

NOVESTRA

INTERIM REPORT NO. 1 FOR THE FINANCIAL YEAR 2007 REFERRING TO THE PERIOD JANUARY 1 – MARCH 31, 2007

STRONG MARKET CONDITIONS AND LARGE INTEREST FOR THE PORTFOLIO COMPANIES

- The Group's net income amounted to MSEK 14.8 (32.0), corresponding to SEK 0.40 (0.86) per share. Equity amounted to MSEK 618.7 (824.5), amounting to SEK 16.64 (22.17) per share. Cash and cash equivalents, including the remaining proceeds from Nove Capital Fund, amounted to MSEK 266.4 (325.3).
- The four largest private holdings showed continued growth in revenues of between 15% and 50%.
- During the period Novestra received an additional dividend from Continuum of Akamai shares to the value of MSEK 8.4
- The entire holding in Nove Capital Fund has been redeemed for MSEK 300.8, of which a third was paid out in February and the remaining balance in April. The investment gave a return amounting to MSEK 111.6, or, an appreciation in value of 59% since inception in May 2005.
- The Board of Directors are to propose to the Annual Shareholders Meeting to be held on April 24, 2007, a distribution of SEK 5.00 per share to the shareholders through a redemption procedure whereby each share will be split into two shares, and one share will be redeemed for SEK 5.00.
- A decision regarding Diino has been made due to the positive development in the company. Novestra intends to either distribute the ownership to the shareholders in connection with a listing of the company, or to increase its ownership and consolidate Diino.

"The strong economy is noticeable through strong market conditions for the portfolio companies at the same time the interest for the companies from external investors has increased. We have held discussions in a couple of the portfolio companies regarding strategic opportunities since the beginning of the year, and we have also held discussions with investors who are interested in the entire portfolio" says Novestra's Managing Director Johan Heijbel.

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 2007, 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. Explorica is expected to grow by approximately 30 percent, and reach sales of approximately MUSD 72 with a significant improvement in results during the current financial year which ends in August. The company expects continued growth in sales during 2007/2008.

MyPublisher's sales from production under its own brand increased by approximately 50 percent during the period and by 56 percent during the month of March. For 2007, the company expects growth in revenues of at least 40 percent, with a positive result for the year. The company launched a new product in its collection during April.

Qbranch showed continued growth in revenues and results during the period compared to last year. Sales for the period amounted to approximately MSEK 81, corresponding to a growth in sales of approximately 18 percent, with maintained high margins. For the year 2007 the company expects a slightly higher growth in sales compared to last year.

Strax has during the quarter experienced some negative effects in one of the business areas, but it continues to strengthen its position in the accessories business. Despite the disturbances, the company expects both growth in sales and improved results during 2007.

Diino has during the quarter had a positive increase in the number of new users, and the company estimates to exceed 100,000 users during the month of May, which is double the number as at the end of the year. The web based service has received very positive reviews in the international media. Novestra plans to either distribute its ownership in Diino to the shareholders in connection with a listing of the company, or to increase its ownership and consolidate Diino. The decision regarding the alternatives will be decided upon within the next few months.

Netsurvey showed a growth in sales of approximately 7 percent during the period and showed a significant improvement in results compared to the same period last year.

Continuum's liquidation is expected to be completed during 2007. Novestra received an additional dividend of shares in Akamai to the value of MSEK 8.4 during the period.

Value adjustments

As a result of the dividend of MSEK 8.4 from Continuum during the period, an adjustment in the reported value was made for the same amount. In addition, currency effects have had a small positive impact on reported values. The net effect of the value adjustment for the remaining operations amount to -2 723 (24 513).

Nove Capital Fund

On May 2, 2005, operations in Nove Capital Fund were initiated, where Novestra invested MSEK 189.2. The entire holding was redeemed during the first quarter of 2007 for MSEK 300.8, corresponding to a return amounting to MSEK 111.6, or, an appreciation in value of 59% since inception in May 2005. Approximately one third of the amount was paid out in February 2007, with the remaining amount paid out in April 2007.

RESULT AND FINANCIAL POSITION JANUARY 1 – MARCH 31, 2007

The Group

The Group's net income for the period amounted to 14 818 (32 003). The result included gross profit from investment activities amounting to 5 721 (36 193), gross profit from other activities of 500 (590), administration expenses of -3 251 (-4 287) and net financial items of 1 640 (-331). Result from discontinued operations amounted to 10 348 (11 086). As at March 31, 2007, total assets amounted to 699 786 (873 812), of which equity was 618 672 (824 456), corresponding to an equity/assets ratio of 88.4 (94.3) percent. Current liabilities to credit institutions amounted to 75 000 (37 690). The Group's cash and cash equivalents, including the remaining proceeds from Nove Capital Fund, amounted to 266 429 (325 339). In addition, the Group has an unutilized credit facility amounting to 75 000 (87 310).

Investments

During the period, investments in tangible fixed assets amounted to 29.5 (-) and investments in financial assets amounted to 8 611 (-).

Distribution

The Board of Directors has decided to propose to the Annual General Meeting to be held on April 24, 2007 that approximately MSEK 185.9, corresponding to a distribution of SEK 5.00 per share is to be paid out through the issue of a redemption share, whereby each share will be split into two shares, of which one will be redeemed for SEK 5.00.

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 are to a certain degree largely dependent on the development of the individual companies and also the industrial players' appetite in growth companies.

Discussions concerning strategic alternatives and possibilities to create liquidity are being held in all portfolio companies. Novestra is actively involved in discussions and supports the processes but does not alone control the timing of, or the execution of any exits or listings.

The markets' interest in small growth companies is currently relatively positive. The prospects for 2007 are good, provided that the portfolio companies can reach the growth and profitability goals they have for 2007, enabling us to regain the positive development in value in the portfolios.

It is foremost the development in MyPublisher, Strax and Explorica that will determine the values that Novestra will receive as a result of a divestment. These companies previously have had a strong growth which weakened slightly during 2006.

The Board of Directors is currently evaluating strategic alternatives that would be significant for Novestra's development in value as a whole. Furthermore, the Board of Directors aim for additional one time dividends in connection with divestment of the portfolio companies.

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. This interim report has been prepared in accordance with IAS 34 Interim Reporting and RR31 Interim Reporting for Groups. Discontinued operations are accounted for in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations.

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, 2007
August 21, 2007

Interim Report Q3, 2007
October 22, 2007

Year-end Report for 2007
February 18, 2008

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 24, 2007

The Board of Directors

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Company information:

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

HOLDINGS AS AT MARCH 31, 2007, MSEK

PORTFOLIO COMPANIES	THE GROUP		
	CARRYING VALUE bal. c/f	OWNER- SHIP, % ¹	MARKET CAP AT CARRYING VALUES²
PRIVATE COMPANIES			
DIINO AB ³	20.1	44.8	44.6
CONTINUUM GROUP LTD	4.1	12.3	33.3
EXPLORICA, INC. ⁴	55.3	13.5	430.0
MYPUBLISHER, INC.	110.7	27.9	430.7
NETSURVEY BOLINDER AB	8.4	45.3	18.7
QBRANCH AB	119.8	23.5	510.3
STRAX HOLDINGS, INC.	59.3	19.5	355.7
OTHER	0.5	n/a	n/a
TOTAL PRIVATE COMPANIES	378.2		
PUBLIC COMPANIES			
NOVE CAPITAL FUND ⁵	197.6		
OTHER	4.0		
TOTAL PUBLIC COMPANIES	201.6		
TOTAL INVESTMENTS	579.8		

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

² Calculated market value for the entire company after dilution.

³ Ownership in Diino after conversion amounts to approximately 65%.

⁴ If all outstanding options in Explorica are utilized, Novestra's ownership amounts to approximately 14.3%.

⁵ The holding in Nove Capital Fund is accounted for as Assets held for sale in the balance sheet. The holding was redeemed as at March 31, 2007, and the proceeds were paid out in April, 2007.

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)

	2007 (3 months) Jan 1 – Mar 31	2006 (3 months) Jan 1 – Mar 31	2006 (12 months) Jan 1 – Dec 31
INVESTMENT ACTIVITY			
Changes in value	-2 723	24 513	-113 780
Dividends	8 444	594	23 981
Gross profit investment activity	5 721	25 107	-89 799
Other activity			
Income from other activity	500	590	6 614
Gross profit other activity	500	590	6 614
Gross profit	6 221	25 697	-83 185
Administrative expenses ¹	-3 251	-4 287	-16 939
Operating income	2 970	21 410	-100 124
RESULT FROM FINANCIAL INVESTMENTS			
Net financial items	1 640	-331	-6 222
Result after financial items	4 610	21 079	-106 346
Current taxes	-140	-162	-1 849
Result for the period from remaining operations	4 470	20 917	-108 195
Result from Discontinued operations ²	10 348	11 086	-6 027
Result for the period including discontinued operations	14 818	32 003	-114 222
Result per share from remaining operations, SEK	0.12	0.56	-2.91
Result per share including discontinued operations, SEK	0.40	0.86	-3.07
Average number of shares during the period	37 187 973	37 187 973	37 187 973

¹ Depreciation for the period amounted to -41 (-45). The total depreciation relates to equipment pertaining to administration.

² Discontinued operations refer to the previously named business area Public holdings. AB Novestra has requested redemption of 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

	2007 (3 months) Jan 1 – Mar 31	2006 (3 months) Jan 1 – Mar 31	2006 (12 months) Jan 1 – Dec 31
FINANCIAL KEY RATIOS			
Equity, MSEK	618.7	824.5	603.9
Equity/assets ratio, %	88.4	94.3	83.4
Cash flow after investments, MSEK	104.9	7.3	-9.6
DATA PER SHARE			
Equity, SEK	16.64	22.17	16.24
Result including Discontinued operations, SEK	0.40	0.86	-3.07
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)	Discontinued operations ²		Private holdings		Joint		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
Income from shares and participations								
Changes in value	10 348	11 086	-3 490	23 709	767	804	7 625	35 599
Dividends	-	-	8 444	594	-	-	8 444	594
Income from other activity	-	-	-	-	500	590	500	590
Gross profit	10 348	11 086	4 954	24 303	1 267	1 394	16 569	36 783
Administrative expenses								
Personnel costs	-	-	-248	-248	-1 584	-2 246	-1 832	-2 494
Depreciation	-	-	-	-	-41	-45	-41	-45
Other costs	-	-	-	-	-1 378	-1 748	-1 378	-1 748
	-	-	-248	-248	-3 003	-4 039	-3 251	-4 287
Operating profit/loss	10 348	11 086	4 706	24 055	-1 736	-2 645	13 318	32 496
Net financial income	-	-	-	-	1 640	-331	1 640	-331
Current taxes	-	-	-	-	-140	-162	-140	-162
Result for the period	10 348	11 086	4 706	24 055	-236	-3 138	14 818	32 003

THE GROUP

BALANCE SHEETS (SEK THOUSANDS)	31 Mar 2007	31 Mar 2006	31 Dec 2006
ASSETS			
FIXED ASSETS			
Equipment	1 359	1 364	1 371
Shares and participations	382 206	831 157	385 697
Total assets	383 565	832 521	387 068
CURRENT ASSETS			
Current receivables:			
Other receivables	40 626	21 247	35 446
Prepaid expenses and accrued income	9 167	2 296	8 280
	49 793	23 543	43 726
Cash and cash equivalents	68 799	17 748	2 924
Assets held for sale ³	197 630	-	290 478
Total current assets	316 222	41 291	337 128
TOTAL ASSETS	699 787	873 812	724 196
EQUITY AND LIABILITIES			
EQUITY	618 674	824 456	603 856
Current liabilities:			
Interest-bearing liabilities	75 000	37 690	114 080
Accounts payable	664	325	306
Other liabilities	2 764	8 185	2 555
Accrued expense and prepaid income	2 685	3 156	3 399
Total current liabilities	81 113	49 356	120 340
Total liabilities	81 113	49 356	120 340
TOTAL EQUITY AND LIABILITIES	699 787	873 812	724 196
Pledged assets	321 515	117 900	410 278
Contingent liabilities	None	None	None

THE GROUP

CHANGE IN EQUITY DURING THE PERIOD
(SEK THOUSANDS)

EQUITY B/F JAN 1, 2006	792 454
Result January 1 – March 31, 2006	32 003
Equity as at March 31, 2006	824 456
Dividend	-74 376
Result April 1 – December 31, 2006	-146 225
Equity as at December 31, 2006	603 856
Result January 1 – March 31, 2007	14 818
EQUITY AS AT March 31, 2007	618 674

³ Assets held for sale refer to the holding in Nove Capital Fund, which is accounted for as Discontinued operations in the income statements. The holding in Nove Capital Fund, as at March 31, 2006, was accounted for as fixed assets within the post shares and participations.

THE GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS (SEK THOUSANDS)	2007 (3 months) Jan 1 – Mar 31	2006 (3 months) Jan 1 – Mar 31	2006 (12 months) Jan 1 – Dec 31
OPERATING ACTIVITIES:			
Profit/loss before tax for the period	4 610	21 079	-106 346
Result from Discontinued operations for the period	10 348	11 086	-6 027
Adjustment for non cash items	-16 049	-35 554	107 538
Taxes paid	-	-	-
Funds provided from operations prior to changes in working capital	-1 091	-3 389	-4 835
Details of changes in working capital:			
Increase (-)/decrease (+) in current receivables	-6 066	374	-19 807
Increase (+)/decrease (-) in current liabilities	-287	-5 393	-12 488
Cash flow from operations	-7 444	-8 408	-37 130
INVESTMENT ACTIVITIES			
Investments in tangible assets	-29	-	-174
Investments in financial assets	-167	-	-1 376
Proceeds from sale of financial assets	112 577	15 676	29 110
Cash flow from investment activities	112 381	15 676	27 560
FINANCING ACTIVITIES			
Dividend	-	-	-74 376
Changes in interest-bearing liabilities	-39 080	7 787	84 177
Cash flow from financing activities	-39 080	7 787	9 801
Cash flow for the period	65 857	15 055	231
Cash and cash equivalents at the beginning of the period	2 924	2 693	2 693
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	68 781	17 748	2 924
Cash flow from Discontinued operations			
Cash flow from operations	-	-	-
Cash flow from Investment activities	103 196	-	-
Cash flow from Financing activities	-	-	-
Cash flow from Discontinued operations	103 196	-	-

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.

The Novestra shares are listed on the OMX Nordic Exchange Stockholm. For further information regarding AB Novestra, reference is made to www.novestra.com