago. The share price has recovered from the slump seen in the first half of 2016, which is why Svolder has decided to reduce its holding at a good profit. This made JM the largest disposal during the period.

The holding in **Beijer Alma** was sold in its entirety during the current reporting period. The primary reasons for the sale were a very positive share price development and an increasingly high valuation. Svolder has been an owner of Beijer Alma since 2001, and the company has historically been an excellent contributor to net worth, and has delivered some high, stable dividends to Svolder.

LENDING OF SHARES

During the current reporting period, Svolder has lent shares to a very limited extent with a Swedish bank as the counterparty. The share lending has taken place against securities mainly in large cap companies listed on Nasdaq Stockholm, equating to approximately 105 per cent of the loaned shares' market value.

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 a current liability of SEK 0.1 million. The Parent Company and the Group have an overdraft facility totalling SEK 200 million.

RISKS AND UNCERTAINTY FACTORS

The identified risks and uncertainties for the Group and the Parent Company are presented on page 57 and in note 17 on page 70 of the 2015/2016 Annual Report. The market risk (the equities portfolio's price risk) is adjudged to be the most significant of the risks listed. No significant changes are deemed to have occurred subsequently.

PRINTED INFORMATION

In conjunction with its year-end report, Svolder conducted a survey among shareholders regarding its information and communication. The response frequency was high, and the comments largely tallied with a previous survey conducted four years ago. Most respondents said that printed interim reports and annual reports, sent to their home address, are the most common and most appreciated source of information about Svolder and the company's development. Svolder will therefore continue to send this printed material to all shareholders. However, it is also evident that an increasing proportion of shareholders search for and read this information via Svolder's website or digital subscription. Svolder will continue to offer both options, and we kindly refer any shareholders who do not wish to receive printed information to our website where they can alter their communication settings.

EVENTS AFTER THE REPORTING PERIOD

The net worth on 3rd March was SEK 203 per share and the listed price was SEK 219.00.

FINANCIAL CALENDAR

The reports for the period 1st September 2016–31st May 2017 (9 months) and for the now current reporting period 1st March–31st May 2017 will be published on 9th June 2017.

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 the significant risks and uncertainties with which the Parent Company and the companies forming the Group are faced.

STOCKHOLM, 9TH MARCH 2017

FREDRIK CARLSSON
Chairman

MATS ANDERSSON
Member

EVA CEDERBALK
Member

VIVEKA EKBERG
Member

ROLF LUNDSTRÖM
Member

JOHAN QVIBERG
Member

ULF HEDLUNDH
Managing Director

*For additional information, please contact:
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This Interim Report has not been subject to examination by the company's auditors.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	3 months	3 months	6 months	6 months	Rolling	12 months
	1/12 2016 – 28/2 2017	1/12 2015 – 29/2 2016	1/9 2016 – 28/2 2017	1/9 2015 – 29/2 2016	12 months 1/3 2016 – 28/2 2017	12 months 1/9 2015 – 31/8 2016
Management operations						
Dividend income	-	1.2	-	1.2	42.0	43.1
Administrative costs	-4.5	-4.3	-8.9	-8.0	-23.8	-23.0
Earnings from securities	355.7	-23.0	443.2	219.6	941.7	718.1
Other operating income	0.0	0.3	0.1	1.1	0.4	1.5
Operating profit	351.3	-25.7	434.4	213.9	960.3	739.7
Profit on financial investments						
Financial income	0.0	0.0	0.0	0.0	0.0	0.0
Financial expenses	0.0	-0.1	-0.1	-0.1	-0.2	-0.2
Profit after financial items	351.3	-25.8	434.3	213.8	960.0	739.5
Tax	-	-	-	-	-	-
Profit for the period	351.3	-25.8	434.3	213.8	960.0	739.5
Other comprehensive income						-
Comprehensive income for the period	351.3	-25.8	434.3	213.8	960.0	739.5
Earnings per share, SEK	27.40	-2.00	33.90	16.70	75.00	57.80

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	3 months	3 months	6 months	6 months	Rolling	12 months
	1/12 2016 – 28/2 2017	1/12 2015 – 29/2 2016	1/9 2016 – 28/2 2017	1/9 2015 – 29/2 2016	12 months 1/3 2016 – 28/2 2017	12 months 1/9 2015 – 31/8 2016
Cash flow from operating activities						
before changes in working capital	-4.8	-0.9	-15.0	-5.4	19.2	28.8
Changes in working capital						
Increase (+)/decrease (-) in current liabilities	-0.7	-0.5	0.0	0.0	0.0	0.0
Cash flow from operating activities	-5.5	-1.4	-15.0	-5.4	19.2	28.8
Investing activities						
Purchase of securities	-245.5	-290.4	-651.0	-362.7	-975.7	-687.3
Sales of securities	406.3	234.8	696.9	398.6	1,169.9	871.6
Investment in machinery and equipment	0.0	-0.1	-0.1	-0.1	-0.1	-0.1
Cash flow from investing activities	160.9	-55.7	45.8	35.8	194.2	184.2
Financing activities						
Dividend paid	-	-	-35.2	-32.0	-35.2	-32.0
Cash flow from financing activities	0.0	0.0	-35.2	-32.0	-35.2	-32.0
Increase (+)/decrease (-) in liquid assets	155.4	-57.2	-4.4	-1.5	178.2	181.0
Liquid assets at beginning of period	89.9	124.3	249.7	68.7	67.2	68.7
Liquid assets at end of period	245.3	67.2	245.3	67.2	245.3	249.7

CONSOLIDATED KEY RATIOS PER SHARE

(SEK m)	3 months	3 months	6 months	6 months	Rolling	12 months
	1/12 2016 – 28/2 2017	1/12 2015 – 29/2 2016	1/9 2016 – 28/2 2017	1/9 2015 – 29/2 2016	12 months 1/3 2016 – 28/2 2017	12 months 1/9 2015 – 31/8 2016
Change in net worth, SEK	27.40	-2.00	31.20	14.20	72.30	55.30
Dividend paid during the period, SEK	-	-	2.75	2.50	2.75	2.50
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 and dividends.

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 2017	30/11 2016	31/8 2016	29/2 2016	30/11 2015	31/8 2015
Non-current assets						
<i>Property, plant and equipment</i>						
Equipment	0.2	0.2	0.1	0.2	0.1	0.1
<i>Financial assets</i>						
Securities holdings	2,335.1	2,184.0	1,941.8	1,591.8	1,580.7	1,408.5
Current assets						
Current receivables	6.2	8.3	0.3	0.6	17.6	0.8
Cash and bank balances	245.3	89.9	249.7	67.2	124.3	68.7
Total assets	2,586.7	2,282.4	2,191.9	1,659.7	1,722.7	1,478.2

Shareholders' equity and liabilities

(SEK m)	28/2 2017	30/11 2016	31/8 2016	29/2 2016	30/11 2015	31/8 2015
Shareholders' equity	2,581.7	2,230.4	2,182.5	1,656.8	1,682.6	1,475.0
Liabilities						
Current liabilities	5.1	52.0	9.4	2.9	40.1	3.1
Total liabilities and shareholders' equity	2,586.7	2,282.4	2,191.9	1,659.7	1,722.7	1,478.2

CHANGES IN SHAREHOLDERS' EQUITY

(SEK m)	3 months 1/12 2016 – 28/2 2017	3 months 1/12 2015 – 29/2 2016	6 months 1/9 2016 – 28/2 2017	6 months 1/9 2015 – 29/2 2016	12 months 1/9 2015 – 31/8 2016
Opening balance	2,230.4	1,682.6	2,182.5	1,475.0	1,475.0
Dividend paid	-	-	-35.2	-32.0	-32.0
Comprehensive income for the period	351.3	-25.8	434.3	213.8	739.5
Closing balance	2,581.7	1,656.8	2,581.7	1,656.8	2,182.5

CONSOLIDATED KEY RATIOS PER SHARE

(SEK m)	28/2 2017	30/11 2016	31/8 2016	29/2 2016	30/11 2015	31/8 2015
Net worth per share, SEK	201.70	174.20	170.50	129.40	131.50	115.20
Share price (Class B), SEK	215.00	184.50	161.00	112.25	118.25	103.50
Net worth, premium (+)/discount (-), %	7	6	-6	-13	-10	-10
Liquidity (+)/Borrowing (-), %	10	2	11	4	6	5
Equity/assets ratio, %	100	100	100	100	100	100
Number of shares, million	12.8	12.8	12.8	12.8	12.8	12.8

Definitions as in the Annual Report for 2015/2016. Amounts per share have been rounded off to the nearest SEK 0.1 throughout the Interim Report, except for share prices and dividends. 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.

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COVER PHOTO: LANDSORT IS SWEDEN'S OLDEST PRESERVED LIGHTHOUSE WITH A MAIN BUILDING THAT DATES BACK TO 1691. THE LIGHTHOUSE STANDS ON THE SOUTHERNMOST POINT OF ÖJA ISLAND, AT THE INLET TO THE SOUTHERN APPROACH TO STOCKHOLM.



SVOLDER

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