



SVOLDER

INTERIM REPORT 2008/2009

Current reporting period: 1st September 2008–30th November 2008 (3 months)

RESULT FOR THE CURRENT REPORTING PERIOD (3 MONTHS)

The company posted a result for the period (3 months) of SEK **-346.2** million (SEK -176.4 m), corresponding to SEK **-27.00** (SEK -13.80) per share.

The net worth fell by **37.5%**, adjusted for dividends, to SEK **41.10** per share.

The listed price of the class B share fell by **29.9%**, adjusted for dividends, to SEK **37.90** per share.

The CSRX small cap index and the Stockholm Stock Exchange's broad SIXRX index fell by **35.6%** and **29.4%**, respectively.

The closing discount on net worth was **7.7%**.

A dividend of SEK **51.2** million, corresponding to SEK **4.00** per share, was paid during the period.

The net worth on 12th December was SEK **39** and the listed price was SEK **32**.

Major contributors to the net worth (3 months)

Positive:

No holdings

Major changes in the equities portfolio (3 months)

Bought:

Elekta

Negative:

Beijer Alma, Beijer Electronics and Saab

Sold:

Getinge and HiQ

Svolder is a dedicated investment trust that invests in the shares of listed small and medium-sized Swedish companies.

The company is listed on NASDAQ OMX Stockholm AB. Svolder's net worth is published weekly and appears on the company's website, www.svolder.se.

» Meeting dividend policy objectives during a recession generates credibility with long-term investors.»



THE MANAGING DIRECTOR'S COMMENTS

Dear shareholder,

The 2008/2009 financial year has begun very badly. The problems that arose in the American housing loan market in the summer of 2007 have now spread throughout the world's financial markets and recent months have seen an increasingly negative effect on global economic growth. Leading economic indicators and corporate and household expectations have fallen to historically very low levels and several western countries are now being forced to admit that their economies are shrinking, i.e. that they are in the midst of a recession.

Stock markets, which have been hit hard by the financial turbulence, have been hit again by the rapid economic decline.

Svolder's equities portfolio, which substantially outperformed the Swedish stock market earlier in 2008, reported a fall in value that was pretty much in line with that reported by the Swedish small cap market during the three-month period. The net worth, adjusted for the dividend of SEK 4 per share paid and including borrowing and management costs, fell by a massive 38 per cent.

In a media-saturated world, it is all too easy to get carried away by strongly positive or negative trends. Current perceptions of the industrial climate, consumption, unemployment levels and the value of various assets, are primarily negative. The global economy is also facing very substantial challenges and there is every reason to be concerned about the future. But taking a step back, thinking long and hard about the underlying values present in the capital markets, and attempting to see threats and opportunities from a more overall and longer-term perspective is also a very sensible thing to do.

The most overriding threats are posed by the sharp slowdown in economies all over the world, the effects of various forms of credit crunch, and the ongoing problems

in the financial sectors. This subject is being covered on a daily basis in a wide range of media, so let me confine myself to saying simply that a poorly functioning credit market, in particular, imposes a heavy burden on companies' and households' ability to handle their regular outgoings and on their financial preparedness for the future.

The world's central banks and political leaders are, however, not sitting idly by. Many of the recent efforts to alleviate the situation have been characterised to an impressive degree by cooperation and mutual understanding. This is in marked contrast to a number of previous deep recessions, when there has often been a desire to unilaterally support national interests at the expense of valuable international trade. This time, however, the central banks have elected to pursue a more expansive monetary policy than has historically been the case and falling interest rates make equity valuations attractive.

Falling raw material prices benefit the manufacturing industry and are a clear signal that the previously high rates of inflation have now passed their peak. The rapid fall in metal and oil prices is, however, resulting in the industry making extensive use of its stockpiles in order to adjust to the new pricing levels. Production and order books, already suffering from weak demand, will be negatively affected to an even greater degree as long as this situation continues.

Sweden is heavily dependent on the outside world. Historically speaking, the Swedish export industry has usually been assisted in a recessionary climate by a markedly weakened currency. The last quarter has seen the krona fall against the euro by just under 10 per cent, and the euro has, in turn, fallen by ca. 15 per cent against the US dollar. This increases the competitiveness of export companies, while simultaneously making imports more expensive and

undermining Swedish prosperity, from an international perspective.

Falling house and share prices, coupled with increased layoffs and higher levels of unemployment are having a negative effect on consumption, but it should be noted that lower housing loan costs, further tax cuts, falling inflation, and wage increases will, the above factors notwithstanding, mean pay increases in real terms in 2009.

Many Swedish companies are financially well consolidated and have stable cash flows. Svolder's portfolio largely comprises this type of company – something that

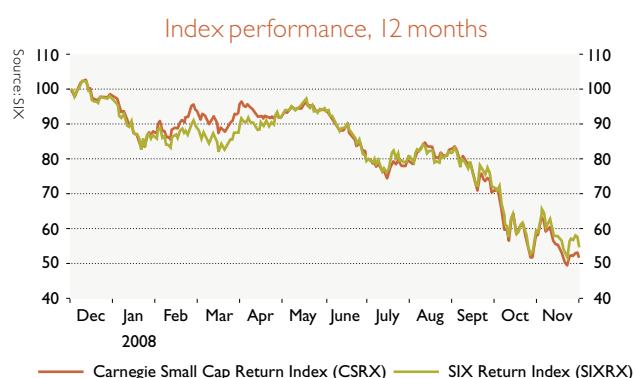
could prove very important in a time characterised by falling profitability and difficult financing. At the same time, the potential exists for continued well-balanced dividend payments from the viewpoint of a long-term dividend policy. Meeting dividend policy objectives during a recession generates credibility with long-term investors.

Yours faithfully

ULF HEDLUNDH
Managing Director

MARKET COMMENTARY

The global stock markets performed very badly at the start of the 2008/2009 financial year. Concerns about the rapid slowdown in global growth in the wake of the financial market crises have led to falling share prices, increasing risk premiums, and reduced liquidity. Demand for low risk gilts has, at the same time, continued high and the Swedish krona has weakened. History shows that the Swedish equities market is particularly vulnerable and the weak krona has, to date, failed to compensate for this. During the current reporting period, the value of Morgan Stanley's global index, measured in USD, fell by 33.4 per cent, and it was apparent by the end of the three-month period that small and medium-sized listed Swedish companies had also been outperformed by equivalent larger companies. The Swedish stock market fell by a massive 29.4 per cent (SIXRX), but this figure was still ca. 6 percentage points better than that reported by the small cap market index, measured as CSRX.



The market's underlying expectation scenario includes substantial falls in profits on the part of listed companies and high risk premiums. Equities markets have experienced significant selling pressure as investors' need to strengthen their own liquidity has increased, resulting in steep price falls. Investors' behaviour has also been characterised by deficient liquidity in equities, unidentifiable risks, and substantial elements of anxiety and uncertainty.

SHARE PRICE TRENDS

The closing price paid for Svolder's class B share was SEK 37.90, corresponding to a fall during the current reporting period of 29.9 per cent, adjusted for dividends. The share's value on the closing day represented a discount of 7.7 per cent on its net worth. The class B share was traded on all of the trading days during the period, with an average of approximately 15,000 shares traded on each day of trading.

Trading in Svolder's class A share was limited. Under the terms of Svolder's Articles of Association, class A shareholders wishing to convert class A shares into class B shares may do so by application to the Board of Svolder

Total return, per cent

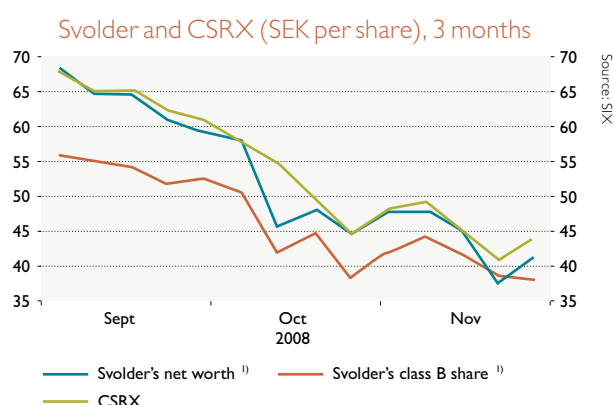
	3 months 1st Sept 08– 30th Nov 08	Rullande 12 months 1st Dec 07– 30th Nov 08	12 months 1st Sept 07– 31st Aug 08
Share price (class B) ¹⁾	-29.9	-33.8	-16.1
Net worth ¹⁾	-37.5	-36.8	-14.0
CSRX ²⁾	-35.6	-46.9	-25.0
SIXRX ²⁾	-29.4	-42.4	-25.4

¹⁾ Svolder – including dividend paid during the period, not reinvested.

²⁾ Index – including reinvested dividends.

CHANGE IN NET WORTH

Svolder's closing net worth was SEK 41.10 per share, which represents a decrease during the current reporting period of 37.5 per cent, including the dividend paid to shareholders. This figure is down by just under 2 per cent on that of the small cap index. The negative difference is due to the weak performance by several of the portfolio's shares in the capital goods sector and construction industry in an already weak equities market, and to the fact that the equities portfolio is leveraged, causing the financial risk level to rise, reinforcing upswings and downturns, alike.



¹⁾ The dividend paid by Svolder (SEK 4.00 per share) reduced the net worth shown in the graph above and the stock market price up until the dividend payment date in November.

Svolder's equities portfolio is not an index portfolio: investment decisions are, instead, based on the valuation of the individual shares. A certain strategic focus on individual sectors based on macroeconomic factors complements the share evaluation. The portfolio's results in relation to benchmark indices can, therefore, differ substantially between different accounting periods.

Net worth trend 1st September–30th November 2008 (3 months)

	SEK million	SEK/share
Net worth, 31st August 2008	922.9	72.10
The equities portfolio		
Opening value	963.1	75.20
Purchase of shares	56.9	
Sale of shares	-109.5	
Change in value, equities portfolio	-342.0	-394.6
Closing value	568.5	44.40
Net debt		
Opening value	-40.2	-3.10
Dividend received	0.4	
Equities portfolio derivatives	-0.2	
Dividend paid	-51.2	
Administrative costs	-3.8	
Net financial items	-0.6	
Sale of shares, net	52.6	-2.8
Closing value	-43.0	-3.40
Net worth, 30th November 2008	525.5	41.10

Beijer Alma and Beijer Electronics had the biggest impact on the net worth, primarily as a result of the holdings playing such a dominant role in Svolder's portfolio and the fact that this means that even minor percentage changes in the share prices have a greater absolute effect on the net worth.

Beijer Alma's share price has substantially outperformed the CSRX during the current reporting period, due, in part, to the company posting yet another strong Interim Report for Q3. The results posted were the best ever for a third quarter and the Balance Sheet continued strong, with a low net debt.

The share price for **Beijer Electronics** fell, in common with that of other capital goods sector companies, due to concerns about an impending deterioration in the industrial climate in the Nordic region and Europe. At the same time, however, the Group posted a marked increase in both turnover and results in its Q3 report.

The defence industry group, **Saab**, was the weakest performing share in Svolder's equities portfolio during the current reporting period. This was due to, among other things, a profit warning for 2008, followed by a weak Q3 report. The Norwegian Government also announced that it will not be buying the Gripen fighter.

Biggest contributors to changes in net worth 1st September–30th November 2008 (3 months)

(Based on net worth of SEK 922.9 million or SEK 72.10/share on 31st August 2008)

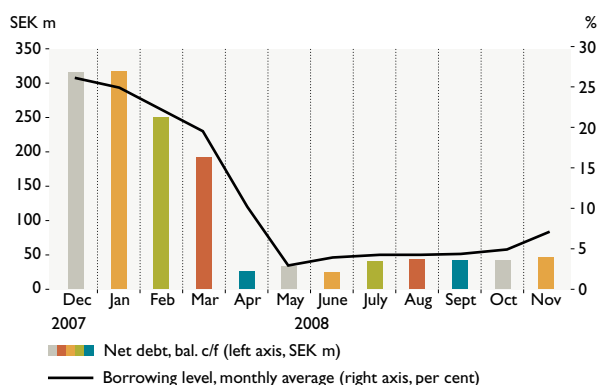
	SEK million	SEK/share
Beijer Alma	-55.9	-4.40
Beijer Electronics	-41.7	-3.30
Saab	-40.1	-3.10
Nolato	-34.2	-2.70
Trelleborg	-27.9	-2.20
Acando	-24.3	-1.90
Peab	-20.6	-1.60
Peab Industri	-13.8	-1.10
Elektta	-13.3	-1.00
XANO	-13.2	-1.00
Total, ten negative	-285.0	-22.30
Other shares	-56.9	-4.40
Shares, total	-341.9	-26.70
Other	-4.3	-0.30
Change in value before dividend	-346.2	-27.00

BORROWING

The net debt, which also includes the share trading's unliquidated transactions etc., totalled SEK 43.0 million on the closing day, corresponding to 8.2 per cent of the company's net worth and 7.6 per cent of the equities portfolio.

Svolder's net worth trend is primarily determined by the equities portfolio's results. The portfolio's performance can be compared with that of a benchmark index, such as CSRX or SIXRX, but can also be assessed on the basis of long-term absolute required returns. Borrowing strengthens the result, because the value of the equities portfolio then exceeds that of the net worth. This leverage effect, as it is known, can be both positive and negative. It is estimated that borrowing against the equities portfolio during the current reporting period had a negative effect of ca SEK 17 million on the net worth, corresponding to approximately -2 percentage points of the change in value for the period.

Net debt and borrowing level (12 months)



THE EQUITIES PORTFOLIO

Shares were acquired for SEK 56.9 million (gross) and sold for SEK 109.5 million (gross) during the current reporting period, and the net sales hence totalled SEK 52.6 million. Sales have been made across the majority of the holdings in an effort to reduce borrowing in conjunction with the Annual General Meeting's dividend resolution. On the closing day, the portfolio thus comprised 16 holdings.

Major net purchases for the equities portfolio
1st September–30th November 2008 (3 months)

Share	Number	SEK m	SEK/share ¹⁾
Elekta	151 000	14.5	93.90

¹⁾ The purchase price per share is arrived at on the basis of the aggregate purchase price for all shares of the same class acquired during the period.

All of the portfolio's shares in Getinge were sold during the current reporting period. The sale was motivated by the company's relatively high debt level, the share's low dividend yield, and reduced portfolio borrowing. The share is also no longer part of the small and medium-sized companies group. Some of the proceeds of the sale were reinvested in Elekta. The company is a massive exchange rate

winner, in that a substantial percentage of the company's revenues are generated in US dollars.

The value of the holding in the IT consultancy company, HiQ, has almost halved during the current reporting period, after a strong relative price trend.

Major net sales from the equities portfolio
1st September–30th November 2008 (3 months)

Share	Number	SEK m	SEK/share ¹⁾
Getinge	298 800	36.8	123.30
HiQ	707 000	18.7	26.50

¹⁾ The sales proceeds per share are arrived at on the basis of the aggregate sales proceeds for all shares of the same class sold during the period.

THE PARENT COMPANY

The result for the Group and the Parent Company correspond in full. The Parent Company and the Group have an overdraft facility totalling SEK 450 million.

RISKS AND UNCERTAINTY FACTORS

The identified risks and uncertainty factors for the Group and the Parent Company are presented on page 44 and in Note 18 on page 56 of the 2007/2008 Annual Report. The market risk and, in particular, the equities portfolio's price risk, are adjudged to be the most significant of the risks listed there. No significant changes are adjudged to have occurred since then.

EVENTS AFTER THE REPORTING PERIOD

Svolder has accepted the bid for Peab Industri. On 9th December, Peab announced that the company will proceed with its offer to the Peab Industri shareholders. The net worth on 12th December was SEK 39 per share and the share price was SEK 32. The borrowing level at that time was 6 per cent.

FINANCIAL CALENDAR

The reports for the period from 1st September 2008 to 28th February 2009 (6 months) and for the current reporting period from 1st December 2008 to 28th February 2009 (3 months) will be published on 19th March 2009.

STOCKHOLM 18TH DECEMBER 2008
SVOLDER AB (publ)

The Board of Directors

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*This Interim Report has not been subject to
specific examination by the company's auditors.*

THE EQUITIES PORTFOLIO, 30TH NOVEMBER 2008

Sector/share	No. of shares	Price (SEK) ¹⁾	Market value (SEK m)	% of net worth	Total net worth, %	Sector weighting in CSX, %	Acc. change in value, %	Gross exposure (SEK) ²⁾
Energy & utilities				-	2.7	-		
Materials					-	6.3	-	
Capital goods					45.0	17.6	-19.5	
Beijer Alma	2 762 100	59.50	164.3	31.3				12.80
Saab	378 554	55.50	21.0	4.0				1.60
XANO	314 801	47.50	15.0	2.8				1.20
Trelleborg	310 000	43.70	13.5	2.6				1.10
Peab Industri	480 000	24.40	11.7	2.2				0.90
Peab	605 000	18.00	10.9	2.1				0.90
Commercial services					4.9	3.8	-1.3	
Niscayah	2 960 524	7.90	23.4	4.5				1.80
Movement, inc. conv. loans	91 684 026	0.03	2.6	0.5				0.20
Transport					-	2.2	-	
Consumer discretionary and services					7.1	24.2	-2.1	
Rezidor	1 211 500	17.70	21.4	4.1				1.70
Unibet	150 183	106.75	16.0	3.1				1.30
Healthcare					6.3	8.5	-2.2	
Elekta	384 000	85.75	32.9	6.3				2.60
Financials and real estate					-	29.5	-	
Software and services					16.9	2.3	-3.2	
Acando ³⁾	7 216 278	9.95	71.8	13.7				5.60
HiQ	750 000	23.00	17.3	3.3				1.30
Technology hardware and equipment					27.9	2.9	-8.8	
Beijer Electronics	744 600	91.00	67.8	12.9				5.30
Nolato	1 349 187	33.70	45.5	8.7				3.60
Axis	470 000	71.00	33.4	6.4				2.60
Telecom operators					-	0.1	-	
Equities portfolio			568.5	108.2	108.2	-	-37.0	44.40
Net debt⁴⁾			-43.0	-8.2	-8.2	-	-0.1	-3.40
Total/net worth			525.5	100	100	100	-37.1	41.10
Change in value after management costs, 3 months (excl. dividend paid)							-37.5	

¹⁾ Bid price

²⁾ Market value per Svolder share.

³⁾ Of which 500,000 class A shares.

⁴⁾ Of which debts in equity derivatives, SEK 0.5 million.

The following information can, for example, be obtained from the table. Svolder's largest holding is Beijer Alma, which has a market value of SEK 164.3 million, corresponding to 31.3 per cent of the net worth. Beijer Alma is a company in the Capital goods sector, which, including other companies in the sector, accounts for 45.0 per cent of Svolder's net worth. The corresponding weighting for the Capital goods sector in CSX totals 17.6 per cent, and the portfolio is hence overweighted in terms of companies in the Capital goods sector in relation to CSX. Shares in this sector have accounted for -19.5 percentage points of the change in Svolder's net worth to date during the 2008/2009 financial year.

CONSOLIDATED INCOME STATEMENT

(SEK m)	3 months 1/9/2008– 30/11/2008	3 months 1/9/2007– 30/11/2007	Rolling 12 months 1/12/2007– 30/11/2008	12 months 1/9/2007– 31/8/2008
Management operations				
Dividend income	0.4	0.1	39.0	38.7
Administrative costs	–3.8	–3.6	–14.6	–14.3
Earnings from securities	–342.3	–170.2	–354.5	–182.4
Operating profit	–345.7	–173.6	–330.1	–158.1
Profit on financial investments				
Financial income	0.0	0.0	0.0	0.0
Financial expenses	–0.6	–2.8	–6.3	–8.5
Result after financial items	–346.2	–176.4	–336.3	–166.5
Tax	-	-	-	-
Profit for the period	–346.2	–176.4	–336.3	–166.5
Earnings per share, SEK	–27.00	–13.80	–26.30	–13.00

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	3 months 1/9/2008– 30/11/2008	3 months 1/9/2007– 30/11/2007	Rolling 12 months 1/12/2007– 30/11/2008	12 months 1/9/2007– 31/8/2008
Cash flow from current operations				
before changes in working capital	–4.5	–7.3	15.2	12.4
Changes in working capital				
Increase (+)/decrease (–) in current liabilities	0.6	0.6	–0.1	–0.1
Cash flow from current operations	–4.0	–6.8	15.1	12.3
Investment operations				
Purchase of securities	–57.3	–144.2	–230.8	–317.7
Sale of securities	103.0	194.1	549.3	640.4
Investment in machinery and equipment	0.0	0.0	–0.1	0.0
Cash flow from investment operations	45.7	49.9	318.5	322.6
Financial operations				
Loans raised (+)/ amortised (–)	9.5	59.3	–282.4	–232.6
Dividend paid	–51.2	–102.4	–51.2	–102.4
Cash flow from financial operations	–41.7	–43.1	–333.6	–335.0
Increase (+)/decrease (–) in liquid assets	-	-	-	-
Liquid assets at beginning of period	-	-	-	-
Liquid assets at end of period	0.0	0.0	0.0	0.0

CONSOLIDATED KEY RATIOS PER SHARE

(SEK m)	3 months 1/9/2008– 30/11/2008	3 months 1/9/2007– 30/11/2007	Rolling 12 months 1/12/2007– 30/11/2008	12 months 1/9/2007– 31/8/2008
Change in net worth, SEK	–31.00	–21.80	–30.30	–21.00
Dividend paid during the period, SEK	4.00	8.00	4.00	8.00
Number of shares, million	12.8	12.8	12.8	12.8

Amounts per share have been rounded off to the nearest whole ten öre throughout the Interim Report, except for share prices. The company has no ongoing programme of financial instruments that entail any dilution in the number of shares.

CONSOLIDATED BALANCE SHEET

ASSETS

(MSEK)	30/11/2008	30/11/2007	31/8/2008	31/8/2007
Fixed assets				
<i>Tangible fixed assets</i>				
Equipment	0.3	0.3	0.2	0.3
<i>Financial fixed assets</i>				
Securities holdings	568.5	1 230.6	963.1	1 488.6
Current assets				
Current receivables	7.3	20.6	0.8	0.1
Cash and bank balances	-	-	-	-
Total assets	576.1	1 251.5	964.1	1 489.0

SHAREHOLDERS' EQUITY AND LIABILITIES

Shareholders' equity	525.5	913.0	922.9	1 191.8
Liabilities				
Current liability to credit institution	46.8	329.2	37.3	269.9
Current liabilities	3.8	9.2	3.9	27.3
Total liabilities and shareholders' equity	576.1	1 251.5	964.1	1 489.0

CHANGES IN SHAREHOLDERS' EQUITY

(SEK m)	3 months 1/9/2008– 30/11/2008	3 months 1/9/2007– 30/11/2007	12 months 1/9/2007– 31/8/2008
Opening balance	922.9	1 191.8	1 191.8
Dividend paid	-51.2	-102.4	-102.4
Result for the period	-346.2	-176.4	-166.5
Closing balance	525.5	913.0	922.9

CONSOLIDATED KEY RATIOS PER SHARE

	30/11/2008	30/11/2007	31/8/2008	31/8 2007
Net worth per share, SEK	41.10	71.30	72.10	93.10
Market price ("B"), SEK	37.90	63.25	59.75	80.75
Net worth, premium (+)/discount (-), %	-8	-11	-17	-13
Liquidity (+)/Borrowing (-), %	-8	-34	-4	-24
Equity/assets ratio, %	91	74	96	81
Number of shares, million	12.8	12.8	12.8	12.8

Definitions as in the Annual Report for 2007/2008. Amounts per share have been rounded off to the nearest whole ten öre throughout the Interim Report, except for share prices. The company has no ongoing programme of financial instruments that entail any dilution in the number of shares.

ACCOUNTING PRINCIPLES

This Interim Report has been prepared in accordance with IFRS (International Financial Reporting Standards) and in accordance with IAS 34, Interim Reporting. The same accounting principles and bases for assessment have been used as in the most recent Annual Report.

