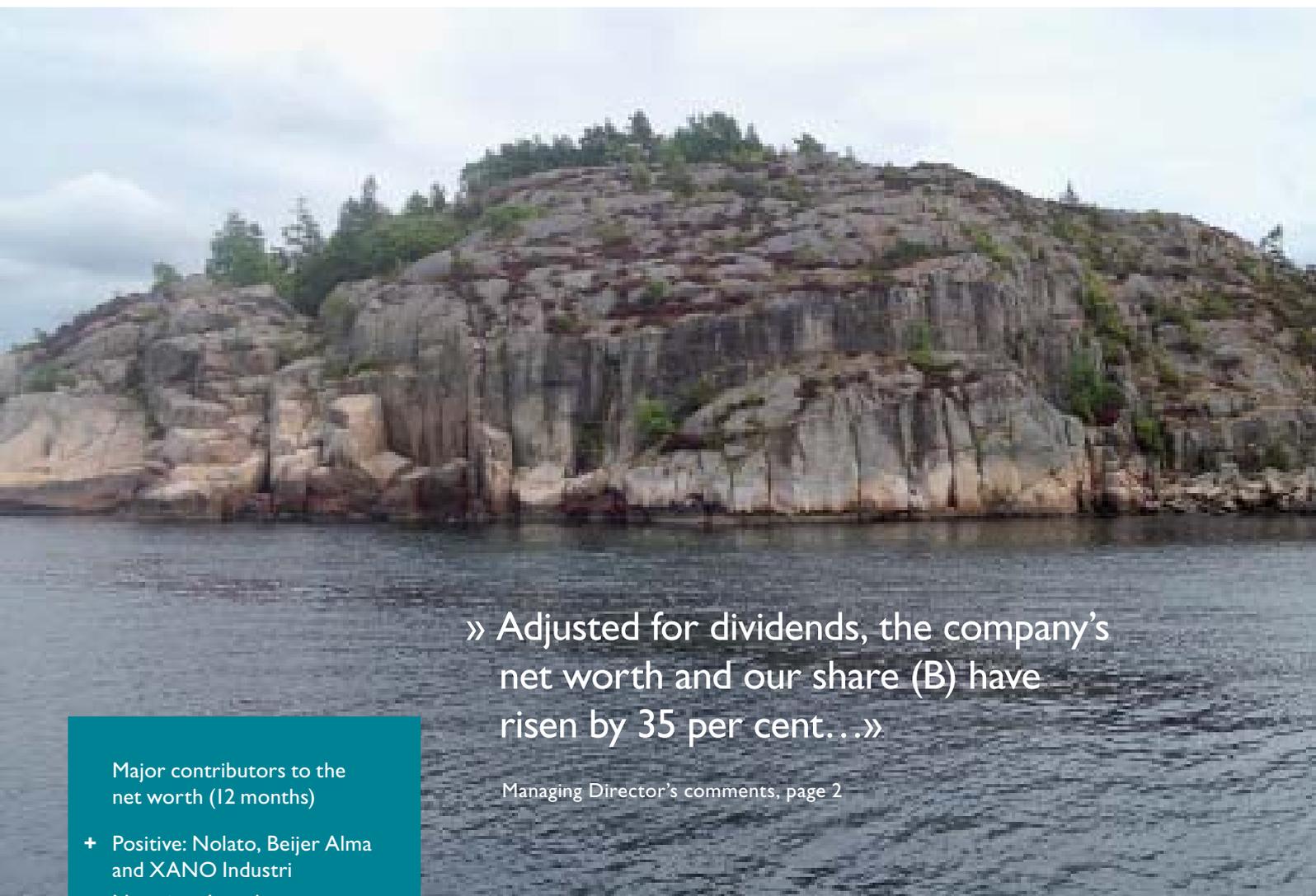




SVOLDER

YEAR-END REPORT 12 MONTHS

1st September 2012–31st August 2013. Report for Q4 2012/2013 begins on page 8.



» Adjusted for dividends, the company's net worth and our share (B) have risen by 35 per cent...»

Managing Director's comments, page 2

Major contributors to the net worth (12 months)

- + Positive: Nolato, Beijer Alma and XANO Industri
- Negative: Acando

Major changes in the equities portfolio (12 months)

- + Bought: Acando, Proact and Diös
- Sold: MTG, Beijer Electronics and B&B TOOLS

➔ The company posted a result for the period (12 months) of SEK **270.2** million (SEK 17.1 m), corresponding to SEK **21.10** (SEK 1.30) per share.

➔ The net worth increased by **35.0%**, including reinvested dividend, to SEK **81.50** per share.

➔ The listed price of the class B share increased by **35.3%**, including reinvested dividend, to SEK **71.00** per share.

➔ The Carnegie Small Cap Return Index rose by **31.2%**.

➔ The closing discount on net worth was **12.9%**.

➔ Proposed dividend according to new dividend policy SEK **2.10** (3.30) per share.

20TH SEPTEMBER 2013

➔ The net worth was SEK **84** per share and the listed price was SEK **78**.

THE ANNUAL GENERAL MEETING WILL BE HELD ON 20TH NOVEMBER 2013

THE MANAGING DIRECTOR'S COMMENTS



DEAR SHAREHOLDER,

Over 20 years have passed since our company was established by 1,700 shareholders. The Alfred Berg Group, along with Investment AB Bure, AMF and Banco Fonder, initiated the formation of Svolder based on an analysis of the valuation of small and medium-sized companies following the crises of the early 1990s. Since then 20 eventful years have passed. We will be returning to part of our history in our Annual Report which, as usual, will be sent to our shareholders at the end of October/beginning of November.

For now, let me just say that SEK 320 million has grown to almost SEK 1,050 million, and just under SEK 900 million has been paid to shareholders as dividends. So with the dividend this means a return of over 9 per cent a year, and if we take into account shareholders' possible return had they reinvested their dividends in Svolder's shares or net worth, the return increases by around 3 percentage points a year. I think this is a good absolute return and a stable foundation for the view that over time, long-term active stock management creates value.



THE 2012/2013 FINANCIAL YEAR

Yet another financial year can now be added to the company's history. It has been a year when the stock markets have regained their popularity after several years of weak development. Financial institutions have long been decreasing their proportion of investment in shares. Some, such as life companies, have been forced into this by rigid supervisory rules. These rules require a decrease in the proportion of investment in shares and an increase in investment in government bonds when the stock market and interest levels fall.

In recent years Svolder has maintained that the stock markets have been valued low in the long term, particularly in relation to government bonds, and has highlighted the risk associated with the latter when interest rates rise. Over the past 12 months the NASDAQ OMX Stockholm exchange has increased by 24 per cent, adjusted for dividends, while the interest rates for long-term government bonds have increased by more than 100 interest rate points. The latter may not appear that serious, but in some cases there has been a doubling in the interest rate and an equivalent sharp fall in value for government bonds in particular.

For Svolder, this has been a successful financial year. Adjusted for dividends, the company's net worth and our share (B) have risen by 35 per cent, thereby exceeding the CSRX small cap index by around four percentage points. The small and medium-sized Swedish listed companies

have in turn shown particularly strong growth in value and are once again outperforming the larger listed companies, this financial year by almost 8 percentage points.

Good investments in Nolato, Beijer Alma, XANO and JM in particular have contributed SEK 182 million of net worth to the portfolio and a return on time-weighted invested capital of a full 67 per cent! These are not new companies in Svolder's portfolio. We have owned considerable holdings in several of them for many years and have often actively participated in the companies' nominations committees, for example.

I am happy to admit that the strength of the rise on the stock exchange has exceeded the positive expectations held by myself and my colleagues. Many shares have surpassed our guide prices, led to sales and generated cash in hand. The aim has been to use this cash for opportunities in the form of investment, share price fluctuations, new introductions or underwriting guarantees. There have been fewer opportunities than expected, while at the same time the surplus return compared with our comparison index has been generated despite this liquidity and, consequently, at lower risk.

Total return, % on 31st May 2013

Svolder ¹	1 year	3 years	5 years
Net worth	35	37	54
Share price (class B)	35	32	66
Stock market index			
CSRX	31	52	75
SIXRX	24	36	65

Source: Morningstar, Svolder and SIX

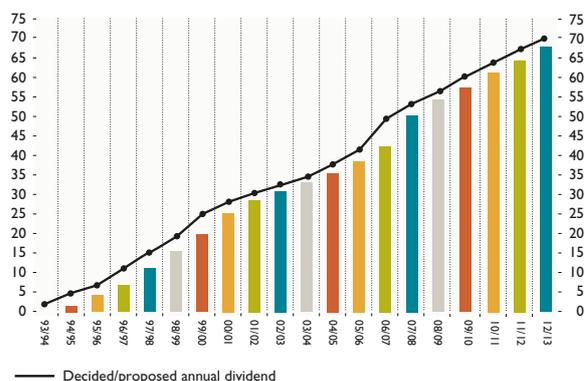
¹⁾ Total return is calculated using methods whereby the dividend paid is reinvested at the time of the dividend in underlying types of assets.

Svolder's administration results have been good in recent years. The exception was 2011, when a particularly poor investment in the staffing company Transcom and the oil company Lundin Petroleum upset comparison indices. Developments in 2011 have an adverse impact on the comparisons we always present in our interim reports. In my opinion, the results for 2012 and 2013 demonstrate once again that Svolder's analysis models and foundation for valuation are successful. Small and medium-sized companies are analysed to a lesser extent than the large companies by the predominant players on the Swedish stock market. Consequently, as a specialised small company portfolio management company, Svolder still has good opportunities to create value in this particular part of the stock market.

DIVIDEND

The dividend is pivotal to the return on shares. Academic literature also regards the dividend, and its return on reinvestment, as the most important part of long-term value creation when saving in shares.

Accumulated dividend per share, SEK



Over the past 20 years Svolder has consistently followed the previously stated dividend policy of at least five per cent of net worth. This has, however, meant that the company has had an annual negative cash flow, and potential expansion has instead often resulted in contraction. During the year the Board has therefore amended the dividend policy to focus on the dividend received and ongoing management costs. This amendment was implemented after discussions at the 2012 AGM and the new policy has been stated in the half-year report. The new dividend policy creates better conditions for growth in capital and dividend.

This year's proposed dividend of SEK 2.10 is, therefore, based on this new policy and does not indicate a lower net worth or negative future judgements from the Board or corporate management. As a result of this new dividend policy, the portfolio companies' dividend growth and the company's ability to keep absolute management costs low will be better reflected in a stronger future dividend capacity. It is also my opinion that the share price volatility will decrease at around the time the dividend is paid.

Yours faithfully

ULF HEDLUNDH
Managing Director

MARKET COMMENTARY

Svolder's 2012/2013 financial year, 1st September 2012 to 31st August 2013, was on the whole a strong year for listed companies in Sweden. Particularly on the Swedish stock exchange and especially for small and medium-sized companies. The Swedish stock exchange (SIXRX), adjusted for dividends, rose by 23.7 per cent while the small cap market (CSRX) produced a return of a further 7.5 percentage points. At the same time the world's stock exchanges increased by approximately 16 per cent, not considering share dividends paid. Concerns on the financial market have decreased and the return requirements have fallen considerably. There was a clear upturn in interest rates for long-term bonds at the end of the financial year as a result of the more positive view of financial companies and the ability of heavily indebted countries to pay. Meanwhile analysts' profit expectations have not changed to any significant degree, whereby the growth in share prices has taken place without the support of lower interest rates or rising profit judgements. Consequently, the stock exchange's absolute valuation has been increased, known as multiple expansion.

The short key interest rates, which are set by the central banks, are still very low and the monetary policy is highly expansive. During the financial year, both the Japanese and European central banks have demonstrated a particularly strong desire to promote growth and reduce the risk of a long-term recession. Discussions have begun at the US central bank, the Federal Reserve, about when American stimulus activities should start being reduced.

Despite periodic political instability in Europe and the US, the capital markets have chosen to disregard these threats. Trouble spots have cropped up around the world during the year, but their impact on the capital markets has been limited.

Exchange rate movements have been moderate. In line with greater confidence in political and financial institutions in Europe, the euro has increased by approximately 5 per cent against both the dollar and the Swedish krona. The British pound fell sharply at the beginning of the financial year, but has regained some confidence in line with improved economic signals. The Japanese yen has weakened as a result of the more expansive monetary policy from the Japanese central bank and more extensive finance policy.

Commodity prices have fluctuated during the year, but generally speaking the majority of industrial metals have fallen slightly. The price of gold has clearly decreased during the year as a result of the above-mentioned risk reductions. The price of oil has varied with a downward trend which has, however, been broken in recent times as a result of increasing concern about developments in Egypt and Syria.

Index performance, 12 months



SHARE PRICE TRENDS

The closing price for Svolder's class B share was SEK 71.00, which corresponds to an increase during the financial year of 35.3 per cent, including reinvested dividend. The share's value on the closing day represented a discount of 12.9 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 13,000 shares traded on each day of trading on the NASDAQ OMX Stockholm.

Trading in Svolder's class A share was limited and shares were only traded on 16 per cent of the trading days on the NASDAQ OMX Stockholm. 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 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 decreased by approximately 600 and amounted to just over 8,000 according to the most recently published share register on den 28 June 2013.

Total return, % (12 months)¹⁾

	12 months 1/9 2012– 31/8 2013	12 months 1/9 2011– 31/8 2012
Share price (class B)	35.3	-3.0
Net worth	35.0	2.9
CSRX	31.2	8.1
SIXRX	23.7	11.3

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

CHANGE IN NET WORTH

Svolder's closing net worth was SEK 81.50 per share, which represents an increase during the financial year of 35.0 per cent, including reinvested dividend. This figure is 3.8 percentage points above that of the CSRX comparison index, which rose by 31.2 per cent during the corresponding period.

The positive deviation is primarily attributable to the good development of XANO Industri, Nolato and Beijer Alma, and the fact that the equities portfolio has been underweighted in the Financials and Real Estate and Materials sectors. Svolder's liquidity, which averaged approximately 8 per cent during the financial year, has had an adverse impact on the relative comparison with CSRX.

Svolder (SEK per share) and CSRX 12 months



Net worth trend, 12 months

	SEK m	SEK/share
Net worth, 31st August 2012	815.3	63.70
Equities portfolio		
Opening value	794.2	62.00
Purchase of shares	551.8	
Sale of shares	-607.1	
Change in value, equities portfolio	251.5	15.30
Closing value	990.4	77.40

Net debt (-)/Net receivable (+)

Opening value	21.1	1.70
Share dividends received	34.3	
Other operating income	3.2	
Dividend paid	-42.2	
Administrative costs	-18.9	
Net financial items	0.1	
Sale of shares, net	55.3	31.8 2.50
Closing value	52.9	4.10
Net worth, 31st August 2013	1 043.2	81.50

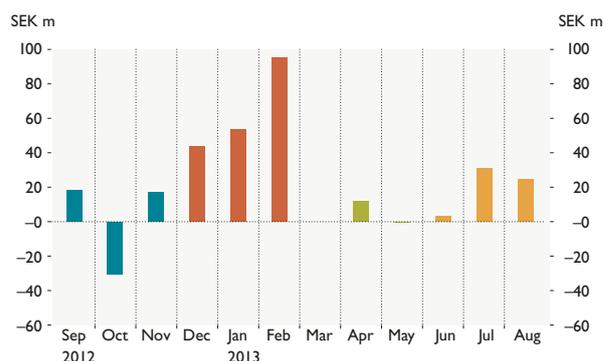
Biggest contributors to changes in net worth 1st September 2012 – 31st August 2013

(Based on net worth of SEK 815.3 million or SEK 63.70 SEK/share on 31st August 2012)

	SEK m	SEK/share
Nolato	72.6	5.70
Beijer Alma	44.5	3.50
XANO Industri	36.8	2.90
JM	27.9	2.20
HiQ	22.4	1.70
B&B TOOLS	22.1	1.70
KappAhl	11.2	0.90
Saab	9.0	0.70
Tribona	8.2	0.60
Total, nine positive	254.7	19.90
Acando	-7.5	-0.60
Total, one negative	-7.5	-0.60
Other shares	38.5	3.00
Shares, total	285.8	22.30
Other	-15.6	-1.20
Change in value before dividend	270.2	21.10

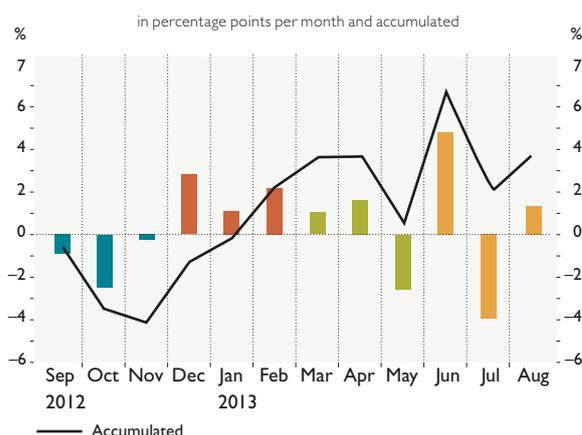
Net worth in SEK million per month (12 months)

Excluding dividends of SEK 42.2 million (SEK 3.30 per share) paid in November 2012.



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 between different accounting periods. A certain strategic focus on individual sectors based on macroeconomic factors complements the share evaluation.

Net worth relative to CSRX (12 months)



LIQUIDITY/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 52.9 million on the closing day, corresponding to 5.1 per cent of the company's net worth. This can be compared with a net receivable of SEK 21.1 million at the beginning of the financial year.

EQUITIES PORTFOLIO

Shares were acquired for a gross amount of SEK 551.8 million during the financial year. Shares for a gross amount of SEK 607.1 million (including proceeds of sale regarding HiQ and Björn Borg totalling SEK 7.5 million) were sold during the corresponding period, and net sales hence totalled SEK 55.3 million. A dividend of SEK 42.2 million was paid to shareholders in November 2012 for the 2011/2012 financial year. The portfolio has been expanded during the financial year from 13 to 19 holdings in 17 companies on the closing day. This is a few more holdings than the company is striving for in the long term.

Major net purchases for the equities portfolio, 12 months, 1st September 2012 – 31st August 2013

Share	Number	SEK m	SEK/share ¹⁾
Acando	4 676 707	65.7	14.10
Proact	544 863	43.5	79.90
Diös	1 000 000	40.0	40.00
Klövern pref. shares	250 000	34.3	137.30
Unibet	150 000	33.1	221.60

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

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, 12 months, 1st September 2012 – 31st August 2013

Share	Number	SEK m	SEK/share ¹⁾
MTG class B share	226 500	65.0	285.60
Beijer Electronics	900 000	49.1	54.60
B&B TOOLS	658 600	48.0	72.80
Hakon Invest (ICA Gr.)	400 000	46.4	116.00
Beijer Alma	290 989	38.1	131.00

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.

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.

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.

DIVIDEND

At the 2013 Annual General Meeting, the Board and Managing Director will propose a share dividend of SEK 2.10 (3.30) per share for the 2012/2013 financial year, which equates to SEK 26.9 million (42.2 m). The proposal equates to 2.6 per cent of the closing net worth and a yield of 3.0 per cent based on the share price on the closing day. The proposed dividend is based on Svolder's amended dividend policy, which was presented in the second interim report following discussions at the 2012 Annual General Meeting. The following adjustments have been made to the proposal:

Dividend received:	34.3 MSEK
Redemption programme	7.5 MSEK
Extra dividends:	-3.4 MSEK
Adjustment for liquidity:	3.2 MSEK
Ongoing management costs:	-15.0 MSEK
Total	26.6 MSEK

(SEK 2.10/share)

The aim is to achieve a dividend level based on normalised dividends from a fully invested equities portfolio, with deductions for management costs excluding possible variable remuneration. The dividend level should, therefore, have the conditions to rise in line with the portfolio companies' increased dividend capacity.

EVENTS AFTER THE REPORTING PERIOD

The net worth on 20th September was SEK 84 per share and the listed price was SEK 78.00. The net worth has therefore increased by SEK 2.50 per share, equating to 3 per cent, since the closing day on 31st August 2013. The Carnegie Small Cap Return Index and SIX Return Index have increased by 7 and 6 per cent respectively during the same period.

AGM AND FINANCIAL REPORTING

The Annual General Meeting will be held on 20th November 2013 in Stockholm. The notice to attend will be announced with a press release on around 18th October, a presentation on Svolder's website, an advertisement in Dagens Industri and information in the upcoming Annual Report.

The Annual Report will be distributed at the beginning of November to all shareholders, except for any who have requested not to receive corporate stock market information, whether to the company or via their depository bank. The interim report for the period 1st September 2013 – 30th November 2013 will be published on 10th December 2013.

THE EQUITIES PORTFOLIO, 31ST AUGUST 2013

Sector/share	No. of shares	Share price (SEK)1)	Market value (SEK m)	% of net worth	Total net worth, %	Sector weighting in CSRX, %	Acc. change in value, %	Gross exposure (SEK)2)
Energy and utilities					-	0.6	0.6	
Materials					-	12.3	0.7	
Capital goods					28.3	18.6	13.9	
Beijer Alma	702 330	160.00	112.4	10.8				8.80
Saab	900 000	121.40	109.3	10.5				8.50
XANO Industri	330 000	184.00	60.7	5.8				4.70
B&B TOOLS	153 000	85.25	13.0	1.3				1.00
Commercial services					3.8	8.2	-0.1	
Bong convertible shares	30	MSEK 1	30.0	2.9				2.30
Bong paid subscription shares	5 622 081	1.65	9.3	0.9				0.70
Transport					-	0.6	-	
Consumer discretionary and services					14.3	19.7	7.5	
JM	300 000	170.50	51.2	4.9				4.00
KappAhl	1 125 026	38.20	43.0	4.1				3.40
Unibet	150 000	253.50	38.0	3.6				3.00
New Wave Group	241 614	35.90	8.7	0.8				0.70
Björn Borg	290 000	28.70	8.3	0.8				0.70
Healthcare					1.5	7.5	0.4	
Vitrolife	200 000	76.50	15.3	1.5				1.20
Financials and Real Estate					9.6	25.6	2.1	
Diös	1 000 000	39.90	39.9	3.8				
Klövern pref.aktie	250 000	146.00	36.5	3.5				
Klövern	889 428	26.50	23.6	2.3				
Software and Services					23.0	2.6	1.9	
Acando ³⁾	8 476 707	12.85	108.9	10.4				8.50
HiQ	2 280 367	38.20	87.1	8.3				6.80
Proact	544 863	80.75	44.0	4.2				3.40
Technology Hardware and Equipment					14.5	4.2	8.7	
Nolato	1 344 287	112.50	151.2	14.5				11.80
Telecom Operators					-	0.2	-	
Equities portfolio			990.4	94.9	94.9	-	35.6	77.40
Net debt (-)/net receivable (+)			52.9	5.1	5.1	-	0.1	4.10
Total/net worth			1 043.2	100.0	100.0	100.0	35.7	81.50
Change in value after management costs, 12 months							33.7	

1) Bid price on NASDAQ OMX Nordic.

2) Market value per Svolder share.

3) Of which 500,000 class A shares.

The following information, for example, can be obtained from the table. Svolder's largest holding is Nolato, which has a market value of SEK 151.2 million, corresponding to 14.5 per cent of the net worth. Nolato is a company in the technology hardware and equipment sector which, along with other companies in the sector, accounts for 14.5 per cent of Svolder's net worth. The equivalent percentage for the technology hardware and equipment sector in CSRX is 4.2 per cent in total. The portfolio is therefore dominated by companies in the Technology Hardware and Equipment sector compared with CSRX. Shares in this sector have accounted for 8.7 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 50% of Nolato's turnover relates to Telecom, while other operations refer to the production and sale of polymer materials in medical technology and industry.

REPORT FOR Q4

YEAR-END REPORT, 12 MONTHS, 2012/2013

Current reporting period: 1st June – 31st August 2013 (3 months)

RESULT FOR THE CURRENT REPORTING PERIOD (3 MONTHS)

- The company posted a result for the period (3 months) of SEK 59.0 million (SEK -16.6 m), corresponding to SEK 4.60 (SEK -1.30) per share.
- The net worth increased by 6.0 per cent to SEK 81.50 per share.
- The listed price of the class B share increased by 7.6 per cent to SEK 71.00 per share.
- The Carnegie Small Cap Return Index rose by 3.4 per cent.

Major contributors to the net worth (3 months)

- + Positive: XANO Industri, Beijer Alma and HiQ
- Negative: Acando and Saab

Major changes in the equities portfolio (3 months)

- + Bought: Saab, Acando and Bong convertible
- Sold: Tribona, MTG B and HiQ

MARKET COMMENTARY

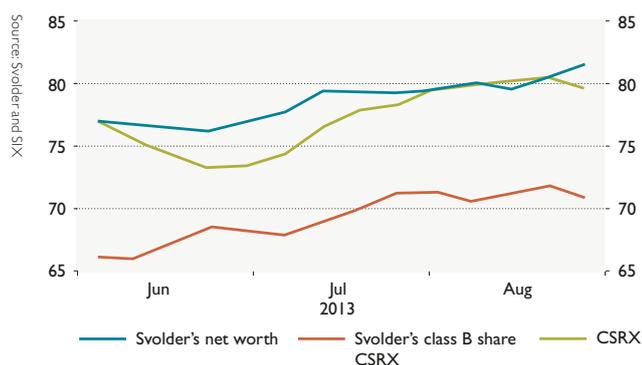
The current reporting period, 1st June – 31st August 2013, was characterised by share price fluctuations. The World Index was unchanged and the Swedish stock exchange rose marginally by 0.7 per cent. The Swedish market for small and medium-sized companies, measured as CSRX, however, increased by 3.4 per cent. The month of July was particularly strong.

Strong increases in interest rates for government bonds were noted during the three-month period. This comes in the wake of a probable change in monetary policy by the US central bank. The Federal Reserve has begun to talk about reducing bond purchases as a result of signs of slightly stronger economic growth. The interest rates for money markets, however, have not changed and remain very low.

The euro has remained strong during this reporting period and rose by 1.7 per cent against the Swedish krona. The depreciation of the krona is favourable for Swedish export companies.

Commodity prices increased in August, but on the whole the changes have been relatively undramatic over the quarter. It is a different story for the price of oil, which rose by 14 per cent during the current reporting period as a result of a sharp increase in political unease in the Middle East.

Svolder (SEK per share) and CSRX 3 months



Total return, % (3 months)¹⁾

	3 months 1/6 2013– 31/8 2013	12 months 1/9 2012– 31/8 2013
Share price (class B)	7.6	35.3
Net worth	6.0	35.0
CSRX	3.4	31.2
SIXRX	0.7	23.7

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

CHANGE IN NET WORTH

Svolder's closing net worth was SEK 81.50 per share, which represents an increase during the current reporting period of 6.0 per cent. This figure is up 2.6 percentage points on that of the CSRX comparison index, which increased by 3.4 per cent during the corresponding period. The positive deviation is primarily attributable to the good development of XANO Industri, Beijer Alma and HiQ.

Net worth trend, 3 months

	SEK m	SEK/share
Net worth, 31st May 2013	984.3	76.90
Equities portfolio		
Opening value	898.5	70.20
Purchase of shares	176.5	
Sale of shares	-148.1	
Change in value, equities portfolio	63.5	7.20
Closing value	990.4	77.40
Net debt (-)/Net receivable (+)		
Opening value	85.8	6.70
Share dividends received	1.1	
Other operating income	1.4	
Administrative costs	-7.1	
Net financial items	0.1	
Purchase of shares, net	-28.4	-2.60
Closing value	52.9	4.10
Net worth, 31st August 2013	1 043.2	81.50

Biggest contributors to changes in net worth 1st June – 31st August 2013 (3 months)

(Based on net worth of SEK 984.3 million or SEK 76.90 per share on 31st May 2013)

	SEK m	SEK/share
XANO Industri	16.5	1.30
Beijer Alma	15.1	1.20
HiQ	10.3	0.80
KappAhl	9.1	0.70
JM	8.9	0.70
Nolato	7.1	0.60
Unibet	6.3	0.50
MTG	3.6	0.30
Total, eight positive	76.8	6.00
Acando	-12.3	-1.00
Saab	-9.5	-0.70
Total, two negative	-21.8	-1.70
Other shares	9.6	0.70
Shares, total	64.6	5.00
Other	-5.6	-0.40
Change in value	59.0	4.60

Industrial group XANO has continued to be valued by the stock market. The group consists of around 20 manufacturing companies with customers primarily in the Swedish engineering industry. An important acquisition in late 2012 had a very positive impact on profits during the current financial year. The company's market value is relatively low and in the past the share has not been given the attention it deserves in the financial media. This has recently changed, and coupled with the strong development of profit in 2013 this has clearly increased demand for the share.

IT consultancy HiQ reported a profit in line with expectations for the second quarter. Its profit margin remained extremely high compared with other companies in the industry. The operation in Finland developed well again following a weaker first quarter. Signs of a slightly more positive market development caused the share price to rise sharply. The share is one of the largest contributors to net worth during the current reporting period. Svolder reduced its holding slightly as the share development meant HiQ's valuation was no longer as attractive as before.

The holding in defence group Saab was the biggest negative contributor to net worth during the current reporting period. The company's figures for the second quarter were worse than expected. Furthermore, the full-year forecast for 2013 was revised downwards. The company announced cost cuts in the region of SEK 500 million which will come into effect over the coming year. Saab's share price developed very weakly, which led Svolder to increase its holding. After the purchase of shares, there was further positive news about Switzerland's purchase of the Gripen fighter. Despite the lower forecast for the current financial year, the valuation is still considered low based on expected profit for a normal year.

IT consultancy Acando reported a weak second quarter in terms of profit. The main reason was low capacity utilisation in parts of the Swedish and German operation. The reasons for this were partly the continued weak economy, and partly structural changes at a major customer company. The company is prioritising increased sales initiatives and cost adjustments, which along with signs of a better market will lead to profit improvements in some areas during the second half of the year. The share price showed weak development during the summer and the share became a major negative contributor to net worth. Svolder still believes that the valuation is low and has increased its holding.

LIQUIDITY/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 52.9 million on the closing day, corresponding to 5.1 per cent of the company's net worth. This can be compared with a net debt of SEK 85.8 million at the beginning of the current reporting period.

EQUITIES PORTFOLIO

Shares were acquired for a total of SEK 176.5 million (gross) during the current reporting period. Shares for a gross amount of SEK 148.1 million were sold during the corresponding period, and net purchases hence totalled SEK 28.4 million.

New holdings during the three-month period were Bong convertible, Bong paid subscription shares and Vitrolife, while all shares in Bilia, MTG B and Tribona were sold. On the closing day, the portfolio thus comprised 19 holdings in 17 companies. This is a few more holdings than the company is striving for in the long term.

Major net purchases for the equities portfolio, 3 months 1st June – 31st August 2013

Share	Number	SEK m	SEK/share ¹⁾
Saab	294 721	35.7	121.20
Acando	2 450 207	31.7	12.90
Bong konvertibel	30	30.0	MSEK 1
Proact	279 622	21.5	76.80
KappAhl	437 733	13.3	30.30

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.

Svolder participated in the guarantee consortium set up to enable a successful preferential issue in envelope and e-commerce packaging company Bong. In connection with the issue, a 50-year convertible subordinated debenture with an annual interest rate of 10 per cent was also issued. Svolder has acquired convertible promissory notes for a nominal value of SEK 30 million. Furthermore, a guarantee provision of SEK 0.9 million has been obtained and a guarantee commitment of over SEK 5.7 million shares has been redeemed.

Bong has been very active in the restructuring of the

envelope market in Europe. This has entailed significant structuring and acquisition costs which have been closely related to necessary reductions in capacity. Thanks to a combination of new share issues, conversion of loans to equity and new terms for loans, the financial situation for Bong has greatly improved. The company is a leading market player in the shrinking envelope market in Europe, while other operations and market areas are showing growth. When analysing a company it is essential to focus on cash flow rather than solely on profit.

Major net sales from the equities portfolio, 3 months 1st June – 31st August 2013

Share	Number	SEK m	SEK/share ¹⁾
Tribona	1 048 987	39.1	41.00
MTG B	115 860	34.5	297.70
HiQ	500 000	18.9	38.10
Bilia	119 422	13.4	115.80
B&B TOOLS	147 000	12.4	84.60

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.

Earlier in the financial year Svolder acquired shares in Northern Logistic Properties, which was listed in Norway and then transferred the listing of its shares to NASDAQ OMX Stockholm under the name Tribona. The operation consists almost exclusively of logistics properties in Sweden and its head office is in Lund, Sweden. The growth in share price has been excellent in both absolute and relative terms. All of the shares have been sold during the current reporting period as higher interest rates slightly cooled the investment climate for real estate.

All shares in MTG were sold during the three-month period. The share has recovered its entire fall in price since the profit warning last October, and its expected share price potential has decreased.

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.

STOCKHOLM 27TH SEPTEMBER 2013
SVOLDER AB (PUBL)

THE BOARD OF DIRECTORS

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 I/6 2013-31/8 2013	3 months I/6 2012-31/8 2012	12 months I/9 2012-31/8 2013	12 months I/9 2011-31/8 2012
Management operations				
Dividend income	1.1	2.4	34.3	41.7
Administrative costs	-7.1	-4.5	-18.9	-17.2
Earnings from securities	63.5	-14.2	251.5	-6.2
Other operating income	1.4	-	3.2	-
Operating profit	58.8	-16.3	270.0	18.2
Profit on financial investments				
Financial income	0.2	0.0	0.6	0.1
Financial expenses	-0.1	-0.3	-0.5	-1.2
Results after financial items	59.0	-16.6	270.2	17.1
Tax	-	-	-	-
Profit for the period	59.0	-16.6	270.2	17.1
Other comprehensive income	-	-	-	-
Comprehensive income for the period	59.0	-16.6	270.2	17.1
Earnings per share, SEK	4.60	-1.30	21.10	1.30

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	3 months I/6 2013-31/8 2013	3 months I/6 2012-31/8 2012	12 months I/9 2012-31/8 2013	12 months I/9 2011-31/8 2012
Cash flow from operating activities				
before changes in working capital	-2.4	-2.0	19.4	26.1
Changes in working capital				
Increase (+)/decrease (-) in current liabilities	0.0	0.1	-0.2	0.3
Cash flow from operating activities	-2.5	-1.9	19.2	26.4
Investing activities				
Purchase of securities	-163.2	-50.4	-538.6	-440.2
Sale of securities	128.8	134.5	604.4	509.2
Investment in machinery and equipment	-	-	-	0.0
Cash flow from investing activities	-34.4	84.0	65.8	69.0
Financing activities				
Loans raised (+)/amortised (-)	-	-65.9	-	-36.9
Dividend paid	-	-	-42.2	-42.2
Cash flow from financing activities	0.0	-65.9	-42.2	-79.1
Increase (+)/decrease (-) in liquid assets	-36.9	16.2	42.7	16.2
Liquid assets at beginning of period	95.8	-	16.2	-
Liquid assets at end of period	59.0	16.2	59.0	16.2

CONSOLIDATED KEY RATIOS PER SHARE

(SEK m)	3 months I/6 2013-31/8 2013	3 months I/6 2012-31/8 2012	12 months I/9 2012-31/8 2013	12 months I/9 2011-31/8 2012
Change in net worth, SEK	4.60	-1.30	17.80	-2.00
Dividend paid during the period, SEK	-	-	3.30	3.30
Number of shares, million	12.8	12.8	12.8	12.8

Amounts per Svalder 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 programmes of financial instruments that entail any dilution in the number of shares.

CONSOLIDATED BALANCE SHEET

ASSETS

(SEK m)	31/8 2013	31/5 2013	31/8 2012	31/5 2012	31/8 2011
Non-current assets					
Property, plant and equipment					
Equipment	0.1	0.1	0.2	0.2	0.2
Financial assets					
Securities holdings	990.4	898.5	794.2	889.7	873.1
Current assets					
Current receivables	21.7	0.8	17.1	13.3	8.1
Cash and bank balances	59.0	95.8	16.2	-	-
Total assets	1 071.1	995.2	827.7	903.3	881.4

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity	1 043.2	984.3	815.3	831.9	840.4
Liabilities					
Current liability to credit institution	-	-	-	67.1	36.9
Current liabilities	27.9	10.9	12.4	4.2	4.0
Total liabilities and shareholders' equity	1 071.1	995.2	827.7	903.3	881.4

CHANGES IN SHAREHOLDERS' EQUITY

(MSEK)	3 months 1/6 2013- 31/8 2013	3 months 1/6 2012- 31/8 2012	12 months 1/9 2012- 31/8 2013	12 months 1/9 2011- 31/8 2012
Opening balance	984.3	831.9	815.3	840.4
Dividend paid	-	-	-42.2	-42.2
Comprehensive income for the period	59.0	-16.6	270.2	17.1
Closing balance	1 043.2	815.3	1 043.2	815.3

CONSOLIDATED KEY RATIOS PER SHARE

	31/8 2013	31/5 2013	31/8 2012	31/5 2012	31/8 2011
Net worth per share, SEK	81.50	76.90	63.70	65.00	65.70
Share price (class B), SEK	71.00	66.00	56.00	54.25	61.50
Net worth, premium (+)/discount (-), %	-13	-14	-12	-17	-6
Liquidity (+)/Borrowing (-), %	5	9	3	-7	-4
Equity/assets ratio, %	99	100	99	92	95
Number of shares, million	12.8	12.8	12.8	12.8	12.8

Definitions as in the Annual Report for 2011/2012. 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 programmes of financial instruments that entail any dilution in the number of shares.

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.

