

NOVESTRA

INTERIM REPORT NO. 1 FOR THE FINANCIAL YEAR 2006 REFERRING TO THE PERIOD JANUARY 1 – MARCH 31, 2006

CONTINUED GROWTH AND IMPROVED PROFITABILITY

- The Group's net income amounted to MSEK 32.0 (44.6 Pro forma 2005), corresponding to SEK 0.86 (1.20) per share. Equity rose to MSEK 824.5 (653.3), amounting to SEK 22.17 (17.57) per share. Cash and cash equivalents, including holdings in Nove Capital Fund, amounted to MSEK 325.3 (233.1).
- The four largest private holdings showed continued growth in revenues of between 22% and 75%.
- The value of Novestra's investment in Nove Capital Fund since inception in May 2005, has increased by MSEK 118.4, equivalent to a 63% return.
- The Board of Directors proposes to the Annual General Meeting, a dividend of SEK 2.00 (SEK 1.00) per share for the financial year 2005.

"Our private portfolio companies have continued to perform well. The growth is expected to continue in 2006 and we expect improved profitability among our private portfolio companies. With the current market conditions, the prospects for continued appreciation in value is good. We continue to remain optimistic about the possibilities to exit most of our holdings by the end of next year", says Novestra's Managing Director Peter Ekelund.

About AB Novestra

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

In addition, Novestra has an investment in Nove Capital Fund, that primarily invests in public companies which are considered to have a value potential because of special situations such as reconstructions, turnarounds or for other reasons offer a significant upside potential and therefore an interesting risk/reward.

The Novestra shares are listed on the O List, Attract 40, of the Stockholm Stock Exchange. For further information regarding AB Novestra, reference is made to www.novestra.com

All amounts are provided in SEK thousands unless otherwise indicated. Figures in parentheses refer to the corresponding period the previous financial year.

SIGNIFICANT EVENTS DURING THE PERIOD

During the first quarter of 2006, the performance of the largest portfolio companies continued to be positive with continued growth rates and improved financial results for all of them.

Private portfolio companies

Explorica showed continued growth in revenues in the U.S. and Canada, its main markets. The company is expected to reach sales of approximately MUSD 55-60 and achieve substantially improved profitability. Novestra anticipates continued growth in revenues for Explorica for the financial year 2006/2007.

MyPublisher's revenues from production under its own brand during the period increased by approximately 66 percent. The company has implemented strategical changes which entail a considerably increased commitment on production of its own brand both in Europe and the U.S. During the period the company has phased out all low margin production as a subcontractor, which short-term affects the total sales growth. The strategical changes signify higher gross margins and improved results.

Qbranch showed continued growth in revenues during the period with improved profitability compared to the previous year. For 2006, the company anticipates growth of 20-30 percent and a continued earnings trend.

Strax showed continued strong growth in revenues during the period amounting to 75 percent and a substantial improvement in result. The company's acquisition of its German competitor More Mobilfunkzubehör GmbH has been successfully integrated during the period. The cost and income synergies from the merge are expected to improve the margins in the future.

Bytek Systems during the first quarter launched its product, Diino®, in the U.S. and U.K. The number of registered users during the period has exceeded 15.000 and the web-based service has received very positive reviews in the media.

Netsurvey's revenues showed growth during the period, with prospects for considerable improvement in result for 2006.

Continuum's liquidation is expected to be completed during 2007 and the distribution of the remaining shares/cash to the company's shareholders will further improve Novestra's liquidity.

Nove Capital Fund

On May 2, 2005, operations in Nove Capital Fund were initiated, where Novestra invested MSEK 189.2. As at March 31, 2006, Novestra's return on investment from participation in Nove Capital Fund amounted to MSEK 118.4, corresponding to an appreciation in value of 63 percent.

RESULT AND FINANCIAL POSITION JANUARY 1 – MARCH 31, 2006

The Group

The Group's net income for the period amounted to 32 003 (44 588). The result included gross profit from investment activities amounting to 36 193 (47 716), gross profit from other activities of 590 (-), administration expenses of -4 287 (-4 698) and net financial items of 4 076 (-615). As at March 31, 2006, total assets amounted to 873 812 (675 784), of which equity was 824 456 (653 349), corresponding to an equity/assets ratio of 94.3 (96.6) percent. Current liabilities to credit institutions amounted to 37 690 (-). The Group's cash and cash equivalents together with Novestra's participation in Nove Capital Fund amounted to 325 339 (233 100), including unrealized surplus values. In addition, the Group has an unutilized credit facility amounting to 87 310 (60 000).

Investments

During the period, investments in tangible fixed assets amounted to - (359) and investments in financial assets amounted to - (112 219).

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

After the end of the period, the operations have generally developed well. Growth and improvement in result has continued in the private portfolio companies.

FUTURE DEVELOPMENT

The prospects for continued value appreciation in the private growth portfolio as well as in Nove Capital Fund are largely dependent on the development of the individual companies. As regards to the private companies, the market's and the industrial players' interest in growth companies is a crucial factor.

During 2005, there was an increased interest in companies in strong growth phases, and this fact was reflected in a large number of transactions at high valuations in relevant sectors.

Novestra's assessment is that the development among its growth companies will remain positive in 2006, and provided that the market's interest in growth companies continues during the next 18 months, any divestments of portfolio companies could be done at attractive valuations.

The surplus liquidity deriving from any divestitures of private assets will be invested in Nove Capital Fund up to the time when these assets are to be distributed to the shareholders.

The Board of Directors has instructed the management to evaluate the possibilities to distribute the company's liquid assets to shareholders in 2007, as previously communicated.

DIVIDEND FOR THE FINANCIAL YEAR 2005

The Board of Directors and Managing Director propose to the Annual General Meeting a regular cash dividend of SEK 2.00 per share for the financial year 2005. In total, this means dividends of SEK 74 375 946. A dividend of SEK 1.00 per share was distributed for the 2004 financial year.

ACCOUNTING PRINCIPLES

The Group

AB Novestra prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as of the financial year 2005. For AB Novestra this means that it is primarily IAS 39 (Financial instruments: recognition and measurement) which has an effect on the accounting compared to the accounting in accordance with previous principles. When applying IAS 39, share-related investments are reported at real value with value changes in the income statement. In accordance with IAS 28 paragraph 1, shares and participations in associated companies are also reported at real value. Comparative figures for the Group referring to 2004 are reported as

pro forma figures, where all figures have been recalculated in accordance with IFRS, including IAS 39. This interim report has been prepared in accordance with IAS 34 Interim Reporting and RR31 Interim Reporting for Groups.

Methods for valuation of shares and participations

The calculation of real 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. Listed shares and participations are valued on the basis of their share price on the closing date. Holdings in funds are valued at the fund unit value reported by the respective fund administrator on the closing date.

OTHER INFORMATION

Financial calendar:

Interim Report Q2, 2006
August 22, 2006

Interim Report Q3, 2006
October 23, 2006

Year-end Report for 2006
February 19, 2007

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

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

Stockholm, April 25, 2006

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Managing Director

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

HOLDINGS AS AT MARCH 31, 2006, MSEK

PORTFOLIO COMPANIES	THE GROUP		
	CARRYING VALUE	OWNER-SHIP, % ¹	MARKET CAP AT CARRYING VALUES
PRIVATE COMPANIES	bal. c/f		
BYTEK SYSTEMS AB	13.4	44.8	29.9
CONTINUUM GROUP LTD	13.2	12.3	107.3
DALLAS STHLM DDG AB	0.4	7.0	5.7
EXPLORICA, INC.	70.3	13.6	516.9
MYPUBLISHER, INC.	158.4	27.9	567.7
NETSURVEY BOLINDER AB	10.3	45.3	22.7
QBRANCH AB	117.9	24.0	491.3
STRAX HOLDINGS, INC.	133.0	19.5	682.0
OTHER	0.1	n/a	n/a
TOTAL PRIVATE COMPANIES	517.0		
PUBLIC COMPANIES			
NOVE CAPITAL FUND	307.6		
OTHER	6.6		
TOTAL PUBLIC COMPANIES	314.2		
TOTAL INVESTMENTS	831.2		

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

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; for the public portfolio companies, reference is made to each respective company's own release of information and published reports.

THE GROUP
INCOME STATEMENTS

(SEK THOUSANDS)

	2006 (3 months) Jan 1 – Mar 31	Pro forma 2005 (3 months) Jan 1 – Mar 31	2005 (12 months) Jan 1 – Dec 31
INVESTMENT ACTIVITY			
Changes in value	35 599	47 716	218 024
Dividends	594	-	30 147
Gross profit investment activity	36 193	47 716	248 171
Other activity			
Income from other activity	590	-	1 140
Gross profit other activity	590	-	1 140
Gross profit	36 783	47 716	249 311
Administrative expenses ¹	-4 287	-4 698	-32 191
Operating income	32 496	43 018	217 120
RESULT FROM FINANCIAL INVESTMENTS			
Net financial items	-331	1 570	4 076
Result after financial items	32 165	44 588	221 196
Current taxes	-162	-	-316
RESULT FOR THE PERIOD	32 003	44 588	220 880
Result per share (SEK)	0.86	1.20	5.94
Average number of shares during the period	37 187 973	37 187 973	37 187 973

¹ Depreciation for the period amounted to -45 (-61). The total depreciation relates to equipment pertaining to administration.

THE GROUP
KEY RATIOS

	2006 (3 months) Jan 1 – Mar 31	Pro forma 2005 (3 months) Jan 1 – Mar 31	2005 (12 months) Jan 1 – Dec 31
FINANCIAL KEY RATIOS			
Equity, MSEK	824.5	653.3	792.5
Equity/assets ratio, %	94.3	96.6	94.4
Cash flow after investments, MSEK	7.3	-31.3	-38.7
DATA PER SHARE			
Equity, SEK	22.17	17.57	21.31
Result, SEK	0.86	1.20	5.94
NUMBER OF SHARES ETC.			
Number of shares at the end of the period	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

THE GROUP
PERFORMANCE BY BUSINESS AREA

Jan 1 – Mar 31 (SEK Thousands)

	Private holdings		Public holdings		Joint		Total	
	2006	2005¹	2006	2005¹	2006	2005¹	2006	2005¹
Income from shares and participations								
Changes in value	23 709	35 068	11 890	12 313	-	335	35 599	47 716
Dividends	594	-	-	-	-	-	594	-
Income from other activity	-	-	-	-	590	-	590	-
Gross profit	24 303	35 068	11 890	12 313	590	335	36 783	47 716
Administrative expenses								
Personnel costs	-248	-422	-297	-521	-1 949	-1 931	-2 494	-2 847
Depreciation	-	-	-	-	-45	-61	-45	-61
Other costs	-	-	-	-	1 748	-1 763	-1 748	-1 763
	-248	-422	-297	-521	-3 742	-3 755	-4 287	-4 698
Operating profit/loss	24 055	34 646	11 593	11 792	-3 152	-3 420	32 496	43 018
Net financial income	-	-	-	-	-331	1 570	-331	1 570
Current taxes	-	-	-	-	-162	-	-162	-
Result for the period	24 055	34 646	11 593	11 792	-3 645	-1 850	32 003	44 588

¹ The development by business area for the Group referring to the period January 1 – March 31, 2005 refer to pro forma figures.

THE GROUP

BALANCE SHEETS (SEK THOUSANDS)	Pro forma		
	March 31, 2006	March 31, 2005	December 31, 2005
ASSETS			
FIXED ASSETS			
Equipment	1 364	1 431	1 414
Shares and participations	831 157	615 562	811 233
Total assets	832 521	616 993	812 647
CURRENT ASSETS			
Current receivables:			
Other receivables	21 247	32 789	22 228
Prepaid expenses and accrued income	2 296	3 538	1 689
	23 543	36 327	23 917
Cash and cash equivalents	17 748	22 464	2 693
Total current assets	41 291	58 791	26 610
TOTAL ASSETS	873 812	675 784	839 257
EQUITY AND LIABILITIES			
EQUITY	824 456	653 349	792 453
Current liabilities:			
Interest-bearing liabilities	37 690	-	29 903
Accounts payable	325	381	435
Other liabilities	8 185	16 555	2 727
Accrued expense and prepaid income	3 156	5 499	13 739
Total current liabilities	49 356	22 435	46 804
Total liabilities	49 356	22 435	46 804
TOTAL EQUITY AND LIABILITIES	873 812	675 784	839 257
Pledged assets	117 900	210 633	115 800
Contingent liabilities	None	None	None

THE GROUP

CHANGE IN EQUITY DURING THE PERIOD
(SEK THOUSANDS)

EQUITY B/F JAN 1, 2005 PRO FORMA	608 761
Result January 1 – March 31, 2005	44 588
Equity as at March 31, 2005 Pro forma	653 349
Dividend	-37 188
Result April 1 – December 31, 2005	176 292
Equity as at December 31, 2005	792 453
Result January 1 – March 31, 2006	32 003
EQUITY AS AT March 31, 2006	824 456

THE GROUP

	2006 (3 months) Jan 1 – Mar 31	Pro forma 2005 (3 months) Jan 1 – Mar 31
CONSOLIDATED STATEMENT OF CASH FLOWS (SEK THOUSANDS)		
OPERATING ACTIVITIES:		
Profit/loss before tax	32 165	44 588
Adjustment for non cash items	-35 554	-47 655
Taxes paid	-	-
Funds provided from operations prior to changes in working capital	-3 389	-3 067
Details of changes in working capital:		
Increase (-)/decrease (+) in current receivables	374	-6 563
Increase (+)/decrease (-) in current liabilities	-5 393	13 904
Cash flow from operations	-8 408	4 274
INVESTMENT ACTIVITIES		
Investments in tangible assets	-	-359
Investments in financial assets	-	-112 219
Proceeds from sale of financial assets	15 676	77 006
Cash flow from investment activities	15 676	-35 572
FINANCING ACTIVITIES		
Changes in interest-bearing liabilities	7 787	-24 851
Cash flow from financing activities	7 787	-24 851
Cash flow for the period	15 055	-56 149
Cash and cash equivalents at the beginning of the period	2 693	78 613
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	17 748	22 464