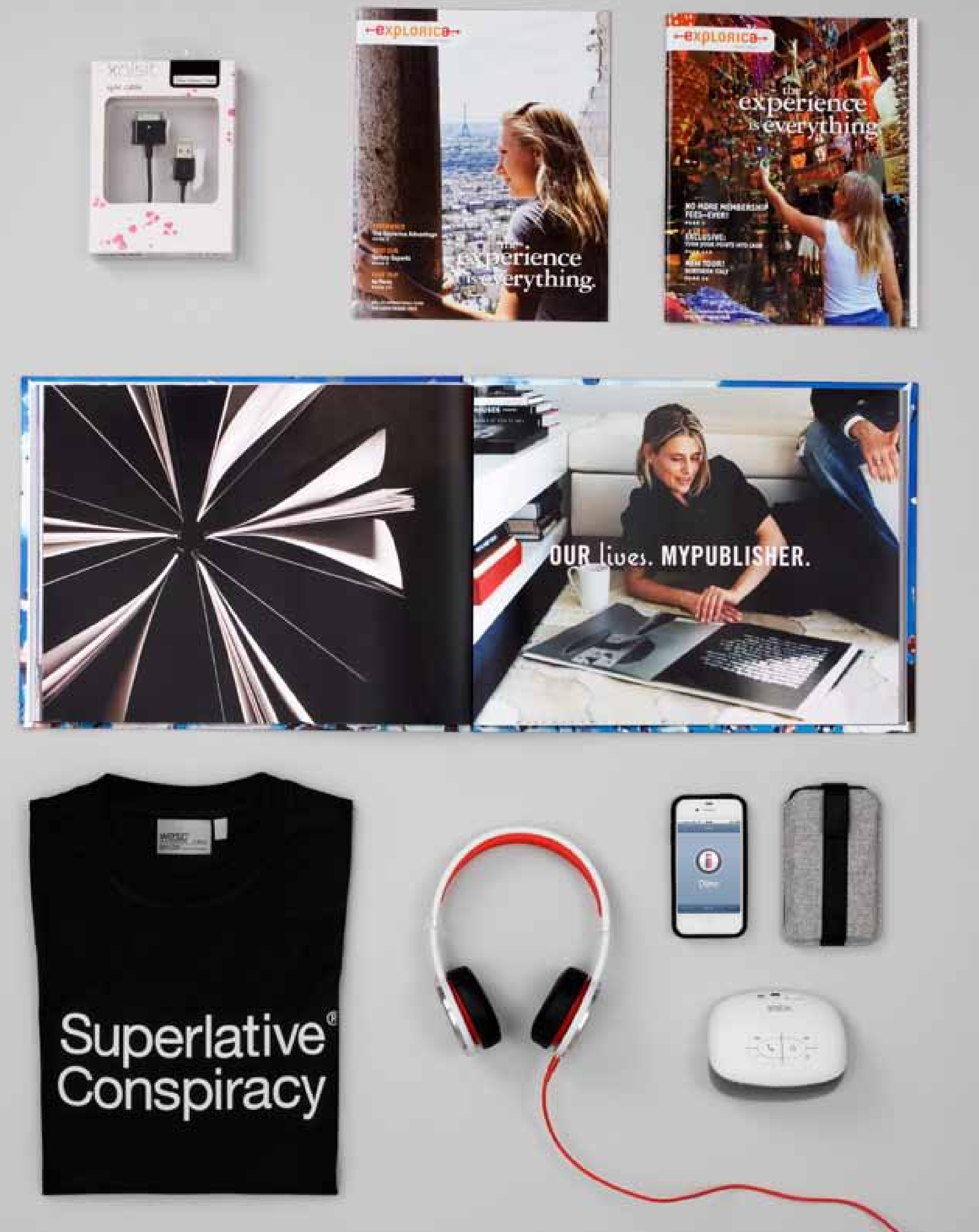

AB Novestra Annual Report 2011

NOVESTRA

For a few years, Novestra has only printed a limited edition of the annual report, due to cost and effect on the environment. The printed annual report will only be sent to those who request it. This year, we have printed the annual report on climate compensated paper. At the same time, we have introduced an online reader-friendly version of the annual report. We ask the readers to primarily use the online version of the report, and we will give a contribution to WWF for each annual report that is read online.

Design and production: Lupo Design.

Annual Report 2011
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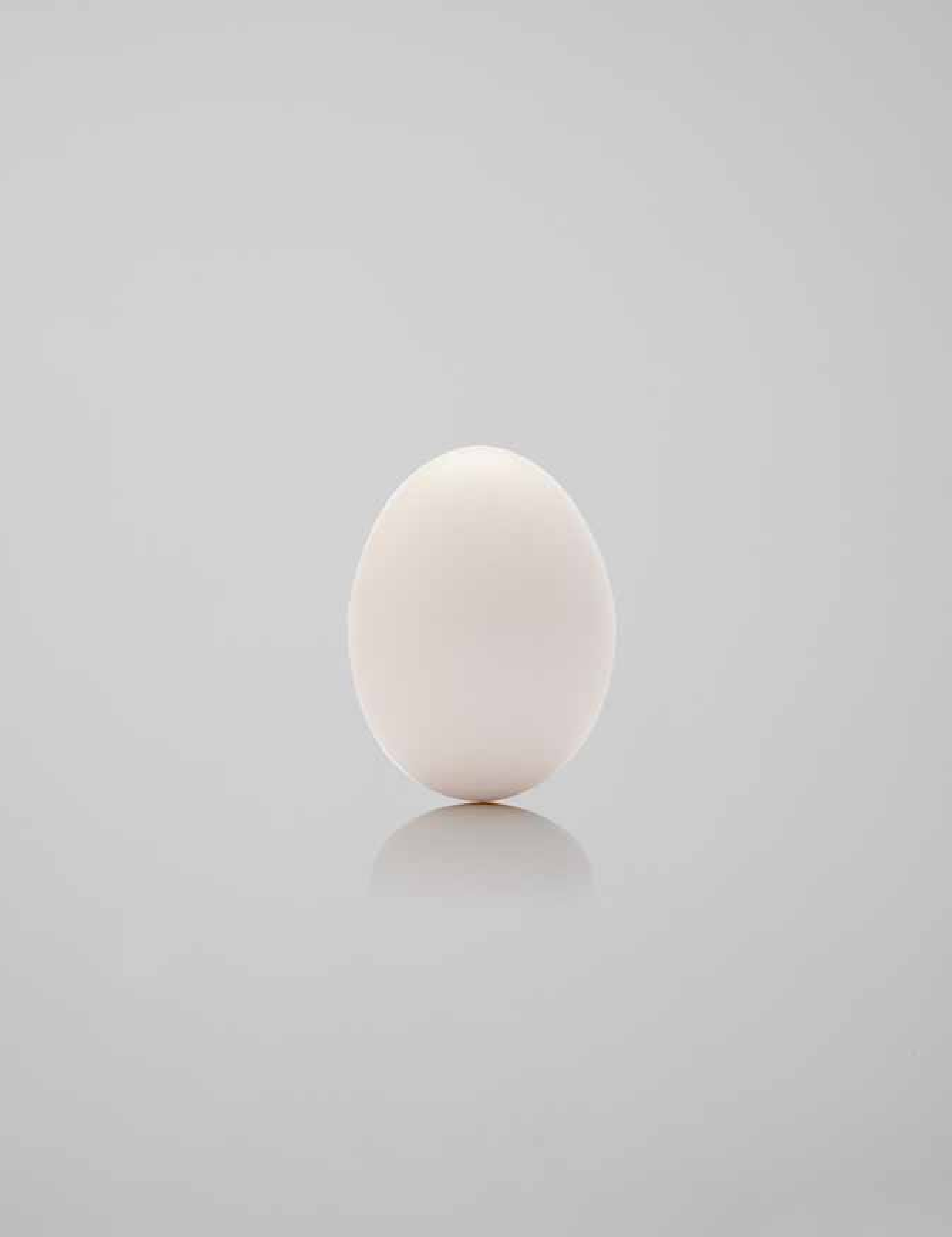


This is Novestra

Background Business concept
Vision Objectives
Long-term owner responsibility
Distributions and returns

Novestra is an independent investment company with a number of investments in private and public growth companies. In addition, Novestra can during certain periods have a few small short-term investments in publicly listed companies that are deemed to have substantial growth or value potential.

The Novestra share is listed on the Nasdaq OMX Stockholm, under the symbol NOVE, in the Small Cap section.

Background

Novestra was founded in 1997 by amongst others Theodor Dalenson, who is Chairman of the Board of Directors. During the first few years Novestra primarily invested in private companies who were at an early stage. Through focus and longsightedness Novestra has developed these companies and built up a very interesting portfolio of growth companies. The companies Novestra invested in during the first few years make up the lion's part of today's portfolio.

Business concept

As an independent investment company, Novestra shall invest in private as well as public companies, with substantial growth potential or where other circumstances could lead to a significant performance.

Vision

Novestra believes that it can optimize the return on its investments by being an active investor and through participation in the business development process of each individual company. By limiting the number of investments, Novestra expects to be able to be an active investor without having a large organization.

Objectives

Novestra's objective is to optimize the shareholders' long-term return by focusing on opportunities in small and medium sized companies without the risk-taking that comes with a too narrow focus. Shareholders shall benefit through the performance of the Novestra share as well as through dividends once the company exits holdings and realises value. From a fiscal perspective, Novestra is an investment company and its tax efficient structure can offer major investors investment opportunities in small and medium sized companies where they otherwise would not be able to participate.

Long-term owner responsibility

Novestra's objective, as an active investor is to create the best possible prerequisites for the portfolio companies' development and therefore create value for the shareholders. Novestra actively participates in the portfolio companies' Board of Directors, with at least one representative, as well as supporting their management teams in various situations. Through working long-term and towards common goals the portfolio companies, together with Novestra can develop and improve the prerequisites to reach growth and create a long-term earning capacity.

Distributions and returns

Returns should profit Novestra's shareholders through growth in value of the Novestra share and through distributions. Novestra has distributed a total of MSEK 331, corresponding to SEK 8.91 per share, since 2005. As at December 31, 2011, Novestra's market value amounted to MSEK 242 and the share price amounted to SEK 6.50.

Total return of the Novestra share since 2005, including distributions, amounts to 205 percent, corresponding to an annual return of 11.8 percent. Total return index for the Stockholm Stock Exchange during the same period amounts to 5.5 percent annually.

The year in brief

The group's earnings amounted to MSEK -15.6 (-5.3), corresponding to SEK -0.42 (-0.14) per share. Shareholders' equity as at December 31, 2011 amounted to MSEK 317.8 (335.0), corresponding to SEK 8.55 (9.01) per share. Cash and cash equivalents including holdings in listed companies amounted to MSEK 30.8 (77.4). Interest-bearing debt was amortized during the period by MSEK 65.8 and the company has no outstanding interest-bearing debt as per December 31, 2011.

Significant events during the year
The portfolio companies continued to develop well during 2011.

Novestra's portfolio company Qbranch was sold to Imtech from Holland during September. The purchase price for Novestra's shares in Qbranch, including expected earn-out, amounted to MSEK 121.3 in addition to a dividend of MSEK 4.7 distributed prior to the sale. The sale corresponds to approximately SEK 3.4 per Novestra share.

Novestra's portfolio company Netsurvey was acquired in June by Wise Group AB, a company listed on First North. The transaction was made to a value which exceeded Novestra's carrying value with approximately 14 percent.

Portfolio companies:
Explorica arrange educational and student travel tours for students and teachers. For the fiscal year 2010/2011, which ended on August 31 2011 sales amounted to approximately MSEK 477 resulting in a growth of approximately 14 percent. For the current fiscal year, 2011/2012, a large proportion of sales are made and Explorica expect to show some growth with sales of approximately MSEK 489 and the objective is to achieve an EBITDA margin of 4 percent. The company's balance sheet has strengthened significantly in recent years and at the beginning of the fiscal year 2010/2011, the company's liquidity amounted to over MSEK 110. Explorica distributed a dividend of approximately MSEK 12 during the period to its shareholders, corresponding to approximately MSEK 1.9 for Novestra. Furthermore Novestra utilized warrants received in connection with a Novestra investment from 2002 during the period. Novestra's ownership after utilization amounts to 15 percent prior to dilution. www.explorica.com

MyPublisher offer a service where customers can organize their digital pictures, add text and design personal photo books, calendars and presentations via www.mypublisher.com. During autumn 2011 the company has also introduced a selection of high quality greeting cards. The company expects the new product will account for substantial volumes in 2012. For the financial year which ended December 31, 2011 sales amounted to approximately MSEK 226 which corresponds to a growth of approximately 13 percent. The company expects increased growth and aims to achieve sales of approximately MSEK 280 during the current fiscal year. The company continues to show high margins and expects during the year to further increase the EBITDA margin which is currently 14 percent. The company has a strong balance sheet and has distributed dividends during the last few financial years.
www.mypublisher.com

Strax is one of Europe's leading distributors of accessories for mobile devices such as mobile telephones and e-readers. In Sweden, the Strax own brand Xqisit™ is available in the stores of Telia, Tre, and The Phone House. During 2011 Strax has been successful with sales under its own brand which has resulted in higher gross margins. During the period Strax has entered into a co-operation with Hugo Boss whereby Strax is responsible for the production and distribution of accessories for example various Apple products such as the Iphone and the Ipad. The cooperation with Hugo Boss is an important reference project for Strax and it hopes to introduce other similar co-operations with leading brands. For the financial year which ended December 31 2011, sales amounted to MSEK 548 which corresponds to a growth of 16 percent. The goal for 2012 is to achieve sales of approximately MSEK 620 with an EBITDA margin of around 7 percent. www.strax.com

WeSC is a lifestyle brand that has its roots in the skateboard culture and works with design, production and sales of clothes and accessories within the segment “street fashion”. Sales for the split financial year 2010/2011 amounted to MSEK 408 and growth in local currencies amounted to approximately 20 percent. The EBITDA result amounted to MSEK 47and operating margin amounted to 10.4 percent. WeSC’s sales during H1 2011/2012 which ended October 31 2011 amounted to MSEK 200 and growth in sales in local currencies amounted to approximately 5 percent. The Annual General Meeting held on September 29, 2011 resolved on a distribution to the shareholders through a redemption procedure. WeSC will thereafter have distributed a total of MSEK 110, corresponding to SEK 15 per share during the last three financial years. www.wesc.com

Diino offer one of the highest ranked backup and online storage services on the market. The company’s customers comprise of both operators and insurance companies who offer the service to their customers and to end users .The company’s consumer services are marketed via www.diino.com. During the past 18 months contracts were signed with Moderna Försäkringar and the Danish company ComX. In January 2012, Swisscom AG, one of Europe’s largest telecom operators launched a Personal Cloud service based on a Diino platform. The service that will be managed and operated by Swisscom consists of back-end applications, client software, as well as management and support tools. The service is targeted towards residential customers and is an easy way to back-up important data for Swisscom’s current broadband customers. The service is the first within Swisscom’s Personal Cloud Solution. Sales for the financial year 2011 which ended on December 31, amounted to approximately MSEK 8 corresponding to a growth of approximately 59 percent. Diino expect sales to significantly increase during 2012. www.diino.com

Exits

Novestra’s portfolio company Qbranch was sold to Imtech from Holland during September. The purchase price for Novestras shares in Qbranch, including expected earn-out, amounted to MSEK 121.3 in addition to a dividend of MSEK 4.7 distributed prior to the sale. The sale corresponds to approximately SEK 3.4 per Novestra share. The purchase price was 20 percent above the carrying value as at June 30, 2011, or 53 percent above the implicit value based on the closing rate on August 31, 2011. MSEK 89.9 of the earn-out was paid in September 2011, MSEK 12.7 refers to escrow for pledged warranties and MSEK 18.7 refers to expected earn-out.

Novestra’s portfolio company Netsurvey was acquired in June by Wise Group AB, a company listed on First North. Netsurvey is one of the market leader in employee surveys in Sweden and is well suited in the Wise’s range of services within HR. The cash consideration amounts to MSEK 23.5 in addition to a dividend of MSEK 3 distributed to its shareholders prior to the sale. Novestra’s ownership prior to the transaction amounted to 45.3 percent of the outstanding shares in Netsurvey and Novestra received a total of MSEK 11.7 after transaction costs.

The transaction was made to a value which exceeded Novestra’s carrying value with approximately 14 percent. Based on Novestra’s closing rate on June 13, 2011, the implicit surplus amounted to approximately 35 percent. Netsurvey was Novestra’s smallest holding in terms of value before the transaction and accounted for approximately 3 percent of Novestra’s carrying value as at March 31, 2011.

Dividend

The Board has not proposed a dividend for the financial year 2012. However, the Board has resolved that the company shall commence purchase of the company’s own shares and that acquisition shall be executed in intervals until the Annual General Meeting 2012. As per April 4 2012 a total of 809 576 shares have been repurchased.

Chairman's commentary
Theodor Dalenson

Advantage Sweden
There has been a time of turbulence and crisis in the financial industry since the burst of the IT bubble in early 2001. The past decade has been characterized by constant change in market conditions for investors, along with financial crises that make losses from the IT era crash pale in comparison. The stock market would most probably have taken a much bigger hit in the aftermath of the property crash and subprime mortgage speculation by investment banks and hedge funds if central banks and international organizations like the IMF hadn't pumped in liquidity to re-inflate the market. Access to cheap capital helped many banks and other financial players survive the crisis. However, the big question is if interest rate levels and all the stimulus packages haven't created a new bubble. It would be surprising if this doesn't lead to the next crisis.

It's hard to say what lies ahead from a macro perspective. At the same time it's interesting to see how Swedish competitiveness evolved during this period. It's clear that we have enjoyed an extremely positive development trajectory in Sweden over the past 5-10 year period compared to many other countries, among them the U.S. and the U.K. Besides benefiting from lower taxes, the public sector in Sweden has, relatively speaking, become more efficient, resulting in a robust competitive edge from an international perspective. Although we have not seen any significant lowering of the bureaucratic threshold for entrepreneurs, the conditions for running a business in Sweden have definitely improved during the past ten years compared with developments in the U.S. and the rest of the world. Naturally, it's impossible to compare conditions in Sweden with those of the fast-growing and in many respects totally unregulated economies of Asia, with access to a labor force often working under slave-like conditions.

At Novestra, among other investments, we've had holdings in a number of American companies in which we were actively involved and followed their development over the past ten years. We've seen firsthand how America's flawed legal system has made it more difficult and costly for entrepreneurs to run their own businesses and adhere to a kaleidoscope of regulations. This was recently highlighted in an article in The Economist on February 18, 2012, which stated that regulations in general increase the cost of doing business by USD 10,500 per employee per year. This, in combination with a business attitude of no longer looking at what is morally right but rather only at what is legal, has created great uncertainty and contributed to lower growth and a tougher labor market situation than the U.S. is accustomed to having.

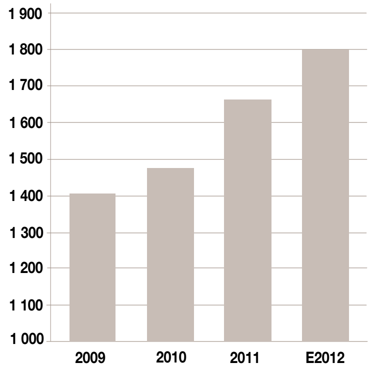
"Although we have not seen any significant lowering of the bureaucratic threshold for entrepreneurs, the conditions for running a business in Sweden have definitely improved during the past ten years compared with developments in the U.S. and the rest of the world."

Given these developments, one can ask what lies behind the continued commercial success of young U.S. based companies in for example social media and other internet based business models? Most probably the key difference has been access to investment capital at an early stage. This access to capital allowed U.S. companies – often lagging behind their Swedish competitors from a technological perspective – to nevertheless act aggressively and win major market share. Many Swedish companies have been forced to seek capital abroad, including for example Swedish success stories like Spotify, which funded its expansion in the U.S. primarily with capital from foreign investors such as the U.S.-based Accel and Kliener Perkins and the Russian investment firm DST Global.

When assessing Swedish competitiveness, access to capital is probably the only area in which Sweden has actually fallen behind in the past 5–10 years. Let’s hope that this will change for Sweden in the coming years and that some of the billions available for private equity investments from both governmental and private institutions also find their way to early stage investments, since it’s primarily within such young companies that new job opportunities are created.

Managing Director's comments
Johan Heijbel

Portfolio companies combined turnover
MSEK



This time a year ago, we were optimistic about 2011, which was just beginning. We had great expectations regarding the performance of the individual portfolio companies and saw opportunities for strategic deals or IPOs.

Much of what we hoped for was realized. We saw a strong performance from most of our portfolio companies and successfully divested two of them.

The companies divested were Netsurvey and Qbranch, two businesses we had been working with since the new millennium. Netsurvey was a newly started company when we invested it in 1999. The company's business concept, like many companies at that time, was to capitalize on new opportunities that opened up as the internet became accessible to the general public. In Netsurvey's case, the company's initial focus was on marketing surveys, with an aggressive expansion strategy including establishment abroad. It turned out that this strategy was not viable due to tough competition from large, already-established sector players and a technology edge that our competitors managed to catch up with quickly. Nevertheless, the company had established a successful business in employee satisfaction surveys, with a strong offering comprising extensive expertise and a tool for the implementation, analysis and presentation of surveys. This opened the door to a more niched segment with longer sales cycles, leading in turn to a longer road to success than the company had initially planned. Despite this, the company successfully established itself as one of the leading players in employee satisfaction surveys on the Swedish market. In 2011, Netsurvey generated sales of MSEK 30 and has run a profitable business for over a decade. The company was sold at a premium, with a valuation exceeding the carrying amount reported by Novestra by around 14%, including a dividend in connection with the transaction.

Qbranch is one of the few IT companies that did not fall prey to all the 'buzz words' that were rampant in the dotcom era around the year 2000. Many companies had far 'sexier' business concepts, had invested more and were more innovative in the way the company was presented, but few managed to build such a successful company as Qbranch. Developing the hottest new apps was never Qbranch's game plan. Rather the company was focused on creating a functional, user-friendly IT structure for clients under the strong brand promise: 'We make IT work'. In 2000, the year Novestra invested in the company, Qbranch had a turnover of MSEK 115. When the company was divested in 2011, it generated sales of approximately MSEK 520 with an EBITDA of over MSEK 53. The company was sold at a premium, with a valuation exceeding the carrying amount reported by Novestra by around 25%, including a divided in connection with the transaction.

Both of these divestments were successful and were made at favorable valuations. However, they both

”Successful divestments notwithstanding, the portfolio companies with the most potential in terms of value generation are still part of Novestra’s portfolio today.”

required hard work and perseverance, in particular because the multiples used to value this type of company have more than halved from the sky high expectations of 1999/2000 on everything related to IT or the internet.

The divestments generated a total value of around MSEK 138, corresponding to a value of around SEK 3.70 per Novestra share. The invested amount, net of dividends received, amounted to MSEK 28. Considering the current capital market climate, we decided to pay off Novestra’s interest-bearing debt in full, instead of a paying a dividend to shareholders. At the same time, we have initiated a share buy-back program. These measures should significantly decrease company risk going forward.

Successful divestments notwithstanding, the portfolio companies with the most potential in terms of value generation are still part of Novestra’s portfolio today.

Explorica has grown from sales of MSEK 140 in 2002/2003 to expected sales of around MSEK 490 for 2011/2012.

MyPublisher generated approximately MSEK 24 in 2003 and is expected to generate MSEK 277 in 2012.

Strax was not yet active in the accessories market for mobile devices such as cell phones and e-readers in 2006. By 2011, it was the only remaining business in the company, generating approximately MSEK 548, with estimated sales of MSEK 620 for 2012.

Diino has established itself as one of the players with the strongest offering in online backup and personal cloud services, both on the system side and through direct sales of client solutions.

WeSC Novestra’s only listed holding, faced a number of challenges in 2011, resulting in a significant impairment of the share value. In the 2010/2011 financial year the company reported sales of approximately MSEK 410, compared to around MSEK 33 in the financial year 2002/2003.

2011 was a difficult market for smaller companies like those in Novestra’s portfolio. However, the successful divestments that were made show that interesting and well-managed companies can be sold even when all conditions are not optimal.

The companies in Novestra’s portfolio have enjoyed a robust historical performance. Even more interesting is that they all have incredibly strong positions in their respective market sectors, something that not only benefits the individual companies from an operational and profitability perspective, but more importantly offers unique opportunities for transactions.

Novestras holdings


Superlative®
Conspiracy

Novestras holdings

Novestra's portfolio companies

Novestra's investments comprise small to mid-sized publically listed and private growth companies. At December 31, 2011 the value of Novestra's investments totaled MSEK 282. Privately held portfolio companies accounted for 96 percent of Novestra's total investment, compared to 83 percent last year. Of these, MSEK 270, 93 percent was attributable to companies domiciled outside Sweden.

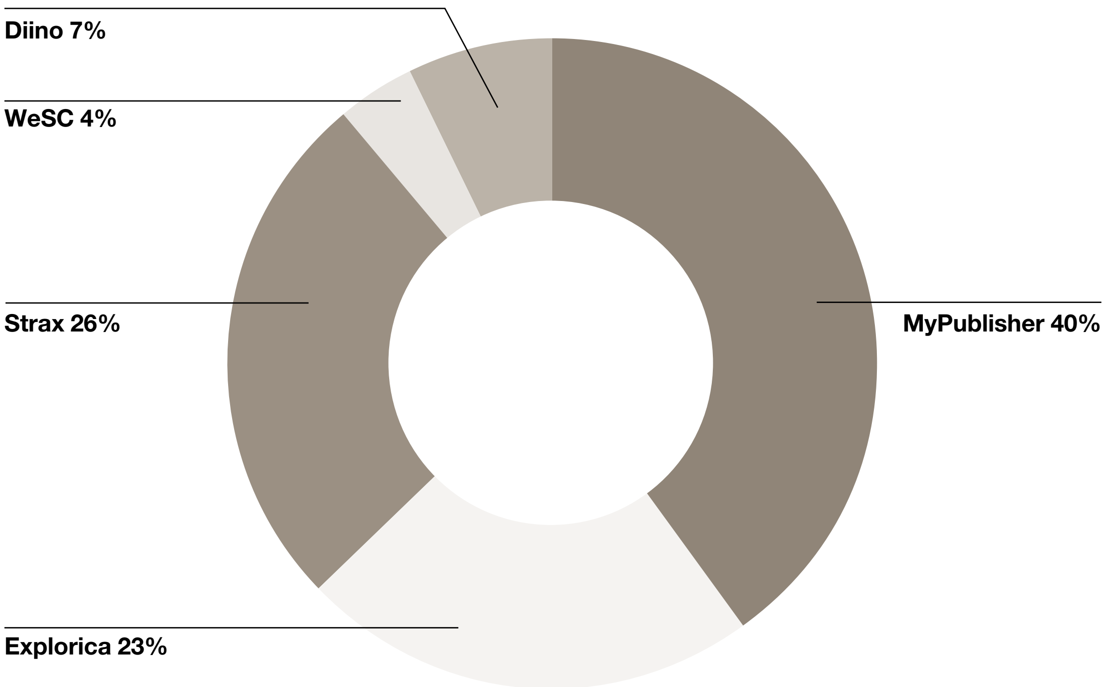
The majority of Novestra's investments in private portfolio companies were made about ten years ago. Overall, the portfolio has shown good profit and sales growth in recent years and is expected to continue to develop favorably going forward.

Novestra's holdings as at December 31, 2011

Holdings	Ownership, %[1]	Sales 2011, MSEK	EBITDA 2011, MSEK	Carrying value, MSEK	Market value corresponding to 100%, MSEK [2]
Explorica [3]	14,5%	477	8	64.9	447.0
MyPublisher	24,8%	226	30	111.5	450.4
Strax [4]	25,0%	548	36	73.7	242.5
Diino	46,3%	7	-9	19.2	41.5
WeSC [5]	5,9%	408	48	11.6	197.2
Other				0.6	n/a
Total				**281.5**	

1) Ownership after dilution.
2) Estimated market value fully diluted.
3) Pertains to 2010/2011which ended in August 2011.
4) Ownership 25 percent with option to increase to 32 percent.
5) Pertains to 2010/2011 which ended in April 2011.

Distribution of carrying value 2011



www.explorica.com

Explorica /USA

Background

Explorica is an operator of educational and student travel. The company was founded in 2000 by a team with extensive experience in the travel industry, in particular in educational travel. The company is headquartered in Boston, with operations in the U.S., Canada, China, the U.K. and Mexico. Novestra invested in Explorica in spring 2002 and has since then been represented on the company's Board of Directors.

Operations and market

Explorica specializes in arranging educational travel for students in collaboration with teachers and schools. In the U.S. and Canada, the company's largest markets, Explorica offers both domestic and international travel primarily to Europe. The majority of travel programs are sold eight to twelve months prior to the actual travel date, giving the company a good overview of future business volumes. In addition, Explorica has embarked on successful establishment in China

Explorica has developed a proprietary online system for booking and management of travel, making travel education more accessible, flexible and cost effective. Teachers and students are able to customize their travel plans online in a detailed manner via the portal. Tours can be adapted to the group's preferences and desired price range by adding or deleting activities or upgrading meals and accommodation.

Explorica estimates its market share to be around 15 percent. In 2011, some 40,000 students in the age group 13-18 travelled with Explorica and since the company was established approximately 300,000 students have travelled with the company. Explorica's main competitors today are ACIS, CHA, EF, and NETC.

Financial performance

Explorica has grown rapidly since the start in 2000 and has established itself as one of the leading operators in the North American student travel market. Explorica's sales for the financial year 2010/2011, which ended on August 31, 2011, amounted to approximately MSEK 477, with an EBITDA result in excess of MSEK 8. Sales are almost completed for the 2011/2012 season, showing growth despite a difficult market climate. Sales for the 2012/2013 season show that the market situation in North America has improved, while competition continues to be intense.

Ownership structure

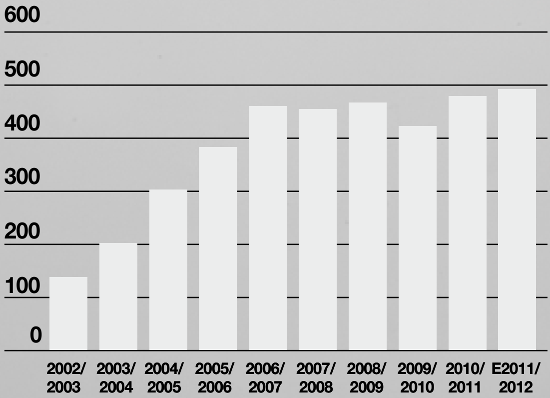
Explorica's largest shareholders, apart from Novestra, are Claes Hedberg and company, Reddere Invest AB and the company's Chairman and founder Olle Olsson.

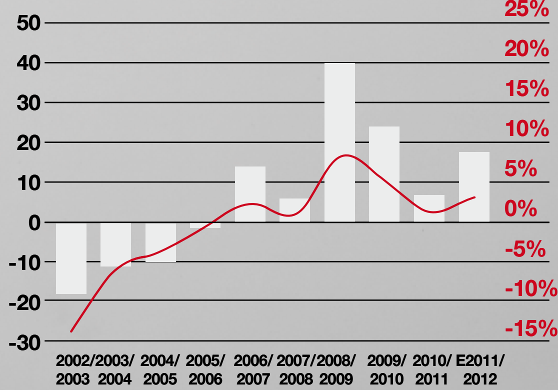
Investment facts [1]	**E2011/12** [2]	**2010/11**	**2009/10**	**2008/09**	**2007/08**	**2006/07**	**2005/06**	**2004/05**	**2003/04**	**2002/03**
Sales, MSEK [3]	489	477	420	464	452	458	379	295	202	137
Growth in sales	2%	14%	-9%	3%	-1%	21%	29%	46%	47%	104%
EBITDA, MSEK [3]	17	8	24	40	5	12	-1	-10	-11	-18
EBITDA margin	4%	2%	6%	9%	1%	3%	0%	neg	neg	neg
Novestra										
Carrying amount, MSEK					64.9					
Ownership stake after dilution					14.5%					
Corresponding market cap (100%) based on carried value, MSEK					447.0					

1) The financial year runs from September 1–August 31.
2) Novestra's estimate
3) USD/SEK = 6.89

Board representation	**Yes**
No. of employees	**176**
Cash flow	**Positive**
Chairman of the Board and founder	**Olle Olsson**
CEO	**Evan Wood**

”In 2011, the market was characterized by tough competition and falling demand. Despite this, Explorica successfully increased sales. Having been responsible for Explorica’s Canadian operations, I was asked in November 2011 if I was interested in continuing to develop Explorica as Managing Director. I said yes to the job without hesitation and now I am looking forward to developing and streamlining Explorica into becoming the most successful player in our market.”
Evan Wood, CEO, Explorica





www.mypublisher.com

MyPublisher /USA

Background

MyPublisher gives customers the opportunity to create personalized photo books with pictures and texts via the internet. The company was founded in 1994 by Carl Navarre, Jr., who has extensive experience in the printing industry. MyPublisher is headquartered in New York and has an in-house production facility in Valhalla, New Jersey. Novestra invested in MyPublisher in 1999 and has since then been represented on the company's Board of Directors.

Operations and market

MyPublisher offers a service enabling customers to organize their digital photos, add texts and design personal photo books. MyPublisher also offers personalized calendars, congratulation cards and presentations, which are available in bound hardcover or pocketbook styles. Most products are produced and distributed to customers within 48 hours. MyPublisher's proprietary software program MyPublisher 7.0 and earlier versions have been downloaded more than six million times, with over 400 million digital photographs printed over the past five years. In total, some 5 million photo books have been printed and delivered since 2002.

During its expansion phase, MyPublisher acted as subcontractor to a number of leading software companies and computer manufacturers. However, from the financial year 2006 and onwards, MyPublisher has focused on sales under its own brand.

Today, MyPublisher is one of the three largest suppliers in its niche in the U.S. The market is still considered to be very small in relation to market potential. MyPublisher's main competitors are currently Shutterfly, which acquired Kodak EasyShare Gallery in March 2012 and HP's SnapFish.

Financial performance

MyPublisher has generated very high growth since Novestra invested in the company. In 2009 and 2010, MyPublisher focused on increasing the company's margins, thereby boosting profitability. Sales amounted to approximately MSEK 226 in 2011, with an EBITDA margin exceeding 10 percent, equivalent to approximately MSEK 30 in EBITDA. Sales growth in early 2012 has been strong and the company is aiming for a sales growth of 20 percent during the year.

Ownership structure

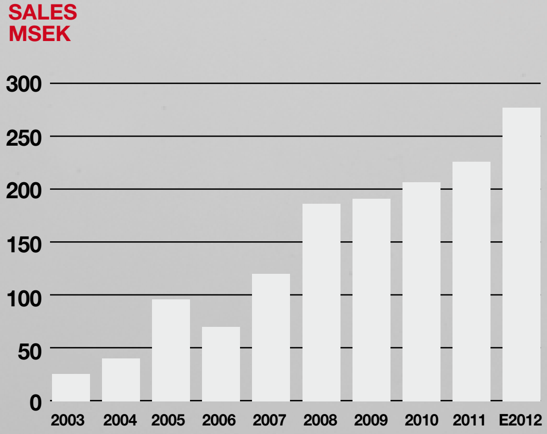
Besides Novestra, MyPublisher's founder, Carl Navarre, Jr., is the company's largest shareholder.

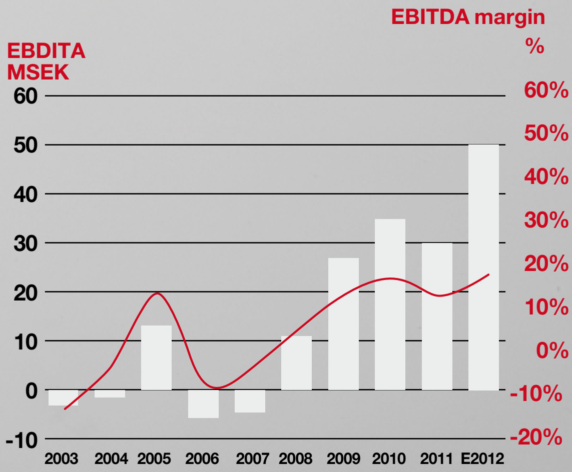
Investment facts	E2012[1)]	2011[2)]	2010	2009	2008	2007	2006	2005	2004	2003
Sales, MSEK[3)]	277	226	205	191	186	119	68	95	39	24
Growth in sales	23%	10%	7%	3%	56%	74%	-28%	145%	62%	46%
EBITDA, MSEK[3)]	50	30	35	27	11	-4	-5	13	-1	-3
EBITDA margin	18%	13%	17%	14%	6%	neg	neg	14%	neg	neg
Novestra										
Carried value, MSEK				111.5						
Ownership after dilution				24.8%						
Market cap (100%) based on carried value, MSEK				450.4						

1) Novestra's estimate
2) Unaudited figures
3) USD/SEK = 6.89

Board representation	**Yes**
Number of employees	**125**
Cash flow	**Positive**
Chairman, CEO and founder	**Carl Navarre, Jr**

"We have now entered a new stage in the company's history, having attained critical mass and the resources to fuel continued growth. At the end of 2011 we introduced a new category, which can be summed up as 'congratulation cards.' I expect that this category will enable us to break a new sales record, while maintaining high gross margins."
Carl Navarre, Jr., CEO, MyPublisher





www.strax.com

Strax / Germany

Background

Strax is a leading provider of mobile device accessories, a segment that has undergone significant expansion in recent years from consisting primarily of mobile phones and related accessories to now including small handheld computers, e-readers and related accessories. Strax was founded in 1996 and is headquartered in Troisdorf, near Cologne. Novestra became a part owner of Strax in 1999 and has since then been represented on the company's Board of Directors.

Operations and market

Strax offers services that cover the entire value chain of accessories, from product development and purchasing, innovative packaging and logistics services to marketing and product mix strategies. Besides the company's own brands Xqisit™ and Enjoy™, Strax has distribution agreements with all leading handset manufacturers such as HTC, Blackberry, Nokia, Samsung and Sony Ericsson, and with brands such as Belkin, Griffin, and Jabra. In addition, Strax has license agreements with Hugo Boss and Diesel for the manufacturing and distribution of mobile phone accessories.

Strax operates through subsidiaries in ten European countries, which are serviced from a central modern warehouse and distribution center in Germany. The company also has offices in the U.S., Peru and Hong Kong.

The international mobile communications market is fast moving, with constant challenges in the form of new technologies and product segments. Mobile device accessory sales are dominated by telecom operators and major independent chains of retailers. These players are putting higher and higher demands on distributors and prioritize those who can meet their needs, both geographically and in terms of product range. Thanks to good geographic coverage and an extensive range of distribution-related services, Strax has a very strong offering, enabling the company to strengthen its relationships with customers and suppliers. Strax's customers include T-Mobile, Orange, TeliaSonera, Tre, Telefonica, TDC, Tracphone, Swisscom, CarPhone Warehouse and Clas Ohlson. Strax has a number of small and mid-sized competitors.

Financial performance

In 2008, Strax underwent a comprehensive streamlining and consolidation of operations and is now fully focused on the sale and distribution of mobile device accessories. Since 2009, the company has focused on high-margin products and launched its own brand, which has proved very successful. This shift in focus resulted in significantly higher gross margins and the company demonstrated sales growth in 2010 and 2011. Sales amounted to approximately MSEK 548 in 2011, representing growth of over 14 percent. Strax expects continued growth and further improved margins in 2012.

Ownership structure

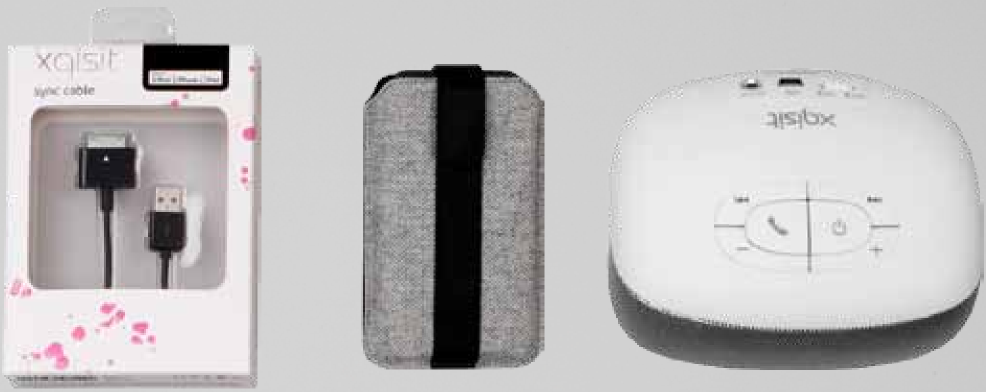
Strax' largest shareholders, apart from Novestra, are the founders Ingvi Tomasson and Gudmundur Palmason.

Investment facts	**E2012**[1)]	**2011**	**2010**[2)]	**2009**[2)]	**2008**[2)]	**2007**[2)]	**2006**	**2005**	**2004**	**2003**
Sales, MSEK [3)]	619	548	482	447	619	607	n.a.	n.a.	n.a.	n.a.
Growth in sales	13%	14%	8%	-28%	2%	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA, MSEK [3)]	51	36	26	5	10	-16	n.a.	n.a.	n.a.	n.a.
EBITDA margin	8%	7%	5%	1%	2%	-3%	n.a.	n.a.	n.a.	n.a.

Novestra	
Carried value, MSEK	73.7
Ownership after dilution and prior to utilization of options [4)]	25.0%
Market cap (100%) based on carried value, MSEK	242.5

1) Novestras estimate
2) Unaudited figures, proforma based on remaining operations
3) EUR/SEK = 8.92
4) Novestra holds option to increase ownership to 32 percent

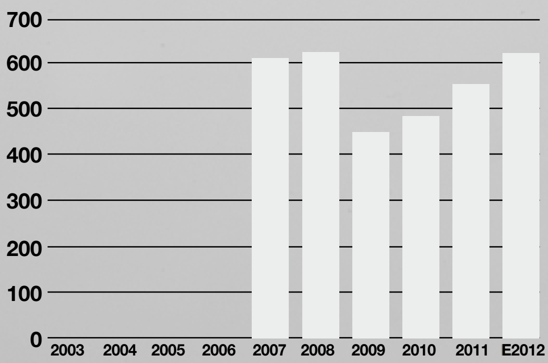
STRAX STRATEGIC ACCESSORIES SOLUTIONS



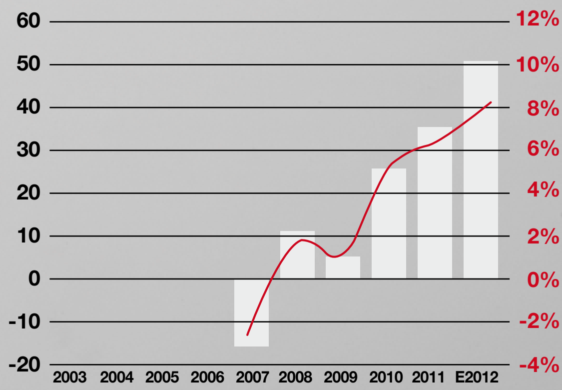
Board representation	**Yes**
Number of employees	**135**
Cash flow	**Positive**
Chairman and founder	**Ingvi Tómasson**
CEO and founder	**Gudmundur Palmason**

"If 2010 was the year we demonstrated a successful turnaround of the company, 2011 was the year we really showed our competitors and customers that we are one of the leading and most innovative companies in our industry. I realize that we have a lot left to do, however it feels like we have created the foundation and stability that is a must for any successful business."
Gudmundur Palmason, CEO, Strax

Sales
MSEK



EBITDA **EBITDA margin**
MSEK **%**



www.diino.com

Diino Systems / Sweden

Background

Diino's offering includes online storage and backup solutions for private customers via www.diino.com, as well as system solutions for corporate customers who offer these solutions to their own customers under their own brand name. Diino was founded in 2004 and is headquartered in Stockholm. Novestra invested in Diino in 2004 and has since then been represented on the company's Board of Directors.

Operations and market

Diino offers a combined software application and online service that enables customers to store, share, publish and back up their digital files simply and securely. These files can be reached anywhere, anytime, from a computer, mobile phone or handheld device.

In 2009, Diino developed and launched a new platform with a number of advantages over the old one. These include the ability to offer platform sales and white label solutions, easier integration with partners' own services and enhanced user-friendliness for the customer.

Today, Diino Systems partners include AllTele, Ownit, Bredband 2, Tre, Ericsson, COMX and the Russian company SrDS. Swisscom AG, one of Europe's leading telecom operators, launched a Personal Cloud service based on a Diino platform. The service, which will be hosted by Swisscom, consist of a back-end application, client software and a management and support system. The service will target the retail market, offering a simple and user friendly way to back up important information for Swisscom's existing broadband customers. The service is furthermore the first in Swisscom's Personal Cloud solution.

Diino systems' service Diino has several competitors around the world. Less competition is found in the systems solutions segment, in which the company's main competitor is Digi-Data Corporation.

Financial performance

In 2011, sales grew by over 59 percent to around MSEK 8. The company continues to be involved in several very interesting tender negotiations and aims to show a positive cash flow in 2012.

Ownership structure

Swisscom invested in the company in 2007 and is currently the company's second largest owner after Novestra.

Investment facts	**E2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**[1]	**2004**	**2003**	**2002**
Paying private customers	20000	9493	11841	7295	3759	2805	140	0	-	-	-
Growth in number of paying customers	111%	-20%	62%	94%	34%	n.a	n.a.	n.a	-	-	-
Sales, MSEK	15	8	5	1	1	1	0	0	-	-	-
EBITDA, MSEK	3	-11	-10	-13	-24	-19	-17	-6,9	-	-	

Novestra	
Carrying amount, MSEK	19.2
Ownership after dilution and prior to utilization of options	46.3%
Corresponding market cap (100%) based on carried value, MSEK	41.5

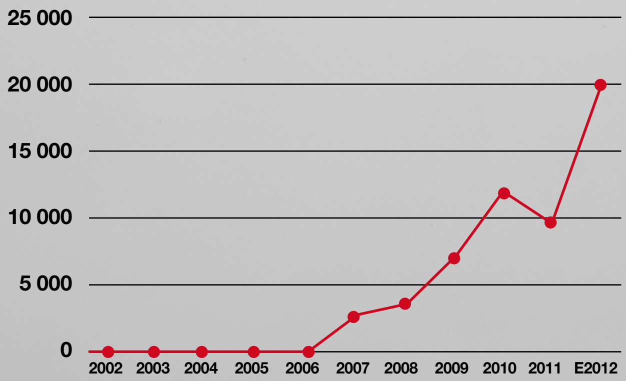
1) September 16, 2004 to December 31, 2005

Diino

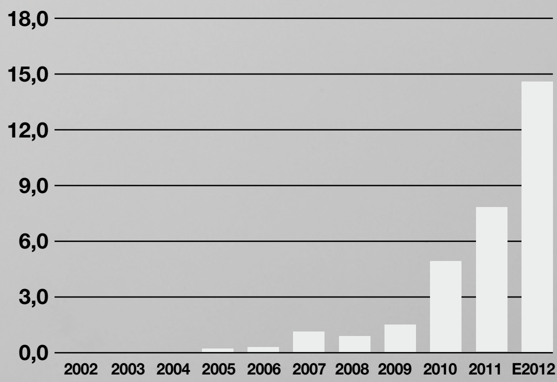
Board representation	**Yes**
Number of employees	**12**
Cash flow	**Negative**
Chairman	**Marcus Söderblom**
CEO	**Jan Nilsson**

“We are still at an early stage of development and when meeting potential customers it is clear that there is both a great need and interest in our services. We are delighted and proud to have delivered a pioneering service in 2011 that is both user-friendly and secure to one of Europe’s leading operators, Swisscom, for its Personal Cloud Solution. With Swisscom as a reference customer, it is my hope that we can bring in a number of new orders from other international operators in 2012.”
Jan Nilsson, CEO, Diino

Number of private paying customers



Sales MSEK



www.wesc.com

WeSC / Sweden

Background

WeSC is a brand with roots in the skateboarding culture that works with design, production and sales of clothes and accessories in the street fashion sector. Established in 2000, the company's founders include Greger Hagelin and Mattias Hallencreutz, both of whom are still active in the company. WeSC has offices in Stockholm and Los Angeles. Novestra invested in WeSC in 2008 and is represented on the company's Board of Directors.

Operations and market

WeSC's vision is to become the world's leading brand in its sector. One of WeSC's biggest success factors is its brand, which is based on credibility and a strong corporate culture. Another success factor is the company's innovative and effective marketing methods, which WeSC communicates through 'We activists' – informal brand ambassadors. WeSC's 'We activists' include a wide range of individuals from actors, artists, skaters and snowboarders to photographers, musicians and artists, as well as other renowned or relatively unknown individuals recognized in their niche.

WeSC's business model is based on a network of distributors located in the markets where the company sells its products. The distributors purchase the goods on pre-order from WeSC and are responsible for delivery and invoicing the retailers in their respective markets. This means that distributors carry both stock and credit risk. In Sweden, Denmark, Germany, the U.K., the U.S. and Austria, WeSC has its own wholesale operations, involving direct sales to retailers.

In just a couple of years, WeSC has become one of the strongest brands in the street fashion sector, with sales in 24 countries, 29 concept stores, and more than 2,000 retailers. The company has an estimated turnover of MSEK 408 for the 2011/2012 financial year, corresponding to over a billion Swedish kronor in the consumer sector. WeSC will continue to expand by growing in existing markets, opening additional concept stores, finding new markets and developing new product categories.

Financial performance

In the third quarter, sales amounted to around MSEK 90, with sales of approximately MSEK 291 for the first nine months of the 2011/2012 financial year (May 2011 – Jan 2012). This represents a fall in sales of about 10 percent. Pre-orders for the 2012 spring and summer collection grew by about 13 percent in local currencies and 10 percent in Swedish kronor, totaling around MSEK 171. Over the past three financial years, WeSC has distributed a total of MSEK 110, equivalent to SEK 15 per share.

WeSC is currently listed on First North and publishes regular financial reports.

Ownership structure

WeSC's largest shareholders, apart from Novestra, are Nove Capital and Greger Hagelin.

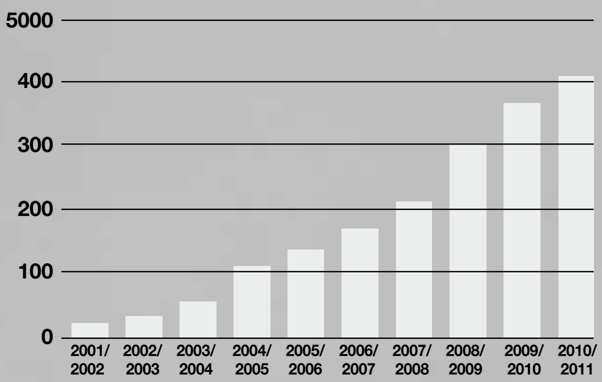
Investment facts [1]	**2010/11**	**2009/10**	**2008/09**	**2007/08**	**2006/07**	**2005/06**	**2004/05**	**2003/04**	**2002/03**	**2001/02**
Sales, MSEK	408	367	297	214	167	131	110	64	33	28
Growth in sales	11%	24%	38%	28%	28%	19%	70%	93%	19%	-
EBITDA, MSEK	48	63	42	17	-2	-13	4	9	2	0
EBITDA margin	12%	17%	14%	8%	-1%	-10%	4%	14%	6%	-1%
Novestra										
Carrying amount, MSEK					11.6					
Ownership after dilution and prior to utilization of options					5.9%					
Corresponding market value Nasdaq OMX, (100%), MSEK					197.2					

1) The financial year runs from May 1 to April 30.

Board representation	**Yes**
Number of employees	**79**
Cash flow	**Positive**
Chairman	**Theodor Dalenson**
CEO and founder	**Greger Hagelin**

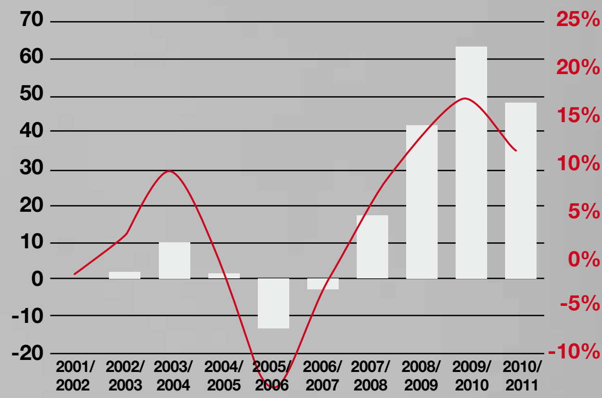
"We are naturally not satisfied with the developments we have seen in recent quarters, although we still believe that the final quarter of this year will lead to an improvement in sales and earnings for the year. In recent months, we have implemented a number of structural measures in order to enter the next financial year (May 1, 2012-April 30, 2013) with a lower cost base and a more efficient organization."
Greger Hagelin, CEO, WeSC

Sales
MSEK



EBITDA
MSEK

EBITDA margin
%



The private equity market

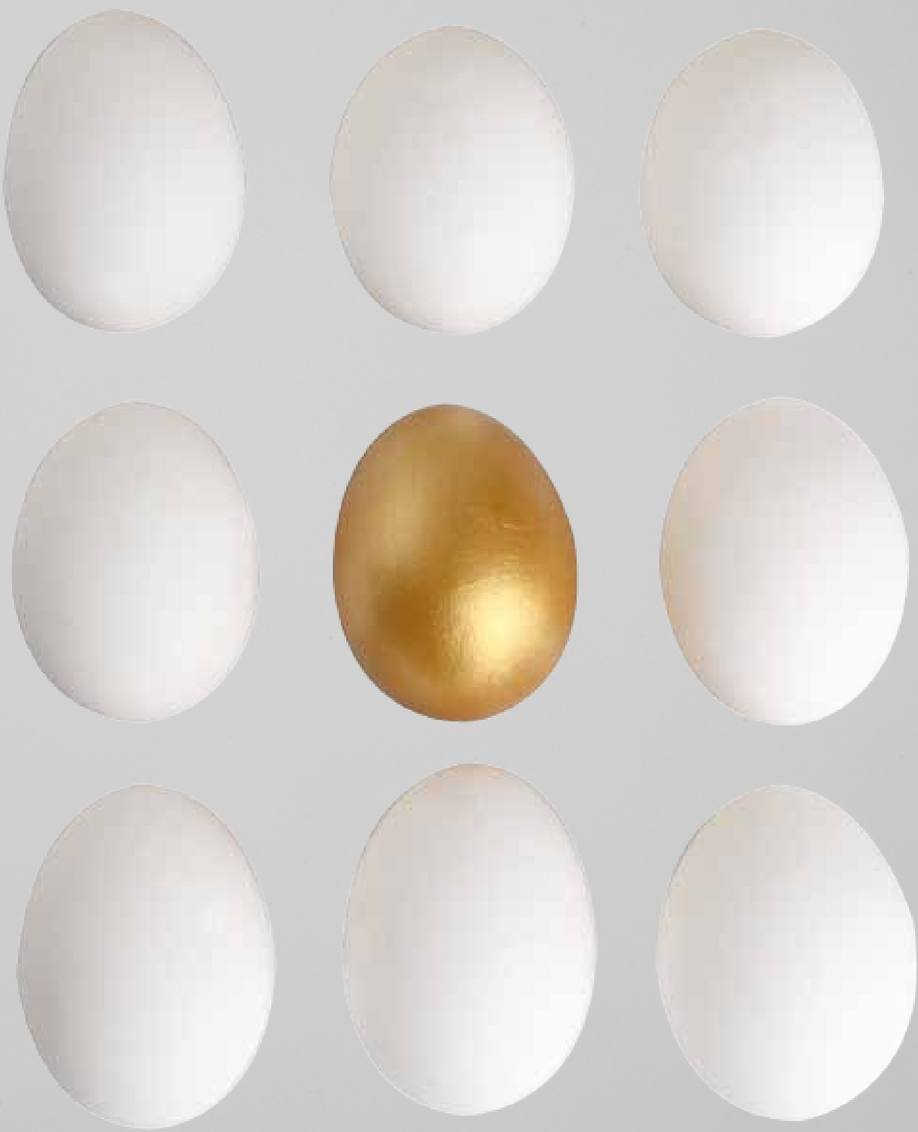
Investments can be made in both public and private securities and companies. Investments made in privately held companies, with active and time-limited ownership, is often referred to as private equity investments.

Players on the private equity market can be divided into buyout companies and venture capital companies. Buyout capital concerns investments in mature companies, normally with strong cash flows and the acquisition generally occurs with leverage. Examples of Swedish buyout players include Altor, EQT, IK Investment Partners and Nordic Capital. Venture capital concerns investments in small and mid-sized growth companies that are either seed companies, start-up companies or companies in a phase of expansion, often with negative or weak cash flows. Venture capital investments are normally made without debt or with low debt levels. In addition, there are a number of private investors as compared to other private investors who often make larger investments, and become actively involved in the companies they invested in. These investors typically do not belong to a specific company sphere but act and invest for their own private interests. These investors are expected to take an active ownership role in contrast to other private investors.

The majority of Novestra's investments in privately held portfolio companies were made approximately ten years ago. Today, the portfolio consists of small and mid-sized growth companies with stable and growing cash flows. Novestra has not financed any of its investments through debt and the majority of the companies have no interest bearing debt.

Following a weak 2009, 2010 saw the highest investment level ever in the Swedish buyout segment, with more than double the investments seen in 2009. According to SVCA, buyouts for the full year 2010 amounted to SEK 23.7 billion. This record amount is proof that the buyout segment is back and that the downturn seen during the financial turmoil of 2009 is now over. Despite debt crisis and turbulence at the stock market around the world, the buyout market had a continued positive development during 2011. The divestment activity has been high in particular, but investment activity has also been strong during the second half of 2011, which makes the whole year stronger.

Private equity funds' investments in venture companies decreased yet again in 2011 according to SVCA. The number of investments continues to decline, but not as drastically as the decline in amounts invested in portfolio companies. According to SVCA, a certain part of this can be explained by a trend of less capital intense start-up companies, but it is also an extension of a sustained trend of reduced activity within venture in general.



Novestra share

The Novestra share has been listed on the Stockholm Stock Exchange since June 21, 2000 and was listed on the Nasdaq OMX Stockholm, under the symbol NOVE, in the Small Cap section, on October 2, 2006. Novestra's market value at the end of 2011 amounted to approximately MSEK 242 (329).

Since November 2002, a measure to increase liquidity has been undertaken by appointing Remium Securities AB as Novestra's market maker. The share liquidity during 2011 has been good, the share was traded on 75 (89) percent of all trading days and the average turnover was 12 861 (10 231) shares per trading day. The total turnover amounted to 3 253 889 (2 588 480) shares, which corresponds to an annual turnover rate of approximately 0.09 (0.07).

The share opened at SEK 8.95 on the first day of trading in 2011 and closed at SEK 6.50 on the last day of trading, corresponding to a decrease of approximately 27 percent. This can be compared with Nasdaq OMX Stockholm (OMXPI) which decreased by 16.7 percent. The average price during the year was SEK 7.43 (7.93) and the average turnover per trading day was SEK 94 495 (90 776).

Share capital structure
Novestra's share capital amounts to SEK 37 187 973 distributed among 37 187 973 shares. The quota value is SEK 1.00. Each share carries one vote and each person entitled to vote may vote at shareholders' meetings for the full number of shares held or represented at the meeting, without limitation of voting rights. Novestra has only one class of shares and all shares carry an equal right to a share in the company's assets and profits. All shares are fully paid.

Option program
As at December 31, 2011, Novestra had no outstanding option programs.

Ownership structure
The total number of shareholders as at December 31, 2011 amounted to 1 870 (2 039). Foreign ownership accounted for 79.8 (79.6) percent of total outstanding shares.

Earnings per share
The group's earnings per share amounted to SEK -0.42 (-0.14).

Dividend policy and dividend
The Board has not proposed a dividend for the financial year 2011. However, the Board resolved that the company shall commence purchase of the company's own shares and that acquisition shall be executed in intervals until the Annual General Meeting 2012.

The total return on the Novestra share since 2002 including dividends amounts to 204.7 percent, corresponding to an annual return of 11.8 percent. The total return index for the Stockholm stock exchange during the same period gave a return of 5.5 percent per year.

Divided policy
Starting with the financial year 2012, Novestra shall distribute funds to the shareholders in connection with any exit, corresponding to the proceedings received less sales expenses and with a deduction for reasonable funds necessary to secure the safe operation of the company.

Other share information
Shareholders' equity per share at year-end amounted to SEK 8.5 (9.0). At the Annual General Meeting held on April 27, 2011, the Board of Directors was authorized up to the Annual General Meeting in 2012 to decide, on one or more occasions and with or without a preferential right for the shareholders, to issue a maximum of 6 000 000 new shares against payment in cash, in kind or by set-off. To date, this mandate has not been utilized.

The Extraordinary General Meeting on February 8, 2012 authorized the Board of Directors to repurchase Novestra's own shares. The Board has resolved that the company shall commence purchase of the company's own shares and that acquisition shall be executed in intervals up until the Annual General Meeting 2012. As per April 4 2012, a total of 809 576 shares have been repurchased.

Development of share capital (KSEK)

Date	Transaction	Quota value (SEK)	Change in share capital	Total share capital	Total no. of shares
April 1997	Incorporation	100,00	100	100	1 000
March 1998	Split (10:1)	10,00	-	100	10 000
March 1998	New share issue	10,00	4	104	10 400
March 1998	Issue in kind	10,00	35	139	13 900
April 1998	New share issue	10,00	10	149	14 873
April 1998	Issue in kind	10,00	14	163	16 263
May 1998	New share issue	10,00	65	228	22 763
August 1998	Bonus issue	230,00	5 008	5 236	22 763
August 1998	Split (100:1)	2,30	-	5 236	2 276 300
September 1998	New share issue	2,30	460	5 696	2 476 300
September 1998	Issue in kind	2,30	96	5 792	2 518 195
June 1999	New share issue	2,30	460	6 252	2 718 195
September 1999	New share issue	2,30	828	7 080	3 078 195
January 2000	New share issue	2,30	161	7 241	3 148 195
January 2000	New share issue	2,30	1 150	8 391	3 648 196
February 2000	New share issue	2,30	2 300	10 691	4 648 196
June 2000	Bonus issue	5,00	12 550	23 241	4 648 196
June 2000	Split (5:1)	1,00	-	23 241	23 240 980
September 2000	New share issue	1,00	150	23 391	23 390 980
October 2003	New share issue	1,00	7 797	31 188	31 187 973
June 2004	New share issue	1,00	6 000	37 188	37 187 973
May 2007	Split (2:1)	0,50	-	37 188	74 375 946
May 2007	Redemption	0,50	-18 594	18 594	37 187 973
May 2007	Bonus issue	1,00	18 594	37 188	37 187 973
January 2011	Split (2:1)	0,50	-	37 188	74 375 946
February 2011	Redemption	0,50	-18 594	18 594	37 187 973
February 2011	Bonus issue	1,00	18 594	37 188	37 187 973

Major shareholders and ownership structure as at December 31, 2011

Shareholder	No. of shares	Proportion of votes and capital
Nove Capital Master Fund	9 503 657	25.6%
Anchor Secondary 4KS	7 218 000	19.4%
Anchor Invest 1AS	3 400 000	9.2%
Merrill Lynch, Pierce, Fenner & Smith	2 586 221	7.0%
Jan Söderberg	2 571 000	6.9%
Anchor Invest 2AS	1 353 964	3.6%
Skandinaviska Enskilda Banken	1 158 759	3.1%
Texcel International	850 000	2.3%
Björn Wetterling	750 000	2.0%
SEB Life	440 000	1.2
Bertil Villard	406 670	1.1%
Other shareholders	6 949 702	18.7%
Total	**37 187 000**	**100.0%**
Of which foreign ownership	29 685 000	79.8%
The 10 largest shareholders - proportionally	30 238 000	81.3%

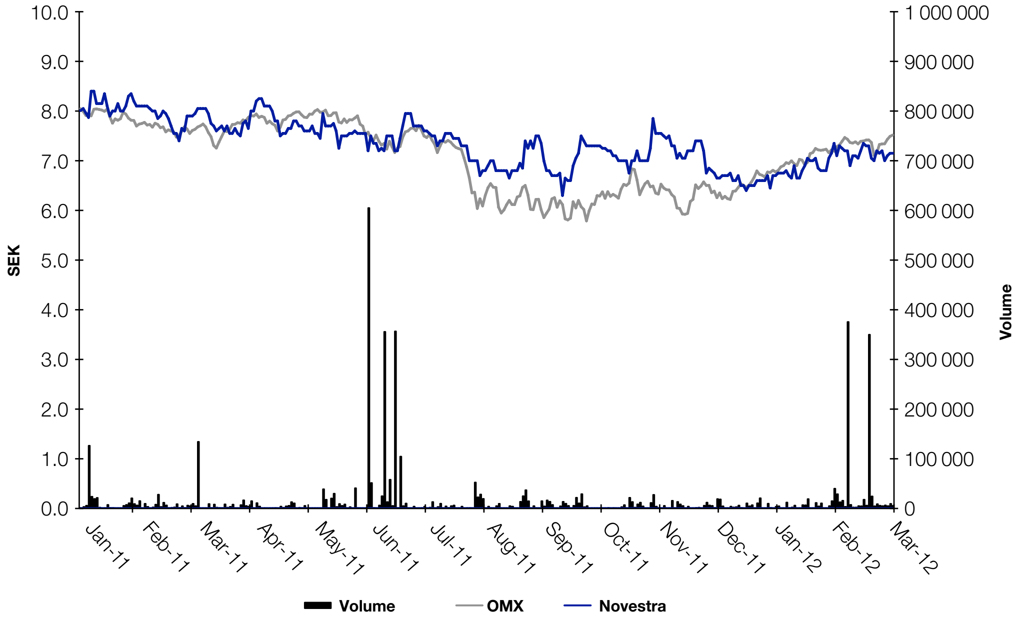
Source: Euroclear and facts known to the company

Distribution of shares as at December 31, 2011

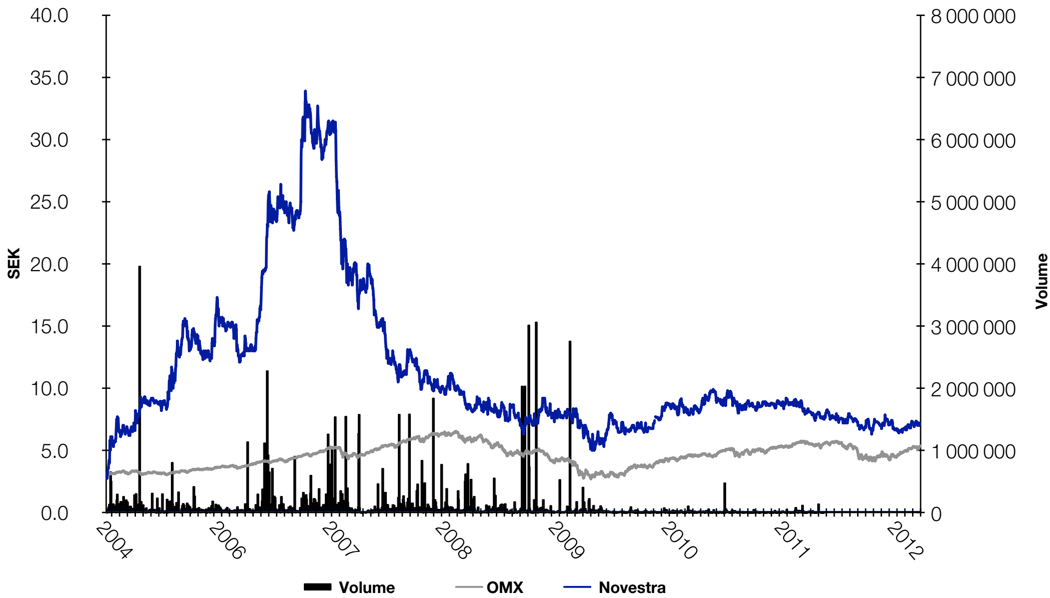
No. of shares by size	No. of shares	Proportion	No. of shareholders	Proportion
1-500	255 244	1%	1 024	55%
501-1 000	285 506	1%	342	18%
1 001-10 000	1 411 184	4%	410	22%
10 001-50 000	1 249 358	4%	55	3%
50 001-100 000	1 153 872	3%	16	1%
100 001-	32 832 809	88%	23	1%
Total	**37 187 973**	**100%**	**1 870**	**100%**

Source: Euroclear

Novestra's share price trend and number of shares traded
January 1, 2011–March 15, 2012
Source: Nasdaq OMX Stockholm



Novestra's share price trend and number of shares traded
January 1, 2004–March 15, 2012
Source: Nasdaq OMX Stockholm



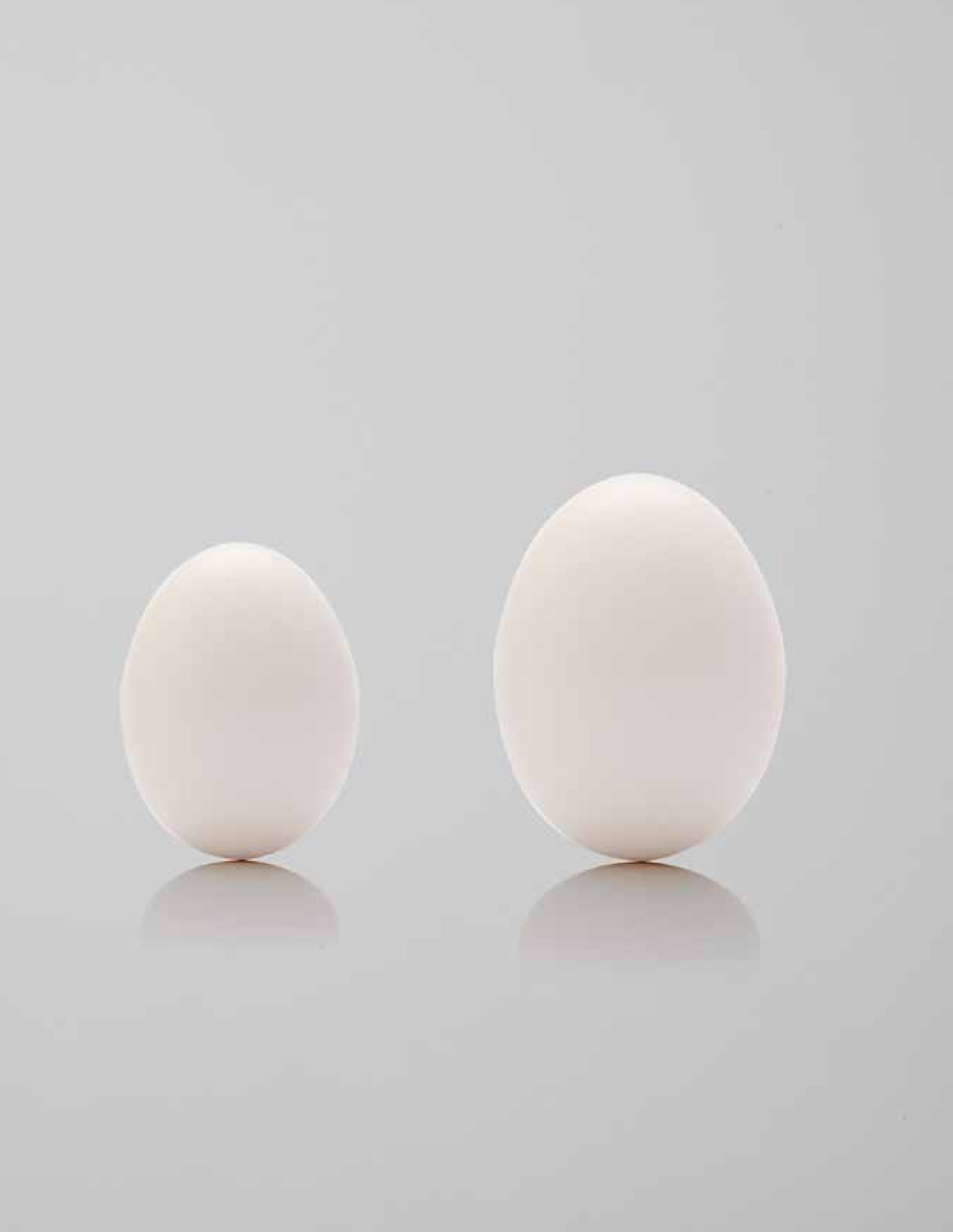
Novestra
Future opportunities

Novestra believes that the portfolio companies will continue to develop strongly during 2012 than during the previous year and that the prerequisites for a very positive growth in value will increase as the EBIT result is expected to increase more than the sales growth.

Discussions concerning divestment of Novestra's portfolio companies generally will be held when the valuation of the companies meet the Board of Directors and the management's expectations. At the same time Novestra will continue to evaluate and make occasional investments in publicly listed companies deemed to have a good value development.
Novestra's shareholders shall benefit from the generated values both through growth in value of shares and through dividends/distributions. Novestra intends to, as much as possible, optimize the value of the portfolio and it is therefore difficult to assess precisely a time when shareholders can expect dividends and distributions derived from sales of the portfolio.

It is also possible for Novestra to distribute the holdings in the portfolio to the shareholders if this is deemed suitable or favorable, for example, with a forthcoming listing of a portfolio company.

There is no need for additional funding in Novestra, or in any of the portfolio companies



Historical background

1997 Novestra was established with limited capital resources.

1997/98 Novestra built up a small portfolio of approximately ten private holdings. Some of the investments were divested during these first two years, generating high yields. In many cases, the positive outcome of these investments was the result of Novestra's active involvement in strategic issues combined with the implementation of transactions of vital importance to the companies. The proceeds from these early investments enabled Novestra to make further investments during the next two years without any additional external financing.

1999 High growth and profit expectations gave rise to a market revaluation of unlisted small cap companies. In such market conditions, Novestra made further exits and a number of major new investments. A number of these new investments were quickly assigned high valuations.

Unofficial trading in Novestra shares started in November 1999.

2000 As a result of considerable interest in Novestra and its portfolio companies, primarily from foreign institutions, Novestra decided to carry out a new share issue in February that provided the company with a total of MSEK 476. Novestra was granted investment company status during the spring.

Novestra was officially listed on Stockholmsbörsens' (the Stockholm stock exchange) O-list in June. No new share issue was implemented in connection with the listing, since the company had concluded that it did not require additional capital and that the stock exchange's requirement regarding diversified ownership had already been met. Novestra subscribed for new shares in a number of companies intended for market listing within the next twelve months.

The IT and telecom sectors experienced a dramatic downturn during the latter part of the year. Among other consequences, this resulted in the cancellation of planned IPOs for two of Novestra's portfolio companies.

The IT and telecom sectors experienced a dramatic downturn during the latter part of the year. Among other consequences, this resulted in the cancellation of planned IPOs for two of Novestra's portfolio companies.

2001 The weak stock market trend continued, making further industrial exits impossible. As a result, Novestra decided to focus its operations on fewer investments. Simultaneously, significant writedowns of Novestra's book values were made. A number of Novestra's companies were disposed of and, in a few cases, were exited through liquidation or bankruptcy.

2002 The consolidation process, by which Novestra increased stakes in companies that performed well and reduced stakes in others, continued. Novestra remained actively involved in its holdings throughout the development and growth phases. Extensive restructuring and cuts in Novestra's administration was initiated.

2003 During the year, the performance of the venture portfolio was very positive and, following the last three years' substantial write-downs, it was resolved to reverse some of the writedowns previously made.

During the fall, Novestra implemented a rights issue which provided the company with MSEK 48.5. A new investment strategy involving an exposure towards the public stock market was initiated.

Furthermore, the company's administrative expenses were considerably reduced and a restructuring of Novestra's corporate structure by the disposal of all of its subsidiary companies was implemented.

2004 The performance of the private portfolio companies continued to be very positive during the year. The management of the public portfolio generated high yields. During the summer, Novestra implemented a rights issue providing the company with MSEK 81.7. This was utilized to further increase the level of investments in public portfolio companies, particularly in Nordic companies. SEK 1 per share dstributed.

2005 The performance of the private portfolio companies was very positive and by the end of the year all four major

1997
Establishment with limited capital resources.

1998
Divestment of some investments generated high yields.

1999
Unofficial trading in Novestra shares starts.

2000
Novestra is listed on the Stockholm stock exchange's O-list.

2001
Novestra focuses its operations on fewer investments.

2002
Restructuring of Novestra's administrations is initiated.

private holdings showed positive cash flow.

In May 2005, Novestra invested approximately MSEK 190 in Nove Capital Fund and thereby phased out its own direct investments in listed companies.

A resolution was approved concerning the company's future business. The Annual General Meeting resolved that up until the end of 2007, the company would aim to sell the bulk of its private portfolio companies and thereby phase out the income from these sales to Novestra's shareholders.

2006 After a relatively weak development in two of the most important portfolio companies in 2006, the Board and the management decided not to force the sale of the venture capital portfolio due to the positive future opportunities for the portfolio companies. Therefore, the Board and the management decided to examine the possibilities to distribute most of the holding in Nove Capital Fund.

Since inception in May 2005, the increase of value of Novestra's investment in Nove Capital Fund as per December 31, 2006 amounted to MSEK 101.3, corresponding to a value growth rate of 53.5 percent.

No dividend was distributed for the financial year 2006.

2007 The operational problems in some of the portfolio companies during 2006 remained in the beginning of 2007, resulting in more internal work to be carried out in the portfolio companies than expected. The problems were gradually solved during 2007, and the year ended very strong for most of the portfolio companies. During the spring of 2007, Novestra completed a redemption procedure, in which SEK 5.00 per share was distributed to the shareholders.

During a three year period, a total of MSEK 298 was distributed to the shareholders, corresponding to SEK 8.00 per share.

Two new majority shareholders came in to Novestra during the year, Nove Capital and Anchor Capital. The new shareholders recognized the great value potential in the portfolio companies, and a decision was made to continue to develop the portfolio companies, and to postpone any sales of the portfolio companies until the Board and management see the timing as being optimal from a value perspective.

2008 The portfolio companies had a positive development during 2008 despite the weak economic climate. The growth was very strong during the first six months, with a slight decline during the second half of the year when the economic situation worsened. The management assessed that the majority of the portfolio companies would continue to develop well during 2009, and that the prerequisites for a high growth in value would increase considerably if the targets for growth and results were met. Novestra evaluated several investments in public companies and made occasional investments that were deemed to have a value potential even if the economic situation would remain weak.

2009 Despite the tough market situation during 2009 Novestra's portfolio companies developed strongly.

Due to the financial concerns that existed at the end of 2008 and the beginning of 2009, the focus was on increased profitability through cost savings instead of growth. This resulted in improved profitability and increased market shares in a weak economy for most of the portfolio companies. During 2009 dividends were received from Netsurvey, MyPublisher, Qbranch and WeSC. For Novestra this resulted in a large part of the company's costs were now financed by these portfolio companies.

2010 The positive trend in the portfolio continued. Novestra's portfolio companies had strong balance sheets and generated strong cash flow. During 2010 Novestra once again received dividends from Netsurvey, MyPublisher, Qbranch and WeSC. In total Novestra recieved dividends and distributions of MSEK 13.4

2004
Rights issue is implemented and corporate structure is simplified.

2005
Investment in Nove Capital Fund, SEK 2 per share is distributed.

2006
Investment in Nove Captial Fund has increased with 53.5 percent.

2007
Redemption procedure where SEK 5 per share is distributed.

2008
Positive development in the portfolio despite the weak economic climate.

2009
Increased profitability and dividends from four of the portfolio companies

2010
In total Novestra recieved dividends and distributors of MSEK 13.4

Five-year summary

The group

Income statements, SEK thousands	2011	2010	2009	2008	2007
Investment activities					
Change in value	4 649	5 588	43 965	-81 638	-2 810
Dividends	7 910	9 365	14 263	6 931	14 560
Sales expenses	-11 188	-2 525	-	-	-
Gross profit/loss investment activities	**1 371**	**12 428**	**58 228**	**-74 707**	**11 750**
Other operations					
Net sales	100	200	750	1 133	2 000
Gross profit/loss other operations	**100**	**200**	**750**	**1 133**	**2 000**
Gross profit/loss	**1 471**	**12 628**	**58 978**	**-73 574**	**13 750**
Administrative expenses	-14 056	-14 905	-13 233	-13 210	-14 420
Operating profit/loss	**-12 585**	**-2 277**	**45 745**	**-86 784**	**-670**
Net financial items	**-3 019**	**-2 940**	**-2 569**	**-3 625**	**-3 904**
Profit/loss before tax	**-15 604**	**-5 217**	**43 176**	**-90 409**	**-4 574**
Taxes	-20	-40	-176	-309	-1 105
Result from remaining operations (1)	**-15 624**	**-5 257**	**43 000**	**-90 718**	**-5 679**
Result from Discontinued operation (1)	-	-	-	-	10 348
Profit/loss for the year including Discontinued operations (1)	**-15 624**	**-5 257**	**43 000**	**-90 718**	**4 669**
Result per share from remaining operations, SEK	-0.42	-0.14	1.16	-2.44	-0.15
Result per share from Discontinued operations, SEK	-	-	-	-	0.28
Result per share including Discontinued operations, SEK	-0.42	-0.14	1.16	-2.44	0.13
Average number of shares during the period	37 187 973	37 187 973	37 187 973	37 187 973	37 187 973

(1) As there is no minority interest in the group the entire result for the year is attributed to the parent company's shareholders.

No dilution exists, which entails that the result prior to and after dilution are the same. A split of the existing shares in AB Novestra was made in connection with the distribution to the shareholders in 2007 and 2010/2011, which resulted in the total number of shares in the company temporarily doubled. The redemption procedure was an alternative transaction method for a dividend and the temporary increase in the number of shares has not been taken into consideration with regard to the calculation of the average number of shares during the period, or, the result per share during the period.

The group

Balance sheets, SEK thousands	2011	2010	2009	2008	2007
Assets					
Fixed assets					
Equipment	1 187	1 213	1 250	1 258	1 369
Shares and participations	281 526	431 867	421 737	387 157	450 782
Receivables	29 826	-	-	-	-
Total fixed assets	**312 539**	**433 080**	**422 987**	**388 415**	**452 151**
Current assets					
Other current assets	942	3 929	7 966	3 681	11 165
Cash and cash equivalents	19 130	3 975	6 878	9 527	16 351
Total current assets	**20 072**	**7 904**	**14 844**	**13 208**	**27 516**
Total assets	**332 611**	**440 984**	**437 831**	**401 623**	**479 667**
Equity and liabilities					
Equity	**317 778**	**335 033**	**374 131**	**331 132**	**421 849**
Liabilities					
Interest-bearing debt	-	65 756	59 194	65 501	50 440
Non interest-bearing debt	14 833	40 195	4 506	4 990	7 378
Total liabilities	**14 833**	**105 951**	**63 700**	**70 491**	**57 818**
Total equity and liabilities	**440 984**	**437 831**	**401 623**	**479 667**	**724 196**

The group

Key ratios	2011	2010	2009	2008	2007
Financial key ratios					
Asset ratio, %	96%	76%	85%	82%	88%
Cash flow after investments, KSEK	81 985	-4 598	3 658	-21 885	263 743
Equity per share, SEK	8.55	9.01	10.06	8.90	11.34
Distributed to shareholders, KSEK	558	33 841	-	-	185 940
Distributed to shareholders, per share, SEK	0.02	0.91	-	-	5.00
Number of shares at the end of the period	37 187 973	37 187 973	37 187 973	37 187 973	37 187 973

Corporate governance report

Corporate governance defines the decision-making systems and structure through which owners directly or indirectly control a company. Good corporate governance means that effective decision-making processes are defined and are characterized by openness towards company owners so that they can monitor how the company develops.

Novestra belongs to the category of companies that applies the Swedish Code of Corporate Governance from July 1, 2008. In accordance with the Code, Novestra is hereby presenting its Corporate Governance Report, explaining how corporate governance work has been conducted at Novestra during the financial year 2011. The report has been subject to review by the Novestra's auditors. The auditors report is on page 96.

Corporate governance at Novestra

Novestra's corporate governance practices are primarily regulated by Swedish legislation, in particular the Swedish Companies Act, the Swedish Code of Corporate Governance and the Nasdaq OMX Stockholm AB Rule Book for Issuers. Furthermore, the company follows the resolutions laid out in Novestra's Articles of Association.

In addition to legislation, regulations and recommendations, the company's Articles of Association constitute a central document for the company's governance. The Articles of Association establish, for example, the company's name, where the Board is registered, the focus of Novestra's operations and information concerning share capital.

The company's highest decision-authority is the Annual General Meeting (AGM), at which Novestra's shareholders' exercise their influence over the business. The AGM is convened no less than once a year to decide how the Nomination Committee is to be appointed, among other matters. The Nomination Committee proposes, for example, the composition of the Board for resolution by the AGM. On behalf of Novestra's owners the Board oversees management of the company. Novestra's Board is headed by Chairman Theodor Dalenson.

The Board appoints the company's Managing Director, who is responsible for the day-to-day management of the company in accordance with directions from the Board. The division of responsibilities between the Board and the Managing Director is detailed clearly in instructions and procedural plans that have been approved by the Board.

Internal policies and guidelines constitute important control documents in all parts of the company, since they clarify responsibilities and powers of authorization in particular areas, such as information security, compliance and risk. External auditors, appointed by the AGM for a mandate period of one year, audit the Board's and the Managing Director's administration of the company, as well as the company's financial reports.

Information about Novestra's corporate governance is published and updated on a regular basis on the company's website (www.novestra.com).

Annual General Meeting

Novestra's AGM is held in Stockholm during the first half of the year. The time and venue of the meeting are announced publicly no later than to coincide with the release of the company's third-quarter report. At this time, shareholders are also informed about their right to have issues addressed at the AGM and the deadline for submitting requests to this effect to the company so that such business may be included in the notice to the AGM. The AGM notice is published no earlier than six weeks and no later than four weeks before the date of the AGM. The notice includes information on how to register in order to participate and vote in the AGM, as well as an itemized agenda listing the matters that are to be addressed at the

AGM, the proposed disposition of earnings and the key content of other proposals being addressed at the meeting. Shareholders or their appointed proxies are entitled to vote for the full number of shares that they own or represent.

The business of the AGM is to report on the company's development over the past financial year and to make decisions on a number of central issues, such as changes to the company's Articles of Association, the election of auditors, discharging the Board from liability for the financial year, remuneration for the Board and auditors, approval of the Board for the period up to the next AGM and the approval of remuneration guidelines for senior management.

Novestra's 2011 AGM was held on April 27, 2011 at the offices of Advokatfirman Vinge in Stockholm. The meeting was attended by twelve shareholders, representing 60.96 percent of the number of outstanding shares and votes. At the AGM, shareholders voted to discharge the Board and Managing Director from liability for the 2010 financial year. Novestra's 2012 AGM is planned for April 26, 2012 at the offices of Advokatfirman Vinge in Stockholm. Shareholders have had the opportunity to deliver their proposals on issues they wish to be addressed at the meeting to the Chairman of the Board of Novestra as well as the opportunity to deliver proposed nominations to the Nomination Committee. Information about the AGM is available on Novestra's website (www.novestra.com).

Presence, votes and capital represented at AB Novestra's AGM

Year	Percentage of capital and votes
2011	60.96%
2010	56.59%
2009	57.92%
2008	24.78%
2007	1.64%

Nomination Committee

The AGM decides how the Nominating Committee will be appointed. At the 2011 AGM it was decided that Novestra shall have a Nomination Committee consisting of one representative from each of the three shareholders or groups of shareholders controlling the largest number of votes, plus the Chairman of Novestra's Board. The composition of the Nomination Committee is based on the register of recorded shareholders from Euroclear Sweden AB as of the last business day in August 2011 and other reliable shareholder information that has been provided to the company at such time. The Nomination Committee consists of Theodor Dalenson in his capacity as Chairman and representing the shareholder Jan Söderberg, Johan Hessius representing the shareholder Nove Capital Master Fund and Thomas Berg representing Anchor Secondary. The role of the Nomination Committee is to prepare and present proposals for submission to the 2012 AGM regarding the following: Board and Chairman of the Board, Board remuneration apportioned among the Chairman and other Board members, auditor, audit fees and proposals for rules concerning the nomination process for the 2013 AGM.

Independence of Board members, presence, etc.

Name	Function	Elected	Independent in relation to the company and management	Independent in relation to larger shareholders	Share-holdings (1)	Present	Present
Theodor Dalenson	Board Member	2000	No	No	325 000	(7/7)	100%
Anders Lönnqvist	Board Member	2000	Yes	Yes	854 663	(7/7)	100%
Bertil Villard	Board Member	2003	Yes	Yes	406 670	(7/7)	100%
Jan Söderberg	Board Member	2008	Yes	Yes	2 571 000	(7/7)	100%
Jens A. Wilhelmsen	Board Member	2008	Yes	No	1 0 000	(7/7)	100%
Stein Wessel-Aas	Deputy	2009	Yes	No	–	(6/7)	86%

(1) Where appropriate, including shares held by family members and holdings through companies as at December 31, 2011.

Work of the Board of Directors

February 14, 2011	Year-end Report, development and valuation of portfolio companies, budget 2011, annual report 2010
April 6, 2011	Approval of the annual report and notice to the AGM
April 27, 2011	AGM, Q1 Interim Report, development and valuation of the portfolio companies, audit review for 2010
April 27, 2011	Statutory Board meeting, procedural plan for Board and Managing Director
August 25, 2011	Q2 Interim Report, development and valuation of portfolio companies
November 8, 2011	Q3 Interim Report, development and valuation of portfolio companies, strategy and development issues
December 14, 2011	Approval of a share buy-back

Board of Directors

The Board members are elected by the shareholders to serve a mandate period beginning at the AGM and ending at the close of the AGM the following year. There are no rules concerning the length of time a person may remain on the Board of Directors. Nominations are processed by the Nomination Committee.

Novestra's current Board consists of five members and one deputy member elected by the AGM. The Chairman is the only board member who works operatively in the day-to-day running of the company. The Managing Director is not a member of the Board. During the 2011 financial year, the Board convened for seven meetings. Between meetings of the Board continuous contact has been maintained between the company, the Chairman of the Board and other Board members. Board members were also continuously provided with written information of importance regarding the company. Novestra's Board complies and adopts a procedural plan for the Board every year, which includes the following stipulations:

- the Board of Directors shall meet at least five times a year;
- Members of the Board shall receive documentation regarding matters to be dealt with at Board meetings in good time prior to the meeting and be provided with a monthly report of the company's operations;
- In order to ensure that the Board maintains a dialogue with the auditors, the company's auditor shall participate in one board meeting annually and report on his or her observations from the annual auditing work.

The procedural plan also includes a description of matters to be dealt with at each board meeting and the specific resolutions to be passed at the statutory meeting. The procedural plan also provides instructions for the Managing Director.

On behalf of shareholders, the Board of Directors administers the company by establishing goals and strategies, evaluating the operational management and ensuring that systems are in place for monitoring and control of established goals.

Since the 2011 AGM, the Board of Directors has consisted of five members, Theodor Dalenson, Anders Lönnqvist, Jan Söderberg, Bertil Villard and Jens A. Wilhelmsen, and one deputy member, Stein Wessel-Aas. Theodor Dalenson was appointed Chairman by the AGM. More detailed information about Board members including age, education and other assignments is provided on pages 44-45.

Audit issues

No Audit Committee is elected and audit issues are addressed by the Board of Directors as a whole at the ordinary board meetings, which means no committee meetings have been held separately. During the auditor's review of the company's accounts with the Audit Committee, the Managing Director leaves the room to give the Board the opportunity for private deliberation with the auditor. In addition, all Board members have the possibility to contact the auditor directly.

Remuneration issues

No Remuneration Committee is elected and remuneration issues are addressed by the Board of Directors as a whole at the ordinary board meetings, which means no committee meetings have been held separately. The main task of the Remuneration Committee is to prepare issues relating to remuneration and other compensation concerning the Managing Director and other employees who report directly to the Managing Director.

Managing Director

The Managing Director, Johan Heijbel, is responsible for Novestra's day-to-day operations. The Managing Director's responsibilities cover ongoing investments and divestments, personnel, finance and accounting issues, regular contact with the company's stakeholders (such as public authorities and the financial markets) and ensuring that the Board receives the information it needs to make well-founded decisions. The Managing Director reports to the Board.

Auditors

The company's auditors are appointed by the AGM annually. At Novestra's 2011 AGM, the registered firm of accountants KPMG AB was appointed, with authorized public accountant Ingrid Hornberg Román as head auditor. The task of the auditors is, on behalf of the shareholders, to audit the company's annual accounts, accounting records and the administration by the Board and Managing Director. The auditors also present an audit report to the AGM. The shareholders are welcome to put questions to the auditor at the AGM.

Remuneration to the Board and senior management

Remuneration to the Board for the coming financial year is decided each year by the AGM. The 2011 AGM approved the proposed guidelines for remuneration and other compensation for senior management. In order to achieve long-term solid growth in shareholder value, Novestra's remuneration policy aims to offer total remuneration in line with the market to enable the right senior management and other personnel to be recruited and retained.

Internal control with regard to financial reporting

This report on internal controls is prepared in compliance with the Swedish Code of Corporate Governance and is thereby limited to internal controls in respect of financial reporting, internally with regard to the Board of Directors and externally in the form of interim reports, annual accounts and annual reports.

Pursuant to the Swedish Companies Act and the Swedish Code of Corporate Governance, the Board is responsible for the internal control. Internal control and risk management comprise a part of the Board's and management's governance and follow-up of business operations. Internal control is intended to ensure the appropriate and efficient management of operations, the reliability of financial reporting and compliance with laws, ordinances and internal regulations.

Internal control and risk management are an integral part of all processes at Novestra. Novestra's system of internal control and risk management with regard to financial reporting is designed to manage risk.

Control environment

An effective control environment forms the foundation for the effectiveness of a company's internal control system. It is built on an organization with clear decision-making channels, powers of authorization and responsibilities that are defined by clear guidelines.

Novestra has policies, guidelines and detailed process descriptions for the various phases of each business flow, from transaction management to bookkeeping and the preparation of external reports, stipulating who is responsible for specific tasks. These governing documents are updated as needed to ensure they always reflect current legislation and regulations and changes in processes.

Risk assessment

Risk assessment, i.e. the identification and evaluation of the company's risks is an annual process at Novestra. Risk assessment is done in the form of self-evaluation and also includes establishing action plans to mitigate identified risks. The primary risks present in Novestra's business activities are commercial risk, price risk attributed to shares in private and public holdings, and currency risk. Other risks that impact the company's financial operations are liquidity, interest rate and credit risk.

A more detailed description of Novestra's risks is available in the Board of Directors' report, page 48 and in Note 2, Risks.

Control Activities
To ensure that the company's business is conducted efficiently and that financial reporting gives a true and fair picture at any one time, Novestra operations incorporate a number of control activities. These involve regular monitoring of risk exposure and monthly follow up of results as well as regular monitoring of Novestra's IT environment, security and functionality.

Information and communication
Guidelines are in place at Novestra to govern how financial information is communicated. One condition for accurate distribution of information is that effective procedures for information security must be in place.

Follow-up
Both the Board and management regularly follow up on the compliance and effectiveness of the company's internal control processes to ensure the quality of its processes. Novestra's financial situation and strategy regarding the company's financial position are discussed at every Board meeting. The company's internal controls are audited by external auditors and no internal audit is carried out due to the size of the company.

Overview of Corporate Governance

The company's highest decision making authority is the Annual General Meeting. The AGM is convened no less than once a year and has a predetermined agenda published in the Articles of Association, as well as any other matters submitted by shareholders to be addressed at the meeting.

Main items on the AGM agenda include submission of the annual report and the auditors' audit report and report on the administration of the Board and Managing Director for the period encompassed by the annual report. The AGM determines whether or not to discharge of the members of the Board of Directors and the Managing Director from liability.

Prior to the AGM the Nomination Committee prepares a proposal for the composition of the Board of Directors to serve a mandate period beginning at the AGM and ending at the close of the AGM the following year. The committee also proposes remuneration for the Chairman of the Board and other Board members. It is also the Nomination Committee's task, where appropriate, to propose auditors.

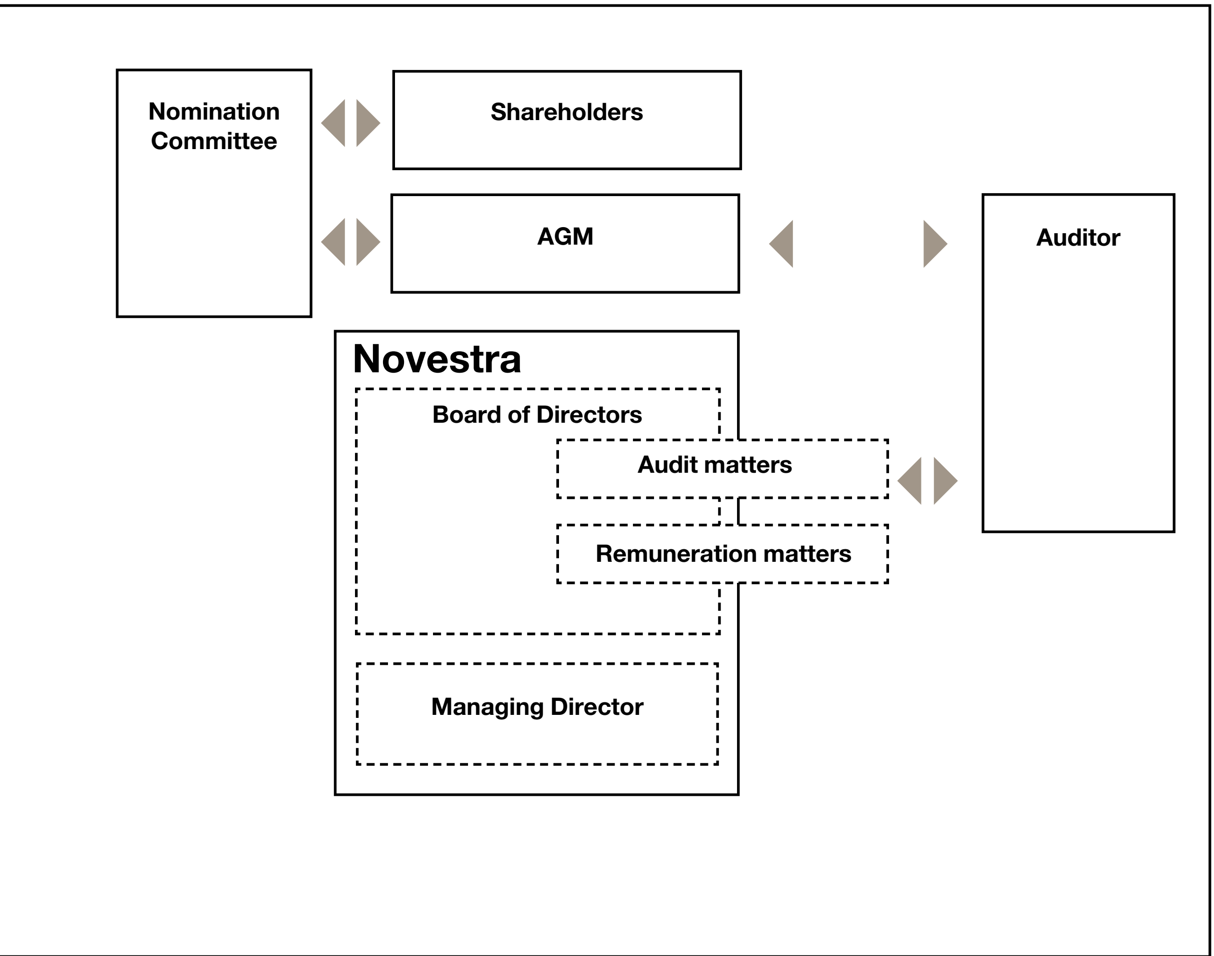
All shareholders or proxies present at the meeting having registered their participation as described in the notice have the right to vote for the full number of shares they own or represent. Shareholders also have the opportunity to put questions to the Board, Managing Director and Auditor.

The AGM elects a Board of Directors for a mandate period of one year. The Board appoints a Managing Director responsible for the day-to-day operations of the company. The division of responsibilities between the Board and the Managing Director is clearly detailed in instructions and formal work plans that have been approved by the Board.

The 2012 AGM will take place on April 26, 2012. More detailed information about the AGM is presented on page100.

Deviation from the Swedish Code of Corporate Governance

The Nomination Committee proposed to the 2011 AGM that a deputy board member would be elected, and was successful. To appoint deputy board members is a deviation from the Swedish Code of Corporate Governance, but appropriate in Novestra's case according to the Nomination Committee.



Novestra
Board of Directors

Theodor Dalenson
Born 1959
325 000[1] shares in Novestra

Theodor Dalenson, Chairman since 2000, has been a board member of Novestra since 1997, when he co-founded the company. He has been the company's working Chairman since 2000.
Mr. Dalenson has 20 years experience from business development and strategic planning and significant experience from work in public and private company Boards. Education: Law studies, Stockholm University. Previous assignments include Chairman in Scribona AB, Carl Lamm AB and board member of Pergo AB, Connova AB and Guggenheim Foundation in New York. Other board duties include: Nove Capital Master Fund Ltd (Chairman), WeSC AB (Chairman), MyPublisher, Inc. and POC Sweden AB. Theodor Dalenson is also active in several international non-profit organizations, he is board member of the Aspen Art Museum and Americans for the Arts in Washington DC where he has served as Co-Chairman of Americans for the Arts Awards for the past four years.

Anders Lönnqvist
Born 1958
854 663[1] shares in Novestra

Anders Lönnqvist, board member since 2000, has been active within a number of development and investment firms, including Hevea AB, Investment AB Beijer and Schatullet AB. Anders Lönnqvist is the Chairman and owner of Servisen Group AB. Education: Economy studies, Stockholm University. Other board duties include: Texcel International AB (Chairman), Nouvago Capital AB, (Chairman), Stronghold Invest AB (Chairman) and SSRS Holding AB.

Jan Söderberg
Born 1950
0[1] shares in Novestra

Jan Söderberg, board member since 2008, is an entrepreneur and investor with many years of management experience. Jan Söderberg has managed and divested a number of companies. Education: Graduate Business Administrator, University of Gothenburg. Previous board duties include Pergo AB, Elfa International AB (Chairman), member of Barack Obama's Financial Committee, member of the Democratic Party's Advisory Board in Washington DC. Other board duties include: Voddler Group AB (Chairman), Pearl Aircraft Corporation Ltd (Chairman) and Hardford AB.

(1) Where appropriate, shareholding in Novestra include shares held by family members and holdings through companies as at December 31, 2011 and thereafter known changes.

Bertil Villard
Born 1952
406 670[1)] shares
in Novestra

Bertil Villard, board member since 2003, is a lawyer, partner and Chairman at the law firm Vinge. He previously worked as a legal counsel for Swedish Match AB, Stora Kopparberg AB and Esselte AB (Chief Legal Counsel), and as Head of Corporate Finance at ABN Amro Alfred Berg Fondkommission. Education: Master of Law, Stockholm University. Other board duties include: Vinge AB (Chairman), Burgundy AB (Chairman), Landsort Care AB (Chairman), and board member in Cleanergy AB, Prior & Nilsson Fond och Kapitalförvaltning AB, and Hexicon AB.

Jens A. Wilhelmsen
Born 1956
10 000[1)] shares
in Novestra

Jens A. Wilhelmsen, board member since 2008, is the founder and Managing Partner of Anchor Capital Advisors (UK) Ltd. Jens A. Wilhelmsen has 30 years of management experience and as an investor. He founded Anchor Capital Advisors (UK) Ltd in the year 2000. To date, Anchor Secondary Group has started eight funds which mainly acquire private holdings in Scandinavia. Education: Graduate Business Administrator, Norwegian School of Economics and Business Administration. Other board duties include: Songa Offshore SE (Chairman), Anchor Capital Advisors (UK) Ltd, Hajfa Ltd and Hazel Shipping Ltd.

Stein Wessel-Aas
Born 1943
0[1)] shares
in Novestra

Stein Wessel-Aas, deputy board member since 2009, is active within Anchor Secondary's investment companies. He has previously been Group Executive Vice President within Christiania Bank, between 1996–2001. During the period 1978-1996 he worked for Den Norske Bank in a number of posts and most recently as Group Executive Vice President. Before that, Stein Wessel-Aas has been active within Saga Petroleum, Hambros Bank Ltd and Hambros American Bank & Trust Co, amongst others. Education: An MBA from McMaster University, Canada and a BA from Oslo School of Business and Economics. Other board duties include Anchor Secondary's investment companies: Storebrand Bank ASA and Hav Eiendom AS.

Ingrid Hornberg Román
Born 1959
KPMG AB
Authorized Public
Accountant

Auditors,
KPMG AB, Ingrid Hornberg Román
Auditor in charge for Novestra since 2007.

Management and employees

During the financial year 2011, Novestra had four employees, including the Chairman of the Board, Theodor Dalenson.

For further details regarding Theodor Dalenson, please refer to page 44.

Johan Heijbel
Born 1975
Managing Director
78 333[1)] shares in Novestra

Johan Heijbel, Managing Director since 2006, and has previously worked as Novestra's CFO since 2002, and Controller and Investment Manager, since 2001. Prior to that, he was Novestra's Financial and Accounting Manager on a consulting basis from 1997 when the company was founded. Previous board duties include Qbranch AB. Education: Courses in Business Administration and Law at Uppsala University and University of Gothenburg. Board duties include Diino Systems AB, Novestra Financial Services AB and Strax Group GmbH.

Ruth Lidin
Born 1968
Group Controller
1 000[1)] shares in Novestra

Ruth Lidin, Group Controller since 2005, has been working with economy at Novestra since 2001. Ms Lidin previously worked at Medtronic Synectics as Export Manager and later at ArthroCare Europe. Education: Business Logistic studies, RT College and Business Administration studies at FE Institute.

Marcus Söderblom
Born 1972
Vice President och Investment Manager
100 175[1)] shares in Novestra

Marcus Söderblom, Vice President since 2006, and Investment Manager since 2000. Prior to that, Mr Söderblom worked at HQ Bank AB in the Corporate Finance Division and he has 15 years experience from business development and company transactions. Previous board duties include Scribona AB, Carl Lamm AB and Carl Lamm Holding AB. Education: Degree in Business Administration, Uppsala University. Board duties include Explorica, Inc. (vice Chairman), Diino Systems AB (Chairman), POC Sweden AB (deputy board member) and WeSC AB.

1) Where appropriate, shareholding in Novestra include shares held by family members and holdings through companies as at December 31, 2011 and thereafter known changes.

The Board of Directors' report, financial statements and notes to the financial statements

The formal annual report as defined by ”Swedish annual accounts act” (ÅRL) consists of the Board of Directors' report, financial statements and notes to the financial statements.

The Board of Directors' report

The Board of Directors and the Managing Director of AB Novestra (publ), corporate identity number 556539-7709, hereby present the annual report and consolidated financial statements for the financial year January 1 – December 31, 2011.

Unless indicated otherwise, the information refers to the group and the parent company.

All amounts are provided in SEK thousands (KSEK) unless indicated otherwise. Figures provided in parentheses refer to comparative figures for the previous year.

This is Novestra
Novestra is an independent investment company with a portfolio of private and public growth companies. Novestras private portfolio consists of larger holdings in Diino Systems AB, Explorica, Inc., MyPublisher, Inc., and Strax Group GmbH. In addition, Novestra has an investment in WeSC AB, listed on First North. The Novestra share is listed on the Nasdaq OMX Stockholm under the symbol NOVE in the Small Cap section.

Significant events during the year
There was continued positive development in the portfolio companies during 2011.

Novestra's portfolio company Qbranch was sold to Imtech from Holland during September. The purchase price for Novestras shares in Qbranch, including expected earn-out, amounted to MSEK 121.3 in addition to a dividend of MSEK 4.7 distributed prior to the sale. The sale corresponds to approximately SEK 3.4 per Novestra share.

Novestra's portfolio company Netsurvey was acquired in June by Wise Group AB, a company listed on First North. The transaction was made to a value which exceeded Novestra's carrying value with approximately 14 percent.

The portfolio companies
Explorica arrange educational and student travel tours for students and teachers. For the fiscal year 2010/2011, which ended on August 31 2011 sales amounted to approximately MSEK 477 resulting in a growth of approximately 14 percent. For the current fiscal year, 2011/2012, a large proportion of sales are made and Explorica expect to show growth with sales of approximately MSEK 489 and the objective is to achieve an EBITDA margin of 4 percent. The company's balance sheet has strengthened significantly in recent years and at the beginning of the fiscal year2010/2011, the company's liquidity amounted to over MSEK 110. Explorica distributed a dividend of approximately MSEK 12 during the period to its shareholders, corresponding to approximately MSEK 1.9 for Novestra. Furthermore Novestra utilized warrants received in connection with a Novestra investment from 2002 during the period. Novestra's ownership after utilization amounts to 15 percent prior to dilution. www.explorica.com

MyPublisher offer a service where customers can organize their digital pictures, add text and design personal photo books, calendars and presentations via www.mypublisher.com. During autumn 2011 the company has also introduced a selection of high quality greeting cards. The company expects the new product will account for substantial volumes in 2012. For the financial year which ended December 31, 2011 sales amounted to approximately MSEK 226 which corresponds to a growth of approximately 13 percent. The company expects increased growth and aims to achieve sales of approximately MSEK 280 during the current fiscal year. The company continues to show high margins and expects during the year to further increase the EBITDA margin which is currently 14 percent. The company has a strong balance sheet and has distributed dividends during the last few financial years. www.mypublisher.com

Strax is one of Europe's leading distributors of accessories for mobile devices such as mobile telephones and e-readers. In Sweden, the Strax own brand Xqisit™ is available in the stores of Telia, Tre, and The Phone House. During 2011 Strax has been successful with sales under its own brand which has resulted in higher gross margins. During the period Strax has entered into a co-operation with Hugo Boss whereby Strax is responsible for the production and distribution of accessories for example various Apple products such as the Iphone and the Ipad. The cooperation with Hugo Boss is an important reference project for Strax and it hopes to introduce other similar co-operations with leading brands. For the financial year which ended December 31 2011, sales amounted to MSEK 548 which corresponds to a growth of 16 percent. The goal for 2012 is to achieve sales of approximately MSEK 620 with an EBITDA margin of around 7 percent. www.strax.com

WeSC is a lifestyle brand that has its roots in the skateboard culture and works with design, production and sales of clothes and accessories within the segment “street fashion”. Sales for the split financial year 2010/2011 amounted to MSEK 408 and growth in local currencies amounted to approximately 20 percent. The EBITDA result amounted to MSEK 47and operating margin amounted to 10.4 percent. WeSC’s sales during H1 2011/2012 which ended October 31 amounted to MSEK 200 and growth in sales in local currencies amounted to approximately 5 percent. The Annual General Meeting held on September 29, 2011 resolved on a distribution to the shareholders through a redemption procedure. WeSC will thereafter have distributed a total of MSEK 110, corresponding to SEK 15 per share during the last three financial years. www.wesc.com

Diino offer one of the highest ranked backup and online storage services on the market. The company’s customers comprise of both operators and insurance companies who offer the service to their customers and to end users .The company’s consumer services are marketed via www.diino.com. During the past 18 months contracts were signed with Moderna Försäkringar and the Danish company ComX. In January 2012, Swisscom AG, one of Europe’s largest telecom operators launched a Personal Cloud service based on a Diino platform. The service will be managed and operated by Swisscom consists of back-end applications, client software, as well as management and support tools. The service is targeted towards residential customers and is an easy way to back-up important data for Swisscom’s current broadband customers. The service is the first within Swisscom’s Personal Cloud Solution. Sales for the financial year 2011 which ended on December 31, amounted to approximately MSEK 7 corresponding to a growth of approximately 41 percent. Diino expect sales to significantly increase during 2012. www.diino.com

Exits

Novestra’s portfolio company Qbranch was sold to Imtech from Holland during September. The purchase price for Novestras shares in Qbranch, including expected earn-out, amounted to MSEK 121.3 in addition to a dividend of MSEK 4.7 distributed prior to the sale. The sale corresponds to approximately SEK 3.4 per Novestra share. The purchase price was 20 percent above the carrying value as at June 30, 2011, or 53 percent above the implicit value based on the closing rate on August 31, 2011. MSEK 89.9 of the earn-out was paid in September 2011, MSEK 12.7 refers to escrow for pledged warranties and MSEK 18.7 refers to expected earn-out.

Novestra’s portfolio company Netsurvey was acquired in June by Wise Group AB, a company listed on First North. Netsurvey is one of the market leader in employee surveys in Sweden and is well suited in the Wise’s range of services within HR. The cash consideration amounts to MSEK 23.5 in addition to a dividend of MSEK 3 distributed to its shareholders prior to the sale. Novestra’s ownership prior to the transaction amounted to 45.3 percent of the outstanding shares in Netsurvey and Novestra received a total of MSEK 11.7 after transaction costs. The transaction was made to a value which exceeded Novestra’s carrying value with approximately 14 percent. Based on Novestra’s closing rate on June 13, 2011, the implicit surplus amounted to approximately 35 percent. Netsurvey was Novestra’s smallest holding in terms of value before the transaction and accounted for approximately 3 percent of Novestra’s carrying value as at March 31, 2011.

Dividends and distributions

During 2011, Novestra received dividends from Qbranch 4 665 (4 665), Netsurvey 1 359 (1 359) and Explorica 1 886 (-). Furthermore, Novestra received 2 157 (4 011) through a redemption procedure in WeSC.

Distribution of shares in WeSC to Novestra shareholders

The Extraordinary shareholders meeting held on December 22, 2010, resolved on a distribution of 371 879 shares in WeSC. The distribution was made through a mandatory redemption procedure whereby shares in WeSC were distributed to the Novestra shareholders on February 11, 2011. The distribution corresponds to a value of MSEK 34. This distribution included, Novestra will have distributed a total of MSEK 331 to the shareholders during the last six years, corresponding to SEK 8.9 per share. A return of approximately 205 percent since 2002, or an annual return of 11.8 percent. Total return on the Stockholm Stock exchange during the same period amounts approximately 5.5 percent per year.

Earnings and financial position

The group

The group's earnings for the year amounted to -15 624 (-5 257). The earnings include gross profit from investment activities totalling 1 371 (12 428), of which value changes amounted to 4 649 (5 588) and dividends amounted to 7 910 (9 365), sales expenses amounted to -11 188 (-2 525). Sales expenses refer to calculated costs for Novestras variable remuneration. The net earnings also include gross profit from other activities totalling 100 (200), administrative expenses amounting to -14 056 (-14 905) and net financial income of -3 019 (-2 940).

The balance sheet total amounted to 332 611 (440 984), of which equity totalled 317 778 (335 033) corresponding to an equity/assets ratio of 95.5 (76.0) percent.

The parent company

The parent company's earnings for the year amounted to -8 679 (-5 110). This figure includes gross profit from investment activities totalling 1 371 (12 428), of which earnings from shares and participations amounted to 4 649 (5 588), dividends 7 910 (9 365) and sales expenses amounted to -11 188 (-2 525). The parent company's net earnings also include administrative expenses of -14 038 (-14 884) and net financial income totalling 3 988 (-2 654).The net financial income also include dividends from shares and shares in group companies of 7 000 (-).

The balance sheet total amounted to 332 312 (440 785), of which equity totalled 316 952 (327 262), corresponding to an equity/assets ratio of 95.4 (74.3) percent.

Liquidity and financing

Cash and cash equivalents consists of cash and bank balances amounting to 19 130 (3 975) as at December 31, 2011. Cash and cash equivalents, including holdings in listed companies amounted to 30 763 (77 448). In addition, the group's unutilized credit facility amounted to 25 000 (34 244). At the end of 2011, Novestra had no current liabilities to credit institutions (65 756).

Investments and disposals

Investments during the year, amounted to 11 306 (8 599), of which 11 261 (8 553) consisted of investments in fixed financial assets and 45 (46) investments in tangible assets. Of the investments in fixed financial assets 7 350 (3000) is attributed to Diino and 3 911 (-) Explorica. Remuneration for disposal of fixed financial assets during the year amounted to 133 414 (4 011). The remunerations relates to Qbranch 120 936, Netsurvey 10 320 and payment for redemption shares in WeSC 2 157 (4 011). Of the remuneration related to Qbranch, 89 549 was received in cash and the remaining part, 29 826 with account taken to discounting of the time factor, is reported as a receivable. The receivable refers to a part of the purchase price pledged as warranties and an expected additional purchase price based on Qbranch's result for 2012 and 2013.

Dividends

The board has not proposed a dividend for the financial year 2011. However, the Board has resolved that the company shall commence purchase of the company's own shares and that acquisition shall be executed in intervals until the Annual General Meeting 2012.

Significant events after the end of the period

There has been a continued positive development in the portfolio after the end of the period. Despite turbulence on the financial markets, the Stockholm Stock Exchange has had a positive development since.

The Extraordinary General Meeting on February 8, 2012 authorized the Board of Directors to repurchase Novestra's own shares. The Board resolved that the company shall commence purchase of the company's own shares and that acquisition shall be executed in intervals until the Annual General Meeting 2012.

As per April 4 2012, a total of 809 576 shares have been repurchased.

Future opportunities

Novestra believes that the portfolio companies will continue to develop strongly during 2012 than during the previous year and that the prerequisites for a very positive growth in value will increase as the EBIT result is expected to increase more than the sales growth. Discussions concerning divestment of Novestra's portfolio companies generally will be held when the valuation of the companies meet the Board of Directors and the management's expectations. At the same time Novestra will continue to evaluate and make occasional investments in publicly listed companies deemed to have a good value development. Novestra's shareholders shall benefit from the generated values both through growth in value of shares and through dividends/distributions. Novestra intends to, as much as possible, optimize the value of the portfolio and it is therefore difficult to assess precisely a time when shareholders can expect dividends and distributions derived from sales of the portfolio. It is also possible for Novestra to distribute the holdings in the portfolio to the shareholders if this is deemed suitable or favorable, for example, with a forthcoming listing of a portfolio company.

There is no need for additional funding in Novestra, or in any of the portfolio companies

Risk

The primary risks present in Novestra's business activities are commercial risk, price risk attributed to shares in private and public holdings, and currency risk. Other risks affecting Novestra's financial operations are liquidity, interest rate and credit risk. The work of carrying out analyses and assessing risk is a continual process. This work is done by management and reported to the Board of Directors. For a more detailed account on the risks, please see Note 2.

Corporate Governance

Legislation and Articles of Association

AB Novestra's corporate governance is regulated by Swedish law, by the Swedish Companies Act, the Code for Swedish Corporate Governance and the regulations stated in the Listing Agreement of the Nasdaq OMX Stockholm. Novestra shall, when conducting business, follow the rules in the company's Articles of Association. More information on Corporate Governance is provided on pages 38–43, where the control environment is detailed on page 41.

Share and ownership structure

The Novestra share is listed on the Nasdaq OMX Stockholm (Small Cap) under the ticker symbol NOVE. It is the parent company AB Novestra's share that is listed and the reported share capital in the group constitutes the parent company's share of capital. Share capital in the parent company amounts to 37 187 973 SEK, with an equal number of shares with a quota value of SEK 1.00 each. There is only one type of share and all shares have equal rights to the company's net income and profit and each share has equal voting rights at the general meeting. There are no restrictions regarding the number of votes a shareholder can vote for at the general meeting. In addition to the legal provisions there are no limitations in the company's Articles of Association regarding the appointment of, or dismissal of Board members or changes to the Articles of Association.

As at December 31, 2011 the company had a total of 1 870 (2 039) shareholders. The ten largest shareholders' holdings as at December 31, 2011 amounted to 81.3 (81.1) percent of the total number of outstanding shares and votes in the company. There are a total of two shareholders as at December 31, 2011 who have reported a holding of at least ten percent in Novestra through Disclosure Notices. Nove Capital Master Fund reported a holding of 25.6 percent and Anchor Secondary 4KS reported a holding of 19.4 percent of the total number of outstanding shares and votes in the company. As far as the company is aware employees in the company hold no indirect shares in the company, through pension funds or similar, for which the employees cannot directly exercise voting rights.

The Annual General Meeting in 2011 resolved to authorize the Board of Directors to up until the next Annual General Meeting and on one or several occasions, and with or without preferential rights for the shareholders, decide on a share issue of a maximum of 6 000 000 new shares for payment in cash, through contribution in kind or by set-off.

A corresponding proposal is to be presented to the Annual General Meeting 2012. Additionally the proposal for the purchase of the company's own shares is to be presented.

There are no pre-emption clauses, right of first refusal clauses, or other restrictions in court to transfer shares in the company legally, in the company's Articles of Association or any agreement or other deed involving the company. As far as the company is aware there are no other agreements in which the company is not involved in such as agreement between shareholders which possibly may entail restrictions in court regarding transfer of shares in the company.

The company is not involved in any significant agreement containing such conditions that cause effect, change or cease to be valid in the case that control of the company changes, which also includes agreements with the Board of Directors and the employees. Long term, however, a significant change in the control of the company may, for example, result in credit institutions may no longer extend or renew loan agreements, or demand changes in the current conditions upon extending the loan agreement.

Investor Relations
Novestra's information to shareholders is provided via annual, year-end and interim reports and press releases on the company's website. Reports and press releases from previous years can also be found on the website.

Environment
Novestra does not conduct operations requiring environmental permits or any obligation to report in accordance with environmental laws. Novestra's environmental impact is negligible but the company works actively to minimize its operations' environmental impact. The basis for the environmental work is a common environmental awareness.

Proposal to decide on guidelines for remuneration for the Management and employees
The Board of Directors proposes that the Annual General Meeting resolves to approve the Board of Director's proposal regarding guidelines for remuneration of the Management as set forth below. The proposal substantially complies with earlier applied guidelines for remuneration of the Management of the company. The Board of Directors as a whole serves as a remuneration committee in relation to matters regarding remuneration and other terms of employment for the Management of the company.

Novestra shall offer conditions in line with the market which will enable the company to recruit and retain competent personnel. The remuneration of the Management of the Group shall consist of fixed salary, variable remuneration, pension and other customary benefits. The remuneration is based on the commitment and performance of the individual in relation to individual objectives and joint objectives for the company which have been determined in advance. The individual performance is continuously evaluated.

The fixed salary is in general reviewed on a yearly basis and shall be based on the qualitative performance of the individual. The fixed salary of the Managing Director and the Management shall be in line with the market.

The company's employees (including the working Chairman of the company) shall as a group be entitled to an annual variable cash remuneration from the company in accordance with the current employee contracts.

The total variable remuneration to the employees shall, as a total cost for the company, correspond to ten (10) percent of the net return from disposals of the company's holdings in companies, made during the year to which the variable remuneration is attributable. The return from holdings shall be calculated as the amount received at the disposal less total amount invested. Thus, the variable remuneration is not affected by unrealised changes in value. The distribution of the total variable remuneration among the company's employees shall be resolved upon by the Board of Directors (without participation of disqualified Directors, if any). An individual employee shall not be guaranteed a certain minimum share of the total variable remuneration. Furthermore, the variable remuneration to an individual employee shall not exceed an amount corresponding to five times the annual base salary of the employee for the year which such variable remuneration is attributable to. The variable remuneration includes vacation pay and shall not constitute pensionable income. The company shall deduct preliminary income tax and social security contributions from the above variable remuneration, and VAT, if any. However, variable remuneration for 2012 and 2013 shall only be paid if and when the shareholders have received their share, through payment of dividend, distribution of assets, etc., of the corresponding divestment. The cost of the variable remuneration plan for the company is linear in relation to the net return from disposals of the company's holdings in companies. The total cost for the company, at the current yearly base salary levels, can at a maximum amount to approximately SEK 29 million and occurs at a net return of in total approximately SEK 292 million. Approval of variable remuneration in accordance with the foregoing shall only relate to the variable remuneration for the financial year 2012. Remuneration shall be in accordance with the employment contracts.

For 2011 the remuneration, including social security payments, according to the employment contracts amounted to a total of SEK 8,205,295. The variable remuneration shall be in accordance to each individual's employment contract which shall be accounted for at each annual meeting. The Board of Directors may, if special circumstances are at hand in a certain case, decide to deviate from the guidelines.

Information regarding remuneration to the Board of Directors, management and employees during the financial year 2011 is concluded in Note 7, where the current guidelines are also presented.

Proposed distribution of earnings in the parent company (KSEK)

At the disposal of the Annual General Meeting is:

Retained earnings	280 943
Profit/Loss for the year 2011	-8 679
Total	**272 264**

The Board of Directors propose that the loss for 2011,SEK -8 678 815, together with the retained earnings, SEK 280 943 067, totalling SEK 272 264 252 be transferred to retained earnings.

For further information regarding the company's earnings and financial position, please refer to the income statement, balance sheet, cash flow statement and the corresponding notes to the financial statements.

Consolidated income statements

SEK thousands	NOTE	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Investment activities	4		
Changes in value		4 649	5 588
Dividends		7 910	9 365
Sales expenses	7, 17	-11 188	-2 525
Gross profit/loss investment activities		**1 371**	**12 428**
Other operations	5		
Net sales		100	200
Gross profit/loss other operations		**100**	**200**
Gross profit/loss		**1 471**	**12 628**
Administrative expenses	6, 7, 8, 9	-14 056	-14 905
Operating profit/loss		**-12 585**	**- 2 277**
Financial income	10	141	45
Financial expenses	10	-3 160	-2 985
Net financial items		**-3 019**	**-2 940**
Profit/loss before tax		**-15 604**	**- 5 217**
Taxes	11	-20	-40
Profit/loss for the year (1)		**-15 624**	**-5 257**
Result per share, SEK		-0,42	-0,14
Average number of shares during the period (2)		37 187 973	37 187 973

Statement of Comprehensive Income, SEK thousands

Profit/loss for the year	-15 624	-5 257
Total comprehensive income for the year	-	-
Total comprehensive income for the year (1)	**-15 624**	**-5 257**

(1) The result for the year and the total comprehensive income for the year is attributed to the parent company's shareholders.

(2) No dilution exists, which entails that the result prior to and after dilution are the same, see Note 16.

Consolidated balance sheets

SEK thousands	NOTE	12/31/2011	12/31/2010
Assets			
Fixed assets			
Equipment	12	1 187	1 213
Shares and participations	13	281 526	431 867
Receivables	14	29 826	-
Total fixed assets		**312 539**	**433 080**
Current assets			
Prepaid expenses and accrued income		893	894
Other receivables		49	3 035
Cash and cash equivalents	15	19 130	3 975
Total current assets		**20 072**	**7 904**
Total assets		**317 778**	**440 984**
Equity and liabilities			
Equity	16		
Share capital		37 188	37 188
Other contributed equity		441 817	443 448
Retained earnings, including profit/loss for the year		-161 227	-145 603
Total equity		**335 033**	**335 033**
Liabilities			
Long-term liabilities			
Other liabilities	17	2 983	-
Total long-term liabilities		**2 983**	**-**
Current liabilities			
Interest–bearing liabilities	18	-	65 756
Accounts payable		997	360
Tax liabilities		60	216
Other liabilities	18	336	34 134
Accrued expenses and prepaid income		10 457	5 485
Total current liabilities		**11 850**	**105 951**
Total liabilities		**14 833**	**105 951**
Total equity and liabilities		**332 611**	**440 984**

See Note 19 for information on the group pledged assets and contigent liabilites.

Consolidated statement of change in equity

SEK thousands	Share capital	Other contributed equity	Retained earnings incl. profit/loss for the year	**Total equity**
Opening balance 01/01/2010	**37 188**	**477 289**	**-140 346**	**374 131**
Total comprehensive income 2010	-	-	-5 257	-5 257
Distributed to shareholders (1)	-18 594	-15 247	-	-33 841
Bonus issue	18 594	-18 594	-	-
Balance at year end 12/31/2010	**37 188**	**443 448**	**-145 603**	**335 033**
Adjustment of distributed value (1)	-	-558	-	-558
Distribution expenses	-	-1 073	-	-1 073
Total comprehensive income 2011	-	-	-15 624	-15 624
Balance at year end 12/31/2011	**37 188**	**441 817**	**-161 227**	**317 778**

As at December 31, 2011, share capital amounted to SEK 37 187 973 distributed over an equal amount of shares, corresponding to a quota value of SEK 1.00.

(1) The Extraordinary General Meeting, held December 22, 2010, resolved on a distribution of shares in WeSC. Distribution occurred through a mandatory redemption procedure, with the shares in WeSC distributed to Novestras shareholders on February 11, 2011. In accordance with IFRIC 17.10 the distribution has been accounted for as a decrease in equity as at December 31, 2010 corresponding to the closing date value of the underlying WeSC shares. The corresponding amount has been accounted for within the post current liabilities. The resolved share split was registered with the Swedish Companies Registration Office on January 3, 2011 and the bonus issue on February 7, 2011. At the time of distribution on February 11, 2011 the market value of the distributed assets increased with 558 which results in fair value of the liability increasing with the same value and is accounted for as an adjustment within equilty during 2011.

Further information on the group's equity is available in Note 16.

Consolidated statements of
cash flows

SEK thousands	NOTE	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Operating activities			
Profit/loss before tax		-15 604	-5 217
Adjustments for income items from operations not included in the cash flow and do not affect the cash flow:			
Adjustments for earnings impact of financial instruments valued at fair value		-4 649	-5 5882
Adjustments for other non-cash items		1 494	82
Paid taxes		-176	-437
Funds provided from operations prior to changes in working capital		**-18 935**	**-11 160**
Details of changes in working capital:			
Increase (-)/Decrease (+) in current receivables		2 987	4 038
Increase (+)/Decrease (-) in current liabilities		5 651	2 245
Cash flow from operations		**-10 297**	**-4 877**
Investment activities			
Investments in tangible assets		-45	-46
Investments in financial assets		-11 261	-8 553
Proceeds from sale of financial assets		103 588	4 011
Cash flow from investment activities		**92 282**	**-4 588**
Financing activities			
Changes of interest-bearing liabilities		-65 756	6 562
Distribution expenses		-1 073	-
Cash flow from financing activities		**-66 829**	**6 562**
Cash flow for the year	20	**15 155**	**-2 903**
Cash and cash equivalents at the beginning of the year		**3 975**	**6 878**
Cash and cash equivalents at the end of the year		**19 130**	**3 975**

Cash and cash equivalents consist entirely of cash and bank balances. In addition to the reported cash and cash equivalents, Novestra holds listed shares and participations to a value of 11 633 (73 473). In addition, the group has an unutilized credit facility of a total of 25 000 (34 244).

The parent company's income statements

SEK thousands	NOTE	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Investment activities	22		
Result from shares and participations		4 649	5 588
Dividends		7 910	9 365
Sales expenses	17, 23	-11 188	-2 525
Gross profit/loss		**1 371**	**12 428**
Administrative expenses	23, 24, 25	-14 038	-14 884
Operating profit/loss		**-12 667**	**-2 456**
Result from financial items			
Result from shares and participations in group companies	28	7 000	-
Interest income and similar charges	26	-2 699	-2 529
Interest expense and similar charges	26	-3 153	-2 699
Profit/loss after financial items		**-8 679**	**-5 110**
Current taxes		-	-
Profit /loss for the year		**-8 679**	**-5 110**

Statement of comprehensive income, SEK thousands

Profit/loss for the year	-8 679	-5 110
Total comprehensive income for the year	-	-
Total comprehensive income for the year	**-8 679**	**-5 110**

The parent company's balance sheets

SEK thousands			
Assets	NOTE	**2011 12 31**	**2010 12 31**
Fixed assets			
Tangible fixed assets:			
Equipment	27	1 187	1 213
Financial fixed assets:			
Shares and participations in group companies	28	100	100
Shares and participations in associated companies	29	204 400	298 900
Other shares and participations	30	77 126	132 967
Receivables	14	29 826	-
		311 452	431 967
Total fixed assets		**312 639**	**433 180**
Current assets			
Receivables:			
Receivables from associated companies		-	3 000
Other receivables		49	35
Prepaid expenses and accrued income		593	694
		642	3 729
Cash and bank balances		19 031	3 876
Total current assets		**19 673**	**7 605**
Total assets		**332 312**	**440 785**

The parent company's balance sheets

SEK thousands			
Equity and liabilities	NOTE	**12/31/2011**	**12/31/2010**
Equity	31		
Restricted equity:			
Share capital		37 188	37 188
Statutory reserve		7 500	7 500
		44 688	44 688
Non-restricted equity:			
Accumulated profit/loss		280 942	287 684
Profit/loss for the year		-8 679	-5 110
		272 263	282 574
Total equity		**316 951**	**327 262**
Liabilities			
Long-term liabilities			
Other liabilities	17	2 983	-
Current liabilities:			
Interest – bearing liabilities	32	-	65 756
Accounts payable		997	360
Inter-company debt	33	608	7 809
Other liabilities	34	336	34 132
Accrued expenses and prepaid income		10 437	5 466
		12 378	113 523
Total liabilities		**15 361**	**113 523**
Total equity and liabilities		**332 312**	**440 785**

Assets pledged and contingent liabilities			
Total number outstanding shares		37 187 973	37 187 973
Pledged assets	35	11 431	169 363
Contingent liabilities	35	8 918	8 990

The parent company's statement of changes in equity

SEK thousands	Share capital	Other contributed equity	Retained earnings incl. profit/loss for the year	Total equity
Opening balance 01/01/2010	**37 188**	**7 500**	**321 525**	**366 213**
Total comprehensive income 2010	-	-	-5 110	-5 110
Distributed to the shareholders (1)	-18 594	-	-15 247	-33 841
Bonus issue (1)	18 594	-	-18 594	-
Balance at year end 12/31/2010	**37 188**	**7 500**	**282 574**	**327 262**
Adjustment of distributed value (1)	-	-	-558	-558
Distribution expenses	-	-	-1 073	-1 073
Total comprehensive income 2011	-	-	-8 679	-8 679
Balance at year end 12/31/2011	**37 188**	**7 500**	**272 264**	**316 951**

As at December 31, 2011, share capital amounted to SEK 37 187 973 distributed over an equal amount of shares, corresponding to a quota value of SEK 1.00.

(1) The Extraordinary General Meeting, held December 22, 2010, resolved on a distribution of shares in WeSC. Distribution occurred through a mandatory redemption procedure, with the shares in WeSC distributed to Novestras shareholders on February 11, 2011. In accordance with IFRIC 17.10 the distribution has been accounted for as a decrease in equity as at December 31, 2010 corresponding to the closing date value of the underlying WeSC shares. The corresponding amount has been accounted for within the post current liabilities. The resolved share split was registered with the Swedish Companies Registration Office on January 3, 2011 and the Bonus issue was registered on February 7, 2011. At the time of distribution on February 11, 2011 the market value of the distributed assets increased with 558 which results in fair value of the liability increasing with the same value and is accounted for as an adjustment within equilty during 2011.

Cash and cash equivalents consist entirely of cash and bank balances. In addition to the reported cash and cash equivalents, Novestra holds listed shares and participations to a value of 11 633 (73 473). In addition, the group has an unutilized credit facility of a total of 25 000 (34 244).

Further information on the parent company's equity is available in Note 31.

The parent company's statement of cash flows

SEK thousands	NOTE	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Operating activities			
Profit/loss for the year before tax		-8 679	-5 110
Adjustments for income items from operations not included in the cash flow and do not affect the cash flow:			
Adjustments for earnings impact of financial instruments valued at fair value		-4 649	-5 588
Adjustments for other non-cash items		1 493	82
Paid taxes		-	-
Funds provided from operations prior to changes in working capital		**-11 835**	**-10 616**
Details of changes in working capital			
Increase (-)/Decrease (+) in current receivables		3 087	3 487
Increase (+)/Decrease (-) in current liabilities		-1 550	2 251
Cash flow from operations		**-10 298**	**-4 878**
Investment activities			
Investments in tangible assets		-45	-46
Investments in financial assets		-11 261	-8 553
Proceeds from sale of financial assets		103 588	4 011
Cash flow from investment activities		**92 282**	**-4 588**
Financing activities			
Changes in interest-bearing liabilities		-65 756	6 562
Distribution expenses		-1 073	-
Cash flow from financing activities		**-66 829**	**6 562**
Cash flow for the year	36	**15 155**	**-2 903**
Cash and bank at the beginning of the yea		**3 876**	**6 779**
Cash and bank at the end of the year		**19 031**	**3 876**

Notes to the financial statements, KSEK

1. Accounting principles

Statement of compliance
The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), those adapted by the EU. Furthermore, the Swedish Financial Accounting Standards Council's recommendation RFR 1Supple-mental accounting regulations for groups, was applied.

The parent company applies the same accounting principles as the group with exception of that which is stated under the section "parent company's accounting principles" below. The deviations that exist between the parent company's principles and the consolidated principles are due to the limitations in applying IFRS in the parent company as a result of the Annual Accounts Act and in some cases for tax reasons.

Basis of preparation of consolidated financial reports and parent company reports
The parent company's functional currency is Swedish kronor (SEK) which also constitutes the reporting currency of the parent company and the group. Therefore the financial reports are presented in Swedish kronor. All figures are rounded to the nearest thousand unless otherwise stated. Assets and liabilities are carried at the historical acquisition cost. Financial assets and liabilities are carried at amortised cost, except for certain financial assets and liabilities which are carried at fair value. Financial assets and liabilities carried at fair value consist of derivative instruments and financial assets classified as "financial assets carried at fair value through profit or loss".

Non-current assets and disposal groups that are classified as held for sale are carried at the lower of the carried value and the fair value, less costs to sell. Financial assets which are held for sale are accounted for at fair value prior to reclassification to assets held for sale, are also accounted for at fair value without deduction of sales costs.

Preparing the financial reports in accordance with IFRS requires the senior management to make assessments and estimates as well as assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, revenues and expenses. The estimates and assumptions are based on historic experience and a number of other factors, which under current conditions are considered to be reasonable. The results of these estimates and assumptions are then used to assess the carried values of assets and liabilities, which are not otherwise clearly presented in other sources. The actual outcome can deviate from these estimates and assessments.

The estimates and assumptions are regularly reviewed. Changes of estimates are reported in the period the change is made if the change only affected this period, or in the period the change is made and in future periods if the change affects both the period in question and future periods.

Assessments made by the senior management in the application of IFRS which have a significant impact on the financial reports and estimates and which can entail significant adjustments in the financial reports of ensuing years are described in Note 13.

The consolidated principles stated below were consistently applied to all periods presented in the consolidated financial reports unless otherwise stated below. The consolidated principles were consistently applied to the reporting and consolidation of the parent company and subsidiaries.

New or amended IFRS and Interpretations which entered into force for the financial year 2011 have had no effect on the group's or parent company's financial result and position.

New and amended accounting standards and interpretations which have not yet been applied
A number of new standards, amendments to existing

standards, and interpretations entered into force for the financial year 2012 and later. These were not applied when drawing up the financial statements for the 2011 financial year. The changes, applicable from January 1, 2012, are not expected to have any significant effect on the group's financial result and position. However, the following amendments are worth noting in this context:

- IFRS 7, Financial Instruments: Information regarding transfer of financial assets.
- IFRS 9, Financial Instruments, intended to replace IAS 39 Financial Instruments. Changes are expected to come into effect in several stages where the first stage will primarily effect classification and valuation of financial assets and liabilities.
- IFRS 10, Consolidated financial Statements
- IFRS 12, Disclosure of interests in other entities
- IFRS 13, fair value measurement

Segment reporting

A business segment is a part of the group that manages operations from which it can generate revenue and absorbs costs for which there is independent financial information available. The business segments result is followed up by the company's most senior manager, in Novestra's case, the Managing Director, to evaluate the result as well as allocating resources to the business segment. Novestra follows up the portfolio company depending on the purpose with holding. All portfolio companies are held as investments with the same purpose of further developing the companies and increasing value over time. Therefore they are followed up and reported for as a unit.

Classification etc.

Non-current assets and long-term liabilities essentially include amounts expected to be recovered or paid after more than twelve months calculated after closing date. Current assets and short-term liabilities in the parent company and the group include amounts expected to be recovered or paid within twelve months calculated from the closing date.

Consolidation principles

Subsidiaries

Subsidiaries are companies controlled by the parent company, AB Novestra. Control directly or indirectly entails a right to govern a company's financial and operational strategies in order to obtain financial benefits. In the assessment of whether control exists, potential shares entailing voting rights, which can be utilized or converted without delay, shall be taken into consideration.

Subsidiaries are accounted for by the purchase method. This method implies that the acquisition of a subsidiary is viewed as a transaction through which the group indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities. The acquisition value in the group is set through an acquisition analysis in connection with the acquisition. In the analysis, the acquisition value of the shares or the business and the fair value on the date of acquisition of the acquired identifiable assets and assumed liabilities and contingent liabilities are determined.

The acquisition value of the subsidiary's shares or business is the aggregate of the fair values as at the date exchange of assets, incurred or assumed liabilities, issued equity instruments provided as compensation in exchange for the acquired net assets and any costs that are directly attributed to the acquisition. In business combinations where the acquisition cost exceeds the net value of the identifiable acquired assets and assumed liabilities and contingent liabilities, the difference is reported as goodwill. When the difference is negative, it is recognized directly in profit or loss. The subsidiary's financial reports are included in the consolidated financial statements as of the date of acquisition until the date when control no longer exists.

Intra-group receivables and liabilities, revenues or expenses and unrealized gains or losses that arise from the intra-group transactions between group companies are eliminated in the preparation of the consolidated financial statements. In the fiscal year, no transactions have occurred between companies in the group.

Associated companies

Associated companies are companies where the group has significant influence, but not control, over the operational and financial management, usually through participation holdings between 20 and 50 percent of votes. AB Novestra primarily conducts a venture capital business. The investments, where Novestra has significant influence, are not operationally or strategically separated from other shares and participations, and all holdings are treated equally in the company's investment portfolio. In accordance with IAS 28, share related investments including those where Novestra has a significant influence are carried at fair value with value changes through profit and loss as per IAS 39. No associated companies are reported in accordance with the equity method in the consolidated financial statements.

Foreign currency transactions

Foreign currency transactions are translated to the functional currency at the exchange rate of the transaction date. The functional currency is the currency of the primary economic environments in which the companies conduct business. Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate of the closing date. Exchange rate differences that arise in translation are recognized in the income statement. Non-monetary assets and liabilities that are measured in terms of historic cost are translated at the exchange rate of the transaction date. Non-monetary assets and liabilities carried at fair value are translated to the functional currency at the rate prevailing at the date the fair value was determined.

Revenues

General

Consolidated revenues consist primarily of revenues from the sale of shares and participations, value changes attributable to shares and participations and dividends received, which are reported as "Investment activities", and remuneration for services carried out which are reported as "Other operations" in the income statement.

Shares and participations

Revenues attributable to the sale of shares and participations and changes in value arising in the period are reported in the income statement as "Changes in value". Revenues from the sale of shares and participations are normally reported on the trade date if risks and benefits have not been transferred to the buyer on a later occasion.

Dividends

Revenues from dividends are reported when the right to obtain payment has been established. From 2010 Novestra applies IFRIC 17, Distributions of Non-Cash Assets to owners. This interpretation deals with issues related to dividends of assets other than cash. Liabilities for distributions are reported at fair value as the dividend is accounted for against the post retained earnings. At the subsequent end of reporting periods and at the time for dividend the liability is reassessed for fair value with value changes recognized in equity. When effecting the dividend any difference between the liabilitiy's fair value and the assets carrying value is reported on a separate row in the profit/loss for the year.

Implementation of services

Revenues from service assignments are reported in the income statement based on the degree of completion on the closing date. Revenues are not reported if it is likely that the financial benefits will not go to the group.

Sales expenses, operating costs and financial income and expenses

Sales expenses

Costs relating to Novestras variable incentive scheme are accounted for as sales expenses. The remuneration is calculated on the growth in value of individual holdings that are divested/distributed and the current model is resolved by the 2011 Annual General Meeting.

Operating costs

All operating costs are carried in the income statement as administrative expenses, apart from expenses that are related to Novestras variable result based remuneration directly related to the divestment of shares and participations which are accounted for as sales costs within investment activities. Administrative expenses are comprised of personnel costs, costs of premises, travel expenses and depreciation.

Costs concerning operational lease agreements

Costs concerning operational lease agreements are recognized in the income statement on a straight-line basis over the term of the lease. Incentives received in connection with the signing of an agreement are recognized as a part of the total leasing cost in the income statement. Variable costs are accounted for in the period they occur.

Financial income and expenses

Financial income and expenses consist of income from interest on bank balances, receivables and interest-bearing securities, and interest expenses on loans and exchange rate differences.

Income from interest on receivables and interest expenses from liabilities are calculated based on the effective interest method. The effective interest rate, is the interest rate that is the present value of all estimated future payments and deposits during the expected fixed interest term the same as the carried value of the receivable or liability.

Financial instruments

Financial instruments recognized in the balance sheet include, on the asset side, cash and cash equivalents, accounting receivables, shares and other equity instruments, loan and bond receivables. Among liabilities are accounts payable and loans.

Accounted for and removed from the balance sheet

A financial asset or financial liability is accounted for in the balance sheet when the company becomes a party to the instrument's contractual provisions. A receivable is accounted for when the company has produced, and a contractual obligation for the counterparty has incurred, regardless if an invoice has been issued or not. Accounts receivable are accounted for in the balance sheet when invoices have been sent. Liabilities are accounted for when the opposite party has delivered and contractual obligations to pay exist, even if an invoice has not yet been received. Accounts payable are accounted for when invoices are received.

A financial asset is removed from the balance sheet when the contractual rights in the agreement are realized, expire or the company loses control of them. The same applies to partial financial assets. A financial liability is removed from the balance sheet when the obligation in the agreement is fulfilled or otherwise extinguished. The same applies to partial financial liabilities. Purchase and sale of financial assets are reported on the transaction date, which constitutes the date the company pledges to acquire or sell the asset.

Classification and evaluation

Financial assets initially are accounted at acquisition value corresponding to the instruments' fair value with adjustment for transaction costs, apart from those belonging to the category financial assets which are accounted for at fair value through profit and loss, which is accounted for at fair value excluding transaction costs. The financial instrument is classified by the purpose the instrument was acquired for which therefore effects the accounting.

Financial assets recognized at fair value through profit or loss

This category consists of financial assets which are continuously accounted for at fair value with any change in value through profit or loss. The category consists of two sub-groups: financial assets held for trade and other financial assets that the company has initially chosen to place in this category. A financial asset is classified as a holding held for trade if it has been acquired with the purpose of being sold in the near future. Options are classified as holdings for trade apart from when they are used for hedge accounting. Novestra has to the latter sub-group chosen to assign in primary accounting, financial assets that according to senior management's risk management and investment strategy manage and evaluate based upon fair value. These assets consist of financial investments in equity instruments and interest bearing securities.

Shares and participations

In accordance with IAS 39 shares and participations are recognized at fair value with any change in value through profit or loss. In accordance with IAS 28, share-related investments where AB Novestra has a significant influence are also recognized at fair value with changes in value through profit or loss according to IAS 39. Fair value is established according to the following:

Shares and participations in private companies

In the absence of complete market values, or external transactions in a company that establish a reliable value, fair value for shares and participations in private companies are established by means of a valuation model, which in Novestra's case is primarily an estimation of discounted future cash flows Further details on how fair value is calculated is outlined in Note 2.

Shares and participations in public holdings

Fair value of listed financial assets corresponds to the asset's listed buying rate on the closing date.

Shares and participations in funds

Fair value of shares and participations in funds correspond to the value reported by each respective manager as of the closing date.

Loans and other receivables

Loans and other receivables are financial assets which do not constitute derivatives with fixed payments or with payments that can be set, and which are not listed on an active market. The receivables arise in the lending of cash, or when services are directly provided to the borrower without the intent of pursuing trade in the creditor rights. If the expected holding period is longer than one year, they constitute long-term receivables and if it is shorter, they are other receivables. This category also includes acquired receivables. Assets in this category are valued at the amortized cost. The amortized cost is determined based on the effective interest rate, which is calculated at the time of acquisition. Accounts receivables are accounted for at the amount that is expected to be received after deduction for doubtful receivables which are assessed individually. The expected duration of accounts receivable is short, which is why it is accounted for in a nominal amount without discount. Write-downs of accounts receivable is recognized as operating expenses.

Cash and cash equivalents

Cash and cash equivalents comprise of cash funds and immediately available balances in banks and similar institutions as well as short-term liquid investments with durations of less than three months from the time of acquisition, which are only exposed to an insignificant risk of value fluctuations.

Financial liabilities

Financial liabilities are classified as ”other financial liabilities” and valued at the amortized cost. The loans are accounted for at amortized cost as per the effective interest calculated when the liability arose. This entails that the surplus and discount values as well as the direct issue costs are accrued during the duration of the liability.

Interest-bearing liabilities

Loans are initially stated at the cost, corresponding to fair value net of transaction costs and any premiums or discounts. Thereafter, the loans are accounted for at amortized cost as per the effective interest method, which means that the value is adjusted as to any premiums or discounts in connection with the loan, in addition to borrowing costs being accrued for the expected duration of the loan. Accrual is calculated on the basis of the loan's initial effective interest rate. Gains and losses that arise when the loan is terminated are recognized in the income statement.

Accounts payable and other operating costs

Operating liabilities are accounted for at the amortized cost based on the effective interest rate calculated at the acquisition date, which, due to the short maturity normally is the nominal value.

Tangible fixed assets

Tangible fixed assets are accounted for by the group at the value cost net of accumulated depreciation and any impairment losses. The purchase price and costs directly attributable to the asset for delivery and preparation for its intended use are included in the acquisition cost. Examples of directly attributable costs included in the acquisition cost are the costs of delivery and handling, installation, registration, consulting services and legal services. The accounting principles for impairment are presented below. The carried value of a tangible fixed asset is removed from the balance sheet upon disposal or sale, or when no future financial benefits are expected from the use or disposal/sale of the asset. Profits or losses arising from the sale or disposal of an asset are comprised of the differences between the sale price and the asset's carried value of net direct selling expenses. Profit and loss is reported as other operating income/expense.

Leased assets

In the consolidated financial statements, leasing is classified either as financial or operational leasing. Financial leasing arises when the financial risks and benefits associated with ownership are essentially transferred to the lessee; if this is not the case, it is operational leasing. Only operational leasing exists in the group.

Principles of depreciation

Depreciation is made on a straight-line basis over the assets' estimated useful life. Estimated useful life:
Equipment 3-5 years
An asset's useful lifetime and potential residual value are assessed annually.

Impairment

The carried values of the consolidated assets are tested for impairment every closing date to assess if there are indications of write-downs. IAS 36 is applied to assess the need of write-downs for other assets other than financial assets whereby IAS 39 is applied. Other assets which consist of assets held for sale and disposal which are to be assessed according to IFRS 5. A write-down is accounted for when an asset or a cash generating asset's carried value exceeds the recoverable value.
A write- down is accounted for as a cost in the income statement.

Calculation of the recoverable value

The recoverable value of assets belonging to the categories loans and other receivables, which are accounted for at the amortized cost, is calculated as the present value of future cash flows discounted at the original effective interest which applied when the asset was initially recognized. Assets with short durations are not discounted.

The recoverable value of other assets is the greater of the net selling price and the value of use. In assessing the value of use, estimated future cash flows are discounted by a discount rate that reflects risk-free interest and the risk of the specific asset. For an asset that does not generate independent cash flows, the recoverable value is determined for the cash-generating unit to which the asset belongs is calculated.

Reversals of impairment

Impairment losses are reversed if a change has occurred in the assumptions that formed the basis of the calculation of the recoverable value. Impairment losses are only reversed to the extent that the asset's carried value after the reversal does not exceed the carried value the asset would have had if no impairment had been made, and for the non financial assets, with consideration of the depreciation that would have then been made.

Fixed assets held for sale and Discontinued operations

The implication of a fixed asset (or a disposal group) classified as holdings held for sale is that the recognized value will primarily be recoverable through sale and not through use.

Prior to classification as fixed assets held for sale, the carrying value of the assets (and all assets and liabilities in the disposal group) is established in accordance with the applicable standards. The initial classification as fixed assets held for sale, assets and liabilities are accounted for at the lower value of the carrying valued and fair value with a deduction made for the sale cost. In accordance with IFRS 5 p.5, an exception in the valuation regulations is made for financial assets that apply for IFRS 5 and therefore the assets are valued by the same method used prior to reclassification to assets held for sale. A Discontinued operation is a part of the company's operations which represents an independent business segment or a substantial operation within a geographic area.

Classification of a Discontinued operation occurs at disposal or at the time the operation meets the criteria for classification as assets held for sale. A disposal group which has been disposed of can also qualify for classification as Discontinued operations, but not before it has been disposed of and providing it meets the above criteria.

Employee benefits

Defined contribution plans

There are only defined contribution plans in the group. Obligations for costs for determined contribution plans are recognized as an expense in the income statement as they are earned through the employee performing duties for the company during a period of time.

Provisions for termination

A provision is only accounted for in connection with termination of personnel if the company is demonstrably obligated to terminate employment before the normal point in time or when remuneration is paid as an offer to encourage voluntary resignation.

Provisions

A provision is reported in the balance sheet when the group has an existing legal or informal obligation as a result of a past event, and it is likely that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Where the effect of the value of money is material, provisions are calculated by discounting the expected future cash flow at an interest rate before tax that reflects current market assessments and, where appropriate, the risks specific to the liability.

Taxes

Income tax is comprised of current and deferred tax. Income tax is recognized in the income statement, except when the underlying transactions are charged directly against equity, whereby the associated tax effect is also accounted for in equity. Current tax is tax pertaining to the current year that is to be paid or received, using tax rates enacted or substantially enacted as of the balance sheet date. Current tax also includes adjustments of current tax pertaining to previous years.

Deferred tax is calculated according to the balance sheet method providing for temporary differences between the carrying amounts of assets and liabilities and their tax bases. Temporary differences are not taken into account for differences that have arisen in the initial accounting of goodwill, the initial accounting of assets and liabilities that are not business combinations and do not affect the carried or taxable result at the time of the transaction. Furthermore, temporary differences attributable to shares in subsidiaries and associated companies not expected to be reversed within the foreseeable future are also not taken into account. The valuation of deferred tax is based on how carried values of assets or liabilities are expected to be realized or settled. Deferred tax is calculated by using the tax rates and tax regulations enacted or substantially enacted as of the balance sheet date.

Deferred tax assets concerning deductible temporary differences and tax loss carry-forwards are only recognized to the extent when it is likely that these will be able to be claimed. The value of deferred tax assets is reduced when it is no longer deemed likely that they can be used.

From a fiscal perspective, Novestra is an investment company. The tax regulations for investment companies differ from those of other stock corporations in that capital gains from the sale of shares and other participations (convertibles in SEK, stock options, etc.) are tax exempt. On the other hand, losses from the sale of shares and other participations are non deductible for an investment company. In return, an investment company must report a standard income of 1.5 percent of the aggregate value of the market value of shares and participations held at the beginning of the fiscal year.

Not to be included in the basis for calculating the standard income are the value of business-related shares and own shares and derivatives in own shares. Business-related shares refer to shares and participations in unlisted stock corporations and economic associations as well as shares and participations in listed stock corporations if the holding corresponds to at least ten percent of the votes and has been held at least one year prior to the beginning of the financial year. Under certain conditions, shares and participations in foreign legal entities can also be business related. Dividends and interest income received are taxable, while administrative expenses and interest expenses are deductible. Since an investment company's dividends paid are deductible, the company will not have to pay tax provided that the resolved dividend amounts to the sum total of the standard income, dividends received and net financial result after the deduction of administration expenses.

Contingent liabilities

A contingent liability is reported when there is a potential obligation originating from past events and whose existence is only confirmed by one or more uncertain future events or when there is an obligation that is not reported as a liability or provision due to the unlikelihood that an outflow of resources will be required.

Cash flow statement
The cash flow statement was prepared according to the indirect method. Only events that entail ingoing or outgoing payments are reported in the cash flow.

The parent company's accounting principles
The parent company has prepared its annual report in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2, Accounting for legal entities. RFR 2 requires that, in the annual report for the legal entity, the parent company shall apply all IFRS and interpretations approved by the EU to the furthest possible extent within the framework of the Annual Accounts Act and with consideration of the connection between accounting and taxation. The standard states the exceptions and additions to be made from IFRS.

Differences between the consolidated and the parent company's accounting principles
Differences between the consolidated and the parent company's accounting principles are presented below. The accounting principles for the parent company stated below were consistently applied to all periods presented in the parent company's financial reports.

Subsidiary companies
Shares in subsidiaries are reported in the parent company according to the acquisition cost method.

New and changed accounting principles which have not yet been applied
The new IASB and IFRIC standards and interpretations are not expected have an effect on the parent company given the future application as detailed in the group's accounting principles as presented above.

2. Risk exposure and risk management

Novestra's operations are affected by a number of factors, both internal and external, which can be controlled to varying degrees. These factors may significantly affect the company's operations with regard to future development and results as well as its financial position. The most significant risks in Novestra's operations are commercial risks, the price risk attributable to shares in non-public and public holdings, and currency risks.

The Board of Directors sets policies for risk management and risk follow-up. Management works out the operational risk management, follow-up and risk control, which is reported to the Board as per the approved policy. AB Novestra's Managing Director has the overall responsibility for risk control.

Dependence on key personnel

Novestra has a small organisation and is dependent on key personnel within the Board of Directors and the management.

Commercial risks

Novestra's business activities expose the company to risks. Carrying out investments and sales of portfolio companies involves a risk, also during the time Novestra is a shareholder in the portfolio company. Examples of these risks are high exposure to certain investments or to certain lines of business, difficulties in finding new investments at attractive values due to the general market situation and eventual obstacles that arise relating to sales of holdings due to the general market situation, or other barriers. Novestra aim to handle these risks by:

- having a diversified portfolio with a good balance of holdings in different lines of business and a good balance between companies in various stages of development and companies whose business is conducted in different geographical markets and in different currencies,
- actively working with, and analyzing holdings to be able to identify and counteract upcoming specific risks in the holdings.

Financial risks

Price and value risks

Price and value risks exist for shares and participations both in listed and unlisted companies.

Shares and participations in unlisted companies

In the absence of complete market values, or external transactions in a company that establish a reliable value, fair value for shares and participations in unlisted companies are established by means of a valuation model, which in Novestra's case is primarily an estimation of discounted future cash flows. When calculating fair value, the assumptions regarding future growth rate and margins in each company, as well as the interest rate used in the discounted cash flow calculation have the greatest impact. Generally, valuations are based on each company's growth forecast for the next two financial years, whereupon the expected growth successively has been reduced to a long term growth rate of 3 percent. The discount rate that has been used for each holding varies between 13 and 19 percent, after consideration for tax, and margin estimates are based on each company's forecasted margin levels.

Values calculated using discounted future cash flows are then compared to comparable listed companies and industry multiples. The comparable listed companies and industry multiples provide a benchmark range in which the fair value of each company in Novestra's portfolio is expected to lie. In cases where the calculated fair value does not fall in this range, the value of the company is adjusted to fall in this range.

In addition to taking into consideration the development of each company, great emphasis is also given to changes in value related to changes in the general market situation or changes in value pertaining to the specific industry in which the company is active.

Shares and participations in listed companies

Price and value risks pertaining to shares and participations in listed companies are related to the development of each company as well the development of the stock market and financial market in general. Volatility levels in a specific share or stock market vary depending on the market situation at hand. The price of shares and participations are impacted, among other factors, by supply and demand at any given time. As per the balance sheet date, the value of shares and participations amounted to 11.6 (73.5).

The risk for an increase or decrease in the value of listed shares and participations is linear, an increase or decrease of one percent would be +/- KSEK 116 (735).

Assets valued using the valuation technique

Accumulated changes in value amount to MSEK 73 (142), of which MSEK 80 (104) relates to changes in value arising from valuation through valuation techniques.

Sensitivity analysis Sales growth and margins

(MSEK)	Sales growth				
EBITDA margin	5,0 %	2,5 %	0,0 %	-2,5 %	-5,0 %
2 %	63	38	14	-7	-27
1 %	55	31	4	-14	-34
0 %	47	23	0	-21	-40
-1 %	39	15	2	-27	-46
-2 %	31	8	-14	-34	-53
(Percent)	Sales growth				
EBITDA	5,0 %	2,5 %	0,0 %	-2,5 %	-5,0 %
2 %	18%	11%	4%	-2%	-8%
1 %	16%	9%	1%	-4%	-10%
0 %	14%	7%	0%	-6%	-11%
-1 %	11%	4%	0%	-8%	-13%
-2 %	9%	2%	-4%	-10%	-15%

Currency risk

All shares and participations are carried at fair value. In the establishment of fair value pertaining to holdings of shares in foreign currencies, the exchange rate of the closing date is used. Fluctuations in currencies have considerable impact on the establishment of fair value. As of December 31, 2011 the carried value of share holdings in foreign currencies amounted to MSEK 250 (228). In complete or partial disposals of Novestra's foreign holdings, currency fluctuations, primarily USD/SEK, will affect the value in Swedish kronor of the holdings sold. Foreign holdings are not hedged during the period of possession.

Sensitivity analysis – currency fluctuation
(MSEK)

	5.0%	2.5%	0.0%	-2.5%	-5.0%
USD/SEK	8.7	4.4	0.0	-4.4	-8.8
EUR/SEK	3.7	1.8	0.0	-1.9	-3.7

Sensitivity analysis – currency fluctuation

In relation to the combined portfolio value, %

	5.0%	2.5%	0.0%	-2.5%	-5.0%
USD/SEK	3.2%	1.6%	0.0%	-1.6%	-3.3%
EUR/SEK	1.41%	0.7%	0.0%	-0.7%	-1.4%

Liquidity risks

Liquidity risks exist in shares or other financial instruments that cannot be divested, partly because such divestment cannot occur without considerable additional costs or other losses, partly because the liquidity is not available to meet future or immediate payment commitments. The risk that shares or other financial instruments could not be divested is managed by striving for a diversified portfolio. Novestra has a short and long-term liquidity plan to secure the immediate and future payment ability. There is a risk, however, that financing cannot be obtained when needed or only obtained against considerably increasing costs. Novestra's operations are conducted with a large share of shareholders' equity and the company cannot currently perceive additional long or short term financing needs.

Novestra has approved credit pledges totalling MSEK 25 (100) of which no part (MSEK 66) were utilized by the end of the year. Novestra's current credit facility is a bank overdraft which is usually renewed annually.

Interest rate risks

On the asset side, it is primarily Novestra's liquid assets that are exposed to interest rate risks, and on the liability side, the interest-bearing liabilities are exposed to interest rate risks. The total interest rate risk in Novestra is considered low due to the extent of assets and liabilities that are exposed to interest rate risks. If the interest on deposits rose by one percent on the closing date, the positive effect would amount to KSEK 190 (40) on an annual basis, and if the lending rate were raised by one percent, the negative effect would burden the result by KSEK - (658) on an annual basis.

Credit risks

Credit risks are defined as the risk of an opposite party not being able to fulfil a financial commitment to Novestra. The extent of this risk is mainly related to monies in bank accounts and loans to portfolio companies. The credit rating is deemed as good and the credit risk is assessed as low.

Credit exposure, KSEK	12/31/2011	12/31/2010
Other long-term receivables	19 130	3 975
Cash and cash equivalents	29 826	-
Loans to portfolio companies:	49	35
Associated companies	-	3 000
Total credit exposure	**49 005**	**7 010**

3. Assets and liabilities, categorization and results, the group

ASSETS AND LIABILITIES BY VALUATION CATEGORY

ASSETS	Financial assets recognized at fair value through profit or loss				Loans and other receivables		Carrying value		Fair value (1)	
	Financial assets initially placed in this category				Financial assets held for trade					
Financial assets	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Shares and participations	281 526	421 904	-	9 963	-	-	281 526	431 867	281 526	431 867
Other receivables	29 826	-	-	-	49	3 035	29 875	3 035	29 875	3 035
Cash and cash equivalents	-	-	-	-	19 130	3 975	19 130	3 975	19 130	3 975
Total financial assets	**311 352**	**421 904**	**-**	**9 963**	**19 179**	**7 010**	**330 531**	**438 877**	**330 531**	**438 877**
Other assets										
Tangible fixed assets	-	-	-	-	-	-	1 187	1 213		
Other current assets	-	-	-	-	-	-	893	894		
Total other assets	**-**	**-**	**-**	**-**	**-**	**-**	**2 080**	**2 107**		
TOTAL ASSETS	**311 352**	**421 904**	**-**	**9 963**	**19 179**	**7 010**	**332 611**	**440 984**		

LIABILITIES	Other liabilities		Carrying value		Fair value (1)	
Financial liabilities	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Current interest-bearing liabilities	-	65 756	-	65 756	-	65 756
Accounts payable	997	360	997	360	997	360
Other current financial liabilities	3 319	34 134	3 319	34 134	3 319	34 134
Total financial liabilities	**4 316**	**100 250**	**4 316**	**100 250**	**4 316**	**100 250**
Other liabilities						
Other non-financial liabilities	10 517	5 701	10 517	5 701		
Total other liabilities	**10 517**	**5 701**	**10 517**	**5 701**		
TOTAL LIABILITIES	**14 833**	**105 951**	**14 833**	**105 951**		

Financial assets and liabilities valued	Level 1		Level 2		Level 3		Total	
at fair value by level	2011	2010	2011	2010	2011	2010	2011	2010
Shares and participations	77 126	73 473	-	-	204 400	358 394	281 526	431 867
Other receivables	-	-	-	-	29 875	-	29 875	3 035
Cash and cash equivalents	-	-	-	-	-	-	19 130	3 975
Financial assets	**77 126**	**73 473**	**-**	**-**	**234 275**	**358 394**	**330 531**	**438 877**
Current interest-bearing liabilities	-	-	-	-	-	-	-	65 756
Accounts payable	-	-	-	-	-	-	997	360
Other current financial liabilities	-	-	-	-	-	-	19 130	3 975
Financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**4 316**	**100 250**

Level 1: According to quoted prices in active markets for identical instruments.
Level 2: According to direct or indirectly observable market data not included in Level 1.
Level 3: According to input data not available in the market.

RESULTS FROM FINANCIAL ASSETS AND LIABILITIES BY VALUATION CATEGORY

	Financial assets recognized at fair value through profit or loss				Loans and other receivables		Other liabilities		Total	
	Financial assets initially placed in this category		Financial assets held for trade							
RESULTS	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Investment activities										
Changes in values, including currency effects	4 649	5 609	-	-21	-	-	-	-	4 649	5 588
Dividends	7 910	9 365	-	-	-	-	-	-	7 910	9 365
Total investment activities	**12 559**	**14 974**	**-**	**-21**	**-**	**-**	**-**	**-**	**12 559**	**14 953**
Financial income and expenses										
Interest										
Income	-	-	-	-	141	45	-	-	141	45
Expenses	-	-	-	-	-	-	-3 008	-2 937	-3 008	-2 937
Total interest	**12 559**	**14 974**	**-**	**-21**	**-**	**-**	**-**	**-**	**12 559**	**14 953**
Currency effects										
Gains	-	-	-	-	-	-	-	-	-	-
Losses	-	-	-	-	-152	-48	-	-	-152	-48
Total currency effects	**-**	**-**	**-**	**-**	**-152**	**-48**	**-**	**-**	**-152**	**-48**
TOTAL	**12 559**	**14 974**	**-**	**-21**	**-11**	**-3**	**-3 008**	**-2 937**	**9 540**	**12 013**

(1) Accounts receivables and accounts payables valid for less than six months are deemed to reflect fair value. Accounts receivables and accounts payables valid for longer than six months are discounted when fair value is established.

For key estimates and assumptions in establishing valuation at fair value, see Note 1, Accounting principles and Note 13, Shares and participations, the group.

4. Investment activities, the group

The gross profit/loss from investment activities is divided into “Changes in value” and “Dividends”. Changes in values refer to all profits/loss emanating from financial instruments, including gains or losses from sale of financial instruments and changes in fair value of financial instruments, not relating to received dividends nor relating to Discontinued operations. Costs, such as sales expenses directly related to divestment of financial instruments are accounted for separately, for example costs related to Novestras variable remuneration.

5. Other operations, the group

Other operations refer to operations in the subsidiary, Novestra Financial Services AB, and consist of net sale from services provided in regard to an administration agreement with Nove Capital Master Fund Ltd.

6. Operational leasing, the group	**01/01/2011 12/31/2011**	**01/01/2010 01/01/2010**
Leasing agreement whereby AB Novestra is lessee		
Non terminable leasing payments:		
Within 1 year	826	816
Between 1-5 years	1 652	-
Longer than 5 years	-	-

The group’s leasing relates only to rent for leased office premises. The due date for the current contract period is December 31, 2014 with an automatic extension unless notice is given before March 31, 2013. The leasing payments for the year amounted to 826 (816).

7. Employees and personnel costs, the group

Average number of employees and gender distribution:

The average number of employees during the year amounted to four (four) of which three (three) were men.

Gender distribution in the Board of Directors and senior management:

The Board of Directors and other senior management consisted of men as in the previous year.

	01/01/2011 12/31/2011	**01/01/2010 01/01/2010**
Salaries, other remunerations and social security expenses:		
Salaries and other remunerations:		
The Board of Directors, Managing Director and Vice President	4 698	4 366
Variable remuneration (1)	6 144	1 800
Other employees	935	932
Total salaries and other remunerations	**11 777**	**7 098**
Social security expenses:		
The Board of Directors, Managing Director and Vice President	4 273	3 448
(of which are pension costs)	(887)	(1 531)
Other employees	477	541
(of which are pension costs)	(174)	(247)
Total social costs	**4 750**	**3 989**
Total salaries, other remunerations and social costs	**16 527**	**11 087**

All salaries and other remunerations, except 300 (300) relating to Board remuneration, relate to personnel in Sweden.

(1) Accounted for as sales expenses in the income statements. Total in the income statement amounts to 11 188, also including potential future remuneration relating to additional earnout amounting to 2 983.

7. (continuation)
Information on senior management benefits

Senior management
Senior management refers to the management defined as the Chairman of the Board, the company's Managing Director and Vice President. Other senior management has not been defined.

Remuneration to the Board of Directors
According to the decision at the AGM 2011, the Directors' remuneration amounts to a total of 500 (500). The Board remuneration covers the period from the date the Director is elected at the Annual General Meeting until the next AGM and is to be divided equally among the members of the Board who are not employees of Novestra. The Chairman of the Board, Theodor Dalenson is employed by Novestra with a fixed monthly salary amounting to 110 per month. The employment contract is subject to six months' notice by either party.

Principles for remuneration to senior management
Senior management have fixed salary for work carried out. The decision regarding variable result based remuneration is referred to the Annual General Meeting. The Board of Directors proposal regarding variable result based remuneration for 2012 shall be decided by the Annual General Meeting on April 26 2012.

Current guidelines for remuneration to senior management
The Annual General Meeting 2011 approved the Board of Directors' proposal regarding guidelines for remuneration for the management as set forth below. The proposal substantially complies with earlier applied guidelines for remuneration for the management of the company. The Board of Directors as a whole serves as a remuneration committee in relation to matters regarding remuneration and other terms of employment for the management of the company.

Novestra shall offer conditions in line with the market which will enable the company to recruit and retain competent personnel. The remuneration to the management of the group shall consist of fixed salary, variable remuneration, pension and other customary benefits. The remuneration is based on the commitment and performance of the individual in relation to individual objectives and joint objectives for the company which have been determined in advance. The individual performance is continuously evaluated.

The fixed salary is in general reviewed on a yearly basis and shall be based on the qualitative performance of the individual. The fixed salary of the Managing Director and the management shall be in line with the market. The variable remuneration shall be based on the revenue and earnings trends within the respective responsibility area and within the group.

The Board of Directors may, if special circumstances are at hand in a certain case, decide to deviate from the guidelines.

Incentive scheme
The company has no outstanding share related incentive scheme or any outstanding options. At the Annual General Meeting on April 27, 2011, it was resolved to approve the proposed variable remuneration for the company's employees. The variable remuneration shall, as a total cost for the company, correspond to ten percent of the net return for disposals of the company's holdings, made during the year to which the variable remuneration is attributable. The return from holdings shall be calculated as the amount received at the disposal less the carrying value before the company began to apply IFRS (plus new or additional investments with deduction for eventual dividends and distributions). The variable remuneration plan shall be subject to annual approval by the Annual General Meeting.

7. (continuation)

Specification of remuneration and other benefits to management and board members:

Person/function	Remuneration 2011	Remuneration 2010
Management:		
Theodor Dalenson	**3 615**	**2 171**
Chairman		
Salary	(1 320)	(1 200)
Variable remuneration [(1)]	(2 048)	(600)
Board member remuneration	(-)	(-)
Pension	(247)	(371)
Johan Heijbel	**3 979**	**2686**
Managing Director		
Salary	(1 663)	(1 570)
Variable remuneration [(1)]	(2 048)	(600)
Pension	(268)	(516)
Marcus Söderblom	**3 463**	**2 042**
Vice President		
Salary	(1 216)	(1 097
Variable remuneration [(1)]	(2 048)	600
Pension	(199)	(345)
Total management	**11 057**	**6 899**
Board members:		
Anders Lönnqvist	100	100
Jan Söderberg	100	100
Bertil Villard	100	100
Jens A. Wilhelmsen	100	100
Stein Wessel-Aas	100	100
Total Board members	**500**	**500**
Total management and Board members	**11 557**	**7 399**

(1) Accounted for as Sales expenses in the income statements.

Salary and other benefits to the Managing Director and the Vice President

The principles for the variable remuneration for the financial year 2011 were decided by the Annual General Meeting 2011. The employment contract is subject to 24 months' notice by either party and contains no provision regarding lowered retirement age.

Decision process

All remuneration matters concerning management and other potential benefits are considered and decided upon by the Board. The same process applies to potential remunerations regarding consulting fees for members of the Board. Decisions on potential variable result based remuneration to management are referred to the Annual General Meeting. The remuneration committee consists of the whole Board of Directors.

Pension

Pension is paid in accordance with the ITP plan for all employees, the retirement age is 65.

Severance pay

There are no agreements including severance pay.

8. Remuneration to auditors, the group	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Audit	901	851
Related audit assignments (1)	46	46
Tax consultancy	29	-
Other assignments	-	-
Total remuneration to auditors	**976**	**897**

Audit assignment is defined as the audit of the annual financial statements, the administration of the Board of Directors and the Managing Director, and other tasks, which rest upon the auditor as well as consulting and other assistance, which have been initiated by the findings in performing the audit work or implementation of such tasks.

All remuneration paid was to KPMG AB.

(1) Refers to work in connection with distribution of shares, accounted for against equity.

9. Depreciation of tangible fixed assets, the group	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Depreciation according to plan by type of asset:		
Equipment	67	82
Total depreciation	**67**	**82**

The total depreciation relates to administration.

10. Net financial items, the group	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Financial income:		
Interest income, associated companies	10	21
Other interest income	131	24
Exchange rate gains	-	-
Total	**141**	**45**
Financial expenses:		
Other interest expenses	-3 008	-2 937
Exchange rate losses	-152	-48
Total	**-3 160**	**-2 985**

For information relating to valuation category see Note 3, Assets and Liabilities, categorization and result, the group.

11. Taxes, the group

Information on the relationship between reported tax expense and result before taxes:

	01/01/2011 12/31/2011		01/01/2010 12/31/2010	
	Total value	Tax effect	Total value	Tax effect
Result before taxes	-15 604	4 104	-5 217	1 372
Standard income	1 252	-329	1 194	-314
Other fiscal adjustments:				
Dividend from group companies	7 000	-1 841	-	-
Change in values	-4 649	1 223	-5 588	1 470
Other non-deductible expenses	276	-73	600	-158
Total	**-11 725**	**3 084**	**-9 011**	**2 370**
Less proposed dividend	-	-	-	-
Total	**-11 725**	**3 084**	**-9 011**	**2 370**
Increase in tax loss carried forward not recognized as deferred tax assets	11 800	-3 104	9 164	-2 410
Reported tax expense (1)	**75**	**-20**	**153**	**-40**
Tax loss carried forward at the beginning of the year	169 701		160 537	
Change tax loss carried forward during the year	11 800		9 164	
Tax loss carried forward at the end of the year (2)	**181 501**		**169 701**	

(1) As AB Novestra is an investment company fiscally there is no possibility for group contribution within the group.
(2) In accordance with current legislation there are no regulations that determine the life expectancy of the company's fiscal deficit. No deferred tax receivable has been accounted for with regard to tax loss carried forward.

12. Equipment, the group	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Accumulated acquisition value:		
At the beginning of the year	2 389	2 344
Sales and disposals	-25	-
Acquisitions	45	45
At the end of the year	**2 409**	**2 389**
Accumulated depreciation:		
At the beginning of the year	-1 176	-1 094
Sales and disposals	21	-
Depreciation	-67	-82
At the end of the year	**-1 222**	**-1 176**
Carrying value at the end of the year	**1 187**	**1 213**

13. Shares and participations, the group	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Carrying values:		
At the beginning of the year	431 867	421 737
Acquisitions	11 261	8 553
Disposals	-167 812	-4 011
Changes in values through profit/loss (1)	6 210	5 588
Carrying value at the end of the year	**281 526**	**431 867**

(1) In the income statement an amount of – 1561 is included in changes in value relating to effect of discounted receivables.

All shares and participations, including shares and participations in associated companies, have been recognised on the balance sheet as “at fair value through profit or loss”. Shares and participations in associated companies are not accounted for according to the equity method, in accordance with IAS 28.

Of the total carried value for shares and participations 204 400 (298 900) consists of shares and participation in associated companies which is recognized at fair value in accordance with IAS 39 with changes in value through profit or loss.

Accumulated changes in fair values amounts to 72 670 (142 019), of which 80 437 (103 506) emanates from changes in fair value through valuation techniques and -7 767 (38 513) emanates from changes in values related to publicly traded shares and participations.

Specification of shares and participations:

	Ownership (1) %	No. of shares	Carrying value	
Name	**12/31/2011**	**12/31/2011**	**12/31/2011**	**12/31/2010**
Holdings:				
Diino Systems AB	46.3	639 271	19 200	19 200
Explorica, Inc. (2)	14.5	6 117 663	64 900	58 900
MyPublisher, Inc. (2)	24.8	92 245 832	111 500	123 100
Netsurvey Bolinder AB	-	-	-	11 100
Qbranch AB	-	-	-	99 600
Strax Group, GmbH (2) (3)	25.0	6 960	73 700	45 900
WeSC AB	5.9	434 029	11 589	73 338
Other	n/a		637	729
Total shares and participations			**281 526**	**431 867**

(1) After dilution and prior to utilization of options etc.
(2) USD/SEK 6.8872 (6.7114) EUR/SEK 8.9182 (8.9970).
(3) Option to increase to 32 percent.

13. (continuation)

Key estimates and assumptions when establishing fair values regarding private holdings

When calculating fair value, the assumptions regarding future growth rate and margins in each company, as well as the interest rate used in the discounted cash flow calculation have the greatest impact. Generally, valuations are based on each company's growth forecast for the next two financial years, whereupon the expected growth successively has been reduced to a long-term growth rate of 3 percent. The discount rate that has been used for each holding varies between 13 and 16 percent, after consideration for tax, and margin estimates are based on each company's forecasted margin levels. In addition to the calculation of discounted cash flows, the focus has been in the valuation of comparable public companies and industry multiples for comparable listed companies in determining fair value. For further information regarding valuations and valuation techniques see Note 1.

Key risks relating to shares and participations

Price risks and currency risks are the risks assumed to have the greatest impact on future valuations at fair value. The risks are presented in more detail in Note 2.

14. Other long-term receivables, the group	**2011 12 31**	**2010 12 31**
Other receivables	29 826	-
Total	**29 826**	**-**

Other receivables relate to the divestment of Qbranch AB. The receivable relates to a part of the sales proceeds relating to pledge, guarantees forand also to additional expected earn out based on the Qbranch result during 2012 and 2013. The reported value is value after discounting.

15. Cash and cash equivalents, the group	**2011 12 31**	**2010 12 31**
Amounts in SEK	18 914	317
Amounts in USD	216	3 658
Total	**19 130**	**3 975**

Cash and cash equivalents only includes cash and bank balances. When converting USD to SEK, the exchange rate 6.8872 (6.7114) has been used.

16. Equity, the group

The group's equity consists of share capital, other contributed capital and retained earnings including profit or loss for the year.

Share capital

The group's share capital consists of the parent company's share capital, share capital in subsidiaries have been eliminated in the group accounts. The share capital amounts to SEK 37 187 973, distributed over the same number of shares. The quota value amounts to SEK 1.00. All shares have the same right to the net assets, and every share has one vote at a general meeting with the shareholders. All shares are fully paid.

Other contributed capital

Other contributed capital is capital paid in by the shareholders.

Retained earnings including profit or loss for the year

Retained earnings including profit or loss for the year consists of accumulated earnings in the parent company and the subsidiary, as well as accumulated effects on profit or loss emanating from consolidation of the group accounts. Previous transfers into the statutory reserve, excluding transferred other contributory equity, are included in their own capital item.

Dividend

The Board of Directors propose that no dividend be paid out for the financial year 2011.

Distribution

The Extraordinary General Meeting, held December 22, 2010, resolved on a distribution of 371 879 shares in WeSC to the Novestra shareholders. The distribution corresponded to a value of 33 841 as at December 31, 2010 and was carried out through a mandatory redemption procedure with the shares in WeSC distributed to the shareholders on February 11, 2011. During 2011until completion of the distribution the changes in values for the distributed assets amounted to 558.

Authorization for the Board of Directors to resolve upon new share issues

On April 27, 2011, the Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to authorize the Board of Directors to up until the next Annual General Meeting and on one or several occasions and with or without preferential rights for the shareholders, decide on a share issue of a maximum of 6 000 000 new shares for payment in cash, through contribution in kind or by set-off. The reason for the proposal and the possibility to deviate from shareholders' preferential rights in the proposal is, among other things, to facilitate for the company to carry out acquisitions with payment in shares or to otherwise procure the financing of the company in an active and appropriate manner.

Management of capital and dividend policy

Capital consists of accounted equity, amounting to 317 778 (335 033) in the group. The Board of Directors' aim is that the company shall have a capital structure resulting in a high return through the use of suitable pledges, while at the same time aiming to maintain a sound financial stability through maintaining a high solidity.

The Board of Directors intend, providing the capital structure and the group's financial obligations permit, propose distribution to the shareholders, through a dividend or other method, depending on which method is most suitable at each individual occasion. During the previous seven financial years a total of SEK 331 903 has been distributed to the shareholders, corresponding to SEK 8.90 per share. Of that amount SEK 111 564 was distributed through dividends and SEK 220 339 through redemption procedure.

Number of shares issued	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
At the beginning of the year	37 187 973	37 187 973
Split 2:1	37 187 973	-
Redeemed shares	-37 187 973	-
Number of shares at the end of the year	**37 187 973**	**37 187 973**

The Extraordinary shareholders meeting on December 22, 2010, resolved on a distribution of shares in WeSC to the Novestra shareholders. Distribution occured through a redemption procedure whereby the existing Novestra share is split in to two shares, whereby one share is called a redemption share. The split was registered with Swedish Companies Registration Office on January 3, 2011 with the recall of the shares generated by the split registered with the Swedish Companies Registration Office on February 7 2011. The procedure is an alternative transaction method for a dividend and redemption of the redemption share is mandatory, and as such the temporary increase doubling the total number of shares in Novestra is not taken into consideration when calculating the average number of shares during the period, result per share or equity per share.

Novestra has only one class of shares and all shares are fully paid for. All shares carry an equal right to a share in the company's assets and profits and each share carries one vote at shareholder meetings. Total share capital amounts to SEK 37 187 973 and the quota value is SEK 1.00.

17. Other long-term liabilities, the group and the parent company	**12/31/2011**	**12/31/2010**
Other liabilities	2 983	-
Total	**2 983**	**-**

Other long-term liabilities refers to the estimated cost for variable result based remuneration relating to the divestment of Qbranch AB. The reported value is value after discounting.

18. Interest-bearing loans, the group	**12/31/2011**	**12/31/2010**
Liabilities to credit institutions	-	65 756
Total	**-**	**65 756**

Liabilities to credit institutions are in the form of a SEK bank overdraft, which normally expire and are renewed annually. Other liabilities 336 (34 134) comprise of operating liabilities which normally are due for payment within 10-90 days. In 2010, 33 841 related to resolved but non-effected distribution of WeSC shares.

19. Pledged assets and contingent liabilities, the group	**12/31/2011**	**12/31/2010**
Pledged assets	11 431	169 363
Utilized assets	-	-65 756
Second mortgage	**11 431**	**103 607**

The pledge refers to pledging of financial instruments in the form of shares and participations. The total of credits granted amounts to 25 000 (100 000).

Contingent liability

In connection with a refinancing of Strax Group GmbH, whereby Novestras ownership increased to 25 percent, Novestra guaranteed MEUR 1 out of the total financing of MEUR 10. The financing is covenant based and Strax have reached the set financial convenants and reported on the set dates which entails that Novestras guarantee has not been subject to arbitration. The guarantee is accounted for as a contingent liability of 8 918 (8 990) as at December 31, 2011.

20. Specification to the cash flow statement, the group	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
Adjustment for income items from operations not included in cash flow and do not affect the cash flow:		
Adjustments for earnings impact of financial instruments at fair value	-4 649	-5 588
Adjustment for discounting of receivables and liabilities	-1 716	-
Gains or losses on disposal of tangible assets	4	-
Write-downs	67	82
Adjustment for reserve long-term liabilities	3 139	-
	-3 155	**-5 506**
Non-cash liabilities	-	33 841
Reserved amount relating to distribution of shares	**-**	**33 841**

The Extraordinary General Meeting, held December 22, 2010, resolved on a distribution of 371 879 shares in WeSC to the Novestra shareholders. The distribution corresponded to a value of 33 841 as at December 31, 2010 and was carried out through a mandatory redemption procedure with the shares in WeSC distributed to the Novestra shareholders on February 11, 2011.

Cash and cash equivalents

The following components are included in cash and cash equivalents:		
Cash and bank balances	19 130	3 975
	19 130	**3 975**
Paid interest and dividends received		
Dividends received	7 910	9 365
Interest received	141	45
Interest paid	- 3 008	-2 957

As at December 31, 2011, the group has an unutilized credit facility amounting to 25 000 (34 244) which is not accounted for in the above values.

21. Assets and liabilities, categorization and results, the parent company

ASSETS AND LIABILITIES BY VALUATION CATEGORY

ASSETS	Financial assets recognized at fair value through profit or loss				Loans and other receivables		Carrying value		Fair value (1)	
	Financial assets initially placed in this category		Financial assets held for trade							
Financial assets	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Shares and participations	281 526	421 904	-	9 963	-	-	281 526	431 867	281 526	431 867
Other recievables	29 826	-	-	-	49	3 035	29 875	3 035	29 875	3 035
Cash and cash equivalents	-	-	-	-	19 031	3 876	19 031	3 876	19 031	3 876
Total financial assets	**311 352**	**421 904**	**-**	**9 963**	**19 080**	**6 911**	**330 432**	**438 778**	**330 432**	**438 778**
Other assets										
Tangible fixed assets	-	-	-	-	-	-	1 187	1 213		
Shares and participations in group companies	-	-	-	-	-	-	100	100		
Other current assets	-	-	-	-	-	-	593	694		
Total other assets	**-**	**-**	**-**	**-**	**-**	**-**	**1 880**	**2 007**		
TOTAL ASSETS	**421 904**	**411 753**	**9 963**	**9 963**	**19 080**	**6 911**	**332 312**	**440 785**		

LIABILITIES	Other liabilities		Carrying value		Fair value (1)	
Financial liabilities	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Current interest-bearing liabilities	-	65 756	-	65 756	-	65 756
Accounts payable	997	360	997	360	997	360
Other current financial liabilities	3 927	41 941	3 927	41 941	3 927	41 941
Total financial liabilities	**4 924**	**108 057**	**4 924**	**108 057**	**4 924**	**108 057**
Other liabilities						
Other non-financial liabilities	10 437	5 466	10 437	5 466		
Total other liabilities	**10 437**	**5 466**	**10 437**	**5 466**		
TOTAL LIABILITIES	**15 361**	**113 523**	**15 361**	**113 523**		

Financial assets and liabilities valued at fair value by leve	**Level 1**		**Level 2**		**Level 3**		**Total**	
	2011	2010	2011	2010	2011	2010	2011	2010
Shares and participations	77 126	73 437	-	-	204 400	358 394	281 526	431 867
Other receivables	-	-	-	-	29 875	-	29 875	3 035
Cash and cash equivalents	-	-	-	-	-	-	19 031	3 876
Financial assets	**77 126**	**73 473**	**-**	**-**	**234 275**	**358 394**	**330 432**	**438 778**
Current interest-bearing liabilities	-	-	-	-	-	-	-	65 756
Accounts payable	-	-	-	-	-	-	997	360
Other current financial liabilities	-	-	-	-	-	-	3 927	41 941
Financial liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**4 924**	**108 057**

Level 1: According to quoted prices in active markets for identical instruments.
Level 2: According to direct or indirectly observable market data not included in Level 1.
Level 3: According to input data not available in the market.

RESULTS FROM FINANCIAL ASSETS AND LIABILITIES BY VALUATION CATEGORY

	Financial assets recognized at fair value through profit or loss				Loans and other receivables		Other liabilities		Total	
	Financial assets initially placed in this category		Financial assets held for trade							
RESULTS	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Investment activities										
Result from shares and participations, including currency effects	4 649	5 609	-	-21	-	-	-	-	4 649	5 588
Dividends (2)	14 910	9 365	-	-	-	-	-	-	14 910	9 365
Total investment activities	**19 559**	**14 974**	**-**	**-21**	**-**	**-**	**-**	**-**	**19 559**	**14 953**
Financial income and expenses										
Interest										
Income	-	-	-	-	141	45	-	-	141	45
Expenses	-	-	-	-	-	-	-3 001	-2 651	-3 001	-2 651
Total interest	**-**	**-**	**-**	**-**	**141**	**45**	**-3 001**	**-2 651**	**-2 860**	**-2 606**
Currency effects										
Gains	-	-	-	-	-	-	-	-	-	-
Losses	-	-	-	-	-152	-48	-	-	-152	-48
Total currency effects	**-**	**-**	**-**	**-**	**-152**	**-48**	**-**	**-**	**-152**	**-48**
TOTAL	**19 559**	**14 974**	**-**	**-21**	**-11**	**-3**	**-3 001**	**-2 651**	**16 547**	**12 299**

(1) Accounts receivables and accounts payables valid for less than six months are deemed to reflect fair value. Accounts receivables and accounts payables valid for longer than six months are discounted when fair value is established. (2) Including dividend from group companies
For key estimates and assumptions in establishing valuation at fair value, see Note 1, Accounting principles and Note 13, Shares and participations, the group.

22. Investment activities, the parent company

The gross profit/loss from investment activities is divided into “Result from shares and participations” and “Dividends”. The result from shares and participations refers to all profit/loss emanating from financial instruments, including gains or losses from sale of financial instruments and changes in fair value of financial instruments, not relating to received dividends. Costs, such as sales expenses directly related to divestment of financial instruments are accounted for separately, for example costs related to Novestras variable incentive scheme.

23. Employees, the parent company

Average number of employees and gender distribution:

The average number of employees during the year amounted to four (four) of which three (three) were men.

Gender distribution in the Board of Directors and senior management:

The Board of Directors and other senior management consisted of men, as in the previous year.

Salaries, other remunerations and social security expenses:	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
Salaries and other remunerations:		
The Board of Directors, Managing Director and Vice President	4 698	4 366
Variable remuneration (1)	6 144	1 800
Other employees	935	932
Total salaries and other remunerations	**11 777**	**7 098**
Social security expenses:		
The Board of Directors, Managing Director and Vice President	4 273	3 448
(of which pension costs)	(887)	(1 531)
Other employees	477	541
(of which pension costs)	(174)	(247)
Total social costs	**4 750**	**3 989**
Total salaries, other remunerations and social security expenses	**16 527**	**11 087**

All salaries and other remunerations, except 300 (300) relating to Board remuneration, relate to personnel in Sweden. For information regarding individual remunerations for the Board of Directors and the management refer to Note 7, Employees and personnel costs, the group.

Salary and other benefits to the Managing Director and the Vice President

The principles for the variable remuneration for the financial year 2011 were decided by the Annual General Meeting 2011. The employment contract is subject to 24 months’ notice by either party and contains no provision regarding lowered retirement age.

Decision process

All remuneration matters concerning management and other potential benefits are considered and decided upon by the Board. The same process applies to potential remunerations regarding consulting fees for members of the Board. Decisions on potential variable result based remuneration to management are referred to the Annual General Meeting. The remuneration committee consists of the whole Board of Directors.

Pension

Pension is paid in accordance with the ITP plan for all employees, the retirement age is 65.

Severance pay

There are no agreements including severance pay.

(1) Accounted for as sales expenses in the income statements including social expenses. Total in the income statement relates to 11 188 also including future remuneration relating to additional earnout amounting to 2 983.

24. Remuneration to auditors, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Audit	901	851
Related audit assignments	46	46
Taxe consultancy	29	-
Other assignments	-	-
Total remuneration to auditors	**976**	**897**

Audit assignment is defined as the audit of the annual financial statements, the administration of the Board of Directors and the Managing Director, and other tasks, which rest upon the auditor as well as consulting and other assistance, which have been initiated by the findings in performing the audit work or implementation of such tasks. All other work is referred to as other assignments.

All remuneration paid was to KPMG AB.

25. Depreciation of tangible fixed assets, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Depreciation according to plan by type of asset:		
Equipment	67	82
Total depreciation	**67**	**82**

The total depreciation relates to administration.

26 . Net financial items, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Financial income:		
Interest income, associated companies	10	21
Other interest income	131	24
Exchange rate gains	-	-
Total	**141**	**45**
Financial expenses:		
Other interest expenses	-3 001	-2 651
Exchange rate losses	-152	-48
Total	**-3 153**	**-2 699**

For information per valuation category see Note 21, Assets and Liabilities, categorization and result, the parent company.

27. Equipment, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Accumulated acquisition value:		
At the beginning of the year	2 389	2 344
Sales and disposals	-25	-
Acquisitions	45	45
At the end of the year	**2 489**	**2 389**
Accumulated depreciation:		
At the beginning of the year	-1 176	-1 094
Sales and disposals	21	-
Depreciation	-67	-82
At the end of the year	**-1 222**	**-1 176**
Carrying value at the end of the year	**1 187**	**1 213**

28. Shares and participations in group companies, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Accumulated acquisition value:		
At the beginning of the year	100	100
Carrying value at the end of the year	**100**	**100**

Specification of shares and participations held in group companies:

Name	Corporate Identity No.	Reg. office	Ownership (1)	Value
Novestra Financial Services AB	556680-2798	Stockholm	100%	100

(1) Share of capital and votes.

Novestra Financial Services AB distributed a dividend of 7 000 (-) to AB Novestra.

29. Shares in associated companies, the parent company	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
Accumulated acquisition value:		
At the beginning of the year	298 900	272 250
Reclassification (1)	-	19 600
Investments	7 350	3 000
Disposals	-131 257	-
Effect of changed accounting principle (1)	29 407	4 050
At the end of the year	**204 400**	**298 900**

(1) In the income statement an amount of – 1561 is included in changes in value relating to effect of discounted receivables.

Specification of shares and participations held in associated companies:

As at December 31, 2011	**Corp. Id. No.**	**Reg. office**	**Equity (4) (100%)**	**Profit/loss(4) (100%)**	**Owner ship (2)**	**Carrying value**
Diino AB	556666-4750	Stockholm	8 430	-10 492	46.3%	19 200
MyPublisher, Inc. (3)	n/a	USA	65 328	9 762	24.8%	111 500
Strax Group GmbH (3) (5)	n/a	Germany	98 707	3 888	25.0%	73 700
Totalt						**204 400**

Specification of shares and participations held in associated companies:

As at December 31, 2010	**Corp. Id. No.**	**Reg. office**	**Equity (100%)**	**Profit/loss (100%)**	**Owner-ship (2)**	**Carrying value**
Diino Systems AB	556666-4750	Stockholm	3 925	-11 360	46.7%	19 200
MyPublisher, Inc. (3)	n/a	USA	53 825	3 266	24.3%	123 100
Netsurvey Bolinder AB	556392-3332	Stockholm	11 680	2 500	45.3%	11 100
Qbranch AB	556470-3980	Stockholm	42 371	8 655	23.3%	99 600
Strax Group GmbH (5) (3)	n/a	Germany	95 836	-8 799	25.0%	45 900
Totalt						**298 900**

For key estimates and assumptions in establishing valuation at fair value, see Note 1, Accounting principles and Note 13, Shares and participations, the group.

Receivables, associated companies

Receivables from associated companies amounted to – (3 000) as at December 31, 2011.

Interest income, associated companies

During the financial year interest income received from associated companies amounted to 10 (21).

Dividends from associated companies

A total dividend of 6 024 (9 325) was received from associated companies during the financial year.

(1) In connection with a refinancing of Strax Holdings, Inc. the Strax group was restructured and Novestras ownership in 2010 was transferred to Strax Group GmBH where Novestras ownership now amounts to 25 percent which is why the holding is accounted for as a subsidiary.
(2 After to dilution and prior to utilization of options etc.
(3) USD/SEK 6.8872 (6.7114) EUR/SEK 8.9182 (8.9970).
(4) Unaudited figures.
(5) Option to increase to 32 percent.

30. Shares and participations, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Carrying value:		
At the beginning of the year	132 967	149 487
Reclassification	-	-19 600
Acquisitions	3 911	5 553
Disposals	-36 556	-4 011
Changes in values through profit/loss [1]	-23 196	1 538
Carrying value at the end of the year	**77 126**	**132 967**

(1) In the income statement an amount of – 1561 is included in changes in value relating to effect of discounted receivables.

Specification of shares and participations:

Name	Ownership [1] %	No. of shares	Carrying value	
	12/31/2011	12/31/2011	12/31/2011	12/31/2010
Holding:				
Explorica, Inc.	14.5	6 117 663	64 900	58 900
WeSC AB	5.9	434 029	11 589	73 338
Other	n/a	n/a	637	729
Total holdings			**77 126**	**132 967**

For key estimates and assumptions in establishing valuation at fair value, see Note 1, Accounting principles and Note 13, Shares and participations, the group.

(1) After to dilution.

31. Equity, the parent company

Equity in the parent company consists of restricted equity and non-restricted equity. Restricted equity may not be reduced through dividends to the shareholders.

Restricted equity

Novestra's restricted equity consists of share capital and statutory reserve. The statutory reserve may be used to cover incurred losses, after decision taken by a general meeting with the shareholders.

Non-restricted equity

Novestra's non-restricted equity consists of the net profit/loss for the year and previous years' accumulated profit/loss, reduced by any statutory reserve provision and after any dividends have been paid out. All income and costs accounted for during a period are included in the net profit/loss, unless a recommendation from the Swedish financial Reporting Board, or within IFRS, require or allows them to be accounted for directly against the equity. The non-restricted equity that is accounted for at the end of each year is available for dividends to the shareholders.

Dividend

The Board of Directors propose that no dividend be made for the financial year 2011.

Distribution

The Extraordinary General Meeting, held December 22, 2010, resolved on a distribution of 371 879 shares in WeSC to the Novestra shareholders. The distribution corresponded to a value of 33 841 as at December 31, 2010 and was carried out through a mandatory redemption procedure with the shares in WeSC being distributed to the shareholders on February 11, 2011. See Note 15.

Authorization for the Board of Directors to resolve upon new share issues

On April 27, 2011, The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, to authorize the Board of Directors to up until the next Annual General Meeting and on one or several occasions and with or without preferential rights for the shareholders, decide on a share issue of a maximum of 6 000 000 new shares for payment in cash, through contribution in kind or by set-off. The reason for the proposal and the possibility to deviate from shareholders' preferential rights in the proposal is, among other things, to facilitate for the company to carry out acquisitions with payment in shares or to otherwise procure the financing of the company in an active and appropriate manner.

Capital management

For information regarding capital management refer to Note 16, Equity, the group.

Number of shares issued	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
At the beginning of the year	37 187 973	37 187 973
Split 2:1	37 187 973	-
Redeemed shares	-37 187 973	-
Number of shares at the end of the year	**37 187 973**	**37 187 973**

(1) The Extraordinary shareholders meeting on December 22, 2010, resolved on a distribution of shares in WeSC to the shareholders in Novestra. Distribution occurs through a redemption procedure whereby the existing Novestra share is split in to two shares, whereby one share is called a redemption share. The split was registered with the Swedish Companies Registration Offices on January 3, 2011 and cancellation of the temporary split shares was registered with the Swedish Companies Registration Offices on February 7, 2011. The procedure is an alternative transaction method for a dividend and redemption of the redemption share is mandatory, which is why the temporary increase doubling the total number of shares in Novestra is not taken into consideration when calculating the average number of shares during the period, result per share or equity per share.

Novestra has only one class of shares. All shares carry an equal right to the company's assets and profits and each share carries one vote at shareholders' meetings. Total share capital amounts to SEK 37 187 973 and the quote value is SEK 1.00.

32. Interest-bearing loans, the parent company	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
Raised loans – credit institutions	-	65 756
Total	**-**	**65 756**

Liabilities to credit institutions are in the form of a SEK bank overdraft, which normally expires and is renewed annually. Other liabilities - (34 132) comprise of operating liabilities which normally are due for payment within 10-90 days. 33 841 is included in 2010 as resolved but non-effected distribution of WeSC shares.

33. Liabilities to the group, the parent company	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
Novestra Financial Services	608	7 809
Total	**608**	**7 809**

34. Accrued expenses and prepaid income, the parent company	**01/01/2011 12/31/2011**	**01/01/2010 12/31/2010**
Personnel related costs	8 206	2 525
Other personnel expenses	1 226	1 277
Costs for annual report, audit and AGM	926	955
Other	79	709
Total	**10 437**	**5 466**

35. Pledged assets and contingent liabilities, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Pledged assets	11 431	169 363
Utilised assets	-	-65 756
Second mortgage	**11 431**	**103 607**

The pledge refers to pledging of financial instruments in the form of shares and participations. Total granted credit amounts to 25 000 (100 000).

Contingent liability

In connection with the refinancing of Strax Group GmbH, whereby Novestras ownership increased to 25 percent, Novestra guaranteed MEUR 1 out of the total financing of MEUR 10. The financing is covenant based and Strax have reached the set financial convenants and reported on the set dates which entails that Novestras guarantee has not been subject to arbitration. The guarantee is accounted for as a contingent liability of 8 918 (8 990) as at December 31, 2011.

36. Specification to the cash flow statement, the parent company	01/01/2011 12/31/2011	01/01/2010 12/31/2010
Adjustment for income items from operations not included in cash flow and do not affect the cash flow:		
Adjustments for earnings impact of financial instruments at fair value	-4 649	-5 588
Adjustment for discounting of receivables and liabilities	-1 716	-
Gains or losses on disposal of tangible assets	4	-
Write-downs	67	82
Adjustment for reserve long-term liabilities	3 139	-
	-3 156	**-5 506**
Non-cash liabilities		
Reserved amount relating to distribution of shares	-	33 841
	-	**33 841**

The Extraordinary General Meeting, held December 22, 2010, resolved on a distribution of 371 879 shares in WeSC to the Novestra shareholders. The distribution corresponded to a value of 33 841 as at December 31, 2010 and was carried out through a mandatory redemption procedure with the shares in WeSC distributed to the shareholders on February 11, 2011.

Cash and cash equivalents

The following components are included in cash and cash equivalents:

Cash and bank balances	19 031	3 876
	19 031	**3 876**

Paid interest and dividends received		
Dividends received	7 910	9 366
Interest received	141	45
Interest paid	-3 008	-2 651

As at December 31, 2011, the parent company has an unutilized credit facility amounting to 25 000 (34 244) which is not accounted for in the above values.

37. Related parties disclosure, the group and the parent company

The following additional information about related parties is being provided in addition to what has been described in the annual report.

Companies with common Board members

Apart from specified related parties there are a number of companies in which Novestra and the respective company have common Board members. Information has not been provided in this note because these situations are either not considered to involve influence of the type described in IAS 24, or the transactions refer to intangible amounts.

Related party transactions

Novestra's subsidiary, Novestra Financial Services AB, has entered into an administration agreement with Nove Capital Master Fund Ltd. The agreement includes a limited administration commitment for Novestra Financial Services AB with a remuneration of 100 (200). Novestras Chairman of the Board, Theodor Dalenson, is also engaged in Nove Capital Master Fund Ltd and has both a direct and indirect financial interest.

Novestra has purchased corporate law advisory services from Advokatfirman Vinge KB for a total of 472 (101) during the financial year 2011. Bertil Villard, board member of Novestra, is active as attorney and a partner of Advokatfirman Vinge KB. The services were purchased on market terms, and are not tied to Bertil Villard in person, and lie outside the tasks Bertil Villard carries out within the framework of his board assignment, for which he receives board remuneration in conformity with the other board members.

See Note 7, Employees and personnel costs, for information regarding salaries and other compensation, costs regarding pensions and similar benefits for the Board, the Managing Director, the Vice President and other employees.

38. Significant events after the end of the period, the group and the parent company

There has been a continued positive development in the portfolio after the end of the period. Despite turbulence on the financial markets, the Stockholm Stock Exchange has had a positive development since year-end.

Extraordinary General Meeting on February 8, 2012 authorized the Board of Directors to repurchase Novestra's own shares. The Board has resolved that the company shall commence purchase of the company's own shares and that acquisition shall be executed in intervals until the Annual General Meeting 2012.

As per April 4 2012 a total of 809 576 shares have been purchased.

The Board of Directors and the Managing Director hereby verify that the consolidated accounts and annual accounts have been prepared in accordance with the international accounting standards in Regulation (EC) No. 1606/2002 of the European Parliament and of the European Council of July 19, 2002 on the application of international accounting standards and generally accepted auditing standards in Sweden and give a true and fair view of the group's and parent company's financial position and results of operations. The Board of Directors' Report for the group and the parent company gives a true and fair view of the group's and the parent company's operations, position and results, and describes significant risks and uncertainty factors that the parent company and group companies face.

The annual accounts and the consolidated financial statements were approved for release by the Board of Directors on April 4, 2012. The consolidated income statement and balance sheet, and the income statement and balance sheet of the parent company, will be presented for adoption by the Annual General Meeting on April 26, 2012.

Stockholm April 4, 2012

Theodor Dalenson
Chairman

Anders Lönnqvist
Board member

Jan Söderberg
Board member

Bertil Villard
Board member

Jens A. Wilhelmsen
Board member

Johan Heijbel
Managing Director

Our audit report was submitted on April 4, 2012

KPMG AB

Ingrid Hornberg Román
Authorized Public Accountant

The information in this annual report is such that AB Novestra is required to disclose according to Sweden's Securities Market Act. AB Novestra released the year-end report, including the interim report for the fourth quarter to the media for publication on February 14, 2012 at 8.55 am through a press release and also on the website www.novestra.com. The Annual Report was released on Novestra's website on April 4, 2012 at 2.00 pm with a press release detailing such information at the same time.

This annual 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.

Audit
report

To the annual meeting of the shareholders of AB Novestra, corp. id. 556539-7709

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of AB Novestra for the year 2011. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 48–95.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts
The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions
In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2011 and of its financial performance and its cash flows for the year then ended in accordance with Annual Accounts Act, and the consolidated accounts have been prepared in accordance with the Annual Account Act and present fairly, in all material respects, the financial position of the group as of 31 December 2011 and of their financial performance and cash flows in accordance with International Financial Reporting Standard, IFRS, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of AB Novestra for the year 2011.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility
Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined whether the proposal is in accordance with the Companies Act.
As basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinions
We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director are discharged from liability for the financial year.

Stockholm 4 April 2012
KPMG AB

Signature on Swedish original

Ingrid Hornberg Román
Authorized Public Accountant

Auditors' report of the Corporate Governance Statement

To the annual meeting of the shareholders in AB Novestra (publ.), Corporate identity number 556539-7709

It is the board of directors who is responsible for the Corporate Governance Statement for the year 2011 in the pages 38–43 and that it has been prepared in accordance with the Annual Accounts Act.

We have read the Corporate Governance Statement and based on that reading and our knowledge of the company and the group we believe that we have sufficient basis for our opinions. This means that our statutory examination of the Corporate Governance Statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted audit standards in Sweden.

In our opinion, the Corporate Governance Statement has been prepared and its statutory content is consistent with the annual accounts and the consolidated accounts.

Stockholm, 4 April 2012
KPMG AB

Ingrid Hornberg Román
Authorized Public Accountant

Definitions

In this Annual Report, "Novestra or "the company" pertains to AB Novestra (publ).
Other definitions: Diino Systems AB ("Diino"), Explorica, Inc. ("Explorica"), MyPublisher, Inc. ("MyPublisher"), Netsurvey Bolinder AB ("Netsurvey"), Qbranch AB ("Qbranch"), Strax Group GmbH, ("Strax"), WeSC AB, ('WeSC').

Cash flow after investments
Result before tax with depreciation and other items not affecting cash flow minus paid tax and adjusted for changes in working capital and net investments in fixed assets.

Equity/Assets ratio
Shareholders' equity as a percentage of the total assets.

Number of shares at the end of the period
The number of shares at the end of each period adjusted for bonus issue and share split.

Shareholders' equity per share
Shareholders' equity in relation to the number of shares at the end of the period.

Average number of shares during the period
The average number of shares during the period calculated on a daily basis adjusted for bonus issue and share split.

Result per share
Income for the period in relation to the average number of shares during the period.

Definitions relating to portfolio descriptions

Sales
Total operating revenue for the specified period.

Growth in sales
Sales for a specified period in relation to sales during the same period the previous year.

Operating profit/loss
Total operating revenues minus total operating expenses for a specified period, before net financial items and taxes.

EBITDA
Operating profit/loss for a specified period, before interest income and expenses, taxes, depreciations and amortisations.

Market value corresponding to 100% based on carrying value
Reported carrying value, at a specified time for the specified ownership, recalculated to represent the value for 100 percent of the company, full dilution in the respective company taken into consideration.

Total sales development in the portfolio companies
The total sales in each of the portfolio companies, presented as a total value for each financial year.

Shareholder information

Annual General Meeting

The Annual General Meeting will be held at 15.00 p.m. on Thursday April 26, 2012 at the law firm Vinge KB, Smålandsgatan 20, Stockholm, Sweden.

Notice

Information regarding the Notice to the Annual General Meeting was published in Svenska Dagbladet and the Notice in its entirety was published in Post- och Inrikes Tidningar (the Swedish Official Gazette) and through a press release at the same time, on March 28, 2012.

Participation

To be entitled to participate in the business of the Meeting, shareholders:

must be recorded in the register of shareholders maintained by Euroclear Sweden AB (the Swedish Securities Register Center) on Friday April 20, 2012, and

must notify the company of their intention to attend the Meeting no later than Friday April 20, 2012.

Notification of participation in the Annual General Meeting

Notification can be given by writing to AB Novestra, Norrlandsgatan 16, SE-111 43 Stockholm, Sweden, by calling +46 8 545 017 50, by faxing +46 8 545 017 60, or by emailing stamma@novestra.com.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through the trust department of a bank or similar institution must, in order to be entitled to participate in the Meeting, request that their shares are temporarily re-registered in their own names in the register of shareholders maintained by Euroclear Sweden AB. Such registration must be effected on Friday April 20, 2012. Shareholders are requested to inform their nominees in good time prior to this date.

Proxies, etc.

Shareholders who are represented by a proxy must authorize the proxy by issuing a power of attorney. If such authorization is issued by a legal entity, an attested copy of a certificate of registration or similar must be attached. The power of attorney and the certificate may not be more than one year old, however, the power of attorney may have a validity of maximum five years if this is specifically stated. The original authorization and certificate of registration, where applicable, should be sent to AB Novestra, Norrlandsgatan 16, SE-111 43 Stockholm, Sweden, well in advance of the Meeting. A proxy form is available on the Company's website (www.novestra.com).

Representatives

Shareholders or proxies for shareholders at the Annual General Meeting may take a maximum of two representatives with them to the Meeting. Representatives may be brought to the Meeting only if the shareholder of AB Novestra gives notice of their attendance as described above for notification of participation of shareholders.

Other

The economic information can be found in Swedish and in English on Novestra's homepage www.novestra.com and may be ordered from:

AB Novestra
Norrlandsgatan 16
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Fax: +46 (0)8-545 017 60
info@novestra.com

Financial calendarium 2012

April 26, 2012
Annual General Meeting

April 26, 2012
Interim Report Q1 January 1 – March 31, 2012

April 26, 2012
Bulletin from the Annual General Meeting

August 28, 2012
Interim Report Q2 January 1 – June 30, 2012

November 13, 2012
Interim Report Q3 January 1 – September 30, 2012

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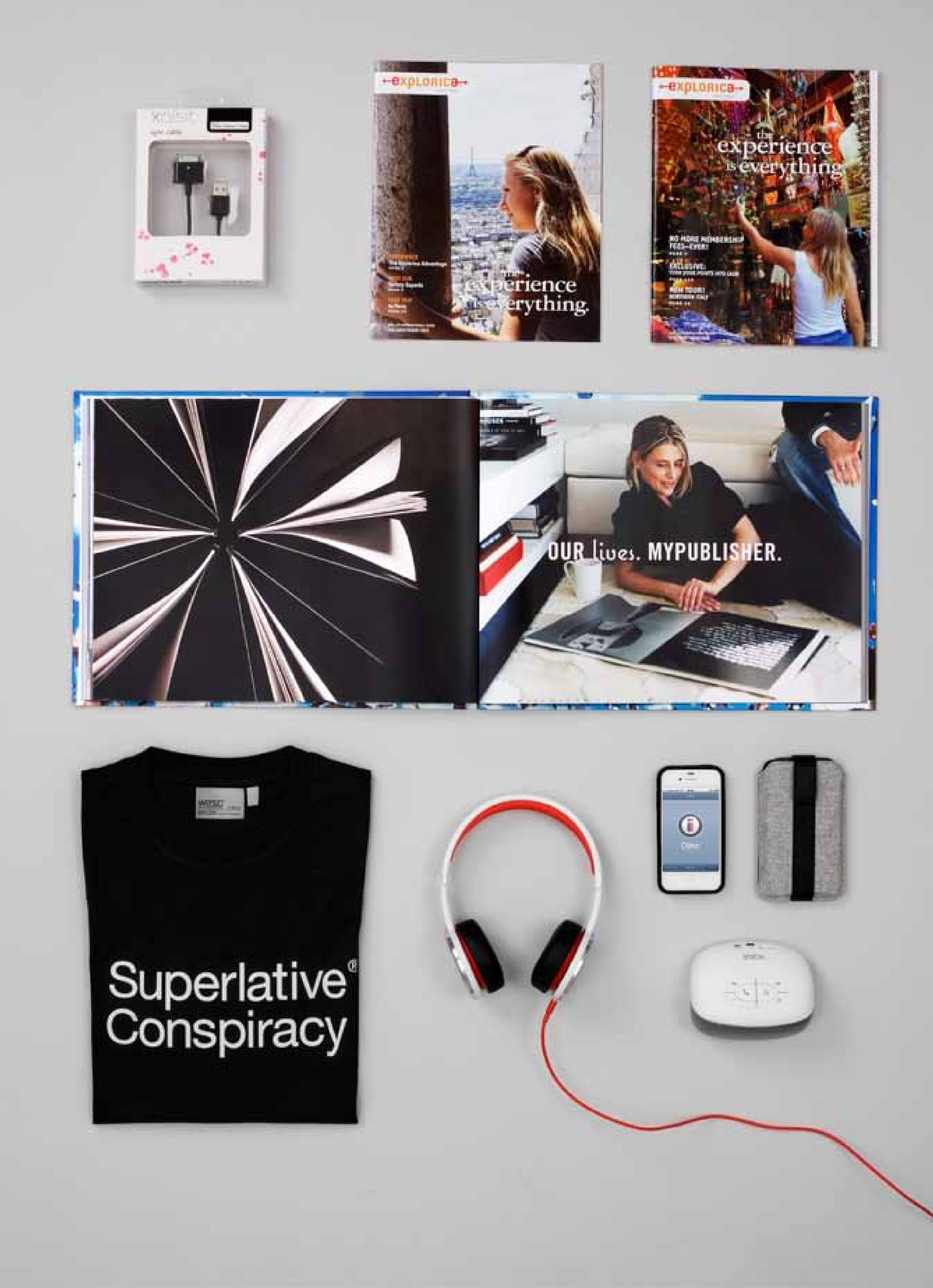

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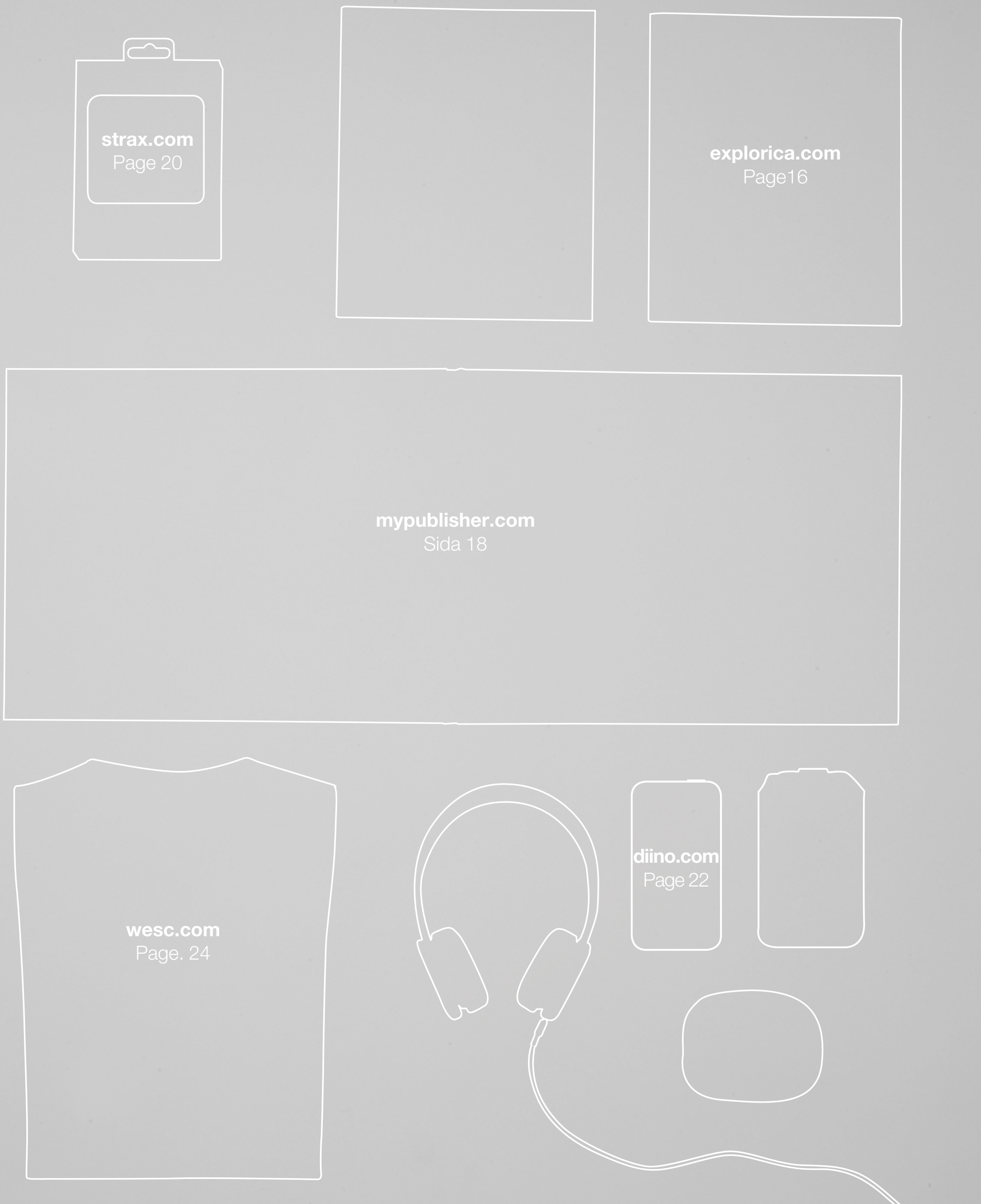

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