

## **Interim Report January-September 2001**

### **INCREASED INVESTMENT RATE**

- The net asset value amounted to SEK 37,50 per share (calculated net asset value SEK 38.50 per share on 24 October 2001).
- The parent company's profit after tax was SEK 48M for the quarter and SEK 175M for the first three quarters of 2001.
- Investments were SEK 139M for the quarter and SEK 534M for the first three quarters.
- Agreements have been made to acquire Svenska PA System, Retea and Xdin.
- Maintained development for the hub companies in a weakened market.
- Continued strong financial position provides scope for additional investments.
- New dividend policy – cash dividend of at least five per cent of equity carried forward.

#### **Subsequent events:**

- Bure acquired an approximately 51 per cent holding in Denmark's largest technology consulting company, Carl Bro.
- Positive advance ruling in the tax dispute relating to investment company status. The National Tax Board will appeal to the Supreme Administrative Court.

## Parent company

### Results

The parent company's profit after tax for the third quarter amounted to SEK 48M (609).

Following the dissolution of a provision made for tax when the litigation relating to the 1994 assessment was finally settled, the profit was positively affected by SEK 37M.

Profit after tax for the first three quarters was SEK 175M (2,309).

Administrative costs amounted to SEK 29M (50) for the third quarter and to SEK 114M (122) for the first three quarters of 2001.

Interest income and expenses amounted to SEK 18M (-8) for the third quarter and to SEK 53M (-24) for the first three quarters.

### Financial position

On 30 September, the parent company's total assets amounted to SEK 4,297M (5,673) compared with SEK 4,690M at the start of the year. In the third quarter, total assets increased by SEK 453M, mainly due to increased borrowing against deposited funds while awaiting incoming investment undertakings.

On 30 September, shareholders' equity amounted to SEK 3,453M. In the third quarter, two million of the company's own shares were synthetically repurchased, as a result of which shareholders' equity was reduced by SEK 61M.

The equity ratio amounted to 80 per cent, a fall of 11 percentage points since 30 June 2001.

At the period end, the positive net loan liability amounted to SEK 509M which means a reduction of SEK 313M during the quarter. At the turn of the year, the positive net loan liability amounted to SEK 1,149M.

The stock portfolio, which is managed by Bure Kapital and is included in the positive net loan liability, amounted to SEK 442M. The yield was -20 per cent during the quarter compared with the index which was -17 per cent.

### Divestments and exit results

During the third quarter, Bure made a number of divestments of minor residual assets from previous holdings. These divestments generated exit gains totalling SEK 21M of which the majority consisted of exercising options in Capió.

In total, divestments of SEK 780M were implemented during the first three quarters with a total exit result of SEK 591M. In addition, all of

Bure's shares in Observer were distributed to Bure's shareholders.

### Investments

#### *InfoMedia*

In July, Bure acquired the communications agency, Journalistgruppen, and the film production company, Propello.

Journalistgruppen is one of Sweden's leading communications agencies which has 130 employees and reports sales of more than SEK 100M.

Propello produces film for internal and external corporate communication. The company has around 20 employees and reports sales of approximately SEK 45M. Propello will be included in Bure's wholly-owned subsidiary, Stark Filmproduktion.

Through the acquisitions, Bure supplements its group of companies in the business communications segment which already includes Appelberg and Stark.

#### *IT Solutions*

At the end of August, Bure made an agreement to acquire all the shares in Svenska PA System and Retea from TurnIT. Bure's estimated investment amounts to SEK 214M and taking over loans of SEK 150M. The deal is subject to the approval by the Swedish Competition Authority which is expected to be obtained during October.

Svenska PA Group offers total solutions within the salaries and staff administration segments. The company has more than 125 employees and has operations in Sweden and Norway. Sales amount to approximately SEK 200M on an annual basis. Svenska PA Group will form the hub for continued investments by Bure within the Human Resource sector.

Retea is a consulting company within data communication and telecommunications with annual sales of more than SEK 40M.

In September, Bure made an agreement to acquire a 35 per cent shareholding in Xdin. The company is involved with product and process development, especially for the automotive industry, and has expanded strongly in recent years. Xdin reports sales of approximately SEK 200M and has more than 200 employees in Sweden and the USA.

#### *Funds*

Through the venture capital fund, Nordic Capital, Bure participates in the consortium which, together with Pharmacia, is behind the formation of the biotechnology company, Biovitrum. Bure's investment amounted to SEK 15M.

In addition, Bure participated in Nordic Capital's supplementary investment in the pharmaceutical company, Nycomed Pharma. Bure's investment amounted to SEK 50M.

In total, Bure's investments amounted to SEK 139M during the third quarter. The aforementioned acquisitions of Xdin, Svenska PA System and Retea are not included, as the approval by the Swedish Competition Authority has not yet been obtained.

Total investments during the first three quarters of 2001 amounted to SEK 534M.

### **Net asset value**

During the third quarter, Bure's net asset value fell from SEK 4,310M to SEK 3,998M. Calculated per share, it fell from SEK 40.00 to SEK 37.50. The fall is wholly attributable to the fall in value of the listed holdings. On 1 January 2001, the net asset value amounted to SEK 69.00. The indirect holding within Nordic Capital has been upvalued by SEK 182M in accordance with EVCA's principles. This is based on a transaction within Nycomed Pharma.

Of the share fall of SEK 31.50 during the first three quarters, SEK 19.50 is equivalent to the cash dividend and the distribution of Observer to the shareholders. The remaining fall in value is explained by the fall in the price of the listed holdings and by revaluations and write-downs of unlisted holdings which were implemented in the second quarter.

On 24 October, the calculated net asset value per share was SEK 38.50.

### **Bure's share price**

On 30 September, Bure's share price was SEK 23.00 compared with SEK 31.80 on 30 June. The yield in the third quarter was, therefore, -28 per cent compared with the SAX index which fell by 17 per cent. Adjusted for the cash dividend and the distribution of Observer, valued at the price on the date of dividend, the Bure share has fallen by 17 per cent since the turn of the year.

The net asset value discount, i.e. the share price compared with the net asset value, increased from 20 to 39 per cent during the quarter. On 24 October, when the share price was SEK 26.50, the discount amounted to 31 per cent.

### **Tax matters**

Since the previous report, Bure has enjoyed success in two crucial tax matters.

The tax authority and the National Tax Board have questioned Bure's status as an investment company relating to the 1993 financial year (1994 assessment). Bure has previously won both in the County Administrative Court and the

Administrative Court of Appeal. In September 2001, the Supreme Administrative Court decided not to grant the National Tax Board leave to appeal in this dispute.

The Supreme Administrative Court's decision means that the dispute has now been finally settled and that Bure, in accordance with the judgements of the County Administrative Court and the Administrative Court of Appeal, will be taxed as an investment company relating to the 1994 assessment. In its Annual Report 2000, Bure reported a contingent liability for the dispute of SEK 201M.

The fact that Bure no longer has any obligation for the 1994 assessment affects profit positively by SEK 37M.

In December 2000, the tax authority announced that it would re-examine Bure's assessment for the 1998 financial year (1999 assessment). The tax authority questions if Bure fulfilled the criteria to be regarded as an investment company during 1998. Should the tax authority be proved right, Bure's tax liability would be SEK 735M including interest. The amount is reported as a contingent liability.

Bure, which is of the opinion that all the criteria for being regarded as an investment company have been fulfilled, appealed against the tax authority's decision and requested an advance notification for 2001.

In an advance ruling on 3 October, the Office of the Council for Advance Tax Ruling confirmed that Bure can carry on asset management in its parent company, regardless of the extent of and trading frequency in its securities portfolio, without it affecting Bure's status as an investment company.

The National Tax Board has appealed against the Office of the Council for Advance Tax Ruling's statement to the Supreme Administrative Court.

### **Significant changes in ownership**

Since the previous report, Stena Metall has acquired shares in Bure equivalent to a total of 11.9 per cent of votes and capital at the end of the third quarter.

During the third quarter, Sjätte AP-fonden increased its holding in Bure from 14.9 per cent to 16.7 per cent of votes and capital.

### **Buy-back of shares**

During the third quarter, the mandate decided by the Annual General Meeting to buy back up to 10 per cent of the company's outstanding shares until the next Annual General Meeting was exercised with a buy-back of two million shares. The buy-back was made through a so-called synthetic arrangement with a Swedish bank.

This means that Bure instructed the bank to acquire the shares. Bure pays interest for the bank's financing but, on the other hand, receives a yield which is linked to the shareholding. The buy-back has been reported as a liability to the bank and the counter-item has, in common with other buy-backs, reduced the non-restricted equity. When calculating key figures, the repurchased shares have reduced the number of outstanding shares.

A total of three million shares have been repurchased, equivalent to three per cent of the company's outstanding shares.

### **New dividend policy**

Bure is consistently involved with generating value for the shareholders and creating confidence in the company in the market. Value created under Bure's ownership is made visible, realised and accrued to the shareholders through an aggressive transfer policy and, therefore, a solid price development over a period of time.

Bure's transfer policy to the shareholders is dynamic and is based on the fact that a cash dividend, distribution of assets and purchase of the company's own outstanding shares are utilised in combinations to achieve the highest possible shareholder value.

In total, the transfer of value to the shareholders should be very competitive over a period of time, whereby the annual cash dividend shall amount to at least five per cent of the equity carried forward.

Gothenburg, 25 October 2001

Peter Sandberg  
President and CEO

### **Subsequent events**

In October, Bure acquired an approximately 51 per cent shareholding in Carl Bro from Unibank and a number of small shareholders.

Carl Bro is the largest technology consulting company in Denmark with extensive international operations. The group has more than 2,200 employees and reported sales of approximately DKK 1,500M in 1999/2000.

With Carl Bro as the hub, Bure intends to build a leading Nordic operator and play a proactive role in the reconstruction of the North European technology consulting sector.

At the beginning of October, Bure acquired additional shares in Appelberg Publishing Agency, via a directed new share issue, and thus increased its holding from 25 to 34 per cent. Bure has an option to increase its ownership up to 55 per cent during 2002.

## Holdings 2001-09-30

	Share of capital %	Share of votes %	Book value SEK M	Net asset value SEK M	Over/under value SEK M	NAV SEK/share	Valuation method
<b>IT Solutions</b>							
<b>Direct investments:</b>							
● Cygate	74.4	74.4	389	389	0	3.65	book value
● Systeam	30.0	30.0	259	259	0	2.45	book value
Dimension	34.2	34.2	91	118	27	1.10	book value
CR&T	65.3	49.0	56	137	81	1.30	EVCA value
Newmad Technologies	26.6	26.6	28	28	0	0.25	book value
Erda Technologies	100.0	100.0	18	18	0	0.15	book value
Other direct holdings			62	60	-2	0.60	
<b>Indirect investments:</b>							
CR&T Venture fund			23	23	0	0.20	book value
InnKap fund 1 and 2			76	171	95	1.60	**
<b>Total</b>			<b>1 002</b>	<b>1 203</b>	<b>201</b>	<b>11.30</b>	
<b>IT Services &amp; Logistics</b>							
Other direct holdings			20	20	0	0.20	book value
<b>Total</b>			<b>20</b>	<b>20</b>	<b>0</b>	<b>0.20</b>	
<b>InfoMedia</b>							
● Citat	74.0	74.0	52	218	166	2.05	EVCA value
<b>Business communications</b>							
Stark	100.0	100.0	54	54	0	0.50	book value
Journalistgruppen	100.0	100.0	44	44	0	0.40	book value
Appelberg	25.0	26.6	21	21	0	0.20	book value
Other direct holdings			18	18	0	0.15	book value
<b>Total</b>			<b>189</b>	<b>355</b>	<b>166</b>	<b>3.30</b>	
<b>Training &amp; Education</b>							
● Mercuri International Group	98.2	98.2	338	361	23	3.40	EVCA value
● ITG, Informator	100.0	100.0	91	91	0	0.85	book value
● Vittra	70.0	70.0	33	33	0	0.30	book value
Other direct holdings			74	74	0	0.70	book value
<b>Total</b>			<b>536</b>	<b>559</b>	<b>23</b>	<b>5.25</b>	
<b>Other holdings</b>							
<b>Direct investments:</b>							
Scribona	34.8	28.0	354	178	-176	1.65	market value
Other direct holdings			102	98	-4	0.90	**
<b>Indirect investments:</b>							
Nordic Capital funds			549	1 038	489	9.75	**
<b>Total</b>			<b>1 005</b>	<b>1 314</b>	<b>309</b>	<b>12.30</b>	
<b>Bure Finans*</b>			<b>701</b>	<b>547</b>	<b>-154</b>	<b>5.15</b>	
<b>TOTAL</b>			<b>3 453</b>	<b>3 998</b>	<b>545</b>	<b>37.50</b>	

\* Bure Finans includes the parent company's other assets and liabilities as well as the listed stock portfolio which is managed by a subsidiary

The market value of the listed stock portfolio was SEK 442M.

\*\* The item includes companies which have been valued in accordance with more than one method.

- Hub company = A company which will form the base – the hub – of Bure's continued investments within a sector or a niche. The company will aim to achieve a strong market-leading position through business development and acquisition.

## Valuation principles

Listed holdings have been valued at the latest price paid per balance sheet date. Unlisted holdings have been valued by application of the European Venture Capital Association's (EVCA) recommendations or valuation made by an external party. EVCA's recommendations mean that the market value is determined on the basis of the value at the latest transaction in the security (above termed EVCA value) in which an external party has taken part, for example, in a new share issue. Other unlisted shares are entered at book value.

## Group Results

Consolidated profit after financial items for the third quarter amounted to SEK -129M (538) and to SEK -20M (2 941) for the first three quarters.

## A selection of the holdings

### IT Solutions

#### CYGATE

Cygate offers integrated solutions within voice, data and video communication. Cygate designs, installs and maintains secure network solutions based on IP technology which combine products developed by Cygate and partners' products. In addition, Cygate offers solutions for administration and monitoring of systems and networks. Training, helpdesk and support complete the offer. Operations are organised in three business areas: Network and Security, IT Management, and Services. Cygate is established in five countries around the Baltic and has approximately 250 staff.

- Net sales for the third quarter amounted to SEK 213M (170), an increase of 25 per cent. Operating profit before goodwill amortisation was SEK -9M (2). The uncertain market situation and close-down costs for the operation in Poland affected the results. The cash flow was positive during the period.
- Net sales increased by 50 per cent to SEK 741.1M from SEK 495.2M compared with the previous year. Excluding restructuring costs, operating profit is SEK 11.7M.
- In August, Cygate acquired the network division of the Danish company, Benau, for approximately DKK 11M. The business has ten employees and an annual turnover of approximately DKK 30M.
- During the reporting period, adjustments were made to reduce the company's cost volume. These adjustments will continue during the coming quarter.

(SEK M)	Quarter 3		9 months	
	2001	2000	2001	2000
Net sales	213	170	741	495
Growth (%)	25	26	50	17
Operating profit before goodwill amortisation	-9	2	9	5
Operating margin (%)	-4	1	1	1
Operating cash flow after investments	30	-16	20	-14
Total assets			353	264
Net loan liability/receivable			38	4
Average number of employees			251	252
Value-added per employee			0.6	0.5

#### SYSTEMAM

Systeam supports its customers' business development with efficient information systems. The company works as an extensive IT partner for medium-size companies, and as a specialist in ERP (Enterprise Resource Planning), system development and management for large companies. The group currently has approximately 800 staff and is established in some 40 locations in Northern Europe.

- Net sales for the third quarter amounted to SEK 197M (152), an increase of 30 per cent. Operating profit before goodwill amortisation amounted to SEK 1M (-6).
- Systeam's concept, to link together a company's existing production and base systems with the Internet, has proved successful for creating high growth and profitability.
- The operations as a whole have developed according to plan and the charge ratio increased during the period.
- Positive development in business area Healthcare.

(SEK M)	Quarter 3		9 months	
	2001	2000	2001	2000
Net sales	197	152	649	490
Growth (%)	30	19	32	14
Operating profit before goodwill amortisation	1	-6	29	-11
Operating margin (%)	1	-4	5	-2
Operating cash flow after investments			375	359
Total assets			756	646
Value-added per employee			0.5	0.4

### InfoMedia

#### CITAT

Citat enables better market communication by supplying companies with services and system solutions which make market communication more efficient. Citat is one of the leading companies in Sweden in this sector and operates within three main segments: operations development, system solutions and production & outsourcing.

- Net sales for the third quarter amounted to SEK 56M. Adjusted for divested units, this

represents a growth of 9 per cent. Operating profit before goodwill amortisation and items affecting comparability amounted to SEK 3M (-5) which generated a margin of 5 per cent (-8). In addition, profit was affected by items affecting comparability of SEK 18M (1).

- Citat's offer to save time and costs by making the process for market communication more efficient is meeting with strong response in the market, especially during the increasing weakening of the economy. The profit development remains positive and means an improvement for the third quarter of SEK 8M compared with the same period in the previous year.
- Sales during the quarter resulted in new customers such as Klinidrape within Mölnlycke Health Care and AstraZeneca, and existing customers such as H&M and Ericsson.
- During the period, Digitized AB, which has operations within digital photography, was acquired. The acquisition further strengthens Citat's offer within digital production and contributes positively to the Group's results for 2001.

(SEK M)	Quarter 3		9 months	
	2001	2000	2001	2000
Net sales	56	65	217	206
Growth (%)	-13	93	5	57
Operating profit before goodwill amortisation	3	-5	24	-9
Operating margin (%)	5	-8	11	-4
Operating cash flow after investments	0	-8	-4	-21
Total assets			201	188
Net loan liability/receivable			-59	-33
Average number of employees			288	298
Value-added per employee			0.4	0.3

## BUSINESS COMMUNICATION

Business Communication develops and strengthens the customer's ability to communicate internally and externally via customer-adapted communication independent of the media. Business Communication includes Journalistgruppen, Stark Filmproduktion and Appelberg Publishing Agency. Together, the Group employs some 250 staff and, with a business volume of approximately SEK 300M, it is a leading operator in the Swedish market.

- Via its acquisition of Journalistgruppen and the film production company, Propello (which has been merged with Stark) during the period, Bure complemented its group of companies within the business communication sector.

- Appelberg acquired Communicate which has offices in Hong Kong and Shanghai. The ambition is to establish operations in the world's currently most rapidly expanding market and, at the same time, provide a high level of customer service for Appelberg's European customers which have operations in that part of the world.>
- Business Communication consists of three companies, each of which is among the leading operators in Sweden within its niche. Kommunikationsbyrån Journalistgruppen and Stark Filmproduktion which produce film for external and internal corporate communication, and Appelberg Publishing Agency which focuses on corporate magazines with an international flavour.
- Business Communication constitutes a new hub area within Infomedia in which work is underway aimed at realising synergies between the companies with a focus on creating increased customer benefits via combination offers to the market. The starting point is cutting edge competence in collaboration, in which each company works independently under its own brand name, and also via joint offers to customers.

(SEK M)	Quarter 3 2001	9 months 2001
<b>Journalistgruppen</b>		
Net sales	24	84
Operating profit before goodwill amortisation	-1	-2
Profit margin (%)	-3	-2
<b>Stark</b>		
Net sales	17	39
Operating profit before goodwill amortisation	2	2
Profit margin (%)	9	6
<b>Appelberg</b>		
Net sales	16	58
Operating profit before goodwill amortisation	-1	0
Profit margin (%)	-9	0

## Training & Education

### MERCURI INTERNATIONAL

Mercuri International is the market leader in Europe within Sales Process Management and provides training and consultation for sales and leadership development. Through international expansion, Mercuri has developed into a partner able to meet the total needs of globally operating companies for competence development within sales, management, marketing and service functions. Mercuri has operations in around 35 countries.

- Net sales for the third quarter rose by SEK 30M compared with the previous year.

Together, the sales increase is 18 per cent, of which half is organic growth. The result for the third quarter, which is normally weak, amounted to SEK –18M. This is an improvement of SEK 8M over the previous year but is, nevertheless, lower than anticipated.

- After the summer, Mercuri has noted a fall in order intake as a result of the downturn in the economy and events in the world market. This has meant that the sales cycle has become longer from a time perspective.
- Mercuri is working proactively to respond to the weak market. Measures are concentrated on customer-oriented activities and opportunities for more strategic sales, whereas the internal cost control has been significantly tightened.
- Mercuri has worked successfully to increase the proportion of international assignments. During the quarter, a number of international projects were launched. This is a strategically important orientation for Mercuri which has a significant competitive edge with its extensive network, and has the concepts and competence to act as a strategic partner of large organisations.

(SEK M)	Quarter3		9 months	
	2001	2000	2001	2000
Net sales	150	120	567	481
Growth (%)	24	15	18	81
Operating profit before goodwill amortisation	-18	-26	16	7
Operating margin (%)	-12	-22	3	2
Operating cash flow after investments	-15	27	-15	18
Total assets			766	610
Net loan liability/receivable			-152	-149
Average number of employees			666	593
Value-added per employee			0.6	0.5

## ITG

**Informator Training Group is the most comprehensive training house in Sweden within IT and project management. It trains approximately 85,000 individuals per annum. Informator Professional carries out competence development within IT and project management.**

**Informator Enduser is involved with user training within IT.**

**Informator Interactive provides teacher-supported e-learning for both end users and professional users.**

**Informator Competence Management specialises in services and products for strategic competence development within the IT sector.**

- Net sales for the third quarter amounted to SEK 25M compared with SEK 35M in the previous year. ITG reports a loss of SEK 11M as a consequence of the fall in sales.
- The market situation further deteriorated during the quarter. The summer months are normally characterised by a very low level of activity in the training sector. However, during September ITG also reported a production which is significantly lower than planned. The order situation for the fourth quarter does not point to a change.
- A reconstruction plan for ITG was launched to adapt the company's volume and resources to the current market conditions. The plan involves substantial structural changes. This action, together with the cost reduction programme which was implemented during the spring, is expected to make a full impact from 2002.
- Bure's assessment of the sector's long-term potential has not changed. The IT training segment is very fragmented. The weak market trend creates opportunities for a consolidation of the sector.

(SEK M)	Quarter 3		9 months	
	2001	2000	2001	2000
Net sales	25	35	122	147
Growth (%)	-27	8	-17	18
Operating profit before goodwill amortisation	-11	-1	-20	8
Operating margin (%)	-45	-3	-16	6
Operating cash flow after investments	-9	-10	-14	-8
Total assets			188	250
Net loan liability/receivable			-110	-110
Average number of employees			122	119
Value-added per employee			0.2	0.5



## VITTRA

Vittra, which has a total of 3,400 students in 14 schools, is the largest independent school company in Sweden. Vittra currently has schools in Greater Stockholm, Gothenburg, Kungälv and Helsingborg for students at pre-school, compulsory and sixth form level. Vittra's independent schools were established in 1993 and promulgate an educational model which, among other things, is based on an individual development plan for every student.

- Net sales for the third quarter of SEK 46M are equivalent to an increase of 49 per cent. This has been achieved through continued significant organic growth. The result of SEK -6M is a consequence of the start-up of many new schools. Vittra's financial development is, in every respect, in line with the plan.
- Despite its very strong expansion, Vittra is strengthening its quantitative results in the form of grading statistics and results in national tests, and the qualitative – experienced – results. Every year, SIFO measures the experienced results among students, teaching staff and parents. During the third quarter, Vittra launched subject-integrated digital 'cases' at Sjörlins Gymnasium in Gothenburg – an educational tool developed by Vittra. This tool enables the students to study independent of time and location, but they have always access to a teacher.
- The establishment of new schools continues with the objective to establish at least four to six new schools every year. Although Vittra has a formal approval from the National Agency for Education, Vittra only establishes new units in consultation with the appropriate municipality. Discussions are currently being held with a number of municipalities relating to school start-ups in 2002.

(SEK M)	Quarter 3		9 months	
	2001	2000	2001	2000
Net sales	46	31	132	83
Growth (%)	49	38	60	34
Operating profit before goodwill amortisation	-6	0	-8	1
Operating margin (%)	-13	1	-6	2
Operating cash flow after investments	-6	7	-14	1
Total assets			83	67
Net loan liability/receivable			-1	7
Average number of employees			250	180
Value-added per employee			0.3	0.3

## Other large holdings

### CR&T

CR&T (Carlstedt Research & Technology AB) is a research-oriented consulting company with extensive incubator operations. The company develops high technology solutions and products in collaboration with institutes of technology and industrial companies. The majority of the staff have research training at postgraduate level in computer science and computer technology. CR&T identifies business concepts and develops them by contributing external venture capital and technical and business competence. At the same time, CR&T becomes a stakeholder in the newly-established companies.

Net sales for the third quarter amounted to SEK 6M (9), a fall of 36 per cent. The operating result amounted to SEK -17M (-1). The result was affected by shares in results of associated companies of SEK -12M (-1).

- The consulting operation reported continued low capacity utilisation, mainly caused by uncertainty in the telecom sector. An action programme, which will reduce the cost level by SEK 15M, has been agreed and will be implemented immediately.
- During the quarter, Leif Åkesson, formerly President of the security company, Appgate, took over as head of consulting operations in CR&T.

(SEK M)	Quarter 3		9 months	
	2001	2000	2001	2000
Net sales	6	9	23	28
Growth (%)	-36	33	-18	24
Shares in results	-12	-1	-35	-16
Exit results	0	0	0	34
Operating result before goodwill amortisation	-17	-1	-46	17
Operating margin (%)				
Operating cash flow after investments	-2	-6	-5	-3
Total assets			36	59
Net loan liability/receivable			-15	-3
Value-added per employee			46	36
			0.4	0.6

## NORDIC CAPITAL

The venture capital fund, Nordic Capital, has a diversified fund portfolio with holdings in unlisted companies. Through the fund, Bure has invested in the following companies: Nycomed Pharma, Mölnlycke Health Care, Biovitrum, Hilding Anders, Wilson Logistics and Ahlsell.

- During the third quarter, Nordic Capital acquired Amersham's 29 per cent shareholding in Nycomed Pharma. Following the acquisition, Nordic Capital owns approximately 98 per cent of Nycomed Pharma

which is a leading pharmaceutical company in Northern Europe. Bure's share in Nycomed is 7.7 per cent.

### **Subsequent events**

- In October, the fund acquired a 75 per cent holding in Dynal Biotech ASA. The company is a world leader within research, development and manufacturing of magnetic and non-magnetic small fully-spherical polymer particles, and markets an extensive product range based on its technology.

## **INNOVATIONSKAPITAL**

Innovationskapital consists of three venture capital funds, InnKap 1, InnKap 2 and InnKap 3, in which Bure Equity has a 23 per cent investment undertaking, or SEK 375M of the total of SEK 1,700M.

Innovationskapital invests in newly-established companies within IT and medical technology in the Nordic countries. At the quarter end, the portfolio consisted of investments in the following companies: Appgate, Arexis, BioInvent, Carmen Systems, Heptagon, Kreatel, Incirco, Intermezzon, MathCore, Medeikonos, Mgage Systems, Mitra, Proximion, Printeurope, Radians Innova, Red Message, Resistencia, Samba Sensors, Simtra and Spotfire.

Bure's investments within Innovationskapital amounted to SEK 76M on 30 September 2001. The market value of these investments, which are calculated by the fund in accordance with the EVCA model, amounted to approximately SEK 171M on Bure's part.

STATEMENTS OF INCOME						Group				
(SEK M)	Q 3 2001	Q 3 2000	9 mths 2001	9 mths 2000	Full-year 2000	Q 3 2001	Q 3 2000	9 mths 2001	9 mths 2000	Full-year 2000
<b>Investment operations</b>										
Dividends	2.9	15.1	47.1	75.1	78.2	2.9	1.3	8.2	8.8	11.9
Exit results	20.8	742.7	590.6	2 656.9	2 676.7	27.2	626.4	673.6	2 534.5	2 571.2
Write-downs, contributions, etc	4.9	-107.7	-431.1	-366.7	-847.8	4.9	-47.9	-237.6	-89.8	-444.8
<b>Result of investment operations</b>	<b>28.6</b>	<b>650.1</b>	<b>206.6</b>	<b>2 365.3</b>	<b>1 907.1</b>	<b>35.0</b>	<b>579.8</b>	<b>444.2</b>	<b>2 453.5</b>	<b>2 138.3</b>
Asset management	-	16.3	-	89.9	82.1	-9.9	14.3	-182.8	89.9	82.1
Administrative costs	-28.6	-49.5	-114.3	-121.7	-203.3	-28.6	-48.2	-114.3	-121.7	-203.3
Results from subsidiaries	-	-	-	-	-	-75.3	1.4	-98.9	431.7	422.7
Results from associated companies	-	-	-	-	-	-68.1	-1.7	-120.8	111.8	129.2
Financial income and expenses	18.3	-8.3	53.0	-24.2	-19.1	18.3	-7.8	53.0	-24.2	-19.1
<b>Profit before taxes</b>	<b>18.3</b>	<b>608.6</b>	<b>145.3</b>	<b>2 309.3</b>	<b>1 766.8</b>	<b>-128.6</b>	<b>537.8</b>	<b>-19.6</b>	<b>2 941.0</b>	<b>2 549.9</b>
Taxes	29.4	-	29.4	-	-	40.4	-45.8	6.1	-170.9	-220.7
Minority interest in the profit	-	-	-	-	-	6.3	-3.2	-7.1	-313.5	-328.9
<b>Net profit</b>	<b>47.7</b>	<b>608.6</b>	<b>174.7</b>	<b>2 309.3</b>	<b>1 766.8</b>	<b>-81.9</b>	<b>488.8</b>	<b>-20.6</b>	<b>2 456.6</b>	<b>2 000.3</b>
Average number of shares, 000	106 600	109 100	108 100	109 100	109 100	106 600	109 100	108 100	109 100	109 100
Profit per share, SEK	0.45	5.58	1.62	21.17	16.19	-0.77	4.48	-0.19	22.52	18.33
Consolidated net sales						721.7	1 219.1	2 830.8	5 769.3	7 553.4
<b>BALANCE SHEETS</b>	<b>Sep 2001</b>	<b>Sep 2000</b>	<b>Dec 2000</b>			<b>Sep 2001</b>	<b>Sep 2000</b>	<b>Dec 2000</b>		
<b>ASSETS</b>										
Goodwill	-	-	-			1 123.3	2 910.9	2 937.2		
Shares and participations	2 757.6	4 384.2	3 221.3			2 309.2	2 548.9	2 286.6		
Other assets	1 029.5	320.3	1 422.4			1 621.7	2 673.5	2 697.7		
Liquid funds and short-term investments	510.3	968.6	46.3			744.9	1 624.4	1 167.9		
	<b>4 297.4</b>	<b>5 673.1</b>	<b>4 690.0</b>			<b>5 799.1</b>	<b>9 757.7</b>	<b>9 089.4</b>		
<b>EQUITY, PROVISIONS AND LIABILITIES</b>										
Shareholders' equity	3 453.2	4 868.8	4 310.1			3 273.4	4 849.1	4 376.5		
Minority interest	-	-	-			62.4	1 072.8	1 106.4		
Provisions	-	37.0	107.0			58.1	323.9	378.0		
Long-term liabilities	11.6	44.5	20.1			710.1	1 320.1	1 273.6		
Current liabilities	832.6	722.8	252.8			1 695.1	2 191.8	1 954.9		
	<b>4 297.4</b>	<b>5 673.1</b>	<b>4 690.0</b>			<b>5 799.1</b>	<b>9 757.7</b>	<b>9 089.4</b>		
<b>CASH FLOW ANALYSES</b>	<b>9 mths 2001</b>	<b>9 mths 2000</b>	<b>Full-year 2000</b>			<b>9 mths 2001</b>	<b>9 mths 2000</b>	<b>Full-year 2000</b>		
Cash flow from:										
<b>Current operations</b>	<b>-300.1</b>	<b>670.2</b>	<b>263.8</b>			<b>-302.6</b>	<b>865.7</b>	<b>949.7</b>		
<i>Investment operations</i>										
Investments	-535.9	-796.8	-825.9			-711.3	-503.7	-536.4		
Sale of subsidiaries and associated companies	820.0	2 441.2	2 441.2			681.9	4 262.8	2 913.4		
<b>Investment operations</b>	<b>284.1</b>	<b>1 644.4</b>	<b>1 615.3</b>			<b>-29.4</b>	<b>3 759.1</b>	<b>2 377.0</b>		
<b>Cash flow after investments</b>	<b>-16.0</b>	<b>2 314.6</b>	<b>1 879.1</b>			<b>-332.0</b>	<b>4 624.8</b>	<b>3 326.7</b>		
Financial operations	180.7	-1 549.1	-1 954.9			-91.0	-3 775.6	-2 934.2		
<b>The period's cash flow</b>	<b>164.7</b>	<b>765.5</b>	<b>-75.8</b>			<b>-423.0</b>	<b>849.2</b>	<b>392.5</b>		
<b>NUMBER OF EMPLOYEES</b>	<b>9 mths 2001</b>	<b>9 mths 2000</b>	<b>Full-year 2000</b>			<b>9 mths 2001</b>	<b>9 mths 2000</b>	<b>Full-year 2000</b>		
Average number of employees	38	35	35			2 299	7 221	4 288		
<b>CHANGE IN EQUITY</b>	<b>Share capital</b>	<b>Statutory reserve</b>	<b>Non-restricted equity</b>			<b>Share capital</b>	<b>Restricted reserves</b>	<b>Non-restricted reserves</b>		
Equity brought forward	1 091.0	1 091.0	2 128.1			1 091.0	1 190.4	2 075.9		
Effect of changed accounting principles	-	-	-			-	-	19.3		
Transfer between restricted and non-restricted reserves	-	-	-			-	-62.3	62.3		
Buy-back of own shares	-	-	-92.0			-	-	-92.0		
Dividend	-	-	-939.6			-	-	-1 032.2		
Translation difference	-	-	-			-	-	41.6		
<b>Net profit for the year</b>	<b>174.7</b>	<b>174.7</b>	<b>174.7</b>			<b>-20.6</b>	<b>-20.6</b>	<b>-20.6</b>		
<b>Equity carried forward</b>	<b>1 091.0</b>	<b>1 091.0</b>	<b>1 271.2</b>			<b>1 091.0</b>	<b>1 128.1</b>	<b>1 054.3</b>		

FIVE YEAR REVIEW						30 Sep	30 Sep
	1996	1997	1998	1999	2000	2000	2001
<b>Data per share, SEK</b>							
Net asset value	40.50	44.00	43.50	65.00	69.00	79.00	37.50
Share price	40.50	52.25	57.50	58.00	51.50	84.00	23.00
Share price as a percentage of net asset value	100	119	132	89	75	106	61
Number of shares, 000	109 100	109 100	109 100	109 100	109 100	109 100	106 100
Parent company profit per share	4.23	5.66	5.37	4.69	16.19	21.17	1.62*
Parent company equity per share	32.78	35.93	38.55	40.37	39.51	44.63	32.55
<b>Yield, SEK per share</b>							
Dividend paid	2.50	2.75	2.88	27.50	17.17	-	-
Yield, %	6.2	5.3	5.0	47.4	36.6	-	-
Total yield, %	91.5	35.8	15.6	5.9	36.2	92.2	-22.0
Market value, SEK M	4 419	5 700	6 273	6 328	5 619	9 164	2 440
Return on equity, %	13.4	16.5	14.4	11.9	40.6	49.8	4.5
<b>Parent company results and position</b>							
Exit result, SEK M	286.8	561.3	463.9	529.3	2 743.0	2 656.9	590.6
Profit after tax, SEK M	461.2	617.3	585.4	511.8	1 766.8	2 309.3	174.7
Total assets, SEK M	3 774	4 474	4 951	6 361	4 690	5 673	4 297
Shareholders' equity, SEK M	3 576	3 920	4 206	4 404	4 310	4 869	3 453
Equity ratio, %	95	88	85	69	92	86	80

\* Calculated on average number of shares

### Accounting principles

This Interim Report has been prepared in accordance with the Swedish Accounting Standards Council's recommendation RR 20, interim reporting. The accounting principles applied are unchanged compared with those applied for the latest adopted Annual Report with the exception that an adaptation has been made to the new accounting recommendations which apply from 1 January 2001. From the 2001 financial year, Bure reports taxes in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 9. The format for the consolidated statement of income has been adapted to a format which is usually applied by investment companies. Consolidated net sales are reported in connection with the statement of income. Comparative figures have been recalculated taking into account the new rules.

This report for first three quarters of 2001 has not been the subject of examination by the company's auditors.

### Future reports

Year-end Report 2001  
General Annual Meeting

20 February 2002  
23 April 2002

### For further information, please contact:

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## **TELEPHONE CONFERENCES 25 OCTOBER**

### **English**

Today 25 October at 3.00 PM CET a telephone conversation will take place in English with Peter Sandberg and Benny Averpil. Entitled to take part are journalists and professionals in the capital markets.

Connect by telephoning +44 (0) 20 8781 0574 quoting "Bure".

### **Swedish**

The conference will also take place in swedish at 2.30 PM CET.

Connect by telephoning +44 (0) 20 8781 0596 quoting "Bure".