

NOVESTRA

Q2

2008

About AB Novestra

Novestra is an independent investment company with a portfolio of investments in a number of privately held growth companies including Diino AB, Explorica, Inc, MyPublisher, Inc., Netsurvey AB, Qbranch AB and Strax Holdings, Inc.

The Novestra shares are listed on the OMX Nordic Exchange Stockholm under the symbol NOVE in the Small Cap section. For further information regarding AB Novestra reference is made to www.novestra.com.

Strong growth and continued positive development for the portfolio companies

- The Group's net income amounted to MSEK 3.0 (14.0) corresponding to SEK 0.08 (0.38) per share. Equity as at June 30 2008 amounted to MSEK 424.9 (431.2), corresponding to SEK 11.42 (11.59) per share. Cash and cash equivalents including liquid investments amounted to MSEK 38.8 (47.6).
- Development in the portfolio companies has in general been strong during the first six months of 2008. MyPublisher has shown an increased growth in sales of approximately 93 percent, Qbranch 38 percent and Strax 1 percent. The growth in sales for Explorica for the financial year 2008/2009 is expected to amount to approximately 20 percent with improved profitability.
- Diino continues to see a very strong increase in regard to the number of registered users. The company has more than doubled the number of users and has exceeded one million users during the period while simultaneously continuing to work on increasing the flow of revenue and strengthening the cash flow. The company expects to exceed 1.3 million users during August.

Comments from the Managing Director

Development in the portfolio companies has in general continued to be very good and no effects of the weakened economic cycle appear in the figures reported by the companies. This can somehow be explained by the companies having strong positions in their respective markets as well as they continue to be in a growth phase and generally grow faster than their markets.

The Board of Directors and the Managing Director of AB Novestra hereby submit the Interim Report No.2 for the financial year 2008 referring to the period January 1 – June 30. All amounts are provided in SEK thousands unless otherwise stated. Figures in parentheses refer to the corresponding period the previous financial year. Information provided refers to the group and parent company unless otherwise stated.

Significant events during the period

During the second quarter of 2008 the performance in the portfolio companies has been strong with continued growth and increased profitability.

EXPLORICA expects to show stable growth with an improved profitability for the financial year 2007/2008 which ends August 31, 2008 despite a turbulent situation with a weakened US dollar during the financial year which influences the large number of American customers' ability and willingness to travel. Sales for 2008/2009 show once more a growth of approximately 20 percent and the company expects increased profitability.

MYPUBLISHERS sales increased by approximately 93 percent during the first six months of 2008, in comparison the the US listed competitor Shutterfly who reported a growth of 19 percent for the same period. MyPublisher's software BookMaker™ has been downloaded more than two million times and both the software and the photo albums are highly ranked in the majority of tests carried out. Considering the large number of new customers and the high rate of software downloads, the company expects a growth rate of approximately 100 percent during 2008.

QBRANCHS strong development in sales has continued during the first six months of 2008 with a growth rate of approximately 38 percent. Margins during the period have decreased somewhat due to the high growth. The company expects a growth in sales exceeding 30 percent during 2008. Qbranch is planning for an IPO during the first six months of 2009 provided the financial market stabilises.

STRAX' sales were somewhat lower than expected during the first six months of 2008 but at the same time managed to show an improvement in result and a generally more stable development than previously. The liquidity situation in the company remains strained. In the markets for distribution of mobile telephones and mobile telephone accessories the need remains for a consolidation and the stable development in combination with the implemented division of operations in Strax implies that such a consolidation process is possible. The company expects a positive development for both sales and profitability for 2008.

DIINO continued to have a very good stream of new users during the first six months of 2008 and the company exceeded one million users during the period which can be compared to half a million users at the beginning of 2008. The company is simultaneously continuing work on increasing the flow of revenues and strengthening the cash flow. During the period, Diino was ranked as one of the worlds ten 10 best online backup providers by BackupReview.info.

NETSURVEY who specialize in online employee and customer surveys continues to have a stable development and show a growth of 23 percent and improved profitability during the first six months of 2008.

CONTINUUMS liquidation is in the final stages and shall be completed during 2008.

VALUE ADJUSTMENTS during the period amounted to a total of 4 452 (-672). Currency effects during the period were marginal.

Result and financial position

January 1 – June 30 2008

THE GROUP'S net income for the period amounted to 3 032 (13 969). The result included gross profit from investment activities amounting to 11 274 (13 888), gross profit from other activities of 1 133 (1 000), administration expenses of -6 675 (-7 954) and net financial items of -2 387 (-3 134). Result from Discontinued operations amounted to - (10 348). As at June 30, 2008 total assets amounted to 479 039 (475 682), of which equity was 424 881 (431 150), corresponding to an equity/assets ratio of 88.7 (90.6) percent. Current liabilities to credit institutions amounted to 48 247 (30 747). The group's cash and cash equivalents including liquid investments amounted to 38 759 (47 646). In addition the group has an unutilized credit facility amounting to 76 753 (44 253).

THE PARENT COMPANY'S net income for the period amounted to -13 958 (9 608). The result included gross profit from investment activities amounting to -5 026 (20 336), administration expenses of -6 665 (-7 944) and net financial items of -2 267 (-2 784).

As at June 30, 2008 total assets amounted to 310 079 (338 301), of which equity was 249 612 (288 740). Cash and cash equivalents including liquid investments amounted to 38 660 (47 546) and has an unutilized credit facility amounting to 76 753 (44 253).

INVESTMENTS during the period amounted to a total of 10 932 (35 465), of which investments in tangible fixed assets amounted to 9 (29) and investments in financial assets amounted to 10 923 (35 436).

Significant events after the end of the period

Development in the portfolio companies has continued to increase positively after the end of the period.

FUTURE DEVELOPMENT

Several of Novestra's portfolio companies have during the year developed significantly better than those operating in the same markets have done. Novestra believes that several of the portfolio companies will continue to develop positively during 2008, and that the prerequisites for a positive growth in value will significantly increase if the portfolio companies reach their set growth and result goals.

Discussions concerning divestment of Novestra's growth portfolio will be held when the management deems that the value potential in the companies is at an attractive level. Simultaneously, continuous attention is being paid to cash investments in publicly traded securities which are considered to have a value growth potential even though the general economic situation may continue to remain weak in the future.

ACCOUNTING PRINCIPLES

Novestra prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The Interim Report has been prepared in accordance with IAS 34 Interim Reporting. The new or amended standards and interpretations which came into effect as of and including the financial year 2008 do not influence Novestra's financial reports. New standards or amendments to be applied as of and including 2009 or later shall not be applied in advance. The same accounting principles and valuation techniques in the Interim Report are the same as those applied in the Annual Report for 2007. The parent company's financial reports are prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. The accounting principles and valuation techniques for the parent company are unchanged compared to those provided in the Annual Report for 2007.

The group account for share related investments, including holdings in associated companies at fair value with changes in value in the income statement.

Assessment of fair value for unlisted shares and participations is made through the

calculation of discounted future cash flows in accordance with accepted methods and through relative valuation where the calculated value is compared to the valuation of comparable listed companies and should the occasion arise transactions in the company. Listed shares and participations are valued on the basis of their share price on the closing date.

A detailed description of the account and valuation principles applied in the group and the parent company are supplied in Novestra's Annual Report for the financial year 2007.

Risks and uncertainties

The primary risks present in Novestra's business activities are commercial risk, operative risk, price risk attributed to shares in private and public holdings and currency risk. A more detailed description of the risks and uncertainties which can influence are provided in Novestra's Annual Report for 2007 for the parent company and the group's operations and financial position. No significant risks have occurred in addition to the risks described in Novestra's Annual Report for 2007

Company information

The company's registered address is AB Novestra, Norrlandsgatan 16, 114 43 Stockholm. The Registered Office is Stockholm county, Stockholm municipality, and the company's corporate identity number is 556539-7709.

Financial calendar

November 11, 2008

Interim Report for the period January 1 – September 30, 2008

February 16, 2009

Year-end Report for the period January 1 – December 31, 2008

For further information contact:

Johan Heijbel
Managing Director
Tel: +46 (0) 8-545 017 50

AB Novestra
Norrlandsgatan 16
111 43 Stockholm
info@novestra.com
www.novestra.com

The undersigned declare that the Interim Report provides a true and fair overview of the parent company's and the group's operations, financial position, performance and result and describes material risks and uncertainties facing the parent company and other companies in the group.

Stockholm August 20 2008

Theodor Dalenson
Chairman

Colin Kingsnorth
Director

Anders Lönnqvist
Director

Jan Söderberg
Director

Bertil Villard
Director

Jens A. Wilhelmsen
Director

Johan Heijbel
Managing Director

This Interim Report has not been subject to an audit by the company's auditor.

The 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.

Novestra's holdings as at June 30, 2008

Portfolio companies	Ownership (%)¹	Carrying value in the Group (MSEK)	Market Cap at carrying values 100 % (MSEK)²
Continuum Group Ltd	12.6	0.6	4.8
Diino AB	49.5	48.0	92.9
Explorica, Inc	13.5	53.2	379.8
MyPublisher, Inc	25.4	141.4	562.2
Netsurvey AB	45.3	9.7	21.4
Qbranch AB	23.5	132.0	572.5
Strax Holdings, Inc	19.5	35.0	199.7
Other	n/a	33.3	n/a
Total investments		453.2	

1 Share of capital prior to dilution and exercise of options etc.

2 Calculated market value for the entire company after dilution.

For information regarding the portfolio companies with regard to business operations and financial data, reference is made to Novestra's latest annual report. For new investments in private portfolio companies, reference is made to Novestra's published press releases for each respective company.

The group

Income statements KSEK	2008	2007	2008	2007	2007
	(6 months) Jan 1–Jun 30	(6 months) Jan 1–Jun 30	(3 months) Apr 1–Jun 30	(3 months) Apr 1–Jun 30	(12 months) Jan 1–Dec 31
INVESTMENT ACTIVITY					
Changes in value	4 452	-672	4 810	2 051	-2 810
Dividends	6 822	14 560	6 351	6 116	14 560
Gross profit investment activity	11 274	13 888	11 161	8 167	11 750
Other activity					
Income from other activity	1 133	1 000	633	500	2 000
Gross profit other activity	1 133	1 000	633	500	2 000
Gross profit	12 407	14 888	11 794	8 667	13 750
Administrative expenses ¹	-6 675	-7 954	-3 617	-4 703	-14 420
Operating income	5 732	6 934	8 177	3 964	-670
RESULT FROM FINANCIAL INVESTMENTS					
Net financial items	-2 387	-3 134	-773	-4 774	-3 904
Result after financial items	3 345	3 800	7 404	-810	-4 574
Current taxes	-313	-179	-183	-39	-1 105
Result for the period from remaining operations	3 032	3 621	7 221	-849	-5 679
Result from Discontinued operations ²	-	10 348	-	-	10 348
Result for the period including Discontinued operations	3 032	13 969	7 221	-849	4 669
<i>Result per share from remaining operations, SEK</i>	0.08	0.10	0.19	-0.02	-0.15
<i>Result per share incl. Discontinued operations, SEK</i>	0.08	0.38	0.19	-0.02	0.13
<i>Average number of shares during the period</i>	37 187 973	37 187 973	37 187 973	37 187 973	37 187 973

¹ Depreciation for the period amounted to 75 (81). The total depreciation relates to equipment pertaining to administration.

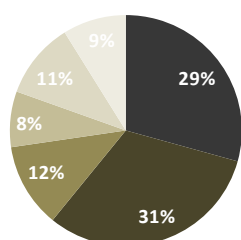
² Discontinued operations refer to the previously named business area Public holdings. AB Novestra redeemed the total holding in Nove Capital Fund, which was the major holding in the business area Public holdings and therefore the business area is accounted for as Discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The group

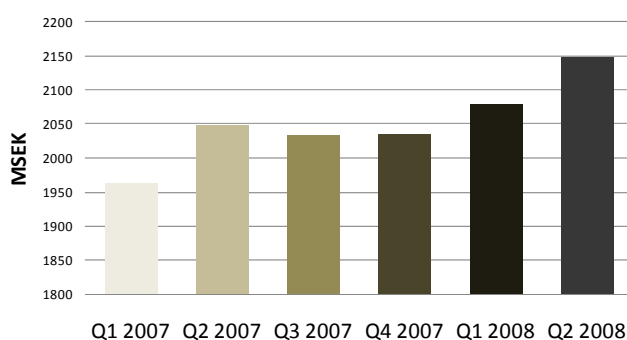
Key ratios

	2008 (6 months) Jan 1–Jun 30	2007 (6 months) Jan 1–Jun 30	2008 (3 months) Apr 1–Jun 30	2007 (3 months) Apr 1–Jun 30	2007 (12 months) Jan 1–Dec 31
FINANCIAL KEY RATIOS					
Equity, MSEK	424.9	431.2	424.9	431.2	421.8
Equity/assets ratio, %	88.7	90.6	88.7	90.6	87.9
Cash flow after investments, MSEK	-8.2	289.7	5.7	184.8	263.7
DATA PER SHARE					
Equity, SEK	11.43	11.59	11.43	11.59	11.34
Result including Discontinued operations, SEK	0.08	0.38	0.19	-0.02	0.13
NUMBER OF SHARES					
Number of shares at the end of the period	37 187 973	37 187 973	37 187 973	37 187 973	37 187 973
Average number of shares during the period	37 187 973	37 187 973	37 187 973	37 187 973	37 187 973

Performance by business area Jan 1–Jun 30 (KSEK)	Discontinued operations		Private holdings		Joint		Total	
	2008	2007	2008	2007	2008	2007	2008	2007
Income from shares and participations								
Changes in value	-	10 348	2 391	-990	2 061	318	4 452	9 676
Dividends	-	-	6 351	14 560	471	-	6 822	14 560
Income from other activity	-	-	-	-	1 133	1 000	1 133	1 000
Gross profit	-	10 348	8 742	13 570	3 665	1 318	12 407	25 236
Administrative expenses								
Personnel costs	-	-	-496	-496	-3 784	-3 530	-4 280	-4 026
Depreciation	-	-	-	-	-75	-81	-75	-81
Other costs	-	-	-	-	-2 320	-3 847	-2 320	-3 847
Operating profit/loss	-	10 348	8 246	13 074	-2 514	-6 140	5 732	17 282
Net financial income	-	-	-	-	-2 387	-3 134	-2 387	-3 134
Current taxes	-	-	-	-	-313	-179	-313	-179
Result for the period	-	10 348	8 246	13 074	-5 214	-9 453	3 032	13 969



Total sales, rolling twelve months, by quarter



The group

Balance sheets, KSEK	Jun 30 2008	Jun 30 2007	Dec 31 2007
ASSETS			
FIXED ASSETS			
Equipment	1 303	1 320	1 369
Shares and participations	453 157	405 657	450 782
Total fixed assets	454 460	406 977	452 151
CURRENT ASSETS			
Current receivables:			
Other receivables	16 756	43 668	8 570
Prepaid expenses and accrued income	1 837	2 428	2 595
	18 593	46 096	11 165
Cash and cash equivalents	5 986	22 609	16 351
Total current assets	24 579	68 705	27 516
TOTAL ASSETS	479 039	475 682	479 667
EQUITY AND LIABILITIES			
Equity	424 881	431 150	421 849
Current liabilities:			
Interest-bearing liabilities	48 247	30 747	50 440
Accounts payable	577	662	28
Other liabilities	3 285	10 237	4 231
Accrued expense and prepaid income	2 049	2 886	3 119
	54 158	44 532	57 818
Total liabilities	54 158	44 532	57 818
TOTAL EQUITY AND LIABILITIES	479 039	475 682	479 667
Pledged assets	160 889	145 036	151 050
Contingent liabilities	None	None	None

Changes in equity during the period, KSEK

Equity b/f January 1 2007	603 856
Result January 1 – June 30 2007	13 969
Distribution to the shareholders by redemption of shares ³	-185 940
Cost of redemption program	-735
Equity as at June 30 2007	431 150
Result July 1 – December 30 2007	-9 301
Equity as at December 31 2007	421 849
Result January 1 – June 30 2008	3 032
TOTAL EQUITY AS AT JUNE 30 2008	424 881

³ A split of the existing shares in AB Novestra was made with the distribution to the shareholders 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

Consolidated statement of cash flows, KSEK	2008	2007	2007
	(6 months)	(6 months)	(12 months)
	Jan 1–Jun 30	Jan 1–Jun 30	Jan 1–Dec 31
OPERATING ACTIVITIES			
Result after financial items for the period	3 345	3 800	-4 574
Result from Discontinued operations for the period	-	10 348	10 348
Adjustment for non cash items	-4 852	-9 595	-7 384
Taxes paid	-2 514	-	-
Funds provided from operations prior to changes in working capital	-4 021	-4 553	-1 610
Details of changes in working capital:			
Increase (-)/decrease (+) in current receivables	-7 428	-2 300	16 808
Increase (+)/decrease (-) in current liabilities	739	7 346	53
Cash flow from operations	-10 711	9 599	15 251
INVESTMENT ACTIVITIES			
Investments in tangible assets	-9	-29	-193
Investments in financial assets	-10 923	-35 436	-75 094
Proceeds from sale of financial assets	13 471	315 559	323 779
Cash flow from investment activities	2 539	280 094	248 492
FINANCING ACTIVITIES			
Dividend	-	-	-
Distribution to shareholders by redemption of shares	-	-185 940	-185 940
Costs of redemption program	-	-735	-736
Changes in interest-bearing liabilities	-2 193	-83 333	-63 640
Cash flow from financing activities	-2 193	-270 008	-250 316
Cash flow for the period	-10 365	19 685	13 427
Cash and cash equivalents at the beginning of the period	16 351	2 924	2 924
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5 986	22 609	16 351
Cash flow from Discontinued operations			
Cash flow from operations	-	-	-
Cash flow from investment activities	-	300 826	300 826
Cash flow from financing activities	-	-	-
Cash flow from Discontinued operations	-	300 826	300 826

Parent company

Income statements, KSEK	2008	2007	2007
	(6 months) Jan 1–Jun 30	(6 months) Jan 1–Jun 30	(12 months) Jan 1–Dec 31
INVESTMENT ACTIVITY			
Result from shares and participations	-11 848	5 776	-11 509
Dividends	6 822	14 560	14 560
Gross profit	-5 026	20 336	3 051
Administrative expenses	-6 665	-7 944	-14 410
Operating income	-11 691	12 392	-11 359
RESULT FROM FINANCIAL ITEMS			
Net financial items	-2 267	-2 784	-3 600
Result after financial items	-13 958	9 608	-14 959
Current taxes	-	-	-603
Result for the period	-13 958	9 608	-15 562

Balance sheets, KSEK	Jun 30 2008	Jun 30 2007	Dec 31 2007
ASSETS			
Equipment	1 303	1 320	1 369
Shares and participations	285 429	294 676	299 354
Total fixed assets	286 732	295 996	300 723
Current receivables	17 460	19 796	9 165
Cash and cash equivalents	5 887	22 509	16 252
Total current assets	23 347	42 305	25 417
TOTAL ASSETS	310 079	338 301	326 140
EQUITY AND LIABILITIES			
Equity	249 612	288 740	263 569
Current liabilities	60 467	49 561	62 571
Total equity and liabilities	310 079	338 301	326 140
Pledged assets	82 733	78 836	72 899
Contingent liabilities	None	None	None

Changes in equity, KSEK

Equity b/f January 1 2007	465 807
Result January 1 – June 30 2007	9 608
Distribution to shareholders by redemption of shares	-185 940
Cost of redemption program	-735
Equity as at June 30 2007	288 740
Result July 1 – December 31 2007	-25 170
Equity as at December 31 2007	263 569
Result January 1 – June 30 2008	-13 958
EQUITY AS AT JUNE 30 2008	249 612