

**INTERIM REPORT NO. 4 FOR THE FINANCIAL YEAR 2001/2002  
REFERRING TO THE PERIOD JULY 1, 2001 – JUNE 30, 2002**

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- **Shareholders' equity as of June 30, 2002 amounted to MSEK 322.6 (448.5) corresponding to SEK 13.8 (19.2) per share. Solidity was 97.8% (97.7).**
  - **The result was MSEK –121,7 (–214.8) or SEK –5.2 (–9.2) per share. Cash and cash equivalents amounted to MSEK 63.0 (140.5) corresponding to SEK 2.7 (6.0) per share.**
  - **Cash and cash equivalents will increase with approx. MSEK 16 through transactions made after the end of the report period.**
  - **The majority of the strategic portfolio companies show positive cash flows, or are fully financed with present business plans.**
  - **Despite the difficult business environment, the majority of the strategic portfolio companies show substantial increase in turnover during the first six months of 2002.**
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*SEK thousands, unless otherwise indicated.*

#### **SIGNIFICANT EVENTS DURING THE PERIOD**

As previously communicated, Novestra has decided to dispose of or wind up its holdings that are no longer considered as strategic. In connection herewith, holdings such as Skandia Mäklarna, Multilet, Target and Comintell have been disposed of and 34 Networks is under voluntary liquidation. Novestra has also written down the value of its holding in Continuum by MSEK 11.5.

During the period, B2 Bredband concluded a rights issue raising SEK 2.4 billion. Novestra's portfolio company Continuum participated in the issue and at present has an ownership share in B2 Bredband corresponding to approx. 10%. Novestra's direct and indirect ownership in B2 Bredband amounts, in total, to approx. 3%.

During the period, Novestra has invested in total MSEK 94.9 (173.6) in portfolio companies. An investment in a new portfolio company, Explorica, amounted to MSEK 12.6 and additional investments in existing portfolio companies totalled MSEK 74.8, including MSEK 19.8 in myPublisher, MSEK 27.5 in Qbranch, MSEK 6.1 in Netsurvey and MSEK 10.2 in Strax.

Novestra's Board of Directors has signed a new management agreement valid from July 1, 2002. This agreement means that Novestra pays a fee, with deduction made for Novestra's administration costs, of 2.5% of the Group's total assets. Based on the total assets as of June 30, 2002, the total future administration costs would amount to approx. MSEK 8.2 p.a., compared to MSEK 18.5 for the last twelve months' period.

On June 1, 2002, Nils Bengtsson was appointed Managing Director. Nils Bengtsson has been employed at Novestra since May 2000.

#### **SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD**

Novestra has reduced its holding in Dallas through the company's redemption of 33 % of the outstanding shares from Novestra for MSEK 3.0. After this transaction, Novestra's ownership amounts to 7%. Novestra has also divested a non-strategic holding for MSEK 3.7. Furthermore, Novestra has exercised an option to divest 9.8 basis points in Strax at the acquisition price of USD 969,000. All in all, these transactions will increase Novestra's cash position with approx. MSEK 16.

## **FUTURE DEVELOPMENTS**

After the measures taken, Novestra's portfolio primarily consists of companies in the post-venture phase. Cash/cash equivalents and the strategic holdings together constitute 98% of book values.

The strategic holdings amount to nine: B2 Bredband, Continuum, Dallas, DCM, Explorica, myPublisher, Netsurvey, Qbranch and Strax. The majority of the strategic portfolio companies show positive cash flows, or are fully financed with present business plans.

With the present business focus, Novestra will have no further capital need during the next few years. New investments will primarily be evaluated and realized through existing companies, however, in a few cases, investments in new portfolio companies will be made in businesses in the post-venture phase.

The majority of Novestra's portfolio companies show significant sales and positive cash-flow, or are fully financed, and, thereby, have a good ground for continued existence and the possibility to await a more positive market situation. This has been considered a major strength in the assessment of the book value for each portfolio company.

The Board continuously assesses the book values of the portfolio companies and makes necessary adjustments in conjunction with each interim report. However, the turbulence in the financial markets makes it extremely difficult to make a valuation of Novestra's holdings, all of which are unlisted. Even though the portfolio companies have developed well in general businesswise, further future write-downs cannot be ruled out.

## **RESULT AND FINANCIAL POSITION JULY 1, 2001 – JUNE 30, 2002**

### ***The Group***

Novestra reports a result, according to the equity method, of -121,658 (-214,773). The result includes gross profit from investment activities amounting to -98,218 (-181,334), of which -46,095 (9,785) is the result from shares and participations, -38,032 (-152,915) pertains to write-downs, and -14,091 (-18,644) is share of earnings of associated companies. The result also includes gross profit from other operations totalling -8,217 (-16,846). The Group's cash and cash equivalents amounted to 63,033 (140,523). The administrative costs includes one-time charges of 2,675 (-), i.a. relating to the termination of office space.

### ***Parent company***

The net result in the parent company amounted to -115,050 (-193,852). The result includes gross profit from investment activities amounting to -94,233 (-156,139), administrative expenses -18,482 (-21,876) and net financial items -2,335 (2,959). Total assets as of June 30, 2002 amounted to 358,106 (475,750), of which shareholders' equity was 350,958 (466,008) corresponding to a solidity ratio of 98.0% (98.0). Cash and cash equivalents amounted to 59,536 (140,221).

### ***Investments***

During the period, investments in tangible fixed assets amounted to 84 (805) and investments in financial fixed assets amounted to 139,815 (762,391).

### ***Liquidity management***

As of June 30, 2002, the Group's cash amounted to MSEK 18.0 and, together with various investments (accounted for as financial fixed assets) with an availability of between three days and three months, cash and cash equivalents amounted to MSEK 63.0.

## ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with Sweden's Annual Accounts Act and the recommendations of the Swedish Financial Accounting Standards Council. There has been no change to the accounting and valuation principles used in the last annual report. As of July 1, 2001, Novestra applies the new recommendations from the Swedish Financial Accounting Standards Council which came into force on January 1, 2001. These new recommendations have not had any impact on the Group's or Parent's company accounts.

## OTHER INFORMATION

*Financial calendar:*

Interim report No. 5 (July 1, 2001 – September 30, 2002) October 24, 2002

Year-end report, including interim report No. 6, (July 1, 2001 – December 31, 2002) February 4, 2003

The company's financial year will henceforth cover the period from January 1 to December 31 and, therefore, the current financial year will cover the period July 1, 2001 – December 31, 2002 (i.e. 18 months).

Stockholm August 20, 2002.

### **Nils Bengtsson**

Managing Director

### **Review Report**

I have reviewed the interim report according to the recommendations issued by FAR (the Institute for Accountancy Profession in Sweden). A review engagement is significantly limited compared to an audit. We have found nothing to suggest that the interim report does not fulfil the requirements of the Stock Exchange Law or the Annual Accounts Act.

Stockholm August 20, 2002

### **Stefan Holmström**

Authorized public accountant  
KPMG

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#### **Company information**

Corporate identity number: 556539-7709  
Registered Office: Stockholm, Sweden

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## NOVESTRA'S HOLDINGS AS OF JUNE 30, 2002, MSEK

Strategic holdings consist of companies in which Novestra is actively involved, such as board representation and active participation in the company's operations, and/or where Novestra's holding is typically larger or where a substantial investment has been made. Other investments in portfolio companies consist of holdings in companies where Novestra is not actively involved in the company's operations.

### PORTFOLIO COMPANIES

COMPANY	Bal. b/f				CHANGE	BOOK VALUE	OWNER-
	July 1, 2001	INVESTED	DIVESTED	WRITEDOWNS	IN SHARE OF EQUITY <sup>1</sup>	bal. c/f <sup>2</sup>	SHIP, % <sup>3</sup>
<b>Strategic holdings</b>							
B2 BREDBAND AB	51.1	3.0	-	-	-	54.1	2.0
CONTINUUM GROUP LTD	72.9	-	-	-11.5	-	61.4	11.9
DALLAS STHLM DDG AB	4.4	-	-	-0.8	-0.5	3.1	40.0
DCM AB	13.5	-	-	-	-	13.5	5.7
EXPLORICA, INC.	-	12.6	-	-	-	12.6	13.6
MYPUBLISHER, INC.	17.4	19.8	-	-	-	37.2	19.5
NETSURVEY BOLINDER AB	6.0	6.1	-	-	-4.7	7.4	45.3
QBRANCH AB	26.3	27.5	-	-	-13.1	40.7	25.0
STRAX HOLDINGS, INC.	14.9	10.2	-	-	-	25.1	19.3
<b>Total strategic holdings</b>	<b>206.5</b>	<b>79.2</b>	<b>-</b>	<b>-12.3</b>	<b>-18.3</b>	<b>255.1</b>	
<b>Other investments in portfolio comp.</b>	<b>72.7</b>	<b>15.7</b>	<b>-56.9</b>	<b>-25.7</b>	<b>-</b>	<b>5.8</b>	
<b>TOTAL PORTFOLIO COMPANIES</b>	<b>279.2</b>	<b>94.9</b>	<b>-56.9</b>	<b>-38.0</b>	<b>-18.3</b>	<b>260.9</b>	
<b>Other investments</b>	<b>16.3</b>	<b>45.0</b>	<b>-16.3</b>	<b>-</b>	<b>-</b>	<b>45.0</b>	
<b>TOTAL INVESTMENTS</b>	<b>295.5</b>	<b>139.9</b>	<b>-73.2</b>	<b>-38.0</b>	<b>-18.3</b>	<b>305.9</b>	

- 1 Associated companies: The total difference between shares of equity, applying the equity method, (51,207) and the share of associated companies equity (13,475) amounts to 37,732 at the end of the period.
- 2 Book value in the Group, according to the equity method, as of June 30, 2002.
- 3 Before dilution and exercise of options etc.

## AB NOVESTRA – THE GROUP

	2001/2002 (12 months) July 1 – June 30	2000/2001 (12 months) July 1 – June 30	2002 (3 months) April 1 – June 30	2001 (3 months) April 1 – June 30
<b>INCOME STATEMENTS, SEK THOUSANDS</b>				
<b>Investment activity</b>				
RESULT FROM SHARES AND PARTICIPATIONS	-46,095	-9,785	16	-8,422
WRITE-DOWNS	-38,032	-152,915	-811	-93,998
SHARE OF EARNINGS OF ASSOCIATED COMPANIES	-14,091	-18,644	-3,637	-3,154
<b>GROSS PROFIT INVESTMENT ACTIVITY</b>	<b>-98,218</b>	-181,334	-4,432	-105,574
<b>Other operations</b>				
INCOME FROM OTHER OPERATIONS	4,420	18,493	190	5,989
COST OF GOODS SOLD, OTHER OPERATIONS	-12,637	-35,339	-728	-7,749
<b>Gross profit other operations</b>	<b>-8,217</b>	-16,846	-538	-1,760
<b>Gross profit</b>	<b>-106,435</b>	-198,190	-4,970	-107,334
ADMINISTRATIVE EXPENSES <sup>1</sup>	-18,483	-21,876	-7,389	-5,675
<b>Operating income</b>	<b>-124,918</b>	-220,066	-12,359	-113,009
<b>Result from financial investments</b>				
NET FINANCIAL INCOME/EXPENSE	3,260	3,028	1,078	-272
<b>Result after financial items</b>	<b>-121,658</b>	-217,038	-11,281	-113,281
CURRENT TAXES	-	2,265	-	2,265
<b>RESULT FOR THE PERIOD</b>	<b>-121,658</b>	-214,773	-11,281	-111,016
<i>Result per share</i>	-5.2	-9.2	-0.5	-4.8
<i>Average number of shares during the period</i>	23,390,980	23,363,857	23,390,980	23,390,980
<b>KEY RATIOS</b>				
	2001/2002 (12 months) July 1– June 30	2000/2001 (12 months) July 1– June 30	2002 (3 months) April 1– June 30	2001 (3 months) April 1– June 30
<b>Financial key ratios</b>				
SHAREHOLDERS' EQUITY, MSEK	322.6	448.5	322.6	448.5
SOLIDITY, %	97.8	97.7	97.8	97.7
CASH FLOW AFTER INVESTMENTS, MSEK	-122.5	-2.9	-34.8	116.0
<b>Data per share, SEK</b>				
SHAREHOLDERS' EQUITY	13.8	19.2	13.8	19.2
RESULT	-5.2	-9.2	-0.5	-4.8
<b>Number of shares etc.</b>				
NUMBER OF SHARES AT THE END OF THE PERIOD	23,390,980	23,390,980	23,390,980	23,390,980
AVERAGE NUMBER OF SHARES DURING THE PERIOD	23,390,980	23,363,857	23,390,980	23,390,980

There are no outstanding options or other financial instruments that could lead to any dilution or any increased number of shares.

<sup>1</sup> Depreciation for the period amounts to -430 (-347). The total depreciation relates to tangible fixed assets pertaining to administration.

## AB NOVESTRA – THE GROUP

<b>BALANCE SHEETS, SEK THOUSANDS</b>	<b>June 30, 2002</b>	<b>June 30, 2001</b>
<b>ASSETS</b>		
<b>Fixed assets</b>		
<i>Tangible fixed assets:</i>		
EQUIPMENT	752	1,095
<i>Financial fixed assets:</i>		
INVESTMENTS IN ASSOCIATED COMPANIES	51,207	43,994
SHARES AND PARTICIPATIONS	254,701	251,653
OTHER LONG-TERM RECEIVABLES	1,500	2,560
	<b>307,408</b>	<b>298,207</b>
<b>Total fixed assets</b>	<b>308,160</b>	<b>299,302</b>
<b>Current assets</b>		
<i>Inventories.:</i>		
STOCK SECURITIES	1,494	11,038
<i>Current receivables:</i>		
OTHER RECEIVABLES	1,057	7,518
PREPAID EXPENSES AND ACCRUED INCOME	1,009	880
	<b>2,066</b>	<b>8,398</b>
CASH AND BANK	18,033	140,523
<b>Total current assets</b>	<b>21,593</b>	<b>159,959</b>
<b>TOTAL ASSETS</b>	<b>329,753</b>	<b>459,261</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
<i>Restricted equity:</i>		
SHARE CAPITAL	23,391	23,391
RESTRICTED RESERVES	442,777	547,940
	<b>466,168</b>	<b>571,331</b>
<i>Unrestricted equity:</i>		
UNRESTRICTED RESERVES	-21,870	91,967
RESULT FOR THE PERIOD	-121,658	-214,773
	<b>-143,528</b>	<b>-122,806</b>
<b>Total shareholders' equity</b>	<b>322,640</b>	<b>448,525</b>
<i>Provisions:</i>		
PROVISIONS FOR DEFERRED INCOME TAXES	<b>47</b>	<b>47</b>
<i>Current liabilities:</i>		
ACCOUNTS PAYABLE	2,985	4,870
INCOME TAX LIABILITY	-	1,029
OTHER LIABILITIES	457	2,322
ACCRUED EXPENSES AND DEFERRED INCOME	3,624	2,468
	<b>7,066</b>	<b>10,689</b>
<b>Total liabilities</b>	<b>7,066</b>	<b>10,689</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>329,753</b>	<b>459,261</b>
<b>CHANGE IN SHAREHOLDERS' EQUITY DURING THE PERIOD, SEK THOUSANDS</b>		
	<b>2001/2002</b>	<b>2000/2001</b>
	(12 months)	(12 months)
	July 1 – June 30	July 1 – June 30
<b>Restricted equity</b>		
AT THE BEGINNING OF THE PERIOD	571,331	572,614
PROVIDED THROUGH NEW ISSUE	-	1,500
TRANSFERRED FROM/TO UNRESTRICTED EQUITY	-105,163	-2,783
<b>At the end of the period</b>	<b>466,168</b>	<b>571,331</b>
<b>Unrestricted equity</b>		
AT THE BEGINNING OF THE PERIOD	-122,806	89,184
RESULT FOR THE PERIOD	-121,658	-214,773
QBRANCH BECOMES ASSOCIATED COMPANY	-4,227	-
TRANSFERRED TO/FROM RESTRICTED EQUITY	105,163	2,783
<b>At the end of the period</b>	<b>-143,528</b>	<b>-122,806</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>322,640</b>	<b>448,525</b>

**AB NOVESTRA – THE GROUP**

	<b>2001/2002</b> (12 months) July 1 – June 30	<b>2000/2001</b> (12 months) July 1 – June 30
<b>FUNDS STATEMENTS, SEK THOUSANDS</b>		
<b>Funds provided</b>		
RESULT AFTER FINANCIAL ITEMS	-121,658	-217,038
ADJUSTMENTS FOR TRANSACTIONS NOT INCLUDED IN CASH FLOW ETC.	98,647	182,603
	<b>-23,011</b>	<b>-34,435</b>
TAXES PAID	-1,934	-263
<b>Funds provided from operations before changes in working capital</b>	<b>-24,945</b>	<b>-34,698</b>
<i>Details of changes in working capital:</i>		
INCREASE (-)/DECREASE (+) IN INVENTORIES	9,544	-6,043
INCREASE (-)/DECREASE (+) IN CURRENT RECEIVABLES	5,466	-1,718
INCREASE (+)/DECREASE (-) IN CURRENT LIABILITIES	-594	-32,083
<b>Funds provided from operations</b>	<b>-10,529</b>	<b>-74,542</b>
<b>Investment activities</b>		
PROCEEDS FROM SALE OF SUBSIDIARIES	-	-503
INVESTMENT IN TANGIBLE FIXED ASSETS	-84	-805
INVESTMENTS IN FINANCIAL FIXED ASSETS	-133,485	-692,031
PROCEEDS FROM SALE OF FINANCIAL FIXED ASSETS	21,608	764,961
<b>Funds provided from investment activities</b>	<b>-111,961</b>	<b>71,622</b>
<b>Financing activities</b>		
NEW SHARE ISSUE	-	1,500
<b>Funds from financing activities</b>	<b>-</b>	<b>1,500</b>
<b>Total cash flow</b>	<b>-122,490</b>	<b>-1,420</b>
<b>Cash and bank at the beginning of the period</b>	<b>140,523</b>	<b>141,943</b>
<b>Cash and bank at the end of the period</b>	<b>18,033</b>	<b>140,523</b>

**THIS INTERIM 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.**