

NOVESTRA

INTERIM REPORT NO. 1 FOR THE FINANCIAL YEAR 2004 REFERRING TO THE PERIOD JANUARY 1 – MARCH 31, 2004

- The net result for the period amounted to MSEK 6.0 (1.4) corresponding to a result amounting to SEK 0.2 (0.1) per share. Shareholders' equity as at March 31, 2004 amounted to MSEK 298.5 (225.3) corresponding to SEK 9.6 (9.6) per share. Equity/asset ratio amounted to 88.5% (99.1).
- Cash and cash equivalents, including current investments, amounted to MSEK 36.4 (65.8) corresponding to SEK 1.2 (2.8) per share. Together with the public holdings, as at March 31, 2004, liquid assets amounted to MSEK 158.3 corresponding to SEK 5.1 (2.8) per share (including unrealised surplus values).
- In the non-public portfolio companies, growth in revenues and results has been very good (on average a growth in revenues of 47%). Several companies have indicated revised improved projections for 2004.
- The main holdings in the co-investment vehicle Continuum Group, i.e. B2 Bredband, Bibit and Speedera, have developed substantially better than projections. On average, these companies have increased their revenues by 83%.
- The development in the public portfolio continues to be very positive. As at April 30, 2004, realised and unrealised results amounted to MSEK 33 corresponding to SEK 1.06 per share.

All figures are given in SEK thousands, unless otherwise indicated. Figures in brackets refer to the corresponding period the previous financial year.

SIGNIFICANT EVENTS DURING THE PERIOD

During the first quarter, the development in the portfolio companies has continued to increase sharply:

Non-public portfolio companies

Explorica expects to reach sales of MSEK 230 for the financial year ending August 2004 corresponding to a growth rate exceeding 50% compared to the same period the previous year. Travel sales for the 2005 season continue to show strong growth.

Qbranch reported an increase in sales to MSEK 48 (39) corresponding to a growth rate of 23% compared to the same period the previous year. The company reports a continued improvement in margins and in profitability.

Strax reported sales of MSEK 148 (102) corresponding to a growth rate of 46% compared to the same period the previous year. The company also reports significant improvement in margins and in profitability.

MyPublisher reported a growth rate of 38% compared to the same period the previous year and sharply improved result development. Growth is expected to accelerate further during the remainder of the year, as the company successfully introduced a new product range, pocket photo albums. In addition, the company's software and services will be included in PCs delivered by Dell starting mid-2004.

Netsurvey increased its sales by 13% with improved margins and profitability.

Continuum's main holdings continued to show strong growth with positive margin development. During the quarter, **B2 Bredband's**, **Bibit's** and **Speedera's** revenues each increased by approximately 80% compared to the same period the previous year.

Furthermore, Novestra has, indirectly through C More Group AB, invested MSEK 2.1 in Canal Plus Television AB.

Public portfolio companies

The development in the public portfolio continues, on the whole, to be very positive. As at April 30, 2004, realised and unrealised results amounted to MSEK 33 corresponding to SEK 1.06 per share.

Novestra disposed of its entire holding in Modul 1 Data AB (publ) which resulted in a positive affect on the result of MSEK 3.0.

During the first quarter of 2004, Novestra also made add-on investments in its public holdings, i.a. MSEK 16.7 in Millicom International Cellular S.A.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

After the end of the period, Novestra has disposed of the greater part of its holding in JC AB (publ) at a substantial profit.

FUTURE DEVELOPMENT

Considering the current market development, Novestra expects to show profit for the full-year 2004 of approximately MSEK 35 – 40 corresponding to an increase of 80 – 100% compared to the previous year. The opportunities for exits at attractive valuation levels in the non-public portfolio are estimated to increase concurrently with increased revenues and improved results in the companies.

RESULT AND FINANCIAL POSITION JANUARY 1 – MARCH 31, 2004

The company's net result for the period amounted to 6 006 (1 416). The result included gross profit from investment activities amounting to 9 048 (3 979), administration expenses of –3 114 (–2 699) and net financial items of 72 (136). Total assets as at March 31, 2004 amounted to 337 332 (227 290), of which shareholders' equity was 298 531 (225 278) corresponding to an equity/asset ratio of 88.5% (99.1). Current liabilities to credit institutes amounted to 36 623 (-).

Investments

During the period, investments in tangible fixed assets amounted to 27 (72) and investments in financial fixed assets amounted to 56 459 (13 831).

Liquidity management

As at March 31, 2004, cash amounted to MSEK 1.4 (20.8) and, together with various investments, cash and cash equivalents amounted to MSEK 36.4 (65.8). Novestra's portfolio of public holdings means that an additional of approximately MSEK 121.9 (including unrealised surplus values) of Novestra's assets are possible to convert into liquid assets within a relatively short period of time. Novestra has unutilised credit facilities amounting to MSEK 28.4.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's Recommendation No. 20. There has been no change to the accounting and valuation principles used in the last annual report. As of January 1, 2004, Novestra applies the Swedish Financial Accounting Standards Council's Recommendation No. 29, however this has not had any essential impact on the company's financial position and performance.

OTHER INFORMATION

Financial calendar:

Bulletin from the AGM	May 7, 2004
Interim Report Q2 2004	August 24, 2004
Interim Report Q3 2004	October 22, 2004

This interim report has not been subject to any audit by the company's auditor.

This report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish and the translation, the former shall have precedence.

Stockholm May 6, 2004

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NOVESTRA'S HOLDINGS AS AT MARCH 31, 2004, MSEK

PORTFOLIO COMPANIES

NON-PUBLIC COMPANIES	Bal. b/f	INVESTED	DIVESTED	WRITE-DOWNS	BOOK VALUE	OWNER-
	July 1, 2001				bal. c/f	SHIP, % ¹
CONTINUUM GROUP LTD	35.1	-	-	-	35.1	12.3
C MORE GROUP AB (CANAL PLUS)	-	2.1	-	-	2.1	0.3
DALLAS STHLM DDG AB	0.4	-	-	-	0.4	7.0
DCM AB	8.5	-	-	-	8.5	5.7
EXPLORICA, INC.	12.6	-	-	-	12.6	13.6
MYPUBLISHER, INC.	45.9	-	-	-	45.9	28.6
NETSURVEY BOLINDER AB	12.8	-	-	-	12.8	45.3
QBRANCH AB	53.8	-	-	-	53.8	25.0
STRAX HOLDINGS, INC.	18.7	-	-	-	18.7	19.3
OTHER	0.2	-	-	-	0.2	n/a
TOTAL NON-PUBLIC COMPANIES	188.0	2.1	-	-	190.1	
PUBLIC COMPANIES						
IBS AB (publ)	13.1	3.2	-2.1	-	14.2	1.6
INWAREHOUSE AB (publ)	7.8	-	-0.5	-	7.3	11.9
JC AB (publ)	19.0	5.4	-1.2	-	23.2	8.1
LAGERCANTZ GROUP AB (publ)	8.1	6.9	-	-	15.0	2.2
MILLICOM IINTERNATIONAL CELLULAR S.A.	-	31.7	-15.0	-	16.7	0.0
MODUL 1 DATA AB (publ)	7.2	-	-7.2	-	-	-
PERGO AB (publ)	16.9	6.4	-	-	23.3	3.0
OTHER	7.9	0.7	-6.9	-	1.7	n/a
TOTAL PUBLIC COMPANIES	80.0	54.3	-32.9	-	101.4	
Liquidity management	35.0	-	-	-	35.0	
TOTAL INVESTMENTS	303.0	56.4	-32.9	-	326.5	

¹ Before dilution and exercise of options etc.

SPECIFICATION PUBLIC COMPANIES	NUMBER OF SHARES (No.)	ACQUISITION PRICE (SEK)	ACQUISITION COST (TSEK)	MARKET PRICE (SEK)	MARKET VALUE (TSEK)	CHANGE IN VALUE (%)
IBS AB (publ)	1 291 000	10.96	14 155	14.90	19 236	35.9
INWAREHOUSE AB (publ)	8 062 422	0.90	7 290	2.30	18 544	154.4
JC AB (publ)	747 705	30.99	23 172	36.40	27 216	17.5
LAGERCANTZ GROUP AB (publ)	626 000	24.04	15 048	22.60	14 148	-6.0
MILLICOM IINTERNATIONAL CELLULAR S.A.	100 000	167.47	16 747	167.47	16 747	0.0
PERGO AB (publ)	1 581 700	14.73	23 292	15.20	24 042	3.2
OTHER	n/a	n/a	1 661	n/a	1 929	16.1
TOTAL			101 365		121 862	20.2

As at April 30, 2004, Novestra had invested a total of KSEK 95 618 in public companies. The market value at the same time amounted to KSEK 117 370, unrealised gains amounted to KSEK 21 752 corresponding to 22.7%. As at April 30, 2004, total accumulated unrealised result and realised result during 2004 amounted to 33 039 KSEK.

THE DEVELOPMENT IN THE NON-PUBLIC PORTFOLIO COMPANIES COMPARED TO THE SAME PERIOD 2003

Company	Revenue development	Result development	Cash flow during the period
DCM AB	Increased	Positive	Positive
Explorica, Inc.	Increased	Positive	Positive
MyPublisher, Inc.	Increased	Positive	Negative
Netsurvey AB	Increased	Positive	Positive
Qbranch AB	Increased	Positive	Positive
Strax Holdings, Inc.	Increased	Positive	Positive
Via Continuum Group Ltd:			
B2 Bredband AB	Increased	Positive	Positive
Bibit Global Payment Services B.V.	Increased	Positive	Positive
Speedera Networks, Inc.	Increased	Positive	Positive

For information regarding the portfolio companies with regard to business operations and financial data, please see Novestra's latest annual report and the prospectus published in September 2003.

AB NOVESTRA

INCOME STATEMENTS (SEK THOUSANDS)	2004	2003	2003
	(3 months) Jan 1 – March 31	(3 months) Jan 1 – March 31	(12 months) Jan 1 – Dec 31
INVESTMENT ACTIVITY			
Result from shares and participations ¹	9 048	3 979	13 314
Write-downs	-	-	15 870
Gross profit investment activity	9 048	3 979	29 184
OTHER OPERATIONS			
Income from other operations	-	-	3 018
Gross profit other operations	-	-	3 018
GROSS PROFIT	9 048	3 979	32 202
Administrative expenses ²	-3 114	-2 699	-12 276
Operating income	5 934	1 280	19 926
RESULT FROM FINANCIAL INVESTMENTS			
Net financial items	72	136	210
Result after financial items	6 006	1 416	20 136
Appropriations	-	-	-
Current taxes	-	-	-
RESULT FOR THE PERIOD	6 006	1 416	20 136
Result per share (SEK)	0.2	0.1	0.8
Average number of shares during the period	31 187 973	23 390 980	24 925 618
KEY RATIOS			
	2004	2003	2003
	(3 months) Jan 1 – March 31	(3 months) Jan 1 – March 31	(12 months) Jan 1 – Dec 31
FINANCIAL KEY RATIOS			
Shareholders' equity, MSEK	298.5	225.3	292.5
Equity/assets ratio, %	88.5	99.1	90.4
Cash flow after investments, MSEK	-9.6	2.7	-55.6
DATA PER SHARE			
Shareholders' equity, SEK	9.6	9.6	9.4
Result, SEK	0.2	0.1	0.8
NUMBER OF SHARES ETC.			
Number of shares at the end of the period	31 187 973	23 390 980	31 187 973
Average number of shares during the period	31 187 973	23 390 980	24 925 618

¹ 1 959 (3 762) of the result for the period relate to the liquidity management.

² Depreciation for the period amounted to -58 (-79). The total depreciation relates to tangible fixed assets pertaining to administration.

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BALANCE SHEETS (SEK THOUSANDS)	March 31, 2004	March 31, 2003	December 31, 2003
ASSETS			
FIXED ASSETS			
Tangible fixed assets:			
Equipment	599	473	630
Financial fixed assets:			
Investments in group companies	-	210	-
Investments in associated companies	112 552	76 682	112 552
Shares and participations	179 062	127 038	155 604
	291 614	203 930	268 156
Total fixed assets	292 213	204 403	268 786
CURRENT ASSETS			
Current receivables:			
Other receivables	4 676	1 983	5 167
Prepaid expenses and accrued income	4 013	121	3 626
	8 689	2 104	8 793
Investments:			
Other investments	35 000	-	35 000
Cash and bank	1 430	20 783	11 009
Total current assets	45 119	22 887	54 802
TOTAL ASSETS	337 332	227 290	323 588
SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Restricted equity:			
Share capital	31 188	23 391	31 188
Restricted reserves	241 201	442 617	241 201
	272 389	466 008	272 389
Non-restricted equity:			
Non-restricted reserves	20 136	-242 146	-
Result for the period	6 006	1 416	20 136
	26 142	-240 730	20 136
Total shareholders' equity	298 531	225 278	292 525
Current liabilities:			
Liabilities to credit institutions	36 623	-	25 035
Accounts payable	335	138	349
Other liabilities	406	311	3 851
Accrued expense and deferred income	1 437	1 563	1 828
	38 801	2 012	31 063
Total liabilities	38 801	2 012	31 063
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	337 332	227 290	323 588
Pledged assets	146 577	None	116 552
Contingent liabilities	None	None	None
CHANGE IN SHAREHOLDERS' EQUITY DURING THE PERIOD (SEK THOUSANDS)			
	2004	2003	2003
	(3 months)	(3 months)	(12 months)
	Jan 1 – March 31	Jan 1 – March 31	Jan 1 – Dec 31
RESTRICTED EQUITY			
At the beginning of the period	272 389	466 008	466 008
New share issue	-	-	48 527
Transferred from (+)/to (-) non-restricted equity	-	-	-242 146
At the end of the period	272 389	466 008	272 389
NON-RESTRICTED EQUITY			
At the beginning of the period	20 136	-242 146	-242 146
Result for the period	6 006	1 416	20 136
Transferred from (+)/to (-) restricted equity	-	-	242 146
At the end of the period	26 142	-240 730	20 136
TOTAL SHAREHOLDERS' EQUITY AT THE END OF THE PERIOD	298 531	225 278	292 525

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FUNDS STATEMENT (SEK THOUSANDS)	2004 (3 months) Jan 1 – March 31	2003 (3 months) Jan 1 – March 31	2003 (12 months) Jan 1 – Dec 31
FUNDS PROVIDED			
Result after financial items	6 006	1 416	20 136
Adjustment for transactions not included in cash flow etc.	-8 990	-3 900	-26 427
	-2 984	-2 484	-6 291
Taxes paid	-	-	-
Funds provided from operations before changes in working capital	-2 984	-2 484	-6 291
Details of changes in working capital:			
Increase (-)/decrease (+) in current receivables	108	2 453	-4 117
Increase (+)/decrease (-) in current liabilities	7 738	-2 367	26 684
Funds provided from operations	4 862	-2 398	16 276
INVESTMENT ACTIVITIES			
Investment in tangible fixed assets	-28	-72	-457
Investments in financial fixed assets	-39 712	-13 831	-110 427
Proceeds from sale of financial fixed assets	25 299	18 978	38 984
Funds from investment activities	-14 441	5 075	-71 900
FINANCING ACTIVITIES			
New share issue	-	-	48 527
Funds from financing activities	-	-	48 527
Total cash flow	-9 579	2 677	-7 097
Cash and bank at the beginning of the period	11 009	18 106	18 106
CASH AND BANK AT THE END OF THE PERIOD¹	1 430	20 783	11 009

¹ Excluding 35 000 within the liquidity management accounted for as other current investments. As at March 31, 2004, cash and bank, including investments within the liquidity management, amounted to 36 430 (65 783).

PERFORMANCE BY BUSINESS AREA JANUARY 1 – MARCH 31, 2004

	Non-public holdings	Public holdings	Joint and other operations	Total
Income from shares and participations				
Capital gains/losses	-	7 089	1 959	9 048
Dividends	-	-	-	-
Write-downs	-	-	-	-
Income from other operations				
Fees	-	-	-	-
Gross profit	-	7 089	1 959	9 048
Administrative expenses				
Personell costs	-249	-343	-1 290	-1 882
Depreciation	-	-	-58	-58
Other costs	-	-	-1 174	-1 174
	-249	-343	-2 522	-3 114
Operating profit/loss	-249	6 746	-563	5 934
Net financial income	-	-	72	72
Result for the period	-249	6 746	-491	6 006