

INTERIM REPORT ON THE OPERATIONS OF AB CUSTOS FOR THE PERIOD JANUARY 1 – MARCH 31, 2001

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- Total return on Custos shares during the report period was 1.2 percent.
 - Public offer for Perstorp from Industri Kapital through Sydsvenska Kemi AB.
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Total return

Total return on Custos shares for the report period was 1.2 percent.

Return, January 1, 2001 – March 31, 2001

	%
Total return on Custos shares ¹	1.2
Cost of shareholders' equity ²	2.0
SIX Portfolio Return Index	-14.5
SIX Return Index	-18.1
Morgan Stanley World Index ³	- 13.5

¹ Total return taking into account share price appreciation and where appropriate dividend paid and redemption of shares.

² Measured as the average 12-month Swedish treasury bill rate plus a risk premium of 4 percent during the three-month period.

³ MSCI Indices US\$ World Index.

In this Interim Report, total net asset value, net asset value per share etc. on December 31, 2000 are calculated on the assumption that the SCA shares that comprised payment in the redemption program being completed during 2001 had been distributed to Custos shareholders on December 31, 2000. An Extraordinary General Meeting on December 5, 2000 approved this redemption in principle.

However, the Parent Company Condensed Balance Sheet on December 31, 2000 includes these SCA shares, because the approval and registration of Custos' redemption of ordinary shares with payment in the form of SCA shares was completed early in 2001.

For further information, see the Custos Annual Report for 2000.

Net asset value

Total net asset value on March 31, 2001 was MSEK 5,277 (Dec. 31, 2000: 4,981), or SEK 293 (Dec. 31, 2000: 276) per share. Value per share is based on 18,030,654 Custos shares and is calculated on the assumption that the synthetically repurchased shares, as provided by a mandate from the Annual General Meeting on April 5, 2000, have been redeemed.

On March 31, 2001, Custos' discount to net asset value was 11 percent. This was higher than at year-end 2000, when the discount was 7 percent.

Change in net asset value, MSEK	Jan. 1, 2001- Mar. 31, 2001
Net asset value, January 1 ¹	4,981
Dividends	11
Administrative expenses	-9
Other income and expenses	-3
Financial income and expenses	4
Taxes	-1
	2
Change in value of securities portfolio	
Perstorp	499
Svedala	91
SCA (including securities loans)	15
C. Tybring-Gjedde	1
Bilia	0
Christian Salvesen	-58
Perbio Science	-246
Other holdings	1
Change in net asset value before dividend, redemption etc.	305
Change in value from synthetic buy-backs of Custos' own shares (swap agreement 2) which arose during 2001	-24
Transfer of market value of synthetic share buy-backs on December 31, 2000 (swap agreement 2)	936
Preliminary redemption amount of synthetic share buy-backs on March 31, 2001 (swap agreement 2) ²	-921
Net asset value at end of period	5,277

1 The Custos shares that were included in the synthetic buy-back program on December 31, 2000 as provided by a mandate from the Annual General Meeting on April 5, 2000 (swap agreement 2) are assumed to have been redeemed at the market value prevailing on December 31, 2000 (MSEK 936).

2 The Custos shares that were included in the synthetic buy-back program on March 31, 2001 as provided by a mandate from the Annual General Meeting on April 5, 2000 (swap agreement 2) are assumed to have been redeemed at a fixed maximum redemption amount (MSEK 921).

Net asset value on March 31, 2001, allocated by assets and liabilities

Listed companies	Number	Price per share, SEK	Market value, MSEK	SEK per Custos share ¹
Perbio Science	14,101,226	113.00	1,593	88
Perstorp, Series A	390,200	102.50	40	2
Perstorp, Series B	15,706,939	97.00	1,524	85
Svedala	5,296,600	178.00	943	52
Christian Salvesen	27,090,000	17.45	473	26
SCA, Series A	1,412,715	212.00	299 ²	17
Bilia	3,826,363	65.00	249	14
C. Tybring-Gjedde	8,300,000	10.20	85	5
C. Tybring-Gjedde (convertible loan)	4,900,000	12.60	61 ³	3
Other listed companies			42	3
Subtotal listed companies			5,309	295
Options issued			-30	-2
Total listed companies			5,279	293
Unlisted companies				
Acando			499	28
Other unlisted companies			113	6
Subtotal unlisted companies			612	34
Options issued, Acando			-164	-9
Total unlisted companies			448	25
Other assets			770 ⁴	43
Total assets			6,497	361
Liabilities			-1,220 ⁵	-68
Net asset value			5,277	293

1 Calculated on the basis of 18,030,654 shares.

2 SCA, Series A shares have been equated in value with SCA, Series B shares, which are more liquid. Furthermore, it is possible to convert SCA, Series A shares to SCA, Series B shares.

3 Convertible debenture loan equivalent to 4,900,000 shares. The market value presupposes that no conversion will take place.

4 Adjusted for surplus value of synthetically repurchased shares.

5 Adjusted for the market value of options issued, assuming redemption proceeds for synthetically repurchased shares and redemption proceeds for Series C shares.

Portfolio of listed shares

On March 31, 2001, the market value of the portfolio of listed shares, taking into account options issued, was MSEK 5,279 (Dec. 31, 2000: 5,024, excluding the SCA shares distributed early in 2001, in accordance with a decision in principle by an Extraordinary General Meeting on December 5, 2000).

During the period, Custos carried out sales of shares totaling MSEK 47 (purchases 0, sales 47). All sales during the report period were in conjunction with the exercise of options.

In addition, Custos converted 2,261,102 SCA, Series A shares to SCA, Series B shares and repaid its securities loans. Custos' redemption offer with payment in the form of SCA shares was completed by distributing 12,170,874 SCA shares to Custos' shareholders.

During March 2001, the Board of Directors of Sydsvenska Kemi AB (a chemical company controlled by Industri Kapital) presented a public offer to the shareholders in Perstorp. The offer is conditional, among

other things, on approval by Perstorp's Annual General Meeting and implementation of the distribution of the laminate flooring operations of Pergo to the shareholders of Perstorp. Custos intends to accept the offer. For further information, the reader is referred to the prospectus "Public offer to the shareholders in and holders of convertible debentures issued by Perstorp AB".

During June 2000, the Finnish-based engineering group Metso Corporation announced an offer to acquire all shares and convertible debentures in Svedala. Metso Corporation is offering SEK 185 per share. The U.S. Federal Trade Commission (FTC) is still examining Metso Corporation's application for approval of the offer. For this reason, Metso Corporation has decided on a further extension of the application period until June 1, 2001. Custos has accepted the offer. Today the Metso Group owns about 5.1 percent of Svedala's share capital and voting power.

Unlisted companies

On March 31, 2001, the market value of Custos' holdings in unlisted companies, taking into account options issued, amounted to an estimated MSEK 448 (Dec. 31, 2000: 447).

Shares in unlisted companies	Number	Market value, MSEK	SEK per Custos share ¹
Shares in unlisted Group companies		107	6
Shares in unlisted associated companies			
Acando ²	360,522	335	19
Others		6	0
Total unlisted companies		448	25

¹ Calculated on the basis of 18,030,654 shares.

² Taking into account options issued.

In early 1999, Custos and three investment partners – Kinnevik, Nordico Invest and Norway's Orkla – founded the Internet/e-business consulting company Acando AB. Custos is the largest single shareholder in Acando, with 30 percent of the share capital and voting power, taking into account options issued. Custos has invested a total of MSEK 68 in Acando.

Taking into account options issued, Custos' holding in Acando was valued on December 31, 2000 at MSEK 335 by the Executive Management of Custos according to an internal appraisal based on Acando's estimated earnings capacity.

Securities portfolio, earnings and financial position

The market value of the Parent Company's total securities on March 31, 2001, taking into account options issued, amounted to MSEK 5,727 (Dec. 31, 2000: 5,471, excluding the SCA shares distributed early in 2001, in accordance with a decision in principle by an Extraordinary General Meeting on December 5, 2000). The book value of the portfolio on the balance sheet date was MSEK 3,132 (Dec. 31, 2000: 2,760). The difference between the market value and book value of the portfolio, the so-called surplus value, thus amounted to MSEK 2,595 (Dec. 31, 2000: 2,711).

During the period, Custos carried out sales of shares totaling MSEK 47 (purchases 0, sales 47).

The Parent Company's income before taxes for the period January 1 – March 31, 2001 amounted to MSEK 423 (year-earlier period: 391). Dividends received totaled MSEK 11 (year-earlier period: 22) and

capital gains etc. totaled MSEK 420 (year-earlier period: 366). Taxes totaling MSEK 1 (1) were charged to income.

The adjusted equity/assets ratio on March 31, 2001 was 79 percent (Dec. 31, 2000: 74). Net interest-bearing assets (interest-bearing assets minus interest-bearing liabilities) totaled MSEK 582 (Dec. 31, 2000: net interest-bearing liability 57).

The Group

Custos is a non-diversified investment company, best analyzed on the basis of the Parent Company's accounts, in which the investment portfolio is valued at market value. Because the consolidated accounts for this type of investment company only serve as a complement to the Parent Company accounts, consolidated balance sheets and income statements are only prepared for the six-month and full-year accounts.

Synthetic buy-backs of Custos' own shares

As provided by a mandate from the Annual General Meeting on April 5, 2000, Custos had entered into swap agreements equivalent to a total of 3,642,712 shares in Custos by March 31, 2001. This synthetic buy-back program will now be finally settled via a share redemption targeted to Svenska Handelsbanken (see "Decisions at the Annual General Meeting").

Decisions at the Extraordinary General Meeting

An Extraordinary General Meeting on February 8, 2001 approved a reduction in the Company's share capital by MSEK 152.1 through redemption of 6,085,437 ordinary shares and an increase in the Company's share capital by an equivalent amount via an issue of 6,085,437 new Series C shares targeted to Svenska Handelsbanken AB.

The purpose of the reduction of Custos' share capital through redemption of ordinary shares was payment to the shareholders of redemption proceeds per redeemed ordinary share, consisting of two shares of either Series A or Series B in SCA.

The purpose of the targeted issue of new Series C shares was to enable Custos to carry out the reduction procedure efficiently without delay.

Decisions at the Annual General Meeting

The Annual General Meeting fixed the dividend for the 2000 financial year at SEK 16.50 per share (for 1999: 11.50).

The Meeting approved a reduction of Custos' share capital by MSEK 91.1 through the redemption of 3,642,712 ordinary shares (see "Synthetic buy-backs of Custos' own shares). It also approved a resolution authorizing the Board of Directors to carry out synthetic buy-backs of a maximum of 4,000,000 of Custos' own shares, however corresponding to no more than SEK 1 billion.

All members of the Board of Directors were re-elected except for Jonas Wahlström, who had declined re-election. At its subsequent statutory meeting, the Board re-elected Sven Hagströmer as its Chairman.

At its statutory meeting, the Board of Directors also approved, as provided by Section 4 of the Articles of Association, a reduction in Custos' share capital by an additional MSEK 152.1 ("the reduction amount")

through a redemption of all 6,085,437 Series C shares. The Board decided, in accordance with Section 4 of the Articles of Association, that simultaneously with the reduction, an amount equivalent to the reduction amount would be allocated to the statutory reserve.

The purpose of the reduction of Custos' share capital is repayment to Svenska Handelsbanken AB, in its capacity as a shareholder in Custos, in an amount equivalent to the nominal amount of the shares plus an interest factor.

After completion of the redemption procedure, Custos' share capital will amount to MSEK 450.8, divided into 18,030,654 ordinary shares.

Change in share capital, 2000–2001

Year	Series A shares (1 vote each)	Series B shares (1/10 vote each)	Ordinary shares (1 vote each)	Series C shares (1/10 vote each)	Share capital. MSEK
December 31, 1999	23,855,112	7,990,501	-	-	796
2000 change in share classes	-23,855,112	-7,990,501	31,845,613		-
2000 redemption ¹	-	-	-4,086,810		-102
2001 redemption ²	-	-	-6,085,437		-152
2001 new share issue ³	-	-		6,085,437	152
2001 redemption ⁴	-	-	-3,642,712		-91
2001 redemption ⁵	-	-		-6,085,437	-152
2001	-	-	18,030,654	-	451

¹ Completed redemption targeted to Svenska Handelsbanken as final settlement of the synthetic buy-back program implemented as provided by a mandate from the Annual General Meeting on April 14, 1999 (swap agreement 1).

² Completed redemption with payment in SCA shares, in accordance with a decision by the Extraordinary General Meeting on February 8, 2001.

³ New share issue targeted to Svenska Handelsbanken to enable Custos to carry out the redemption program with payment in SCA shares, in accordance with a decision by the Extraordinary General Meeting on February 8, 2001, efficiently without delay.

⁴ Ongoing redemption targeted to Svenska Handelsbanken as final settlement of the synthetic buy-back program implemented as provided by a mandate from the Annual General Meeting on April 5, 2000 (swap agreement 2).

⁵ Ongoing redemption targeted to Svenska Handelsbanken.

Information schedule

- Interim Report, January 1 – June 30 July 17, 2001
- Interim Report, January 1 – September 30 October 17, 2001

Only reports attributable to the full-year accounts will be distributed to the shareholders. Other reports will be available at the Company's office and will be sent to shareholders who request them. All reports are also available on the Company's website, www.custos.se.

Stockholm, April 18, 2001

AKTIEBOLAGET CUSTOS (publ)

Christer Gardell
Chief Executive Officer

This Interim Report has not been subject to special examination by the Company's auditors.

The Interim Report comprises the Parent Company and has been prepared in compliance with Recommendation RR20 of the Swedish Financial Accounting Standards Council. The Company applies the new recommendations of the Swedish Financial Accounting Standards Council. They have not had any influence on comparative figures. The accounting principles and calculation methods are otherwise unchanged from those applied in the Annual Report for 2000.

The Interim Report is published in Swedish and English. In the event of any difference between the English version and the Swedish original, the Swedish version shall govern.

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Parent Company Income Statement (Amounts in MSEK)		Jan. - Mar. 2001	Jan. - Mar. 2000	Jan. - Dec. 2000
Income from securities management				
Dividends		11	22	253
Other income from holdings in	Group companies	-	-	-22
	associated companies	1	-	4
	other listed securities	419	366	407
Total income from securities management		431	388	642
Administrative expenses		-9	-9	-42
Other expenses		-3	2	-55
Operating income		419	381	545
Financial income and expenses		4	10	23
Income before taxes		423	391	568
Taxes		-1	-1	-3
Net income for the period		422	390	565
Net income per share (SEK)		17.06	12.24	18.54
Based on the following number of shares		24,716,085	31,845,613	30,483,343

Parent Company Condensed Balance Sheet (Amounts in MSEK)		Mar. 31, 2001	Mar. 31, 2000	Dec. 31, 1999
Fixed assets				
Tangible fixed assets		2	2	1
Financial fixed assets				
Holdings in Group companies		23	24	23
Holdings in associated companies		692 ¹	1,468 ²	1,490 ²
Receivables from associated companies		52	52	52
Other long-term holdings of securities		2,386	2,462	2,349
Other long-term receivables (of which, interest-bearing)		20 (20)	-	20 (20)
Current assets (of which, interest-bearing)		674 (671)	1,376 (1,335)	524 (523)
Total assets		3,849	5,384	4,459
Shareholders' equity ³		3,682	4,675	3,711
Provisions		26	30	29
Current liabilities (of which, interest-bearing)		141 (109)	679 (646)	719 (600)
Total shareholders' equity and liabilities		3,849	5,384	4,459

1 Acando, C. Tybring-Gjedde, Firefly, Perbio Science etc.

2 Acando, C. Tybring-Gjedde, Firefly, Perbio Science, SCA etc.

3 At the beginning of the period	3,711	4,292	4,292
Dividend	-	-	-366
Redemption	-611	-	-875
New share issue	152	-	-
Ongoing transactions attributable to buy-backs of Custos' own shares	8	-7	95
Net income for the period	422	390	565
At the end of the period	3,682	4,675	3,711

Parent Company Condensed Cash Flow Statement (Amounts in MSEK)	Mar. 31, 2001	Mar. 31, 2000	Dec. 31, 2000
Current operations			
Dividends received	11	22	253
Other operating income	408	359	292
Operating income	419	381	545
Adjustments for items not included in cash flow	-419	-377	-331
	0	4	214
Net interest received/paid and similar items	4	6	24
Taxes paid	-1	-1	-3
Cash flow from current operations before changes in working capital	3	9	235
Changes in working capital			
Increase (-)/decrease (+) in current receivables	-1	-1	35
Increase (+)/decrease (-) in current liabilities	-37	38	8
Increase (+)/decrease (-) in provisions	-3	-2	-4
Cash flow from current operations	-38	44	274
Investment operations	Note 1		
Acquisitions of holdings in companies	-20	-385	-610
Divestments of holdings in companies	48	1,033	1,388
Other investment operations	-	1	-13
Cash flow from investment operations	28	649	765
Financing operations			
Synthetic buy-backs of Custos' own shares	9	0	92
Dividend paid	-	-	-366
Amounts disbursed to shareholders for redemptions	-	-	-875
New share issue	152	-	-
Cash flow from financing operations	161	0	-1,149
Increase (+)/decrease (-) in liquid funds	151	693	-110
Liquid funds, beginning of period	520	630	630
Liquid funds, end of period	671	1,323	520
Note 1			
Net sales of securities	47	659	771
Net investments in equipment	-	-	-
Increase (-)/decrease (+) in receivables related to divestments	1	5	-11
Increase (+)/decrease (-) in liabilities related to acquisitions	-20	-15	5
Payments received	28	649	765
Note 2			
Short-term investments	668	1,323	520
Cash and bank balances	3	0	0
Liquid funds at end of period	671	1,323	520