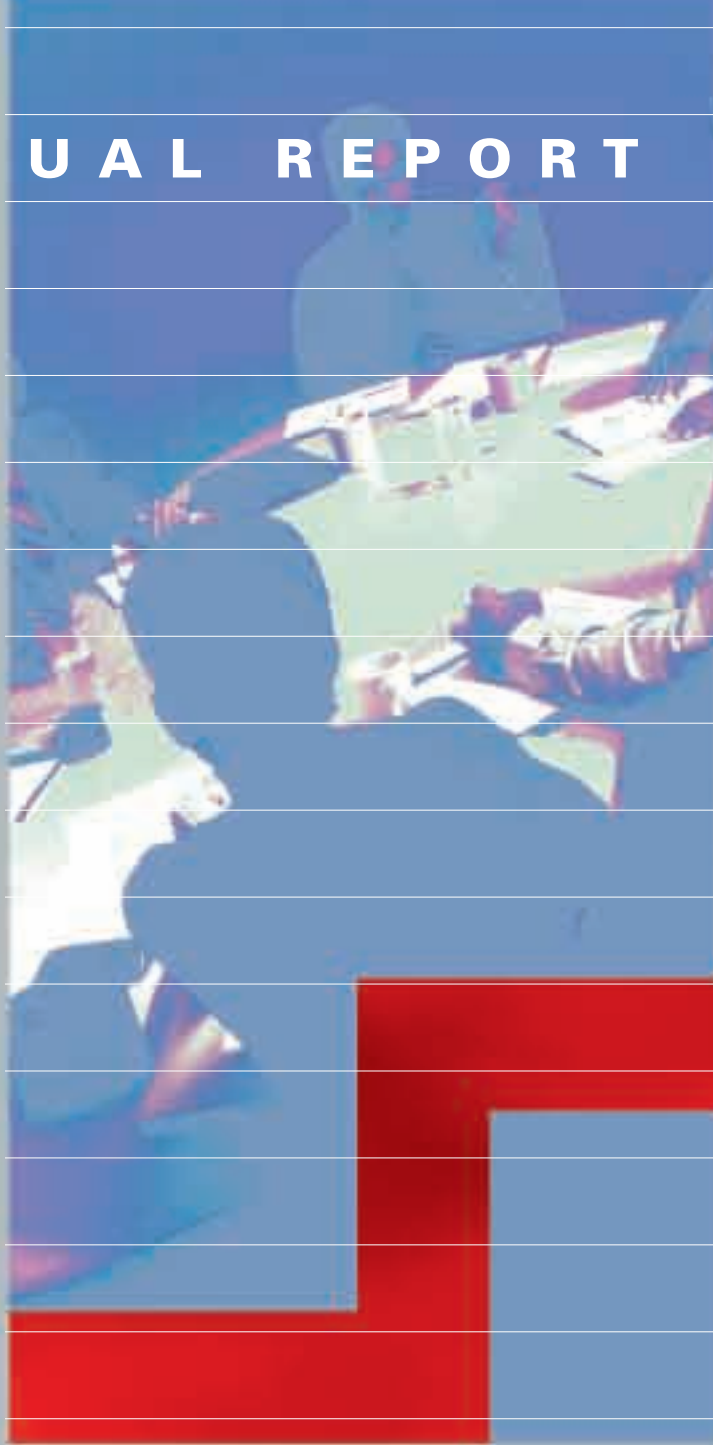


# ANNUAL REPORT 2001



Bure  Equity

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## Highlights

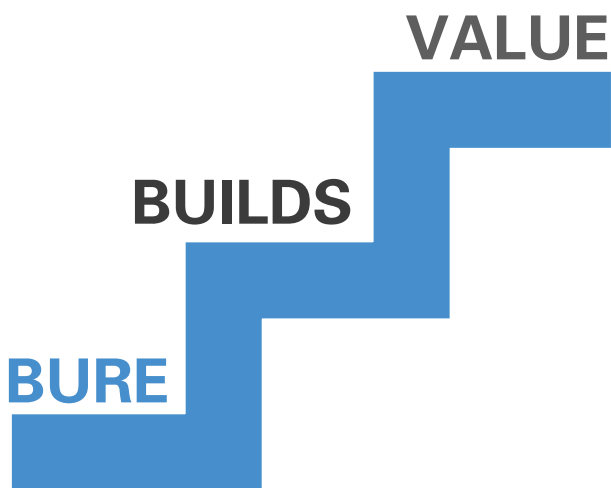
- The net asset value amounted to SEK 4,025M or SEK 38 per share at the 2001 year end. Adjusted for dividends, the net asset value fell by 23 per cent during the year.
- Investments amounted to SEK 1,276M and four new hub companies were established. Investments for the fourth quarter were SEK 744M.
- Satisfactory development for the hub companies in a weak economy.
- The parent company's profit after tax amounted to SEK 74M. Exit results amounted to SEK 590M.
- The shareholders' total yield was -7 per cent compared with -17 for the SAX index.
- A cash dividend of SEK 1.75 per share and renewed mandate to buy back shares is proposed.

### Subsequent events:

- The net asset value at 18 February 2002 amounted to SEK 37.50 per share.
- At the end of January, Bure acquired 16 per cent of the merged Teleca/AU-System.

## Key figures

	2001	2000	1999
Net asset value per share, SEK	38.00	69.00	65.00
Uplift, SEK	538	953	230
Investment, SEK M	1 276	893	1 136
Exit results, SEK M	590	2 743	529
Equity ratio, %	72	92	69
Market price, SEK	29.70	51.50	58.00
Dividend per share, SEK	1.75	19.50	27.50
Yield, %	5.9	36.6	47.4
Total yield, %	-7.2	36.2	5.9



## **Business objective**

Bure's business objective as a proactive owner is to contribute capital and competence to create high growth in value for the shareholders.

## **Target**

The target is to create an average annual growth for the shareholders of at least 20 per cent, including dividend paid.

## **Strategy**

Bure's strategy is to focus on the portfolio – selecting profitable growth companies within the knowledge intensive service sector – and cultivating these companies' development prior to stock market listing, sale or distribution.

Bure combines capital with industrial and financial competence and creates value by building new companies and structures within sectors undergoing rapid development and change.

Bure concentrates its investments on mainly unlisted, knowledge-intensive service companies within the IT, infomedia, training and education sectors.

## **Vision**

To be perceived as the most attractive private equity company by its shareholders, business partners and staff.

To be the leading private equity company within knowledge-intensive growth companies in the Nordic countries.



## Strengthened position in a demanding market



2001 was, in many ways, a dramatic year with terrorist attacks, an international economic downturn, gradually eroded growth forecasts, falling share prices and overcapacity and crashes within several sectors. Against this background, it is satisfying to note that Bure has maintained a steady course and that we have implemented what we set out to do.

The timing of our activities has been right. Planned divestments were implemented during the beginning of 2001, when the criteria for exits were comparatively good. Thereafter, we renewed our portfolio on reasonably attractive acquisition terms in a favourable investment climate.

### **Our strategy stands**

When I took over as President at the Annual General Meeting in April, Bure was at the end of a period when a lengthy process of building companies had been completed and realised. At the end of 2000, and at the beginning of 2001, Capio and Observer were distributed to Bure's shareholders and Dimension was floated on the stock market. Since then, we have been developing and renewing our portfolio.

Bure's basic investment strategy stands. This is to build market leading companies within fragmented and knowledge-intensive growth sectors. During the year, we tightened our focus still further on the IT, infomedia and training and education sectors in which we have established a considerable wealth of knowledge, experience and networks over the years. This ensures that we are well-positioned and

equipped to build successful companies.

Bure has become a catalyst for consolidation and change for companies and, indeed, whole sectors. We continue to build on that tradition through our active involvement in our consulting companies, amongst others. For example, with the newly-acquired Carl Bro, we are playing a leading role in the consolidation of the Nordic technology consulting market. With the acquisition of Teleca/AU-System we are participating in building one of Europe's leading companies in the high end segment directed at the telecoms industry. Similarly, with System we intend to build a leading and profitable Swedish-based consulting company within the administrative IT services sector through acquisitions.

### **Active and committed ownership**

Our strength lies in being an active and knowledgeable owner. We strive for clear majority ownership of our portfolio companies. As the principal owner we can, together with the company management and the other owners, realise the intentions which form the foundation for our investment. After achieving this, we ensure that the most of the value that we continue to create, and which is realised on exit, goes to our shareholders.

During my first year as President, I have formed a strong impression of the competence, the personal commitment and stimulating teamwork which characterises Bure. I see Bure as a 'development house' for both staff and the portfolio companies.

I am convinced that industrial experience and analytical competence are imperative for the success of our operations. For many private equity companies, it was certainly the lack of this, rather than the lack of capital, that slowed down the investment activity during 2001, which was a difficult year for many companies and sectors.

### **Fast business pace**

Bure maintained a very fast pace of business during 2001. We were in the middle of an aggressive investment phase, while, at the same time, we were busy with developing the operations in which we were already involved.

Following the divestments implemented during the spring, our portfolio contained six hub com-

panies – companies which we intend to develop into market leaders within their respective sectors through business development and supplementary acquisition. During the autumn, we acquired an additional four hub companies. These companies, which were added to Bure's portfolio during the second half of the year, reported total sales of more than SEK 3,500M and have a combined workforce of just under 4,000. Our hub companies were also very active and, in their turn, acquired more than 10 companies.

I find it particularly satisfying that, in a very demanding business climate, our hub companies have maintained and, in several cases, strengthened the underlying profitability of the business. This became particularly clear during the latter part of the year and the same also applies to the operations that were acquired during the fourth quarter.

#### **Strengthened positions within IT Solutions & Services**

The significant downturn in the IT sector does not mean that the underlying long-term and technical market development has ceased. IT-related services and technology are increasingly being applied within all businesses. This means that new fast growing segments will emerge, while a number of niche markets will consolidate and restructure after an initial rapid expansion phase.

During 2001, Bure added three new hub companies to IT Solutions & Services: the technology consultant Carl Bro, the software company Svenska PA, and the product development consultant Xdin. These companies are at the forefront of their respective sectors and have a significant potential for providing further returns.

Our two other hub companies, Cygate and System, also succeeded in strengthening their positions in a demanding market.

#### **Platform within InfoMedia**

During 2001, we created a leading company, the Business Communication Group, within the business communications segment of InfoMedia. The Group operates within target group-adapted communication – a segment which we consider to be growing strongly. InfoMedia also contains the exist-

ing hub company, Citat, which is also in a phase of expansion.

#### **Training & Education – equipped for growth**

Within Training & Education, we continue to build up Mercuri International as a globally operating group providing sales and leadership training, through acquisition and organic growth.

Informator has met the downturn in the economy for IT training with a comprehensive restructuring programme which will create sound conditions for profitable growth in the future. Through the acquisition of the IT training company, Prokoda Training & Services, we have gained a foothold for further expansion in the German market.

Our training and education portfolio also contains Vittra, the largest independent school company in Sweden, which is growing rapidly.

#### **Determined value creation**

We have a clear agenda for our work over the next few years.

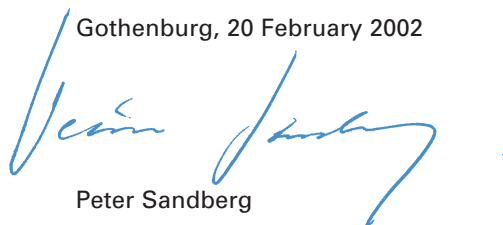
Our priority as a proactive owner is, to continue to develop the operational efficiency and profitability of our portfolio companies. When the economy recovers, our hub companies will be strong and lean. Thereafter, it is important to strengthen the hub companies' long-term position through supplementary acquisition and structural transactions.

We also have the ability and financial scope for identifying and acquiring new hub companies. Our ambition is to continue to increase the number of hub companies until the end of 2003.

No exits through the listing of direct holdings are planned during 2002.

In conclusion, we have completed an extensive period of exit during the year and followed this by a period of intensive acquisition. We are now well-equipped with a balanced and attractive portfolio as the base for continued growth and value creation.

Gothenburg, 20 February 2002



Peter Sandberg

## Set strategy – varying focus

Since the start in 1992, Bure has developed from a management company with a broad investment focus into a private equity company with an interest in mainly unlisted holdings within the IT, infomedia and training and education sectors.

The sector focus has varied but the strategy is still the same: to build values by identifying and developing knowledge-intensive service companies with a good development and growth potential. This is mainly achieved within fragmented sectors with high growth rates in which there is the potential for developing competitive companies and creating new structures through proactive ownership.

### Consolidation into Bure Equity

During 1999–2000, Bure implemented a strategic consolidation and investments were mainly concentrated on unlisted companies. To mark this, Bure changed its company name from Investment AB Bure to Bure Equity AB.

As a part in this strategic focus, the shareholdings in Gunnebo, Nobel Biocare and Guide/Framfab were divested, with significant exit gains, and Capiro was distributed to the shareholders.

The distribution of Observer and the market listing of Dimension at the beginning of 2001 completed this period of a large number of exits.

## Investments in 2001

Bure is now in a phase in which the investment portfolio will be renewed within the framework of the adopted strategy.

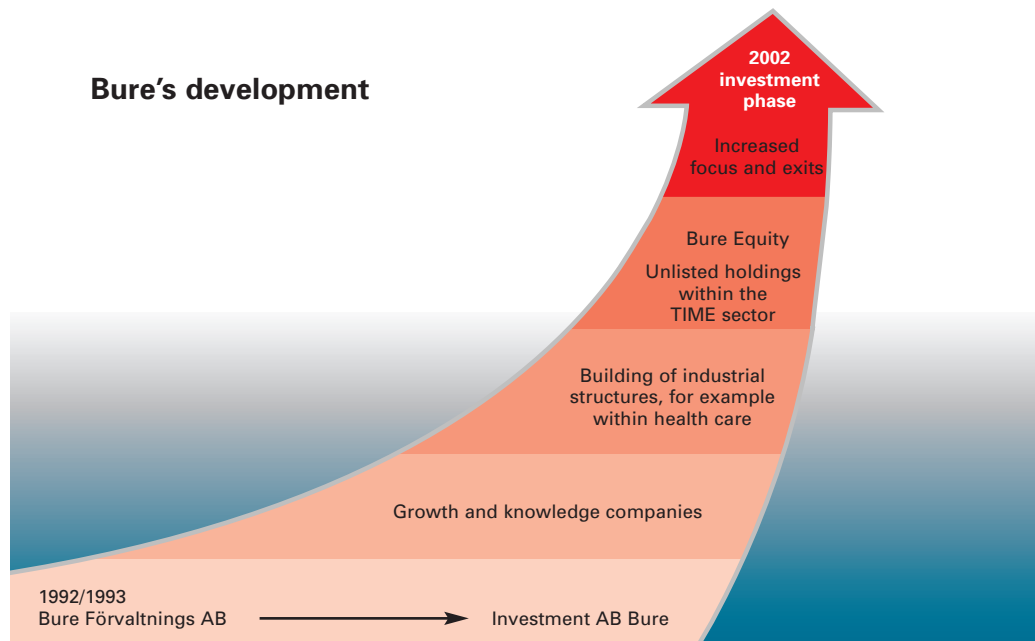
During the second half of 2001, investments were made in portfolio companies with total sales of more than SEK3,500M and with just under 4,000 employees.



The pace of investment was high during 2001, when 14 acquisitions were made and four hub companies formed.

## Bure's development

Bure has developed from a management company into a focused private equity company. Bure is now in a phase of new investments.



**Focus in 2001–2003**

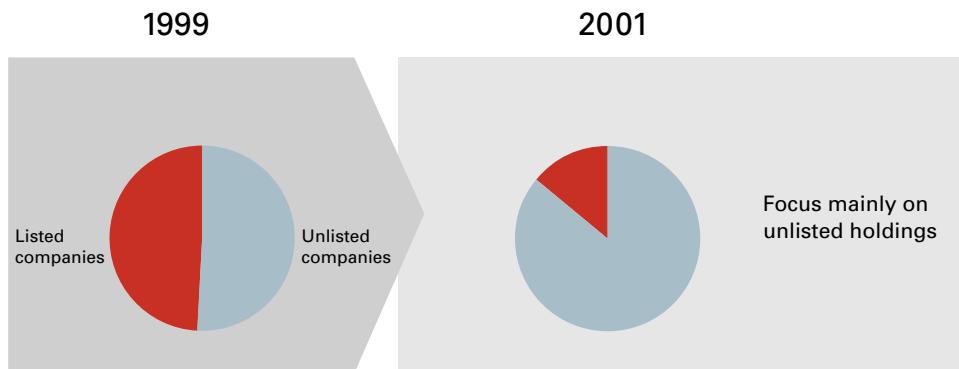
Bure’s process of renewing its investment portfolio is implemented on the basis of a number of set targets:

- The investments will be made with a focus on mainly unlisted companies within the IT, info-media and training and education sectors.
- Through its investments, Bure will strive for a clear principal ownership of the companies.
- Within each of its three investment areas, Bure aims to achieve a critical mass for hub companies, i.e. companies which can develop through supple-

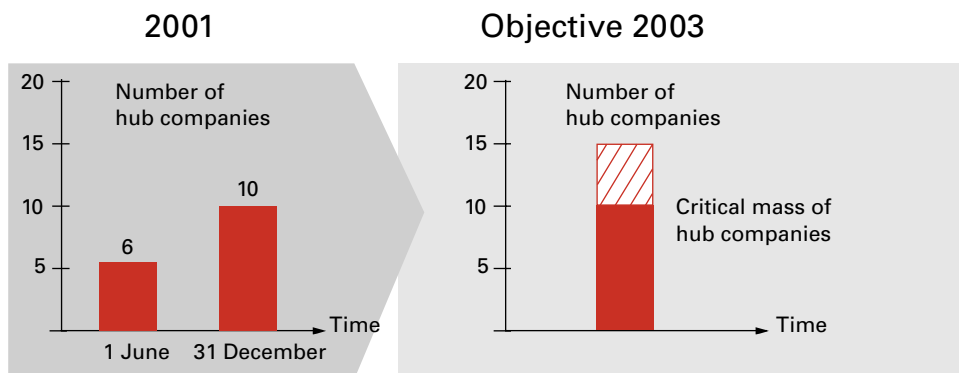
mentary acquisition and around which several large companies and/or new sector structures can be built. The objective is to increase the number of hub companies still further before the end of 2003. During the second half of 2001, the number of hub companies increased from six to ten.

- The portfolio companies are in different phases of development. In order to achieve a stable dividend capacity, the combined investment portfolio must be carefully managed with regard to the time until the exit of these holdings.

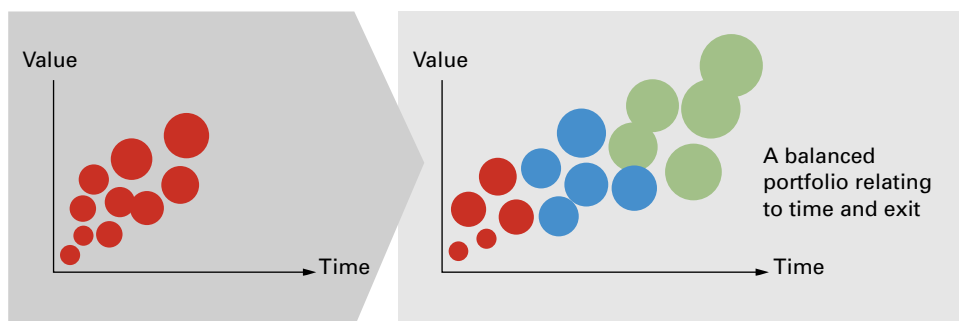
Since 1999, investments have concentrated on unlisted companies. Nearly 90 per cent of the investments are currently in unlisted companies, a level which is also considered to be practical in the future.



During the second half of 2001, the number of hub companies increased from six to ten.



After a period of extensive exits, Bure’s portfolio needs to be replenished.



## Private equity – a growing market

Private equity is a collective term for investments in unlisted companies. The term includes both investments in early phases – venture capital – and investments in later phases – expansion capital and buy-out capital. The buy-out phase accounts for the majority of the total invested capital in the sector and, thereafter, follows the expansion phase which is followed by the venture capital phase. Counted in number of venture capital companies, the situation is the reverse, i.e. most operators are active within investments in early phases.

The Swedish venture capital market has enjoyed strong growth in recent years in terms of the number of investors and invested capital. Between 1995–2000, investments in private equity in Sweden increased by nearly 200 per cent per annum on average. In 2000, private equity investments in Sweden amounted to nearly one per cent of GDP, compared with an average of 0.4 per cent in the rest of Europe. This indicates that the sector is a significant force in Swedish industry and commerce.

## Restructuring during the year

During the record year 2000, SEK 1,800 billion was invested globally in private equity. The downturn during 2001 was significant due to the weaker economy, but a recovery could be seen during the fourth quarter. However, 2001 was still the third best year

ever for the private equity sector.

The Swedish market is currently saturated. A consolidation started during the year, partly through mergers between venture capital companies and the elimination of several operators. This trend will probably accelerate during 2002.

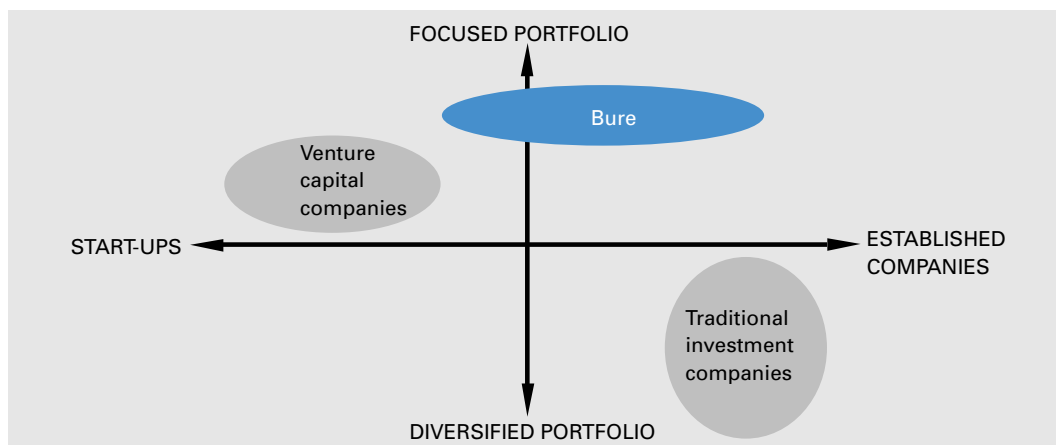
For some private equity companies, such as Bure, which have resources in the form of capital and competence, the market remains attractive.

## Clear position for Bure

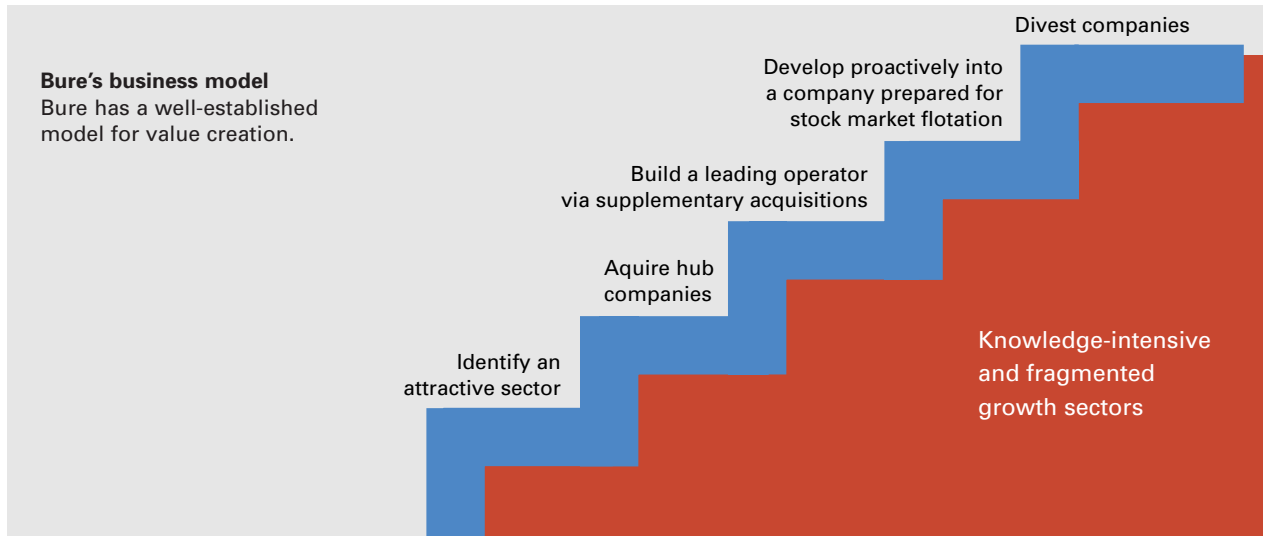
In recent years, the private equity market has grown into a separate industry, and a clear role distribution between different operators is being defined relating to the selection of investment phases and sectors. What distinguishes Bure is its proactive and sustained ownership involvement in mainly unlisted companies within focused sectors. It is a strategy which gives the company a distinct position in an attractive segment in the Swedish private equity market.

Through its tight focus in the portfolio and on unlisted holdings, Bure differs from traditional investment companies. Bure's involvement in newly started companies takes place through indirect ownership via funds and incubator companies. It is only when a company has reached a certain size and entered into an expansion phase that Bure comes in as a direct owner. When it does, Bure becomes involved as a proactive, long-term owner during the growth phase.

Bure has a strong position through its focused orientation.







## Bure's model for value creation

Bure has gradually developed a model for creating value through building robust companies and business structures. Bure's value creating model can be likened to a flight of stairs in which each step represents a vital component in the value building exercise.

### Step 1: Identify an attractive sector

The starting point is to identify sectors and sector segments which Bure recognises as having sound prerequisites for value creation. The sector focus can change over time. Initially, we invest in knowledge-intensive growth sectors. The sector segments should be fragmented, providing opportunities for value creation through structural transactions, consolidation and business development.

### Step 2: Acquire hub companies

Within the sector, Bure identifies a hub company, i.e. a company which will form the base, the "hub", for Bure's continued investments. The hub company should be established and have a proven earning capacity. It should be in a phase of expansion, hold a strong position and have the potential to become the leading company in its market.

### Step 3: Build a leading operator via supplementary acquisitions

A strategy for the company's growth and development is determined on acquisition. Through a combination of organic growth, business development and supplementary acquisition, the company should achieve a leading position in its segment within the course of a few years.

### Step 4: Development proactively into a company prepared for stock market flotation

By participating in acquisitions, divestments, mergers and alliances, Bure contributes to the creation of new vigorous business structures. In addition, Bure, as a proactive and committed owner, participates fully in the development of the company.

### Step 5: Divest companies

When the desired structure has been achieved, Bure realises the values that have been created. This is usually achieved through a divestment to new industrial owners or through a stock market flotation.

**Tested model with proven success**

By applying its business model, Bure has contributed to building market leading companies within several sectors.

Capio, the largest private healthcare group in Scandinavia, is perhaps the foremost example of

how Bure has contributed to the development of new companies and changed market sectors. Other examples are the IT integrator, Dimension, which was floated on the stock market, and the media company Observer, which was distributed to Bure’s shareholders.

**The model**

Bure’s first step is to create a hub company around which supplementary acquisitions can be implemented. Through business development and industrial structural transactions, Bure creates strong and profitable companies.

Bure’s exit is generally made within three to five years after the first investment.

**In practice**

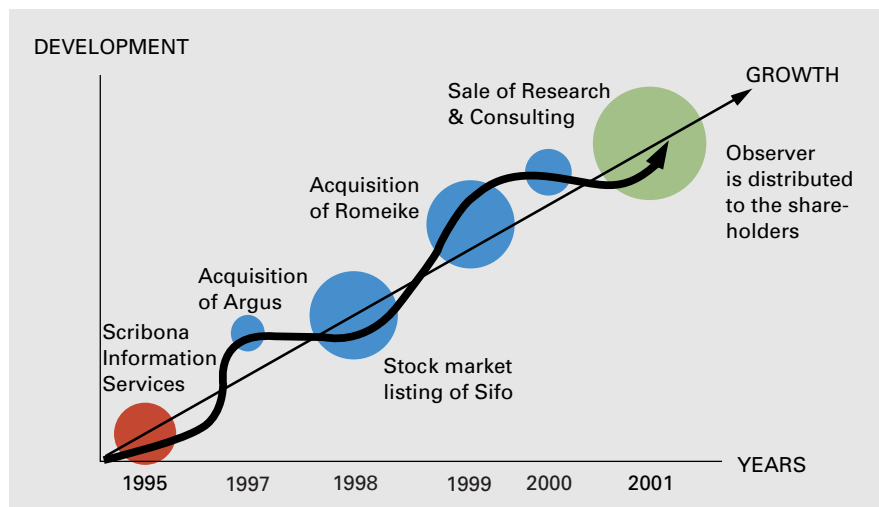
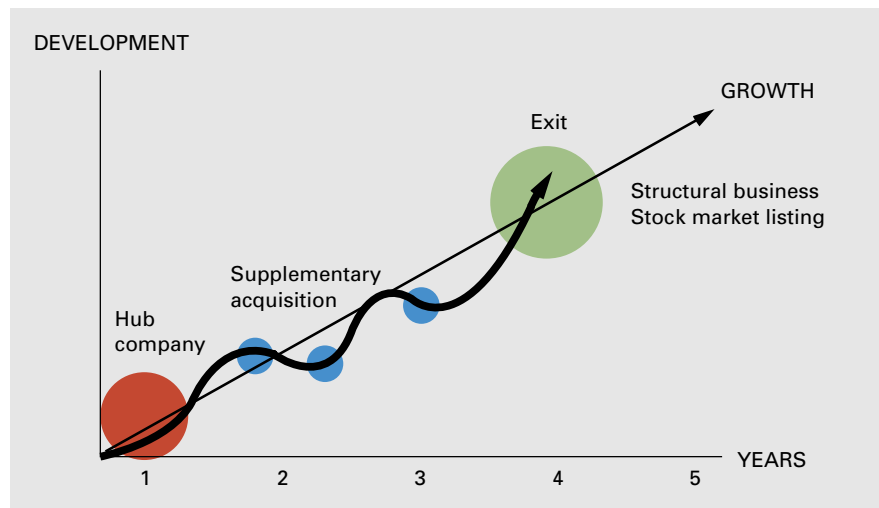
In five years, Observer has developed from a business area within Scribona into a world-leading company within media, social and environmental monitoring. Bure became the majority owner of Scribona in 1995 and contributed to its success.

Scribona’s business area Information Services was developed into the leading company in Sweden within media, social and environmental monitoring through the acquisition of Argus, Sifo, IMU-Testologien and other companies.

In 1998, Sifo Group was spun off and floated on the OM Stockholm Exchange. During 1999, Observer made a number of international acquisitions, the largest of which was the Romeike Group – the leading operator within media, social and environment monitoring in the United Kingdom.

After the sale of Research & Consulting in 2000, the company changed its name to Observer. It is currently a world leader within media, social and environment monitoring.

In 2001, Bure’s holding in Observer was distributed to the shareholders.



## Proactive and committed owner

Bure is a proactive owner which contributes more than financial resources. When Bure invests in a company, it also gets access to Bure's combined competence and experience. Bure offers tested models and processes for business development and structural transactions and provides an extensive network.

With Bure as a proactive and committed owner, the portfolio company gets a collaboration partner which can contribute to the company's development.

During 2001, Bure's organisation was designed to develop companies within sectors in which Bure has elected to concentrate its investments over the next few years, IT, infomedia and training and education.

## A team for each area

For each of the three investment areas there is a separate investment team. With its sector knowledge and financial and industrial knowledge, each team is responsible for its respective sectors and portfolio companies.

These investment teams support and contribute to the development of the company in which Bure is an owner and monitors the sector, identifies possible acquisitions and evaluates investment proposals.

Bure's involvement in a newly started company is handled within Venture Capital & Incubators.

In addition, there are area-wide competence centres within, for example, IT support, external analysis and company support.

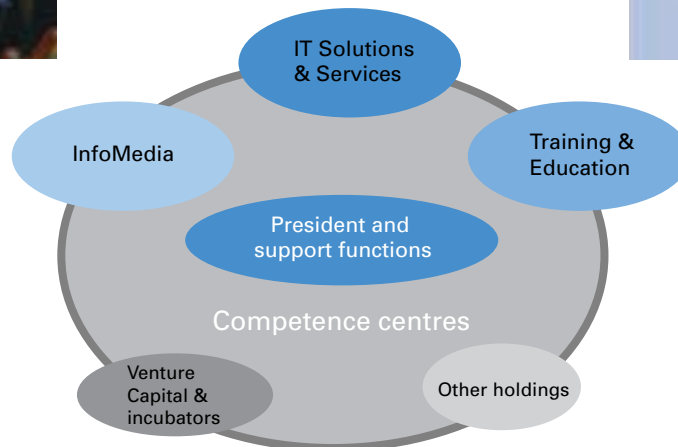
Bure's investment areas, Venture Capital & Incubators, and other holdings, are presented in more detail on the following five spreads.



Competence & experience



Tested models and processes for company development and structural transactions



Financial resources



Networks

# IT Solutions & Services



The area's share of Bure's asset value

## INVESTMENT TEAM

**Börje Bengtsson**  
Senior Investment Manager

**Christian Widing**  
Senior Investment Manager

**Carl Backman**  
Investment Manager

**Peter Lundin**  
Investment Manager

**Carl-Magnus Ruthberg**  
Investment Manager

**Patrik Jönsson**  
Investment Analyst

**Elisabeth Kardell**  
Assistant Contoller

**Helena Rådell**  
Assistant

## Hub companies on 31 December 2001

	Net asset value SEK M	Read more on page:
Cygate	389	30
System	259	32
Carl Bro	244	34
Svenska PA	199	36
Xdin	45	38



Börje Bengtsson  
Senior Investment Manager

“The need for advanced technology solutions is stronger than the economy. Current price levels create criteria for very good transactions.”

### What does the investment portfolio look like?

Our portfolio consists of knowledge-intensive, technically advanced companies with significant potential for value growth. The holdings consist of five hub companies and some minor other indirect investments. The hubs are **Cygate** (data communication), **System** (generalist IT consulting company), **Xdin** (IT consulting company within product development), **Svenska PA Group** (software company within the human resource sector) and **Carl Bro** (technology consulting).

### What is your strategy for creating value?

Based on the overall objective of running a successful business, we elect to invest within the segments of the investment area which we consider to offer the best opportunities for interesting business deals. We monitor developments carefully and continually adapt our acquisition strategy. As the starting point, we look at knowledge-intensive operations within advanced technology segments. In addition, we focus on companies with high growth and companies which operate in the segments which we believe will undergo consolidation. The company should also have the organisation and structure which we consider to be a base for future expansion.

Our portfolio of companies within segments such as IT and technology consulting reflects that orientation. Following the acquisition, we proactively support our hub companies during their development and expansion. We and the companies have a common target, i.e. to achieve a favourable exit.

### 2001 was a tough year for companies in the IT and telecom sectors. How did you handle it?

After holding back investments during 2000 due to high price levels, we raised the pace considerably during the

second half of 2001. Significantly reduced company valuations have created attractive acquisition opportunities in the market which is characterised by the weak economy and saturation within some sectors.

The long-term trend is positive although parts of our investment area will also face a tough situation in the current year. During 2001, IT Solutions & Services made investments in several interesting companies for a total value of SEK 591M.

Demand is technology driven and this continually creates new business opportunities. New sectors will gradually take advantage of technology developments. IT systems within human resources are one such subsegment in which our portfolio company, Svenska PA Group, intends to take a leading position.

**During the year you acquired a stake in the Danish technology consultant Carl Bro – one of Bure's largest investments in 2001. What is your view on the opportunities for this investment?**

Technology consultants are knowledge-intensive and technically advanced. The sector has many attractive growth segments and is in a phase of consolidation and internationalisation. The acquisition of Carl Bro means that we have taken the lead in the restructuring of the Nordic technology consulting market. Following the acquisition of Swedish Sycon in December, Carl Bro is the largest technology consulting company in Scandinavia.

**Which other segments face a similar consolidation phase?**

IT is one of several technology segments which faces a period of consolidation. During the autumn, we continued to play a proactive role in the restructuring

process by initiating and agreeing the acquisition of 16 per cent of the shares in the merged Teleca/AU-System, a leading company within advanced services for software product development.

We continually analyse a large number of potential businesses and note that there are several interesting companies in other sector segments which are about to, or in need of, restructuring.

**What is the exit situation among the companies?**

The portfolio is well-balanced and the time to exit varies between companies. No exits are planned in the short-term, but we are prepared to act rapidly when interesting business opportunities arise.

**You are rather new as head of IT Solutions and Services. What experience do you bring with you?**

I previously worked as a management consultant, most recently as President of Strängbetong. In that company, and during my previous assignments as President of Expanda, Executive Vice-President of Addum and Group Controller of Datatronic at the end of the 80's, I gained experience of company development and company transactions which is important in this business. To have experienced 'the other side' is valuable and also enables me evaluate businesses from the companies' perspective.

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## A year with IT Solutions & Services

Through the formation of IT Solutions & Services, the two former IT areas within Bure have been merged into one vigorous team. Despite the downturn in the market during the year, the holdings have shown strength and demonstrate a capacity for continued growth. The portfolio was supplemented with a number of new companies, three of which are hub companies.

**February** Dimension is quoted on the O list of the Stockholm Exchange. In connection with the listing, Bure reduces its ownership from 69 to 35 per cent.

**May** Bure acquires Erda Technology from Framfab. Erda previously formed part of Bure via its then holding in Guide. The company provides IT solutions within biotechnology and communication.

**October** Svenska PA Group and Retea are acquired from TurnIT. Svenska PA Group is a leading Swedish supplier within HRM systems (Human Resource Management). Retea is a consulting company within data communication and teletechnology.

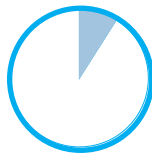
Bure acquires 35 per cent of the shares

in Xdin which operates within product and process development, mainly for the automotive industry.

**November** Bure acquires approximately 53 per cent of the shares in Carl Bro, the largest technology consulting company in Denmark, from Unibank and a number of small shareholders.

**December** Carl Bro acquires the Swedish technology consulting company, Sycon, from Sydkraft. Together, these companies form the largest technology consulting company in Scandinavia.

# InfoMedia



The area's share of Bure's asset value

## INVESTMENT TEAM

### Örjan Serner

Senior Investment Manager

### Mats Axell

Senior Investment Manager

### Per Lundgren

Investment Manager

### Mattias Silfversparre

Investment Manager

### Kristina Vannerberg

Assistant

## Hub companies on 31 December 2001

	Net asset value SEK M	Read more on page:
Citat	218	40
Business Communication Group	129	42



Örjan Serner  
Senior Investment Manager

“InfoMedia means creation of information and distribution of it via some type of media.”

### What are you doing in the InfoMedia team?

We work proactively to develop Bure's investments in companies which operate within communication and media. The investment portfolio contains two hubs: **Citat**, one of Sweden's leading companies providing system solutions for market communication, and **Business Communication Group**, a leading provider of customer communication which is independent of the media. Our target is to be the leading private equity operator within infomedia in Sweden.

### What is your view on market opportunities?

The infomedia market is largely driven by how much companies invest in communication. Over the past year, we have seen a reduction in investments. However, there is a strong underlying growth in the long-term and we see signs which indicate that an upturn in communication investments is likely.

At the same time, challenges increase for companies which wish to communicate efficiently. The media buzz is increasing, new communication channels emerge, companies are getting larger and the means of communicating are changing. There will be three main challenges within the infomedia sector in the future: to reach the recipient with your message, to make it cost efficient and to be able to measure the effects of your investments in communications.

### What is your strategy for value creation?

We invest in companies positioned in growth sectors. They must have an attractive customer offer and a strong market position within their niche. In order to create values in these companies, we act as a catalyst to accelerate their growth and strengthen their profitability. This requires several things – an efficient and professional organisation, the building of structural capital, a profitable basic business and, most frequently, a combi-



nation of organic and acquisition-based growth. In parallel with the growth, it is a matter of continuously securing the focus, leading edge competence and creative strength in the companies.

**The dependence on individuals is significant in communication companies. How do you handle that issue?**

Successful knowledge companies will always be dependent on skilled individuals. The procedure for increasing the stability in a communication company is to work with uniform models and processes, i.e. to build structural capital. Bure's investments are focused on companies which already have these structures and which we then help to develop further.

**What is your view on the exit situation among the InfoMedia companies?**

InfoMedia is still in a build-up phase. Citat is a company that is closest to an exit.

**Your previous job was as CEO of Citat – a company which you also founded. What does this experience contribute to your current role?**

The journey that Citat has made, from a small, newly established company with a good idea, into a successful media group with approximately 250 employees, is an example to other companies in the Group. The experience of having built up Citat as an entrepreneur is extremely valuable to me in the work of developing our portfolio companies.

---

## A year with InfoMedia

2001 was a busy year for our portfolio companies and for InfoMedia as an investment area. The following is a general account of important events during the year.

**February** Bure acquires 25 per cent of the shares in Appelberg Publishing Agency which is the largest company in Sweden producing 'in-house' and customer publications with an international flavour.

**April** Bure acquires the event company, Convenio, and the film production company, Stark, from Citat.

The Annual General Meeting decides to distribute all Bure's shares in Observer to the shareholders. For every six shares in Bure one share in Observer was received. Örjan Serner joins Bure as Senior Investment Manager and Head of

Investment Area InfoMedia.

**May** Magnus Lundblad is appointed new President and CEO of Citat.

**July** Bure acquires the communications agency, Journalistgruppen, and the film production company, Propello, from Cell Network. During the autumn Propello is merged with Stark. Appelberg acquires the Hong Kong-based company, Communicate, with a branch office in Shanghai. Communicate produces customer publications.

**October** Bure increases its holding in Appelberg from 25 to 34 per cent. Citat acquires Digitized, a company within the digital photography segment.

**November** The hub company Business Communication Group is formed. It is a group of companies which offers cus-

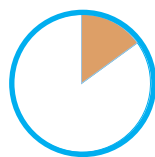
tomers adapted communication independent of the media. The area includes Journalistgruppen, Stark Filmproduktion and Appelberg Publishing Agency. Appelberg acquires Magazine AB, a graphic design company.

**December** Erik Strand, formerly Sales and Marketing Director of SAS, is recruited as President and CEO of Business Communication Group.

Citat acquires the remaining minority interest in Reptil.

Bure announced that it intended to acquire companies within ATMG via an acquisition company. This agreement was not completed as a number of major shareholders in ATMG guaranteed a new share issue and there were, therefore, no prerequisites for implementing the acquisition.

# Training & Education



The area's share of Bure's asset value

## INVESTMENT TEAM

### Sven-Åke Lewin

Senior Investment Manager

### Magnus Kristoferson

Senior Investment Manager

### Lars Ynner

Investment Analyst

### Per Hindrichsen

Controller

### Diana Solin

Controller

### Julia Svensson

Assistant

## Hub companies on 31 December 2001

	Net asset value SEK M	Read more on page:
Mercuri	360	44
Informator	111	46
Vittra	48	48



Sven-Åke Lewin  
Senior Investment Manager

“Knowledge must be gathered and built throughout life. A continuous competence development in the companies is a prerequisite for competitiveness and growth.”

### What does the investment portfolio look like?

Investments within Training & Education focus on market-leading companies within the corporate training and education sector. The investment portfolio contains three hub companies: **Mercuri International**, a global consulting company within sales, change and leadership; **Informator**, a leading IT training operator; and **Vittra Utbildning**, the largest independent school company in Sweden. The portfolio also includes Celemi, a company in business simulation and organisational learning which has significant links to Mercuri's way of working.

### What is your view on the market criteria within the area?

The current economic climate affects the training companies differently. In general, we have seen a decline in corporate training both in Europe and in the USA, whilst some sub-segments, such as strategic training and development of sales processes in large companies, developed positively. The sector's development towards increased consolidation and the demand for new and more comprehensive products and delivery forms favours Bure and our market leading portfolio companies.

For Vittra, there is continued increased demand for alternative school opportunities from students, parents, teachers and municipalities.

### What is your strategy for creating values?

Since Training & Education was formed in 1998, our strategy has been to build the leading operator in Europe providing competence development. We continue to acquire leading operators within this sector, nationally and internationally. Among the existing companies, Informator and Mercuri are already market leaders and leading examples in their respective segment.

The main focus is on increased profitability, partly



through internationalisation, which creates benefits of scale. We also invest in product development, in line with our customers' increased demands, and in strategy-adapted competence development.

We see how increased collaboration between our companies, directed towards the corporate market, leads to our winning larger assignments. These levels of collaboration are expected to increase. Another success factor is the continued high level of IT application in our training solutions. For Vittra, the objective is continued controlled and rapid expansion of the school operation and, possibly, an expansion of Vittra's products to adult education.

**What is your view on investing in e-learning, bearing in mind the development of the sector?**

The market is quiet for companies which deliver only technology solutions within e-learning. The long-term business model, which we have believed in all the time, is blended learning in which teacher-led training is combined with interactive digital courses. All our companies currently have large customer projects which contain interactive, digital training. We will continue to be at the forefront in the application of new technology, but we will not make any significant direct investments in technology companies within e-learning.

**Vittra appears to be a slightly odd holding. What is your view on the political risk of investments in independent school operations?**

Our assessment is that the risk has reduced significantly. The acceptance of independent schools has

grown steadily, both by students and municipalities. 59,000 students currently attend independent schools in Sweden and several hundred thousand Swedes have close ties with an independent school, for example parents or siblings. Independent schools are well-established in the Swedish education system and in society.

There is now a political consensus about the basic rules for how independent schools should be run. The discussion relates to quality of teaching and the right of freedom of choice for students and parents.

**What is your view on the exit situation among the holdings?**

With regard to the companies which operate within corporate training, our intention is to float them on the stock market or make a structural transaction within two to three years. The exception could be Vittra which enjoys very strong organic growth and needs to develop for another few years before an exit should be made.

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## A year with Training & Education

Priorities during the year have been to consolidate the operations in Informator and Mercuri International, and to make supplementary acquisitions ahead of future exits. Some significant events during the year are reported below.

**January** Mercuri International acquires Mercuri's operations in Hungary, Poland, the Czech Republic, Croatia, Slovenia, Slovakia and Romania.

**June** Bure acquires 30 per cent of the

shares in Celemi, a consulting and training company which offers business simulations and advanced training solutions.

**August** Vittra opens four new schools: a sixth form school in Gothenburg, and compulsory schools in Helsingborg, Kungsbacka and Stockholm. Discussions are held with a number of municipalities about a school start in 2002.

**September** Mercuri concludes a three-

year agreement worth SEK 23M with Lloyds TSB, a leading bank in the United Kingdom. The programme is implemented as a combination of instructor-led education and e-learning.

**November** Bure increases its ownership in Vittra from 70 per cent to 85 per cent.

**December** Bure concludes an agreement to acquire Prokoda Training and Service, a leading IT training company in Germany.



Björn Boldt-Christmas  
Head of Venture Capital & Incubators

By investing in Venture Capital & Incubators (VCI), Bure gains an insight into the early development phases, especially within the IT sector, such as advanced IT application. This knowledge is important against a background of Bure's involvement in IT Solutions & Services and also within InfoMedia.

### Bure's portfolio

The holdings within Venture Capital are concentrated on Innovationskapital's three venture capital funds, the first two of which are in principle fully invested and the third fund recently started. Bure's largest incubators and 'think tanks' – companies which help to develop ideas into fully-fledged and divestible companies – are CR&T and Newmad. Both companies carry out consulting operations and have a broad network within research which gives them access to both competence and high quality ideas.

Bure's total investments within VCI amount to SEK 215M.

### Favourable market conditions

The market for VCI has undergone a significant downturn in recent years. The supply of interesting ideas and research results is good but there is a lack of competence and capital to develop these ideas. The situation creates interesting investment opportunities for long-term operators and Bure intends to continue to develop its investments within VCI.



**Consultant and incubator**  
CR&T (Carlstedt Research & Technology) is a research-

oriented consulting company with extensive incubator operations, which develops high technology solutions and products in collaboration with institutes of technology and industrial companies, mainly in IT. CR&T identifies business concepts and develops them by contributing technical and business competence. At the same time, CR&T becomes a stakeholder in the newly-started companies.

Since the start in 1994, CR&T has generated six companies with more than 300 staff.

### Portfolio

CR&T's incubator operations include the following companies:

	CR&T's ownership, %	Number of employees	Book value in CR&T, SEK K	Bure's direct ownership, %
Appgate	37	42	7 000	2
Gatespace	28	53	3 601	6
Integri	4	20	3 410	–
SmartEye	22	10	3 315	–
Spotfire	2	170	613	1
Pilotfish	17	8	33	–

### Bure's involvement

Bure's ownership in CR&T amounts to 65 per cent of capital and 49 per cent of votes. The remaining portion is owned by the founders and the staff.

Bure became a stakeholder in CR&T in 1997 and the company has since formed an important part of Bure's network within the most technically advanced segment of the IT sector. Bure continually carries out exits of the developed companies when attractive business opportunities arise. The exit plans comprise mainly the holding in Spotfire but other holdings may also be divested, mainly through industrial solutions.

### Weak market in 2001

Net sales for CR&T amounted to SEK 34M, a fall of 12 per cent. Operating result before goodwill amortisation was SEK -21M (6). The result was affected by shares in results of associated companies of SEK -50M (-33).

The consulting section reported low capacity utilisation, mainly due to the uncertainty in the telecom sector. During the autumn, an action programme was initiated which is expected to reduce the total cost level by SEK 12M. Industrially, the incubator operations developed according to plan. The climate for exits was unfavourable during the year.

(SEK M)	2001	2000	1999
Net sales	34	39	30
Growth (%)	-12	29	8
Operating result <sup>1</sup>	-21	6	-23
Shares in results	-50	-33	0
Exit results	21	54	29
Operating result <sup>2</sup>	-50	27	6
Operating cash flow			
after investments	-12	10	-
Total assets	47	68	-
Net loan debt/receivable	-9	-3	27
Average number of employees	47	34	43
Value added per employee	0.4	1.1	0.1

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

#### Incubator companies within CR&T

**APPGATE** Appgate offers advanced VPN solutions which protect a company's services and data. High security, flexibility and scalability characterise the company's products. During the year, the company strengthened its presence in the USA.

**GATESPACE** Gatespace provides products which enable broadband operators to offer new services to their customers, partly through supervision of domestic networks, energy saving and media distribution. The company's products are also used to build advanced telematic systems, for example within the automotive industry. New customers for the year include Cisco, Telia and Volvo. The company was formed by CR&T and Ericsson in 1999.

**INTEGRI** Integri delivers tools for developing and testing security-critical systems. Typical areas of application are financial systems and products based on smartcards. The company is based in Belgium.

**SMARTEYE** SmartEye develops advanced image treatment systems which enable real time monitoring of head and eye movements. Applications are found in the games and automotive industries. The company was formed in 1999.

**SPOTFIRE** Spotfire develops and markets software for technical decision-making support to companies within the pharmaceuticals, speciality chemicals and semi-conductor industries. All major pharmaceutical companies currently use Spotfire's products in their own product development. The company was formed in 1996 and its head office is located in Cambridge, Massachusetts.

**PILOTFISH** Pilotfish develops system solutions for telematic applications for vehicles and various forms of industrial applications. In the Volvo Ocean Race, a system developed by Pilotfish was used for collection and presentation of measurement data from all the participating boats.



#### Research within Wireless IT

Newmad was formed in 1999 as a spin-off from two research institutes. Newmad is currently a commercial research and consulting company with a focus on wireless IT. During the year, net sales amounted to SEK 7M (6) and operating result to SEK -8M (-2).

#### Bure's involvement

Bure became a stakeholder in Newmad during 1999 and the ownership currently amounts to 27 per cent.

The intention is to exit the developed companies when attractive business opportunities arise for industrial sales.

#### Innovations Kapital

#### Technology company with significant potential

Innovationskapital consists of three venture capital funds,

InnKap 1, InnKap 2 and InnKap 3, which invest in newly started companies within IT and medical technology in the Nordic countries. At the end of the year, the portfolio consisted of investments in the following companies: Appgate, Arexis, BioInvent, Carmen Systems, Heptagon, Kreatel, Intermezzon, MathCore, Medeikonos, Mgage Systems, Mitra, Proximion, Radians Innova, Red Message, Resistentia, Samba Sensors, Simtra and Spotfire.

#### Bure's involvement

Bure has an approximately 23 per cent investment undertaking in Innovationskapital, equivalent to SEK 371M of more than SEK 1,700M.

The company was formed in 1994 on the joint initiative of Bure and Chalmers Institute of Technology. In 1997, the circle of investors was expanded and the InnKap 1 fund established. InnKap 2 was started in 1999 and InnKap 3 was established during the first quarter of 2001. Bure is the largest investor in the funds and has actively contributed to the build-up of structural capital and other resources. Exit of the companies is made through industrial sales or stock market flotation, which is implemented when the values are deemed to be right.

On 31 December 2001, Bure's investments within Innovationskapital amounted to SEK 83M (63). On Bure's part, the value of these investments is calculated by the fund in accordance with EVCA at SEK 146M (171). During the year, Bure's invested capital increased by SEK 23M.



Per-Henrik Berthelius  
Head of other investments

Within this area are gathered those investments which are outside Bure's current focus areas.

In addition to Bure's demand for growth, these investments should also meet the following criteria:

- Form possible future investment areas
- Enable Bure to get an insight into sectors/segments outside Bure's current focus
- Enable consolidation of other investment areas

### Background

Bure's investment strategy means that Bure is gradually changing its focus relating to sectors and segments. This means that we are continually examining and testing new investment areas whilst we continuously exit areas.

### Bure's holdings

Other investments currently comprise: **Nordic Capital**, one of the leading venture capital funds in the Nordic countries in which Bure has played a proactive role since 1994. Over the years, the involvement in Nordic Capital has generated a continuously high yield for Bure and enables the company to get an insight into a large number of sectors and segments.

Bure became principal owner in **Scribona** in 1995. This was Bure's first investment within the IT and InfoMedia sectors, which later resulted in the build-up of two of Bure's focus areas. Bure's involvement in **Teleca/AU-System** provides access to a new segment, advanced services for product development of software on a European basis.

## NORDIC CAPITAL

### Focus on mature companies

The venture capital fund, Nordic Capital, has a diversified fund portfolio with holdings in unlisted, mainly mature companies.

Bure became a stakeholder in Nordic Capital in 1994. Through the fund, Bure has invested in the following companies: Mölnlycke Health Care, Nycomed Pharma, Biovitrum, Hilding Anders, Wilson Logistics and Trenor Holding which owns, among other, Ahlsell.

On 31 December 2001, the net asset value of Bure's investments via Nordic Capital amounted to SEK 1,078M and the book value to SEK 681M. Bure's investments during the year amounted to SEK 288M.

SEK M	Owner-ship, %	Book value	Net asset value
Mölnlycke Health Care	16.7	221	436
Nycomed Pharma	7.7	113	294
Trenor Holding	4.8	78	78
Sound Holding	4.4	40	40
Dynal Biotech	4.3	37	37
Other		192	193
<b>Total</b>		<b>681</b>	<b>1 078</b>



Bure's ownership in Mölnlycke is made both via Nordic

Capital and via a direct investment. During the year, Bure increased its holding in Mölnlycke by SEK 128M. Thereafter, Bure's total ownership amounted to 16.7 per cent of the capital.

Mölnlycke reported net sales for 2001 of SEK 3,913M (2,070) with operating profit before goodwill amortisation and items affecting comparability of SEK 402M (251). This provides for an operating margin of more than 10 per cent.

Mölnlycke is one of the world's leading manufacturers and suppliers of consumable products for surgery and wound treatment. The company was

formed in 1998 through the merger of the Swedish company SCA/Mölnlycke Clinical Products and the Finnish company, Kolmiset. Since then, the company's operations have been significantly strengthened through increased efficiency and an extensive restructuring. The number of staff is currently around 5,000.

During the first quarter, Mölnlycke acquired Johnson & Johnson Medical's operations within surgery products.



During the third quarter, Nordic Capital increased its ownership in Nycomed Pharma by acquiring 29 per cent of the shares from

Amersham. At the year end, Nordic Capital's share in the company amounted to 98 per cent. On the same date, Bure's total ownership amounted to 7.7 per cent.

Nycomed is a leading pharmaceutical company in Northern Europe, with products in the allergy, osteoporosis, cancer and heart/vascular segments. The company's head office is located in Roskilde in Denmark and it has 2,500 employees. Nycomed has gradually strengthened its position by acquiring new pharmaceuticals and in-licensing of products. In addition, the company has successfully achieved its targets for making production more efficient and strengthening profitability.

The company shows a very strong profitability.

## SCRIBONA

### Leading IT distribution company

Bure's ownership in Scribona amounts to 35 per cent of the capital.

Bure became principal owner of the listed company, Scribona, in 1995 and the company constitutes the platform for the development of business area

InfoMedia. In 1998, Scribona was consolidated, following the distribution of Observer, and the company became focused on trade with IT products.

Scribona reported net sales for 2001 of SEK 11,872M (9,479) and operating profit before goodwill amortisation and items affecting comparability of SEK 7M (144).

Following its acquisition of the Norwegian company, PC LAN, in spring 2001, Scribona is the largest company in the Nordic countries trading with IT products. The operations are organised in three business areas:

- Scribona Solutions is involved with value-added distribution of products and services within IT infrastructure.
- Scribona Distribution offers volume distribution of IT products, with a substantial proportion through e-business.
- Scribona Brand Alliance is an exclusive agent for a number of leading brands in the Nordic market.



### IT consultant with a strong European platform

In December, Bure signed an agreement to acquire 16 per cent of the shares in the newly formed Teleca/AU-System Group. With sales of SEK 2.2 billion and more than 2,000 employees, the new group is the leader in Northern European in advanced services for software product development.

The companies offer in-depth, technical competence with extensive international coverage as the base for further expansion. As a proactive owner, Bure will participate in developing this potential.

The transaction was finalised in January 2002. The purchase price will be paid over two years and is dependent on the price development of Teleca.

## Portfolio analysis

At the 2001 year end, Bure's investment portfolio contained a total of ten hub companies. The total investment portfolio had a book value of SEK 3,343M and a net asset value of SEK 4,025M.

Bure invests both directly and indirectly. The direct holdings are mainly consolidated in investment areas IT Solutions & Services, InfoMedia and Training & Education. The emphasis is on the hub companies. Direct investments represented 69 per cent of Bure's invested capital, of which the hub companies accounted for approximately 50 per cent.

Indirect investments are mainly made via funds within the areas Venture Capital & Incubators and Other holdings. At the year end, these represented 31 per cent of invested capital.

In addition, the investment portfolio contains Bure Finans which consists of capital investment shares and the parent company's other assets less the parent company's liabilities.

The proportion of listed assets constituted 14 per cent of the net asset value at the 2001 year end. The decrease compared with the previous year, when the proportion amounted to 35 per cent, is attributable to the distribution of Observer and a number of new investments in unlisted companies.

## Portfolio changes during 2001

During the year, the period of consolidation, exits and significant distributions which started in 2000 ended.

In total, Bure made divestments in 12 companies with exit results of SEK 590M during 2001. Bure sold more than 40 per cent of its holding in Dimension in connection with the company's listing on the Stockholm Exchange in February. In April, all of Bure's shares in Observer were distributed to the shareholders.

The year was characterised by the build-up of a new strong portfolio of private equity. The economic downturn created sound criteria for investments at attractive price levels.

The number of hub companies increased from six to ten during the year. New hub companies within IT Solutions and Services are Carl Bro, Svenska PA Group and Xdin. Within InfoMedia,

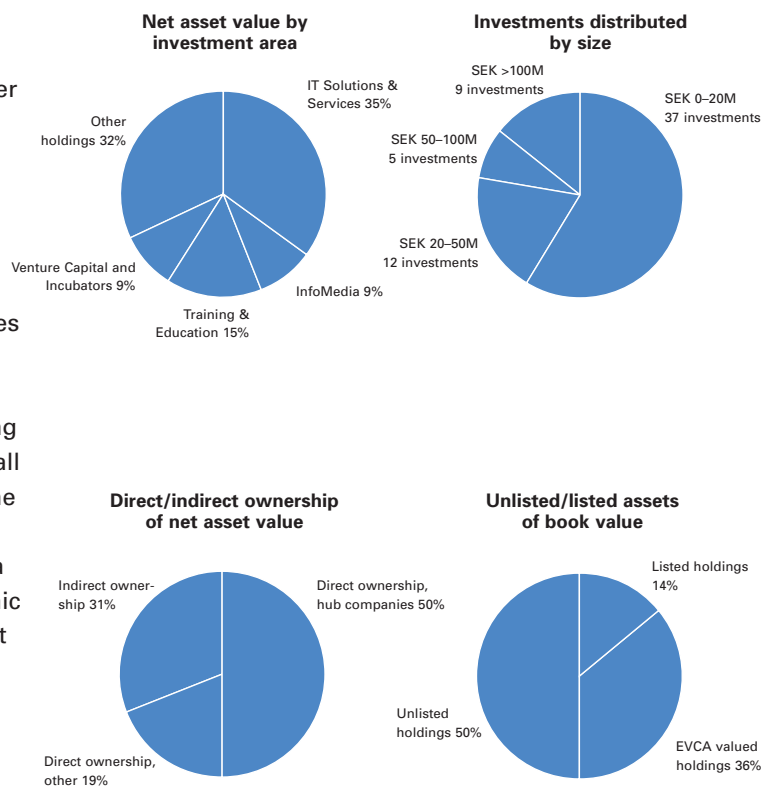
Bure created a hub area within the business communication segment, Business Communication Group, following its acquisition of Appelberg, Journalistgruppen and Stark.

In total, Bure made investments and supplementary investments of SEK 1,276M, of which SEK 617M was in four new hub companies.

Bure has a continuing strong financial position which provides good opportunities for continued investments during 2001.

## Table

The table on the following page gives an overview of Bure's portfolio holdings at 31 December 2001. The hub companies are presented on the pages 30–49.



## Net asset value 31 December 2001

	Share of capital %	Share of votes %	Book value SEK M	Net asset value SEK M	Over/under value SEK M	NAV SEK/ share	Valuation principle NAV
<b>IT Solutions &amp; Services</b>							
• Cygate	74.41	74.41	389	389	0	3.65	book value
• System	30.00	30.00	259	259	0	2.45	book value
• Carl Bro	50.46	50.46	244	244	0	2.30	book value
• Svenska PA Group	100.00	100.00	199	199	0	1.85	book value
• Xdin	39.02	40.91	45	45	0	0.40	book value
<b>Other direct holdings</b>							
Dimension	34.20	34.20	91	222	131	2.10	market value
Retea	100.00	100.00	29	29	0	0.25	book value
Erda Technology	100.00	100.00	20	20	0	0.20	book value
Simonsen Sverige	79.90	79.90	20	20	0	0.20	book value
<b>Total</b>			<b>1 296</b>	<b>1 427</b>	<b>131</b>	<b>13.40</b>	
<b>InfoMedia</b>							
• Citat	74.06	74.06	53	218	165	2.05	EVCA-value
• Business Communication Group	100.00	100.00	129	129	0	1.20	book value
Convenio	100.00	100.00	18	18	0	0.20	book value
<b>Total</b>			<b>200</b>	<b>365</b>	<b>165</b>	<b>3.45</b>	
<b>Training &amp; Education</b>							
• Mercuri International Group	98.20	98.20	337	360	23	3.40	EVCA-value
• Informator	100.00	100.00	111	111	0	1.05	book value
• Vittra	85.00	85.00	48	48	0	0.45	book value
<b>Other direct holdings</b>							
			87	87	0	0.80	book value
<b>Total</b>			<b>583</b>	<b>606</b>	<b>23</b>	<b>5.70</b>	
<b>Venture Capital &amp; Incubators</b>							
<b>Direct investments</b>							
CR&T **	64.93	48.57	56	99	43	1.05	EVCA-value
Newmad Technologies	26.62	26.62	28	28	0	0.25	book value
Other direct investments			32	39	7	0.35	*
<b>Indirect investments</b>							
InnKap fund 1 and 2 **			68	132	64	1.25	*
CR&T Venture			31	31	0	0.30	book value
<b>Total</b>			<b>215</b>	<b>329</b>	<b>114</b>	<b>3.20</b>	
<b>Other holdings</b>							
<b>Direct investments</b>							
Scribona	34.78	28.29	353	203	-150	1.90	market value
<b>Other direct holdings</b>							
			14	19	5	0.20	*
<b>Indirect investments</b>							
Nordic Capital funds **			681	1 078	396	10.15	*
<b>Total</b>			<b>1 049</b>	<b>1 300</b>	<b>251</b>	<b>12.25</b>	
<b>Bure Finans**</b>			<b>-2</b>	<b>-2</b>	<b>0</b>	<b>0.00</b>	
<b>TOTAL</b>			<b>3 343</b>	<b>4 025</b>	<b>684</b>	<b>38.00</b>	

• Hub company = a company which will form the base – “the hub” for Bure’s continued investments within a sector or a niche. The company aims to achieve a strong market-leading position through business development and acquisition.

\* The item includes companies which have been valued in accordance with more than one method.

\*\* Revaluation during the latest quarter.

\*\*\* Bure Finans includes the parent company’s other assets and liabilities as well as the listed stock portfolio which is managed by a subsidiary. The market value of the portfolio was SEK 592M.

The net asset value is calculated as the parent company’s visible equity and surplus values in listed and unlisted assets.

The unlisted assets are valued in accordance with the guidelines and recommendations issued by EVCA, European Venture Capital Association. These provide room for interpretation, whereby Bure as a fundamental rule applies a cautious approach, namely:

1) An investment is normally entered at its book value for the first 12 months, unless the long-term result development calls for a different valuation,

both positive and negative.

In such cases, a preferably comparative valuation of similar listed companies is applied, based on p/e and cash flow valuation.

2) A valuation other than the book value can also be applied to the investment if a significant transaction has been made with an external party, whereby two criteria must be fulfilled:

- the transaction must relate to at least 10 per cent of the capital, and
- the counterparty must be a professional operator.

At the 2001 year end, Bure's net asset value was SEK 4,025M or SEK 38 per share, compared with SEK 7,515M or SEK 69 per share at the 2000 year end.

Of the decrease of SEK 31 per share during the year, SEK 19.50 is equivalent to the cash dividend and distribution of Observer to the shareholders.

The remaining decrease in value is mainly explained by revaluations of unlisted holdings and falls in prices of the listed holdings in Dimension, Scribona and the stock portfolio. If the dividend and distribution are taken into account, the net asset value fell by 23 per cent during the year.

However, during the fourth quarter, the net asset value increased from SEK 37.50 to SEK 38, mainly thanks to a recovery of the values of the listed holdings. At the end of the fourth quarter, an individual review was made of the values of the unlisted holdings in accordance with Bure's application of EVCA's guidelines when the combined value of the unlisted holdings was adjusted downward by SEK 55M or SEK 0.50 per share. In addition, a significant transaction was made in Mölnlycke Health Care which

gave a new EVCA value equivalent to SEK -1 per share.

## Net asset value discount

Net asset value discount means that the company's market value is less than the company's reported net asset value.

There are several explanations why Swedish investment companies are traded at a net asset value discount, of which the following are the most important:

- because investment companies are not always seen to maximise the value for their shareholders
- because it can be difficult to show clearly the value that the investment company contributes as an alternative to direct ownership.

Bure's visible net asset value discount was 22 per cent at the 2001 year end, compared with 25 per cent at the end of 2000.

## Bure works to reduce the discount

The most important factors for reducing the net asset value discount are the following:

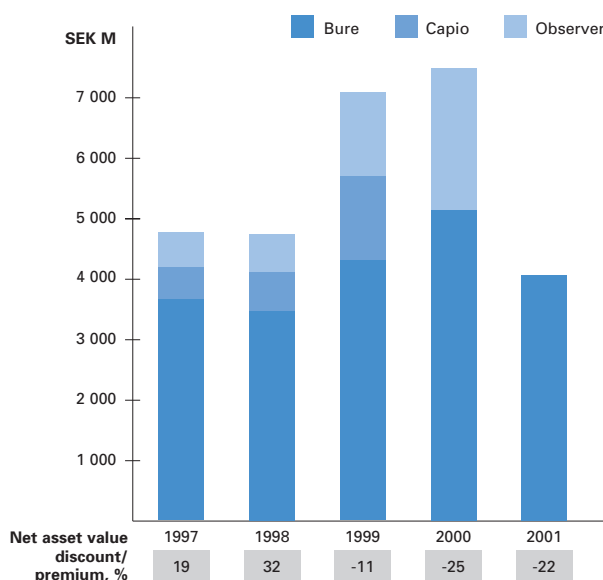
- sustained high return on equity
- even and high distribution of capital to the shareholders
- first class and transparent communication of strategy, business model and investment portfolio to the marketplace.

Bure's consolidation into a private equity company is aimed at reducing the net asset value discount and making the Bure share more attractive. Through ownership in Bure, an investor gains the opportunity to invest indirectly in unlisted growth companies within the knowledge-intensive service sector. It is difficult or impossible to become a direct owner in this sector which the individual investor finds difficult to penetrate and analyse.

As Bure invests mainly in unlisted holdings, the demands for the supply of homogenous, consistent and transparent information to the market are increasing.

Bure is working actively to provide and continuously improve the information about the companies in its investment portfolio. The focus on hub companies is partly aimed at marking more clearly strategic holdings and making visible Bure's value creat-

**Bure's net asset value and net asset value discount**



The diagram shows how Bure's net asset value developed during 1997–2001. Values, which have been built up over several years of consistent application of Bure's value created strategy, have been made visible through the distributions of Capio and Observer during 2000 and 2001. During 2001, a new phase of investments and value building started. Bure's net asset value discount amounted to 22 per cent at year end 2001.



ing processes in these companies. During the year, a number of hub companies, therefore, participated in Bure's capital market day. During the year, a gradually more detailed description of Bure's investment teams and strategy for the individual holdings has also been seen in the financial reporting and on Bure's website.

Another way of creating confidence in Bure's net asset value is to show a consistently higher valuation on exits than that most recently reported as the net asset value of realised assets. A central key figure for this is uplift which Bure reports both as an index and in SEK M (see below).

For consistent value development, it is important to have a balance over time between investments and exits. The portfolio companies will then also be in various phases of development which enables a consistent flow of exits and make values visible. Following a period of a large number of exits, there is now some imbalance in this respect. However, Bure is working to achieve a better balance through the new investments it implemented during the year and is planning for 2002.

### New dividend policy

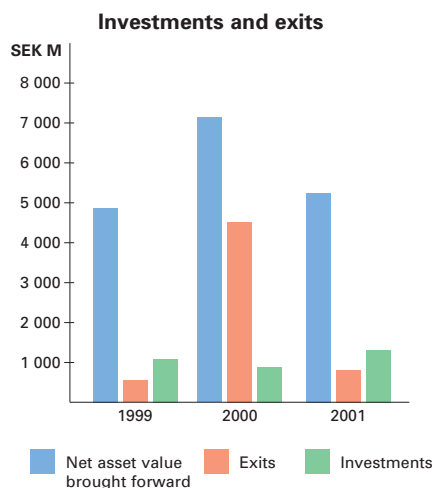
Bure is working consistently to generate value for the shareholders and create confidence in the company in the marketplace. Values which are created during Bure's ownership are made visible, realised and distributed to the shareholders through an aggressive dividend policy and through a good price development over time.

During the year, the Board of Directors adopted a

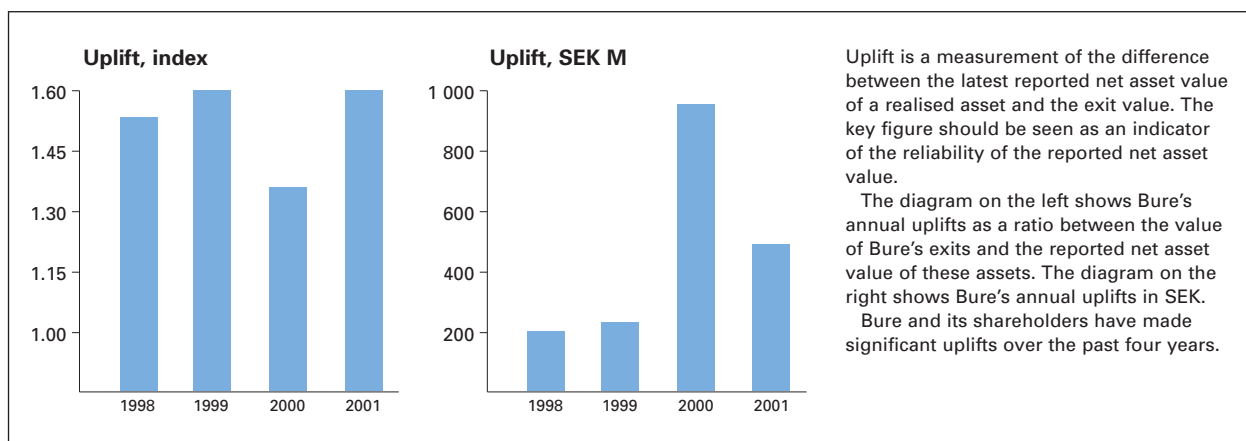
new dividend policy which takes into account the fact that several different instruments can be used for transferring capital to the shareholders. Examples of this are Bure's distribution of the holdings in Capiro in 2000 and of Observer in 2001.

According to the new dividend policy, cash dividend, distribution of shares in companies and acquisition of own outstanding shares, shall be utilised in different combinations to transfer values to Bure's shareholders.

In total, the transfer of value to the shareholders should be very competitive over a period of time, whereby the annual cash dividend shall amount to at least five per cent of the equity carried forward.



The diagram shows the development of the proportion of investments and exits over the past few years. Following an extensive period of exits, Bure is now in an investment phase.



The Bure share was listed on the Stockholm Stock Exchange on 1 October 1993. Since June 1995, the share has been traded on the Exchange's A list. During 2001, the number of shareholders increased from 21,900 to 25,050.

The proportion of foreign investors, mainly hedge funds, has fallen significantly in favour of Swedish institutional owners.

The largest owner, 6:e AP-fonden, increased its holding in Bure during the year from 14.9 to 16.7 per cent of votes and capital.

During the year, Stena Metall Finans acquired shares in Bure and at the end of the year, the holding amounted to 11.9 per cent of votes and capital. As a result, Stena Metall Finans has become the second largest owner.

## Price development and total yield

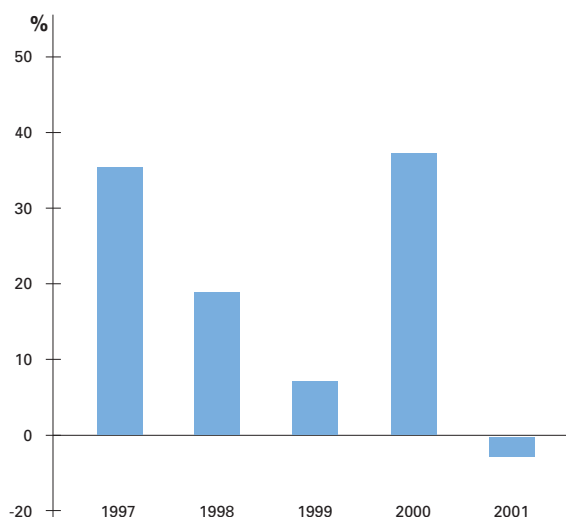
At the start of the year, Bure's market value was SEK 5,619M and the share price SEK 51.50.

In May 2001, all the shares in Observer were distributed to Bure's shareholders. For every six shares in Bure, one share in Observer was received.

Bure's market price was SEK 29.70 at the year end.

Including the distribution of Observer, the total yield was SEK -7.2 per cent during the year. During the year, the SAX-index fell by 16.9 per cent.

## The shareholders' total yield

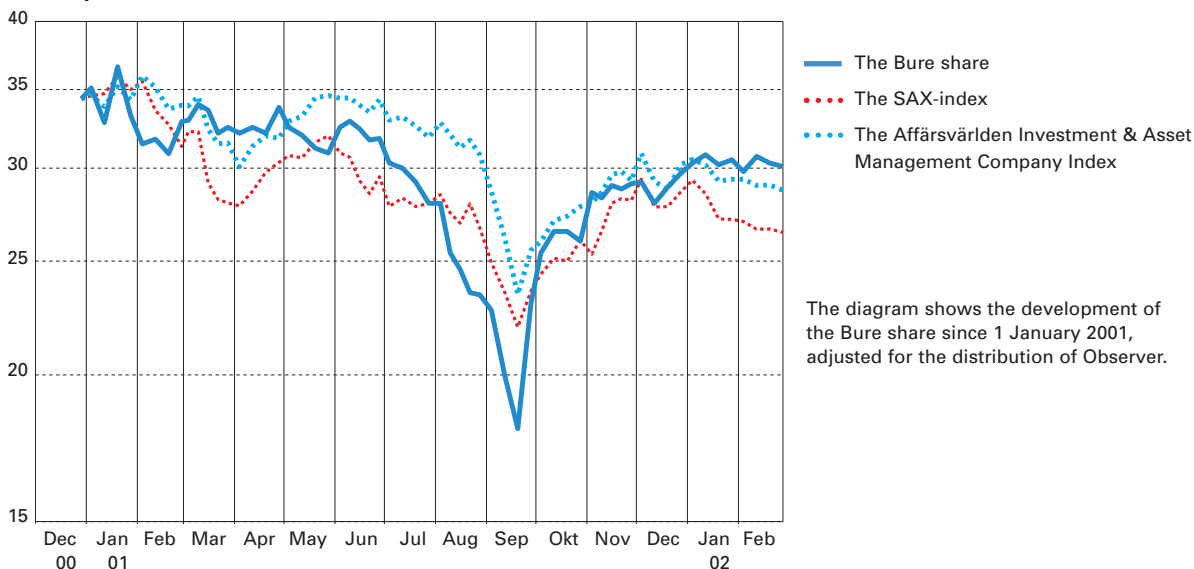


Bure has consistently reported a higher total yield than the Stockholm Exchange as a whole. During 2001 the total yield was -7.2 per cent, compared with SAX Index, which amounted to -16.9 per cent.

## Trading

Trading of the Bure share amounted to SEK 3,413M or 98 million shares (87). This means that 92 per cent (81) of Bure's shares were traded during the year.

## Development of the Bure share, SEK/share



The diagram shows the development of the Bure share since 1 January 2001, adjusted for the distribution of Observer.

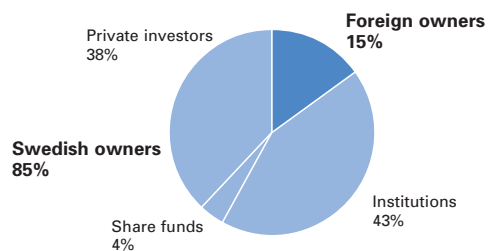
### Key figures per share

Net asset value, SEK	38.00
Share price, SEK	29.70
Share price as a percentage of net asset value	78
Number of shares, 000	105 800
Parent company's earnings per share, SEK	0.68
Parent company's equity per share, SEK	31.60

### The ten largest owners, %

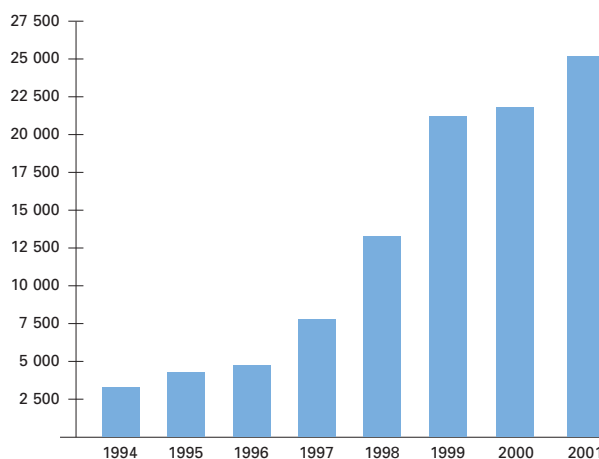
Sjätte AP-Fonden	16.2
Stena Metall Finans	11.9
Orkla ASA	7.3
Skandia	6.1
Alecta	2.8
Folksam Försäkring	1.7
KP Pension & Försäkring	1.5
SHB funds	1.2
FPG/AMFK	1.1
SPP Livförsäkring	1.1

### Ownership structure 31 December 2001



Private investors' ownership increased from 18 to 38 per cent during the year.

### Number of shareholders at 31 December



Bure had more than 25,000 shareholders at the year end. The number of shareholders has increased significantly in recent years. In particular, the number of private investors has increased.

### Analysts who monitor Bure

### Telephone

ABG Sundal Collier, Helge Roe	+47 22 01 61 42
Alfred Berg Fondkommission, John Hernander	+46 8-723 60 55
Aragon Fondkommission, Lars Frick	+46 8-791 35 00
Carnegie, Christian Brunlid	+46 8-676 87 11
Danske Securities, Fredrik Grevelius	+46 8-568 815 69
Enskilda Securities, Stefan Mattson	+46 8-52 22 97 94
Handelsbanken Securities, Henrik Kronqvist	+46 8-701 52 90
Swedbank Markets, Anders Björkman	+46 8-585 918 00

Like all investments, an investment in Bure involves some risk taking. A natural starting point for analysing risks in an investment company's operations is the parent company's balance sheet. Bure's assets consist almost exclusively of investments in portfolio companies or of liquid assets or assets which, within a short period of time, can be transformed into liquid funds. The majority of the assets are financed by equity capital and only to a small extent by loan liabilities and interest-free operating liabilities.

## Business risk

Bure's business risk consists of the investments which exist in the company's portfolio. Investment companies like Bure offer the shareholders a natural spread of risk by investing in a number of companies with various business interests.

Bure has elected to concentrate its operations on unlisted companies within sectors which are characterised by a high growth potential and high knowledge content. Bure's investments are mainly found within the IT, infomedia and training and education sectors. In addition, investments within the respective sector are made within different segments and subsegments. Bure's evaluation is that its investment orientation is sufficiently broad to offer the shareholders an adequate spread of risk without having to take the edge off Bure's own specialist competence. In addition, there are other factors which work to reduce the operating risk. For example:

- Bure already has in-depth experience within the sectors in which it invests which, combined with the history of Bure's success in building industrial businesses that exists in Bure, provides significant stability.
- Bure's investments in companies' early development phases are made indirectly via venture capital funds in which Bure is a stakeholder. These funds, in their turn, possess specialist competence for evaluation and development of these types of companies.
- Bure's direct investments are made in companies which have already achieved a certain market size and profitability.
- As an owner, Bure plays a proactive role in the company's development and, therefore, is well placed to identify and balance any potential risks in the operations.

In the long term, the most important individual factor for Bure's business risk is considered to be the company's ability to find the right investment object, to develop and position the investments industrially, and to create opportunities for exits at the right time.

Bure's business model for value creation and the documented process which exist for this, forms the company's structural capital, together with Bure's staff. Should Bure's ability to maintain this structural capital reduce, Bure's business risk would increase.

To evaluate the business risk in each individual investment, a risk analysis must be made of every individual portfolio company. Bure's principle is to update continually strategic plans containing analysis of business risks within the framework of the Board of Directors in each company.

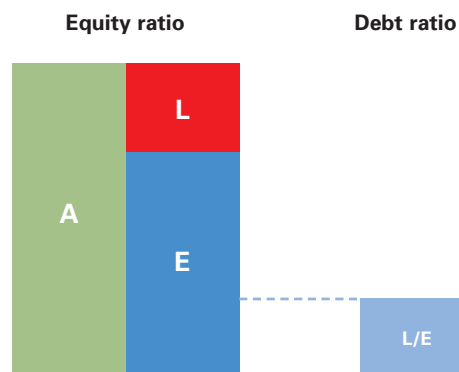
## Financial risk

Bure's financial risk is considered to be low. Bure has an equity ratio of 72 per cent (92). Bure's net debt amounted to SEK 91M (-1,149) at 31 December 2001 in an extreme scenario. Should Bure's largest investment, Cygate, lose its entire value, the equity ratio would fall to 69 per cent, which is still a very strong financial position.

During the year, Bure introduced a new financial policy which has its starting point in the debt ratio. The policy states that Bure's debt ratio should not exceed the factor 0.4 but could be allowed to increase to 0.6 if a detailed plan can be submitted relating to the way in which one should return to 0.4. At the turn of the year, the debt ratio amounted to 0.36.

Changes in the interest situation or changes in exchange rates do not significantly affect Bure's financing costs. The interest and currency risk is, therefore, deemed to be low. However, the individual portfolio companies could have a greater risk exposure in this respect.

The tax authority has questioned Bure's status as an investment company for the 1998 and 1999 financial years. This could be said to constitute a financial risk which is commented on further in the Directors' Report.



Bure has a strong balance sheet with an equity ratio of 72 per cent. The debt ratio amounts to 0.36.  
A = Assets L = Liabilities E = Equity

Bure's long-term success is largely decided by how well the total knowledge assets are managed, refined and renewed. In its capacity as a private equity company, the structural capital in Bure is the result of the resources among its own staff, and in the portfolio companies.

## Bure's knowledge and experience...

Bure's investment teams consists of well-qualified and highly educated individuals who all contribute with their unique strengths and experiences to generate the best possible results.

At the same time, a substantial structural capital has been built up in Bure over the years which means that knowledge is organised in common models, processes and ways of thinking. By developing the structural capital, the risk and the dependence on individuals is reduced. In addition, the quality and efficiency of work, as well as the sustained earning capacity can improve.

Bure's knowledge organisation, which traverses all parts of the operations, forms the base for the development of the structural capital. In 'competence centres', a structured exchange of knowledge and experience takes place across all operational disciplines, ranging from business practices and Board activities to drawing up reporting routines or investment calculations.

## ...contributes to value creation in the hub companies

Business development and the build-up of the structural capital in the hub companies constitute important parts in Bure's ability to create value. Transfer of knowledge to the hub companies takes place on a daily basis through Bure's proactive involvement in the companies, and through joint management conferences and seminars.

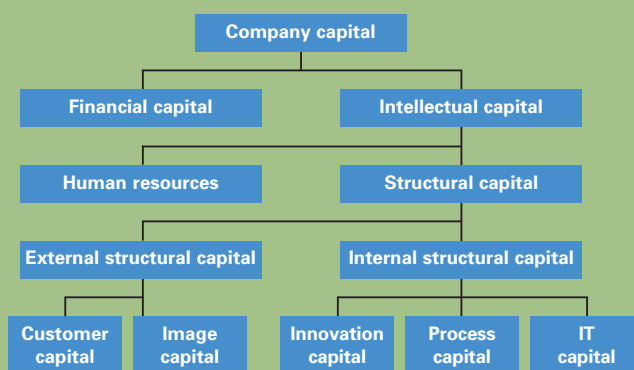
Bure applies different control figures to chart the structural capital in the holdings, of which the most important is value added per employee. This shows the average operating result per employee plus personnel costs and gives an indication of the company's underlying development potential. This control figure shows the ability in the human resources to utilise the surrounding structural capital.

The following table shows value-added per employee for Bure's hub companies at 31 December 2001:

Hub company	Value added per employee (SEK M)
Cygate	0.8
System	0.6
Carl Bro	0.5
Xdin	0.6
Svenska PA Group	1.1
Citat	0.6
Business Communication Group	0.5
Mercuri International	0.7
Informator	0.3
Vittra	0.4

## The example of Carl Bro – an IC company

Carl Bro, one of Bure's hub companies, is a pioneer company in Denmark and has consistently measured the development in the company capital in accordance with the following model:



The objective of the Intellectual Capital (IC) reporting is to chart how well a company is succeeding with its overall target of providing so-called intelligent solutions, i.e. solutions which contain both advanced technical functions and satisfies the needs of the customer.

The method is well-structured and gives a deeper insight into where value creation takes place in the different parts of the operation. Bure intends to evaluate further the structure and results of the method. The ambition is that this should provide interesting conclusions for continued development work within the Bure Group.

For further information about Carl Bro's reporting of the company capital, reference is made to Carl Bro's website, [www.carlbro.dk](http://www.carlbro.dk)

## Stimulating work environment

Bure has a dynamic work environment which puts high demands on its staff but which also offers stimulating work tasks and very good development opportunities. Bure wants to be perceived as the most attractive private equity company by its shareholders, staff and business partners. We achieve this by always acting professionally and by following the ethical guidelines which we set during the year.

Bure has a total of 41 staff, the majority of whom work in one of the teams that are responsible for the different portfolio companies. We strive for a broad mix of staff with regard to competence as well as sex and age.

A common denominator for all who work in Bure is that we have a genuine involvement in our company's development. Bure's staff are also important ambassadors for conveying our main message and core values in contacts with, for example, portfolio companies, capital markets and the media.

Bure's staff must have high ethics and be perceived to be:

- professional
- competent
- respectful
- ethical/moral

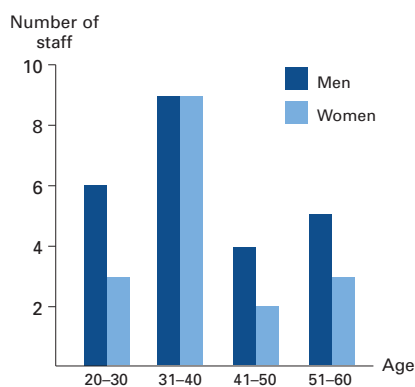
### Ethical guidelines

Bure bases its operations on trust. No single factor is more important to the company's long-term development than how we succeed in maintaining and strengthening the trust of the people and business

we work with. This requires our staff, whoever they are and whatever they are doing, to pay attention to the ethical requirements on our operations. The following ethical guidelines control our way of working:

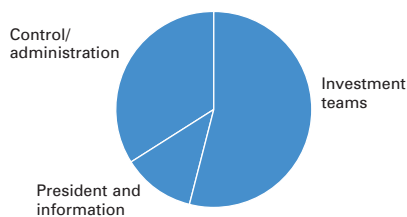
- we build our business on honesty and integrity. We avoid business and commitments which could be questionable from a legal or moral viewpoint.
- we do not utilise for personal gain the market sensitive information which our work in the financial market could provide us with.
- we select partners who are known for respecting ethical values in their operations.
- we care for our shareholders' trust by providing open, accurate and simultaneous reporting to all shareholders of operations, results and plans. Straightforward and honest communication forms part of our business strategy. However, we respect demands for secrecy from companies and individuals with whom we do business when this is justified for competitive or humanitarian consideration reasons.
- we honour human rights and are an equal opportunities employer and operate with consideration for environmental issues. This forms the basis for OECD's guidelines for internationally operating companies and we take for granted a similar viewpoint of the companies and the entrepreneurs with whom we do business.
- we strive for high profitability but not at the expense of ethical values. Without the legitimacy of being a company conscious of our responsibilities we will not achieve sustained high profitability.

Age and sex distribution



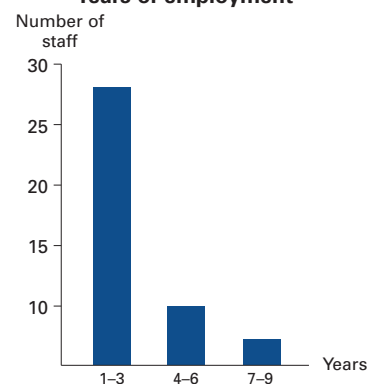
The age distribution within Bure is relatively evenly distributed between 25 and 58 years. The proportion of women amounts to 43 per cent.

Categories



The majority of the staff are involved with Bure's potential and existing investments via the investment teams. The other parts of the organisation, including the control and information functions, are also directly involved in work with the holdings.

Years of employment



In step with Bure's expansion, the number of staff has also increased. Over the past three years, 27 individuals were employed. 34 per cent have worked in Bure for more than three years.



Johan Burénus, 28.  
Employed in Bure in  
May 2000.

## To work at Bure

### How did you come to join Bure?

A good friend told me that Bure was looking for analysts and as I thought the company sounded interesting I sent in my application. Then there was an extensive interview process during which I became aware of the enormous experience, competence and professional

attitude of the company. The more people I met, the more I felt that I really wanted to work here.

### What do you do in Bure?

I started on the IT side and then spent some time within InfoMedia. Over the past year I have worked with more Group-wide matters and I have assisted Bure's management with analysis and internal project co-ordination, for example during the acquisition of Teleca/AU-System. In practise, I am involved with evaluating potential investment objects, producing investment documentation and participating in negotiations. I am also responsible for competence area environmental monitoring and

partly responsible for the investment and valuation process.

### What is Bure like as a place of work?

Bure is a flat organisation in which we work closely together in teams. There is a good spread between different age groups and competencies. It is a demanding place of work which, at the same time, offers great opportunities. If you are willing to take on things, you will also be given responsibilities.

### Which are your most important experiences so far?

What has struck me is the importance of building relationships, with colleagues and also with portfolio companies and other parties with whom we work closely. In an acquisition process, a high level of trust between the vendor and the buyer is crucial for achieving success. I have also gained an insight into completely new subject areas, such as the legal aspects of how to build agreements.

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**Education:** Graduate engineer in machine technology at Chalmers Technical Institute in Gothenburg, MBA at the Gothenburg School of Economics.

**Previous work:** Consultant in a company which concentrated on product development processes.

## Care for the environment

Care for the environment forms part of our corporate culture. It is expressed in the way we think and act – both in the current operations and in selection of strategy and attitude to investments and acquisitions.

Concern for the environment is a target per se but it also means that by behaving responsibly in environmental matters, we make a positive contribution towards enhancing our reputation as a company and strengthen our goodwill.

Care for the internal environment in the company goes hand in hand with showing consideration for the environment in general. Our aim is to carry out our operations, in all Group companies, in a way which ensures that they will make the least possible impact on the environment. In every way we can contribute positively to sustained ecological development, we shall do so.

### Environmental demands versus value growth

We are aware that environmental demands can be in conflict with desires for value growth in the short-term. In such situations it is crucial that we view the issues in a

longer perspective, in which environmental improvements often prove to be good investments. It is also important that the environmental issues are treated responsibly and credibly in all external and internal communication.

We keep up to date with public opinion on environmental issues and work proactively to stimulate understanding for environmental matters in the company. We believe that all staff members, in their location and in their work, can make a contribution for the benefit of the environment – for example by avoiding environmentally harmful substances, being economical with consumables and trying to select recyclable consumables in their work.

### Environmental targets for the portfolio companies

We want to see consideration for the environment as a natural and continuous process which is important for our employees and business partners as well as for customers and suppliers. The work demands stamina, consistency and self-discipline. In order to secure a sustained development, the companies in Bure are obliged to set targets for environmental consideration in their business plans.

*Bure's environmental policy, updated 2001*



**Cygate offers complete communications and infrastructure solutions for companies within the speech, data, video communication and security segments.**

## An international operator



Göran Marby, President

Cygate was formed in 1999 through a merger of Salcom and Santa Monica Software. The company has a strong market position in five countries around the Baltic and approximately 280 staff. Customers include Electrolux, Ericsson, Nokia and SchlumbergerSEMA.

### Offers a comprehensive network within integration solution

Cygate offers complete communications and infrastructure solutions for companies and operators. The solutions are for speech, data, video communication and security.

Control and administration form an important part of the solution as customers are increasingly seeking total solutions instead of just equipment. Cygate offers training programmes which enable customers to utilise the full potential of their network solutions. Operations are organised in three business areas: Network and Security, IT Management and Labs.

- **Networks and Security** provides the design and integration of secure communication solutions for speech, data and video.
- **IT Management** offers network monitoring and software installation as well as strategic counselling for the customer's total network handling.
- **Labs** develops products and concepts for Network and Security and IT Management.

### Growth and cost pressure during 2001

Although the downturn in the economy affected the company, Cygate continued to grow rapidly, especially during the latter part of the year. Net sales for the year amounted to SEK 964M (730), an increase of 32 per cent. The organic growth was 22 per cent.

(SEK M)	2001	2000	1999
Net sales	964	730	571
Growth (%)	32	28	16
Operating result <sup>1</sup>	19	13	-7
Operating margin <sup>1</sup> (%)	2	2	-1
Operating result <sup>2</sup>	12	13	-18
Operating cash flow after investments	25	11	-11
Total assets	363	339	237
Net debt/receivable	30	37	30
Average number of employees	261	253	187
Value added per employee	0.8	0.7	0.6

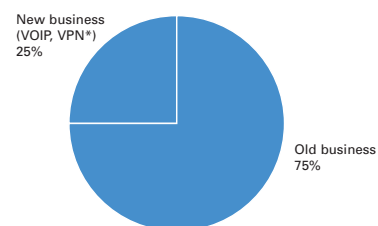
<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

Operating profit amounted to SEK 19M (13). During 2001, 25 per cent of sales were attributable to security, VPN (Virtual Private Network), VOIP (Voice Over Internet Protocol and ITM (IT Management). ITM enjoyed the fastest growth, from SEK 40M to 80M, a growth of 100 per cent. During the year, investments were made in the continuing development of different services within these segments. This has affected the results in the short-term.

In comparison with the closest competitors, Cygate's development was satisfactory during the year. Towards the end of the year, measures were implemented to reduce the company's cost volume.

Distribution of sales



\* New types of business within security and management.



**The year in brief**

- During spring, Cygate was awarded the Gold Partner of the Year award and the prize for Outstanding Customer Satisfaction by Cisco Systems.
- Jan Stenberg, former President of SAS, was appointed Chairman in May.
- Bure increased its ownership from 67 to more than 74 per cent during the second quarter.
- In July, Cygate was placed on the Swedish Agency for Administrative Development's list of preferred suppliers, which gives the company opportunities to sell to the public sector in Sweden over the next two years.
- In August, Cygate acquired the network division of the Danish company, Benau.
- In November, Cygate signed an agreement with NCC to deliver broadband solutions for two major projects, Kista Science Tower and Munin2.
- The company was placed eleventh on Svenska Dagbladet's and Ahrén & Partners' marathon list of the fastest growing companies in Sweden.
- During the year, several new products were developed and delivered within the prioritised data security segment. Cygate's investments in computer-supported telephony were also successful and resulted in a number of significant customer agreements.

**Bure's involvement**

Bure is the principal owner of Cygate with 74 per cent of the votes.

The remaining portion is owned by Conventum and by the founders of Salcom and Santa Monica Software.

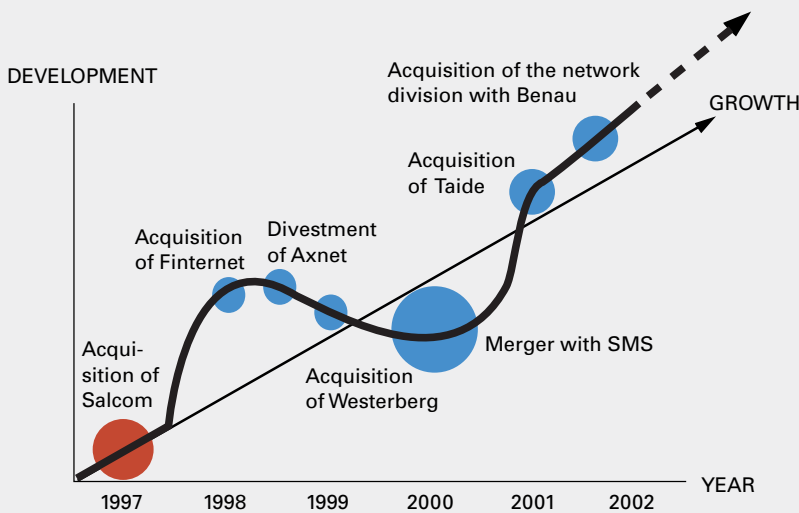
Cygate was formed by Bure in 1999 through the merger of the Swedish company Salcom and the Finnish company, Santa Monica, two leading network integration companies in the Nordic countries.

In 1997, Bure acquired 52 per cent of Salcom which, thereafter, expanded strongly through its acquisitions of Finternet and Westerberg. In addition, Bure had owned 60 per cent of Santa Monica since 1998.

During 2000, Bure acquired Taide, the leading network integrator in Lithuania.

With the acquisition of the network division of the Danish company, Benau, in August 2001, Cygate gained additional technical competence and delivery capacity of total solutions.

The intention is to increase Cygate's size and expansion rate still further through supplementary acquisitions. A stock market flotation or a divestment of the company is planned around 2003.





**Systemam works as a value-creating IT partner for its customers by supporting their business development with efficient business systems.**

## Value-creating IT partner



Niclas Ekblad, President

Systemam works as a generalist IT partner for medium-size companies, and as a specialist in ERP (Enterprise Resource Planning), system development and management services for large companies. The Group has around 800 staff and is established in some 40 locations in Sweden, Denmark, Norway and Finland.

Customers include approximately 2,000 companies across a large number of sectors. Some of the most important sectors are industry and commerce, the healthcare industry, in which Systemam is one of Sweden's leading IT operators, and the forestry industry, in which the company is a market leader in IT solutions for medium-sized sawmills.

### Well-focused customer offer

Systemam's operations are organised into the areas of IT Partner, Enterprise Solutions, Management and Enterprise Applications.

- **IT Partner** works with small and medium-sized commercial and industrial companies and is divided into a Swedish and an international organisation. For these customers, who frequently utilise the company's entire service offer, Systemam becomes a strategic partner with an overall perspective and ability to contribute to the customer's own business development.
- Large operations often have an internal IT department. Systemam offers them system development, system integration and sector solutions within **Enterprise Solutions**, strategic and business development through **Management**, and business systems through **Enterprise Applications**.

(SEK M)	2001	2000	1999
Net sales	953	759	622
Growth (%)	26	22	34
Operating result <sup>1</sup>	51	0	76
Operating margin <sup>1</sup> (%)	5	0	12
Operating result <sup>2</sup>	43	1	75
Total assets	404	392	267
Net debt/receivable	-53	-38	16
Average number of employees	771	664	473
Value added per employee	0.6	0.5	0.7

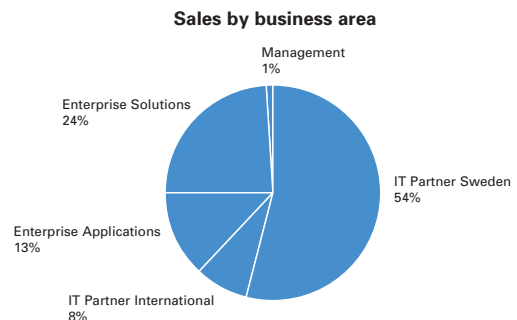
<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

### Recovery during 2001

Systemam's concept has proved successful for creating high growth and profitability. The market for the company's services improved during 2001 compared with the previous year. The healthcare sector showed a positive development. Net sales for the year amounted to SEK 953M, an increase of 26 per cent.

Operating profit amounted to SEK 51M (0). The results are considered satisfactory against a background of the overall decline in the IT sector during the year.



### The year in brief

- At the beginning of the year, an extensive agreement was concluded with Partena Care to provide staff administration systems as well as running the company's IT platform for the next three years.
- During the year, agreements were also concluded with Norrtälje Hospital for outsourcing the hospital's entire IT platform, and with Vasakronan. This related to the responsibility for computer operation and some other IT activities.
- In February, System acquired BMS Medical System from IBM, a company which operates in the information systems for hospitals segment.
- Niclas Ekblad took over as President in September.
- During the third quarter, System acquired CA Business Solutions, a company which focuses mainly on sales and installation of Scala-system.

## Bure's involvement

Bure's ownership in System amounts to 30 per cent with an option to increase the holding to 48 per cent. The other owners are the founders and staff.

System has grown strongly since Bure's investment in the company in 1999. Through some 20 acquisitions and organic growth, System has

nearly doubled its sales. Approximately 50 per cent of expansion has been organic and half via acquisition.

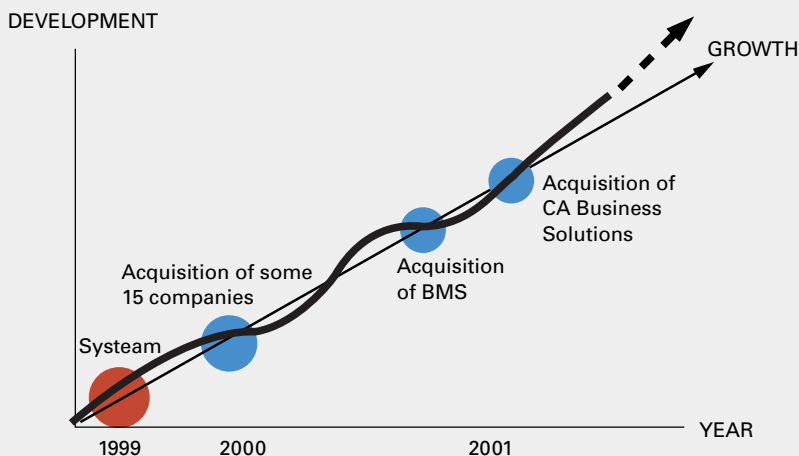
During 2000, System acquired the IT consulting company, Udac, from Bure. The acquisition made System one of Sweden's leading operators within IT for healthcare. Through the acquisi-

tion, System also strengthened its position as a supplier of operations services and PA systems.

The acquisition of BMS (Business Medical System) in February 2001, meant a strengthening of System's position as a leading supplier of IT solutions to the care sector.

System's acquisition of CA Business Solutions during autumn 2001, combined with significant organic growth, made System the leading Scala operator in the Nordic countries.

System's highest priority is to improve profitability, whilst continuing to focus on an aggressive growth strategy in the future. The ambition is to increase the company's volume significantly, partly through supplementary acquisitions, before an exit can be made.





**Carl Bro is an international, technology consulting company which, following its acquisition of Sycon, operates within the construction, transport, infrastructure, energy, environment and management sectors.**

## Largest in Scandinavia



Jesper Rasmussen,  
President

The Danish company, Carl Bro, which was founded more than 40 years ago, is the largest technology consulting company in Scandinavia, following its acquisition of Sycon in December 2001. The merged company has approximately 3,100 staff in offices in Denmark, Sweden, Norway, United Kingdom, Ireland and Germany. Carl Bro also carries

out a large number of international projects, including development and aid projects in Asia and Africa. Customers include Danmarks Radio, Danske Bank, World Bank, EU, Seven Trent and Scottish Office.

### Operations with breadth and depth

With its geographic presence and range of expertise, Carl Bro is a fully-comprehensive supplier of technology consulting solutions. The operations are organised in four business areas:

- **Environment, building and construction** The area includes totally integrated concepts in building technology, counselling and environment for the infrastructure, property and industry segments. Customers include building companies, private industrial and trading companies and public institutions.
- **Industry, marine and the environment** Operations include production planning, automation, process development, product and design development, industrial environment and ship planning and inspection. Customers cover a broad spectrum of sectors including the pharmacology industry, telecoms and shipping.
- **Management** Carl Bro supplies management services to some 50 countries, partly within aid

(SEK M)	2001 pro forma*	2000 pro forma*
Net sales	2 713	2 379
Growth (%)	14	–
Operating result <sup>1</sup>	-15	20
Operating margin <sup>1</sup> (%)	-1	1
Total assets	1 523	
Net debt/receivable	-183	
Average number of employees	3 227	2 943
Value added per employee	0.5	0.5

<sup>1</sup> Before goodwill amortisation and items affecting comparability  
\* The reported figures are pro forma including Sycon and excluding items affecting comparability.

and development projects. The competence area includes financial development analysis, water, energy and environmental analyses and human resource development.

- **IT & Telecommunications** Operations consist of system development and IT solutions which aim to contribute IT competence to Carl Bro's total solutions within all areas of operation.

### 2001 – consolidation started

During the year, Carl Bro and Sycon reported total sales of SEK 2,713M (2,379). Operating result amounted to SEK -15M (20), which is equivalent to an operating margin of -1 per cent (1).

The core operation of Carl Bro's main business areas reports a positive operating result of SEK 63M. The result is charged with costs and current operating results for operations which will be phased out. During the year, Sycon reported a slightly negative operating result.

For 2002, efforts will be focused still further on the core operations. A high priority will be to secure the Group's long-term profitability.

### The year in brief

- During the year, Carl Bro won a large number of customer contracts, including:
  - a number of water environment projects in Vietnam over a five-year period
  - consulting assignments for 48 large wind-power plants which are situated five kilometres off the Malmö coast for Örestads Vindkraftverk on Lillgrund
  - construction of a motorway with a 4.5 kilometre long tunnel under the port area in Dublin, Ireland
- In the first quarter, Carl Bro became the first Danish consulting company to be quality and environment certified in accordance with ISO 9001 and 14001.
- During the autumn, Carl Bro acquired Sycon, a Swedish technology consulting company with operations in Sweden, Denmark and Norway. Carl Bro and Sycon are eminently compatible, from both a market and expertise perspective.

## Bure's involvement

Bure's ownership in Carl Bro Group amounts to more than 50 per cent. Other large shareholders are Lønmodtagernes Dyrtidsfond, Sydkraft, and Carl Bro's corporate management.

Bure acquired Carl Bro in November 2001.

Through its acquisition of Sycon (from Sydkraft) at the end of December 2001, Carl Bro also achieved a strong platform in Sweden for further growth and access to supplementary leading edge competence within subsegments such as energy, environment, infrastruc-

ture and construction.

Sycon, whose head office is in Malmö, reports an annual turnover of approximately SEK 840M and has 1,100 employees. The company is the sixth largest technology consulting company in Sweden, with an approximately three per cent market share. The acquisition was paid for in cash and newly issued shares in Carl Bro. This meant that Sydkraft became the owner of approximately 12 per cent of Carl Bro through the transaction.

The holding in Carl Bro/Sycon provides Bure with a solid base

for participation in the consolidation of the Nordic technology consulting sector. The markets in Sweden, Norway and Finland are fragmented which should provide good opportunities for value increasing structural changes of the kind that Bure has been involved with in other sectors.

The intention is to improve the current profitability, expand still further in the Nordic countries and maintain the position as the largest technology consulting company in Northern Europe.



Svenska PA Group develops and supplies software and services, aimed at assisting operations in refining and efficiently administering their human and structural capital.

## Total supplier within HRM



Ulf Ericsson, President

Svenska PA Group is one of Sweden's leading suppliers of HRM systems (Human Resource Management).

The Group consists of the companies: Svenska PA System, Palett HRM and Time Recorder Data. Svenska PA Group offers total payroll and personnel administration solutions and

has more than 125 staff in Sweden and Norway. Staff are mainly consultants, customer support personnel and development personnel.

Customers are large and medium-sized companies and organisations in Sweden, Norway and Denmark. The Group is also a leading operator in the Swedish county council and municipality market.

### Three companies in one

Through the combination of three prominent HR companies with complementary operations and markets, Svenska PA Group can offer its customers a complete product range.

The Group's success is based on competitive systems, combined with in-depth HR competence and long-term customer relationships.

### A successful year

Net sales for 2001 amounted to SEK 204M (119) which represents a growth of 71 per cent (27) compared with the previous year. Operating profit amounted to SEK 50M (32) which provides an operating margin of 25 per cent (27). The Group developed positively during the year with continued strong growth. Profitability improved and the effect

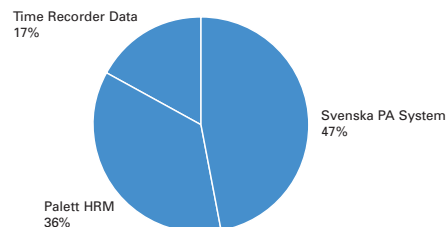
(SEK M)	2001	2000	1999
Net sales	204	119	94
Growth (%)	71	27	26
Operating result <sup>1</sup>	50	32	23
Operating margin <sup>1</sup> (%)	25	27	24
Operating result <sup>2</sup>	49	32	23
Operating cash flow after investments	37	-	-
Total assets	309	268	84
Net debt/receivable	-149	-143	4
Average number of employees	126	65	61
Value added per employee	1.1	1.2	1.0

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

of the weak economy on profit was limited. During the year, operations were characterised by marketing activities and investments to enable continued long-term growth.

Sales by business area





### The year in brief

- During the year, public sector projects for Norrköping and Linköping municipalities were undertaken. Within the private sector, assignments were undertaken on behalf of Skanska and other companies.
- New agreements were signed with Lidingö stad, Upplands Väsby kommun, HSB Lön and Scandinavian Service Partner.
- During the year, a strategic agreement was signed with the recruitment company, Proffice, which means that Proffice will base its outsourced payroll handling services on Svenska PA Group's concept. This means that Svenska PA Group takes an important step into the outsourcing market.
- During the first quarter, a changeover of production plant from Ericsson to IBM was implemented for one of the Group's larger payroll systems, which enables greater flexibility and simpler work of change.
- The Group's ASP services were developed further and the first agreements within this sector were concluded during the year, both with private and public sector customers. ASP services enabled customers to utilise the Group's products without their own server installation.
- During the year, work aimed at developing internal routines to improve process orientation was successful and resulted in better quality as well as improved productivity.
- After the end of the operating period, on 1 January 2002, Svenska PA Group acquired Ekonomitjänst, a company which offers outsourced payroll administration services to small companies.

## Bure's involvement

Bure has 100 per cent ownership of the Group.

The investment in Svenska PA Group was made during October 2001. The background to Bure's involvement is the Group's strong position and prerequisites for growth in the interesting HRM sector.

The overall Nordic market for

HRM systems is expected to expand in the future. The market's underlying dynamism is partly reflected in the company's increasing interest in refining and organising its human and structural capital.

The objective for the future is to create organic growth through a proactive sales

strategy and by strengthening the company's position within the HRM software segment through supplementary acquisitions.

An exit through a stock market flotation or an industrial sale is expected to be on the agenda in 2004.



**Xdin is a group of technical consultants who creatively develop products and processes for innovative companies and organisations.**

## A creative development company



Hans Norén, President

Xdin provides services, training and creative tools for change and development processes in companies. The company was formed nearly ten years ago with the aim of becoming its customers' main partner. A large proportion of Xdin's customers are in the automotive, telecoms and public administration sectors.

Customers include Volvo Group, Volvo Car Corporation, Saab Automobile, Ericsson and Göteborgs Kommun. Xdin has approximately 225 staff and operations in Gothenburg, Alingsås, Linköping, Stockholm and Malmö, and in Virginia Beach, Greensboro and Detroit in the USA.

### Width and holistic outlook

Xdin has an innovative and flexible organisational structure which means that all staff are accessible in an easily managed pool of expertise and their resources can rapidly be distributed to different projects.

Xdin offers a broad spectrum of services:

- Construction and product development within the automotive, telecoms and electronics segments.
- Training activities which comprise CAD applications, method development and support.
- Surveying a company's different processes with the aim of improving them through the use of the graphic analysis tool, Business Viewer, which has been developed by Xdin.
- Development of IT technology as a support for the company's business processes and for producing software for embedded systems.
- Animation and simulation of the behaviour and functions in products and logistics systems and of the collaboration between humans and machines.

(SEK M)	2001	2000	1999
Net sales	173	139	122
Growth (%)	24	14	14
Operating result <sup>1</sup>	-6	-1	0
Operating margin <sup>1</sup> (%)	-3	-1	0
Operating result <sup>2</sup>	-12	1	-2
Total assets	114	114	75
Net debt/receivable	-24	-38	-33
Average number of employees	201	177	158
Value added per employee	0.6	0.5	0.5

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

### Growth and slowdown during 2001

Net sales for the year amounted to SEK 173M (139), an increase of 24 per cent (14) compared with the previous year. Operating result was SEK -6M (-1).

The negative result development is partly due to the fact that Xdin's organisation was adapted for continued growth whilst the market developed significantly less positively than anticipated. This was particularly noticeable within the embedded systems segment. During the year, measures aimed at achieving profitability were initiated and the organisation adapted to the new market situation. The focus for 2002 is on improving profitability.

During 2001, Xdin invested approximately SEK 4M in internal development projects. This strategic investment forms the foundation for Xdin's Innovation Centre. This is an important part of the company's operations which is expected to play an increasingly significant role in the future.

Xdin's operations within product development and IT report continued success and are fully on target.



### The year in brief

- In July, Xdin entered into a partnership with a French industrial company, EADS Matra Datavision. This provides the company with a wider range of services in computer supported construction and service for the automotive and telecom sectors all over the world.
- During 2001, Xdin developed the security concept, PAPAI, a fully comprehensive process for high

information security with considerable future potential. The concept was successfully launched at the COMDEX Nordic fair in January 2002.

- During the year, Xdin strengthened its position with key customers in the automotive sector. The new offices in Detroit and Greensboro reflect the company's increasing investment in global development projects which are increasingly demanded by Xdin customers.

## Bure's involvement

Bure's holding in Xdin amounts to 35 per cent, whereas the remaining 65 per cent is owned by Xdin's founders and staff. Bure identified Xdin as an attractive investment on the basis of the company's innovative ability and strong position within the Swedish automotive industry.

Bure became a stakeholder in October 2001. With Bure as a proactive partner, Xdin now has the foundations on which to grow and become a leading operator within its niche of operation in Sweden and the USA.

The partnership entered into with EADS Matra Datavision

during the year was an important step on the way towards achieving this target. The ambition is to expand operations still further through organic growth and supplementary acquisition. The main track for exit is a stock market flotation or sale during 2003–2004.



**Citat implements market communications systems by supplying companies with services and system solutions to make the market communications process more efficient.**

## Simplifies the process of marketing



Magnus Lundblad,  
President

Citat was founded in 1989 and has since been involved with providing its customers with services and systems solutions to improve the marketing communications process. The company has around 250 staff and offices in Gothenburg, Stockholm and Västerås. Customers include Ericsson, Volvo Lastvagnar, H&M, Skandia, Fritidsresor and Canal+.

### Simplifies the process of marketing

The foundation for Citat's offer and uniqueness lies in a combination of competencies within the process for marketing communications, system development and advanced system integration, as well as traditional graphic knowledge.

Operations are focused on three main areas: operational development, system solutions and production.

- In **operational development**, Citat is involved with analysis and process development for building structural capital around the customers' marketing communications.
- The **systems solutions** area provides IT solutions as a support for communication.
- **Production** makes the customer's production of marketing and information materials more efficient.

### Stable profit development

Citat's net sales for the year amounted to SEK 280M (303). When adjusted for divested units, sales increased by 16 per cent. Operating profit amounted to SEK 8M (-10).

The company's offer, to save time and costs by

(SEK M)	2001	2000	1999
Net sales	280	303	209
Growth (%)	-8*	45	25
Operating result <sup>1</sup>	8	-10	6
Operating margin <sup>1</sup> (%)	3	-3	3
Operating result <sup>2</sup>	24	-12	7
Operating cash flow after investments	4	-24	21
Total assets	195	220	139
Net debt/receivable	-58	-77	-39
Average number of employees	262	280	182
Value added per employee	0.6	0.5	0.5

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

\* Adjusted for divested units, sales increased by 16 per cent.

making the process of marketing communications more efficient, has gained a strong response in the market.

The focus on consolidation and profitable growth has paid dividends and the company's development is satisfactory against the background of the economic situation.

### The year in brief

- During the first quarter, Citat signed a 'preferred supplier agreement' in IT and marketing communications with the Ericsson Group and a new general agreement with Skandia.
- The subsidiaries, Stark and Convenio were sold to Bure in April.
- In May, Magnus Lundblad took over as President of Citat. During the same month, Citat signed an agreement with Försvarets materielverk for the continued development of communications systems for the Swedish armed forces.
- In October, Citat acquired Digitized AB, a company in the digital photography segment.
- New customers during the third quarter include Klinidrape, part of Mölnlycke Health Care, and AstraZeneca.
- In November, Citat signed an agreement with Gustavsberg for the handling of catalogue production, retailer advertising and picture storage.
- Citat acquired the remaining shares in Reptil and now owns 100 per cent of the shares.
- DFDS Seaways Sverige outsources its entire graphics production to Citat.

## Bure's involvement

Bure is the principle owner of Citat with a 74 per cent shareholding.

Bure acquired its holding in Citat in 1996. Since then, Citat has grown rapidly, both organically and via acquisition. Bure has contributed to the company's expansion by providing experience within the infomedia sector

and financial resources for structural transactions.

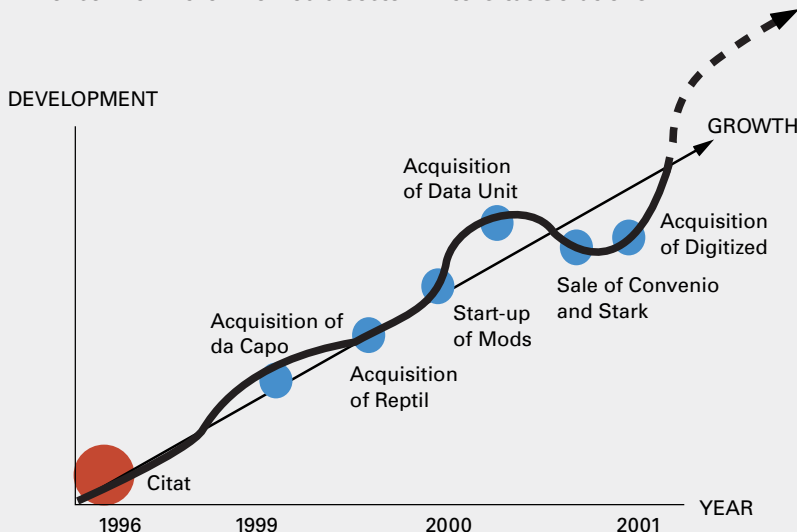
During autumn 1999, Citat acquired DaCapo, a leading supplier of marketing and sales e-solutions. The acquisition strengthens Citat's total communications offer. At the beginning of 2000, DaCapo changed its name to Citat Solutions.

In May 2000, Citat established a new company for high technology image handling which enables increased integration between the Internet and other media. The company, Mods, is part of Citat's subsidiary, Reptil.

In order to strengthen its competence within the IT sector still further, Citat acquired Data Unit during autumn 2000. Data Unit is an IT consulting company, which operates within system development, database handling, and web and e-solutions for business-to-business applications.

In April 2001, Citat sold the event company, Convenio, and the film production company, Stark, to Bure. The divestments meant a consolidation of the operations around system solutions for marketing communications.

The main strategy for exit of Citat is a stock market flotation within two to three years.





**Business Communication Group helps its customers to achieve their targets via customer-adapted communication independent of the media.**

## New hub area within InfoMedia



Erik Strand, President

Business Communication Group constitutes a new hub area within InfoMedia. The area consists of three companies, each of which are leading operators within their niche in Sweden. They are the communication agency, **Journalistgruppen**, **Stark Filmproduktion**, which produces film for its internal

and external corporate communication, and **Appelberg Publishing Agency** which focuses on company magazines with an international remit.

The Group employs approximately 250 staff and has offices in Stockholm, Gothenburg, Malmö, Lund, Hong Kong and Shanghai. Customers include Volvo, Pharmacia, Telia, SEB, Ericsson, WM-data, ABB and Vin & Sprit.

### Leading edge competence in collaboration

Companies currently have a growing need for professional, company adapted communication distributed through several different types of media. The focus of Business Communication Group is a leading edge expertise in collaboration, in which each individual company works independently under its own brand name and also with the other Group members to create increased customer benefits.

### Priorities in the coming year

The three companies will continue to work independently with strategies for growth and profitability. At the same time, work continues to create joint offers and collaboration between the companies within the framework of the hub area. Other prioritised activities for the area include geographical expansion

(SEK M)	2001 pro forma*	2000 pro forma*	1999 pro forma*
Net sales	264	214	172
Growth (%)	24	24	29
Operating result <sup>1</sup>	4	10	8
Operating margin <sup>1</sup> (%)	2	5	5
Operating result <sup>2</sup>	3	11	8
Total assets	137	69	52
Net debt/receivable	25	8	-3
Average number of employees	251	154	-
Value added per employee	0.5	0.6	-

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

\* Pro forma including Journalistgruppen, Appelberg and Stark as if the companies had been wholly-owned during 1999–2001.

sion and new competence areas. There is a significant focus on structured sales, establishing knowledge about the existence of Business Communication Group, and offers to key interested parties.

### 2001 characterised by an uncertain market

Net sales (pro forma) for the year amounted to SEK 264M (214), equivalent to an increase of 24 per cent (24). The growth is partly attributable to new assignments from large customers such as ABB (Appelberg) and Telia (Stark Filmproduktion).

Although 2001 was characterised by uncertainty in the market, Business Communication Group succeeded in maintaining positive margins whilst in a build-up phase. However, the Group's profitability was affected by the economic climate which resulted in increased price competition in the marketplace. Operating profit amounted to SEK 4M (10).

## JOURNALISTGRUPPEN,



**Business objective:** "To help customers achieve their targets through journalism."

**Year of establishment:** 1989

**Net sales:** SEK 115M

**Operating profit<sup>1</sup>:** SEK 2.2M

**Number of staff:** 125

**Business objective:** "To help customers achieve their communications targets through the unrivalled ability of the moving image to influence, entertain and inform."

**Year of establishment:** 1991

**Net sales:** SEK 59M

**Operating profit<sup>1</sup>:** SEK 2.1M

**Number of staff:** 45

**Business objective:** "To help international companies and organisations develop creative platforms and activities for achieving communications targets."

**Year of establishment:** 1990

**Net sales (pro forma):** SEK 90M

**Operating profit<sup>1</sup>:** SEK 0.1M

**Number of staff:** 81

<sup>1</sup> Before goodwill amortisation and items affecting comparability

### The year in brief

- In July, Appelberg acquired Communicate, a producer of customer magazines with offices in Hong Kong and Shanghai and, during November, Appelberg acquired Magazine Design, which focuses on magazine design.
- Stark Filmproduktion reached the final of the Lion Award in Cannes, the world's largest film advertising competition.
- During the third quarter, Journalistgruppen acquired Webbennan, a website for communicators within the web and Intranet marketplaces.
- The legal structure for Business Communication Group was finalised during November.
- Journalistgruppen was awarded two first prizes via Svenska Publishingpriset, for best customer magazine (Anamma) and for the best community website (Barncancerfonden).
- Erik Strand, formerly sales and market director of SAS, was recruited as President during the autumn.
- From February 2002, the event company, Convenio, is included in the Business Communication Group.

## Bure's involvement

Bure's ownership of Business Communication Group is 100 per cent. The Group's ownership of the included companies is 100 per cent for Journalistgruppen and Stark Filmproduktion, respectively, and 34.4 per cent for Appelberg Publishing Group (of which the founder, Olle Appelberg, and some staff members own the remaining share).

The acquisition in Appelberg became the first building block in Business Communication Group and the first step in Bure's

investment in the corporate magazines segment. Appelberg later acquired Communicate which has offices in Hong Kong and Shanghai and operations in one of the world's most rapidly expanding markets. Appelberg's presence in Asia also means expanded service for the company's global customers.

Through the acquisitions of Stark and Propello, which were later merged under the name Stark Filmproduktion, the Group acquired film production expertise for advertising, information

and the Internet.

The acquisition of the communication agency, Journalistgruppen, meant a significant strengthening of strategic counselling, internal communication, PR and production of internal and external publications' expertise.

The objective is to expand the group through organic growth and supplementary acquisition. The main track for an exit involves a sale to an industrial party within three to four years.



**Mercuri International is the market leader in Europe for training and consultation within sales and leadership development.**

## An international training group



Wolfgang Bussmann,  
President

Since the start nearly 40 years ago, Mercuri International has developed from a family company into a Group able to meet the total needs of globally operating companies for competence development within sales, management, marketing and service functions. Mercuri has operations in around 40 countries and approximately 700 staff. The company carries out a total of approximately 5,000 development projects every year.

The company carries out a total of approximately 5,000 development projects every year.

### Develops the customer's business

Mercuri's offer is aimed at helping customers achieve or maintain leading positions in the market. The company takes responsibility for the entire development process, from current situation analysis and selection of development activities, to implementation support and result measurement. Mercuri is increasingly functioning as a strategic partner to customers, which is beneficial for the company's long-term earning capacity.

The ambition is to increase the proportion of multinational assignments in which Mercuri has a competitive edge, both through its extensive geographic network and through its work models which are adapted to large organisations.

### Focus on continued growth

Developments during the year were characterised by some fall in demand for general sales training. However, the demand for development of efficient sales processes in large companies was good. During the year, Mercuri won a number of large, prestigious assignments which proves that its investment in large customers/assignments is successful.

Net sales for the year increased by SEK 104M compared with the previous year to SEK 773M (669).

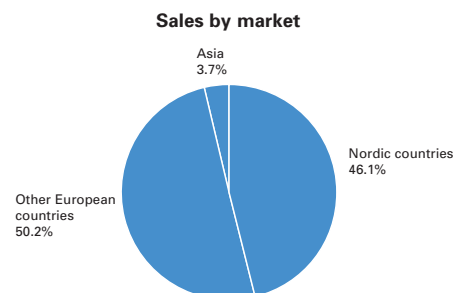
(SEK M)	2001	2000	1999
Net sales	773	669	433
Growth (%)	16	54	
Operating result <sup>1</sup>	27	-1	37
Operating margin <sup>1</sup> (%)	4	0	8
Operating result <sup>2</sup>	28	2	37
Operating cash flow after investments	20	48	55
Total assets	766	689	673
Net debt/receivable	-131	-118	-133
Average number of employees	736	652	525
Value added per employee	0.7	0.7	0.6

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

The accumulated sales increase is 16 per cent (54), of which the majority relates to new acquisitions. Operating profit amounted to SEK 27M (-1).

Mercuri is currently proactively involved with increasing its sales by taking advantage of the extensive product and concept development work that was implemented over the past two years. At the same time, internal cost control was significantly tightened during the year. Several of Mercuri's most important markets, such as Finland, Germany and France, report good growth and margins whereas some markets have been affected, in the short-term, partly by changes in the management organisation.



## The year in brief

- In January, Mercuri acquired operations in Hungary, Poland, the Czech Republic, Croatia, Slovenia, Slovakia and Rumania. Thus, the company has strengthened its position in these important development markets.
- The strategic competence management concept was launched during the first quarter and strengthens Mercuri's position as a strategic partner of large international customers.
- During the second quarter, Mercuri concluded an extensive three-year agreement with Lloyds TSB, a leading bank in the United Kingdom. The programme is aimed at making the bank's sales training more efficient and less resource-demanding. The training programme is a combination of instructor-led training and e-learning. The e-learning portion is supplied by Bure's partly owned company, Boxer Technologies.
- The new collaboration between Mercuri International and the Bure-owned company, Celemi, has already resulted in prestigious international joint assignments.
- During the year, weak units in the Group were restructured. The work was successful and will contribute to increased stability of the company's future earning capacity.

## Bure's involvement

Bure owns 98 per cent of the shares in Mercuri International.

Bure's build up of Mercuri began in 1998 with the acquisition of the holding company, Mercuri International Group, and Mercuri International Scan Asia with operations in Scandinavia and Asia.

With Bure as a proactive owner, the company gradually acquired and integrated the fol-

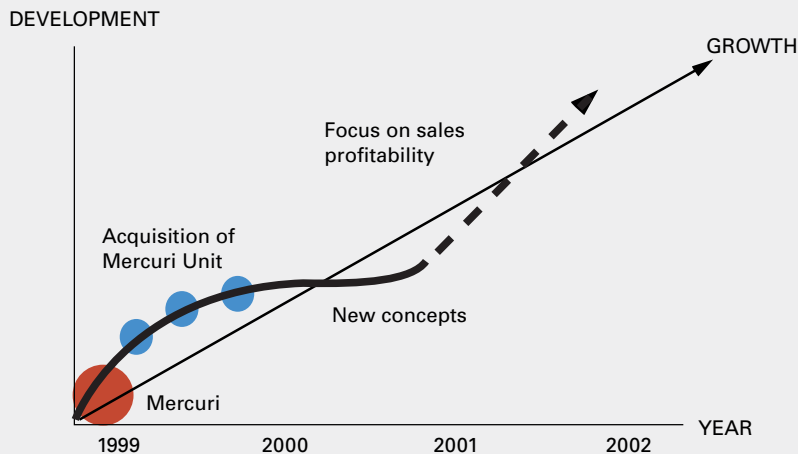
lowing units: Mercuri International Western Europe, Mercuri International Australia and Mercuri International Fin East. The latter has operations in Finland, Estonia, Latvia, Lithuania, Russia, Moldavia, Ukraine and Belarus.

In 1999, Mercuri also acquired Scandinavian Retail Center, a consulting and training company which specialises in custo-

mers, suppliers and retail chains within the fast moving consumer goods segment.

Following its acquisition of the Mercuri operations in Hungary, Poland, the Czech Republic, Croatia, Slovenia, Slovakia and Rumania during the year, Mercuri is now established in around 40 countries, with a special focus on Europe. Only a small number of small Mercuri operations outside Europe are currently owned locally.

The objective for the future is to strengthen and position Mercuri as the leading international company within sales training through continued expansion in existing markets. Mercuri now has very good products and concepts which facilitate strong organic growth. At the same time, the strong Mercuri brand can constitute the platform for additional acquisitions.





**Informator is Sweden's most comprehensive training house in IT and project management. Informator carries out training programmes aimed at strengthening companies' IT competence at all levels, from the most advanced leading edge competence, to certification and broad knowledge.**

## Leader in competence development within IT



Peter Gudmunson,  
President (from April  
2002)

Informator has been in business for more than 10 years and has trained the majority of the technical engineering elite within IT and project management in Sweden. The company has around 85 staff and offices and training premises in Stockholm, Gothenburg and Oslo. Customers include Ericsson, Electrolux, Cap Gemini, Ernst & Young, Handelsbanken and Sveriges Riksdag.

### Broad product supply

Informator offers comprehensive training programmes in IT and project knowledge, including:

- High-quality, leading edge courses and pioneering training programmes in advanced IT training for system developers, programmers and network engineers as well as for administrative and leading staff within IT functions.
- User training which includes basic courses for less experienced computer users as well as more advanced courses for skilled users.

In addition to training, Informator also provides services and products for strategic competence development in the IT sector. The supply consists mainly of courses developed by Informator, partner training programmes from major manufacturers such as Microsoft and Novell, and a large supply of the market's foremost e-learning products.

### Difficult market conditions

Net sales for 2001 amounted to SEK 166M compared with SEK 212M in 2000. Operating result amounted to SEK -19M (22).

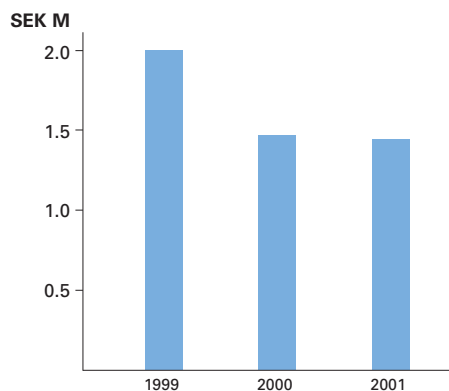
(SEK M)	2001	2000	1999
Net sales	166	212	189
Growth (%)	-22	13	
Operating result <sup>1</sup>	-19	22	11
Operating margin <sup>1</sup> (%)	-11	10	6
Operating result <sup>2</sup>	-30	22	11
Operating cash flow after investments	-23	20	17
Total assets	184	264	223
Net debt/receivable	-95	-84	-91
Average number of employees	114	142	94
Value added per employee	0.3	0.6	0.7

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

Informator was strongly affected by the downturn in the IT consulting and telecoms sectors during the year. Several of Informator's competitors in the Swedish market were eliminated during the year.

Sales per employee







### The year in brief

- Different cost production programmes and an extensive reconstruction plan were implemented to adapt the company's capacity and resources to current market conditions. The measures are expected to make a full impact from the beginning of 2002. During the year, the number of employees in Sweden was reduced from a maximum of 120 to 80.
- Arne Leeb-Lundberg has been acting President since October. Peter Gudmunson will take over as President of Informator in spring 2002.
- During December, Informator acquired Prokoda Training & Services, a leading IT training company in Germany. Prokoda reports sales of more than SEK 100M, has around 100 employees and operations in ten locations in Germany. Operations are profitable and are expected to generate product synergies with Informator in Sweden and market synergies with Mercuri in Germany.

## Bure's involvement

Bure's has 100 per cent ownership of Informator.

Informator has expanded significantly since Bure became an owner in autumn 1998. The build-up has largely been achieved through acquisition of companies with complementary activities within IT training.

Fama Datautbildning, Nordisk Datautbildning AB and Informator Utbildning Svenska AB were acquired in 1998.

During 1999, Bure acquired Network Management, Net center Svenska and Scribona Education centre.

Bure's business competence

and experience of integration work has contributed to the successful merger of the acquired operations. In 2000, this work resulted in solid growth and a high profit level. Bure has also invested in strengthening the company's preparedness for future international expansion.

Bure's assessment that the sector has a sound long-term potential has not changed as a result of the downturn in the market. The downturn has resulted in a consolidation of the segment and more favourable price levels for acquisitions.

Activities aimed at identifying

and evaluating potential acquisition objects were intensive during the year and resulted in Bure's acquisition in December of Prokoda Training & Services, a leading IT training company in Germany.

Preparations are underway to implement additional, mainly Nordic, acquisitions during 2002 and thus significantly increase Informator's business volume. Opportunities for synergies, mainly within the product development segment, are considered to be extensive.

The main track for an exit is a structural deal within two years.



**Vittra Utbildning (Vittra) is the largest independent school company in Sweden with a total of 3,400 students. The company has schools within the pre-school, compulsory school and sixth form segments. The vision is to contribute to increased opportunities in life for students.**

## Fast growing pioneer



Stig Johansson,  
President

Vittra's independent school operations have expanded rapidly since the start in 1993. The company currently operates 14 schools in Greater Stockholm, Gothenburg, Kungsbacka and Helsingborg. The number of staff amounts to around 330. The objective is to start at least six to ten new schools every year and to have around 10,000

students, 40 schools and 500 staff by 2004.

The development is based on strong demand from parents and students for independent school alternatives. Approximately 5 per cent of students in Sweden currently attend an independent school.

### Successful education model

Since the start, Vittra has developed an educational model which is based on an individual development plan for each student. The individual development plan contains three parts, personal development, knowledge, and learning to learn. The parts are equally important and are each other's prerequisites for lifelong learning.

All operations are carried out on the basis of the fundamental concept. This is to satisfy individuals' needs for learning in order to increase life opportunities during various stages of life. In this way, Vittra wants to contribute to the development of the individual, the labour market and society.

In addition to the controls and quality measurements of the municipalities and the National Agency for Education, Vittra implements its own quality control among parents, students and staff. The year's

(SEK M)	2001	2000	1999
Net sales	205	133	85
Growth (%)	53	57	
Operating result <sup>1</sup>	-6	2	4
Operating margin <sup>1</sup> (%)	-3	2	5
Operating result <sup>2</sup>	-6	3	4
Operating cash flow after investments	-14	-1	6
Total assets	95	67	58
Net debt/receivable	0	6	9
Average number of employees	251	190	159
Value added per employee	0.4	0.4	0.3

<sup>1</sup> Before goodwill amortisation and items affecting comparability

<sup>2</sup> Before goodwill amortisation

measurement shows that the perception of parents, students and staff of the quality of the operations has increased from the already high previous levels.

### Revenue structure of independent schools

The price of Vittra's services is set politically and is based on the municipalities' average costs for school operations. Vittra receives the equivalent of 90–95 per cent of the municipality's average cost per student in the form of school fees.

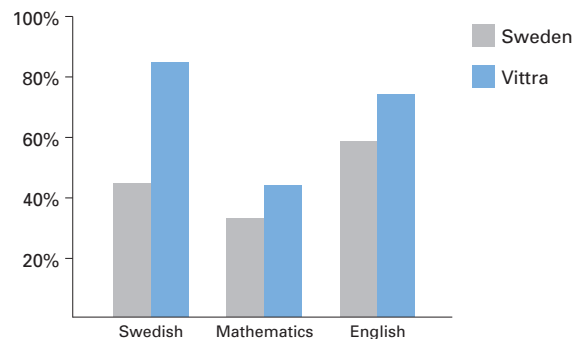
### High establishment rate characterised the year

Net sales for 2001 amounted to SEK 205M (133). The increase of 53 per cent (57) compared with the previous year was achieved through continued strong organic growth. The operating result of SEK -6M (2) is partly a consequence of the large number of newly-established schools. Already established school units report high profitability and, in some areas, are developing better than planned.

### The year in brief

- During the year, Vittra expanded with four new schools and 950 new students. Vittra carried out intensive educational development work and several company-wide projects are underway. These relate to method development for learning, personal development, knowledge, case studies and examination.
- Subject-integrated digital 'cases' – an educational tool developed by Vittra – was launched in Sjölin's sixth form in Gothenburg during the autumn term.
- The result of the annual SIFO survey of the perceived quality among parents, students and teachers, improved still further during the 2000/2001 school year. Despite Vittra's rapid expansion, the perceived quality has increased.

Formal results, national tests, year 9



The diagram shows the proportion of students who achieved the marks pass or pass with distinction in the national tests in year 9. The results, both in Sweden and in Vittra, are largely unchanged compared with the previous year.

## Bure's involvement

Bure owns 85 per cent of Vittra Utbildning. The remaining 15 per cent is owned by the founder, Stig Johansson.

Bure became a shareholder in Vittra during 1999 when the company ran school operations in the Stockholm region. Through its investment in Capio (formerly Bure Health Care) and participation in the restructuring of the Swedish healthcare sector towards the end of the 1990's, Bure gained significant experience of building new market structures within

previously municipally-owned sectors. This knowledge is very valuable in the development of Vittra in the deregulated market for school operations.

In 1999, Vittra established Kompetens, whose aim is to train the company's educationalists. Through this training, the quality level of the education can be secured during the company's rapid expansion.

In 2000, expansion accelerated strongly, partly due to significant demand from parents, students and municipalities.

This development was strengthened still further during 2001.

Ahead of the school start in 2002, seven new schools will be established, in Alingsås, Gothenburg, Halmstad, Linköping, Norrköping, Malmö and the Stockholm region.

The objective is to continue to expand through mainly organic growth. In 2002, Vittra intends to be established internationally with at least one school, for example, in London.

## Operations and strategic orientation

Bure Equity is an investment company. Bure's aim is to invest in knowledge-intensive companies with a high growth potential. The objective of the investments is to develop the acquired companies with the aim of creating a higher value of the company, and thus, for Bure and Bure's shareholders. Bure is a proactive owner and has a track record of building industrial structures.

During 2000, Bure began a period of extensive divestments and distributions to the shareholders. This period was completed at the beginning of 2001 through the stock market listing of Dimension and the distribution of Observer. Bure undertook extensive investments during 2001 and has scope for further investments in the future.

## Parent company results and position

The parent company's profit after tax amounted to SEK 74M (1,767). The explanation for the fall in profit is mainly that Bure entered an investment phase after implementing extensive sales of holdings during 2000. Exit gains amounted to SEK 590M (2,677) and write-downs and written-off shareholders' contributions were charged to profit with SEK 497M (-848).

At the turn of the year, the parent company had a net debt of SEK 91M (-1,149). The increase in the net debt is mainly attributable to extensive investments. The equity ratio amounted to 72 per cent (92). Bure's debt ratio, defined in accordance with the finance policy set by the Board of Directors, amounted to 0.36.

## Acquisitions

During 2001, the parent company made investments totalling SEK 1,276M (893). During the year, four new hub companies were established. During the year, the acquisition rate was higher than the average for the most recent years. The increased activity is explained by the fact that Bure deliberately increased its rate of investment at a time when competition for potential investments decreased and valuation levels, as a consequence, were more attractive.

Of the year's investments of SEK 1,276M, SEK 617M relates to four newly established hub companies, Carl Bro, Svenska PA Group, Xdin and Business Communication Group. Within the venture capital fund, Nordic Capital, an additional SEK 128M

was invested in Mölnlycke Health Care on Bure's behalf. Following this, Bure's ownership amounts to 16.7 per cent.

## Exits

In Bure's investment operations, divestments of a total value of SEK 871M (3,850) were implemented during 2001. The divestments generated exit gains of SEK 590M (2,677). At the beginning of the year, Bure sold part of its holdings in Dimension in connection with the stock market listing of the company. The exit gain amounted to SEK 379M. Ahead of the distribution of Observer to the shareholders in April, Bure divested just under three million Observer shares which generated an exit gain of SEK 186M. Together, these two items account for the majority of the parent company's exit results during 2001.

## Group

Consolidated profit after financial items amounted to SEK -187M (2,550). This figure includes exit results totalling SEK 668M (2,948).

## Personnel and salaries

Information about average number of employees, salaries and benefits of senior executives are shown in notes 29–31.

## Lex Leo matters

Bure's Annual General Meeting, in April 2001, approved an issue of up to 208,000 staff warrants to the employees in the subsidiary, Cygate AB and its subsidiaries, involving a right to acquire shares in the subsidiary, Cygate AB. The issue related to up to 34,780 staff warrants to senior executives, up to 17,390 staff options to key personnel and up to 3,130 to other employees. Appointed Board Members within the Cygate Group would not receive staff warrants. There should be no guaranteed allocation. The maximum dilution would be 0.88 per cent.

## Board of Directors and its operational procedures

Bure's Board of Directors comprises six ordinary members. The President is a member of the Board. The Board of Directors' rules of procedure, which are adopted for one year at a time, contain information about the distribution of responsibility between the Board of Directors, the Chairman, the President

and the Remuneration Committee of the Board of Directors.

In accordance with the rules of procedure, the Board will make decisions on matters which are not included in the current administration or are of major importance such as significant financial commitments and agreements, and important changes to the organisation. The company's finance policy and investment instruction will also be decided by the Board of Directors.

The Board of Directors' work adheres to an annual agenda, with a fixed agenda for each Board Meeting. Other officers of the company also attend Board Meetings as persons reporting and secretaries.

During the year, 15 Board Meetings were held. During the meetings, significant efforts were devoted to the company's strategic development and to ensuring the quality of the proposed investments.

The company's auditors attend at least once a year in connection with the annual accounts meeting and, when required, more frequently. The auditors report their observations from the year's examination directly to the Board of Directors.

#### **Nomination Committee and Remuneration Committee**

The composition of the Board of Directors is decided by the Annual General Meeting. A Nomination Committee has been appointed to draw up a proposal for members to be decided by the AGM. Ahead of the 2002 Annual General Meeting, the Nomination Committee consists of Jan-Erik Erenius, Christer Mattsson, Caroline af Ugglas and Ola Uhre.

The Remuneration Committee of the Board of Directors will discuss, and make decisions on, issues relating to remuneration in the form of salaries, pensions, bonus payments and other terms of employment for the President and the staff who report directly to the President.

#### **Tax matters**

During the year, Bure enjoyed success in a tax dispute relating to the 1993 financial year (1994 assessment) which related to the date on which Bure's status as an investment company fell. Bure had previously won, both in the County Administrative Court and the Administrative Court of Appeal. When the Supreme Administrative Court refused the National Tax Board (RSV) leave to appeal, Bure was able to write off a contingent liability for SEK 187M

and take up as income the provision it had made for tax and interest of SEK 37M.

The tax authority announced that it had re-examined Bure's tax assessment for the 1998 and 1999 financial years, due to the fact that Bure carried out acquisitions and sales of listed securities within the framework of its liquidity management during these years. The tax authority questions if, during 1998 and 1999, Bure exclusively, or almost exclusively, managed securities. This is one of the criteria an investment company must fulfil.

Bure believes that all the criteria for being regarded as an investment company have been fulfilled. This opinion is supported by leading tax experts. In October 2001, Bure was given further support for its opinion when the office of the Council for Advanced Tax Ruling issued a positive statement on the same matter relating to the 2001 financial year. The National Tax Board appealed against the decision to the Supreme Administrative Court which is expected to deal with the matter during spring 2002. Should the tax authority be proved right, Bure's tax liability as a result of their decisions would be SEK 888M including interest. The amount is reported as a contingent liability (Note 28).

#### **Holdings of own shares**

During 2001, Bure implemented buy-backs of the company's own shares for SEK 99.9M. This is equivalent to 3.0 per cent of the registered share capital or 3,300,000 shares with a nominal value of SEK 10 per share or SEK 33.0M in total. 2,300,000 of the repurchased shares were repurchased through an agreement with the bank, a so-called synthetic agreement. The financing costs for this agreement are reported in the statement of income and are met by dividend income on repurchased shares.

The acquisitions were made in accordance with the decisions and guidelines of the Annual General Meeting and form part of Bure's dividend policy.

#### **After the end of the financial year**

On 30 January 2002, Bure completed its acquisition of 16 per cent of the merged company, Teleca/AU-System. Bure has, thus, participated in the formation of a consulting company, which is the leading company in Northern Europe providing advanced services for product development of software.

# Proposal for appropriation of profits

Non-restricted equity in the Group amounted to SEK 928.7M at balance sheet date.  
No appropriations to restricted reserves are required.

Profits at the disposal of the AGM in accordance with the parent company's balance sheet (SEK M):

Profits brought forward	1 086.0
Net profit for the year	73.5
	<hr/>
	<b>1 159.5</b>

The Board of Directors proposes that the profits  
be distributed as follows:

Dividend to shareholders SEK 1.75 per share 190.9

To be carried forward	968.6
	<hr/>
	<b>1 159.5</b>

In addition, the Board of Directors proposes that the Annual General Meeting authorises the Board, until the date of the next AGM, to buy backs shares of up to 10 per cent (10 910 000). The price of the shares which are bought back must not depart from the share price which is applicable at any time.

Gothenburg, 20 February 2002

Gösta Wiking, Chairman

Maria Lilja

Erling Gustafsson

Leif Edvinsson

Hans Wilandh

Peter Sandberg, President and CEO

Our Audit Report was submitted on 20 February 2002

Bertel Enlund  
Authorised Public Accountant

Lars Träff  
Authorised Public Accountant

## Five-year review

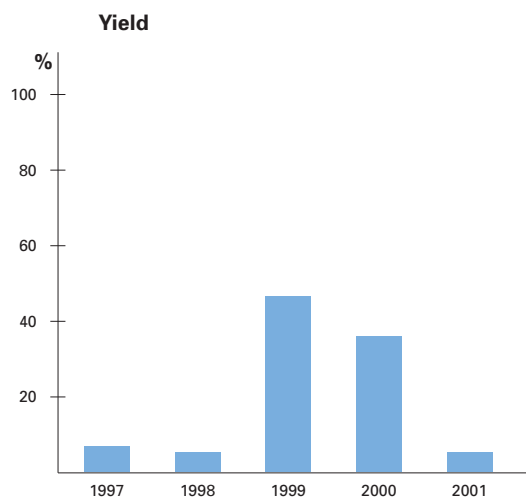
	1997	1998	1999	2000	2001
<b>Data per share</b>					
Net asset value, SEK	44.00	43.50	65.00	69.00	38.00
Share price, SEK	52.25	57.50	58.00	51.50 <sup>1</sup>	29.70
Share price as a percentage of net asset value, %	119	132	89	75	78
Number of shares, 0001 <sup>1</sup>	109 100	109 100	109 100	109 100	105 800
Average number of shares	109 100	109 100	109 100	109 100	107 553
Parent company profit per share, SEK	5.66	5.37	4.69	16.19	0.68
Parent company equity per share, SEK	35.93	38.55	40.37	39.51	31.60
<b>Yield</b>					
Dividend paid, SEK per share	2.75	2.88	27.50 <sup>2</sup>	19.50 <sup>2</sup>	1.75 <sup>3</sup>
Yield, %	5.3	5.0	47.4	36.6	5.9
Total yield, %	35.2	15.3	5.9	36.2	-7.2
Market value, SEK M	5 700	6 273	6 328	5 619	3 142
Return on equity, %	16.5	14.4	11.9	40.6	1.9
<b>Parent company results and position</b>					
Exit result, SEK M	561.3	463.9	529.3	2 743.0	590.4
Profit before taxes, SEK M	617.3	585.4	511.8	1 766.8	73.5
Total assets, SEK M	4 474	4 951	6 361	4 690	4 649
Shareholders' equity, SEK M	3 920	4 206	4 404	4 310	3 342
Equity ratio, %	88	85	69	92	72

<sup>1</sup> Adjusted for bonus issue 1:1 during 1999.

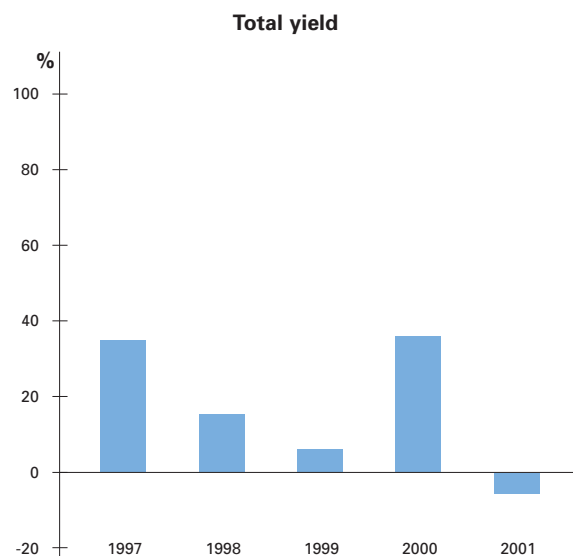
<sup>2</sup> Dividend includes distribution of the subsidiaries, Capio and Observer.

<sup>3</sup> Proposed dividend.

Definitions, see page 74 (tab).



Bure's yield has consistently been in excess of five per cent over the past five years. Yield for 2000 includes the distribution of Capio at the price on the day of listing.



Bure's has consistently reported a higher total yield than the Stockholm Exchange as a whole.

# Statement of income

## Parent company

SEK M	Note	2001	2000
<b>Investment Operations</b>			
Dividends	7	47.3	78.2
Exit results	5	590.4	2 676.7
Write-downs, provisions and written-off contributions	4	-497.2	-847.8
		<b>140.5</b>	<b>1 907.1</b>
<b>Asset Management</b>			
Dividends	7	–	15.8
Capital results and write-downs	5	–	66.3
		<b>–</b>	<b>82.1</b>
<b>Management costs</b>			
Personnel costs	30, 31, 32	-69.1	-98.3
Other external costs		-86.4	-103.4
Other operating expenses		–	-0.1
Depreciation		-1.6	-1.5
		<b>-157.1</b>	<b>-203.3</b>
<b>Profit before financial income and expenses</b>		<b>-16.6</b>	<b>1 785.9</b>
<b>Financial income and expenses</b>			
Interest income	2	80.6	34.6
Interest expenses	2	-19.9	-53.7
		<b>60.7</b>	<b>-19.1</b>
<b>Profit before taxes</b>		<b>44.1</b>	<b>1 766.8</b>
Taxes	8	29.4	–
<b>Net profit for the year</b>		<b>73.5</b>	<b>1 766.8</b>
Average number of shares, 000		107 553	109 100
Profit per share		0.68	16.19



## Group

SEK M	Note	2001	2000
<b>Operating income</b>			
Invoiced sales		3 949.5	7 478.0
Other income		47.2	75.4
<b>Total net sales</b>	1	<b>3 996.7</b>	<b>7 553.4</b>
Exit results	5	668.1	2 947.9
Other operating income		23.4	21.5
Shares in results of associated companies	3	-142.3	99.1
<b>Total operating income</b>		<b>4 545.9</b>	<b>10 621.9</b>
<b>Operating expenses</b>			
Raw materials and necessities		-184.5	-399.0
Goods for resale		-1 048.6	-2 022.8
Other external costs		-955.4	-1 883.2
Personnel costs	30, 31, 32	-1 765.8	-3 033.3
Amortisations, depreciation and write-offs		-248.0	-577.4
Items affecting comparability	4	-464.5	-181.5
Other operating expenses		-20.9	-11.8
<b>Total operating expenses</b>		<b>-4 687.7</b>	<b>-8 109.0</b>
<b>Operating result</b>		<b>-141.8</b>	<b>2 512.9</b>
<b>Financial income</b>			
Dividends	7	23.6	28.0
Capital result	5	-45.0	107.3
Interest income		48.1	76.2
Other financial income		6.0	1.0
<b>Total financial income</b>		<b>32.7</b>	<b>212.5</b>
<b>Financial expenses</b>			
Interest expenses		-77.7	-174.5
Other financial expenses		-	-1.0
<b>Total financial expenses</b>		<b>-77.7</b>	<b>-175.5</b>
<b>Result after financial items</b>	1, 8	<b>-186.8</b>	<b>2 549.9</b>
Minority interest	8	15.6	-328.9
Taxes	8	-22.0	-220.7
<b>Net result for the year</b>		<b>-193.2</b>	<b>2 000.3</b>
Average number of shares, 000		107 553	109 100
Profit per share, SEK		-1.80	18.33

# Balance sheets

SEK M	Note	Parent company		Group	
		2001	2000	2001	2000
<b>Fixed assets</b>					
<b>Intangible fixed assets</b>					
Patents, licences, etc.	9			46.6	74.9
Goodwill	10			1 803.6	2 937.2
<b>Total intangible fixed assets</b>				<b>1 850.2</b>	<b>3 012.1</b>
<b>Tangible fixed assets</b>					
Buildings, land and land improvements	11			391.8	180.9
Machinery and other technical plant	12			7.2	9.0
Equipment, tools and installations	13	4.2	3.1	287.4	259.0
New construction in progress	14			0.8	–
<b>Total tangible fixed assets</b>		<b>4.2</b>	<b>3.1</b>	<b>687.2</b>	<b>448.9</b>
<b>Financial fixed assets</b>					
Participations in Group companies	16, 17, 18	1 631.9	1 826.3		
Participations in associated companies	19, 20	892.9	714.2	916.3	740.9
Participations and convertible debt instruments	21	822.8	680.8	1 467.1	1 516.3
Other long-term securities holdings				9.1	29.4
Other long-term receivables		2.9	0.9	45.7	53.4
Deferred income taxes recoverable	8			52.9	83.9
<b>Total financial fixed assets</b>		<b>3 350.5</b>	<b>3 222.2</b>	<b>2 491.1</b>	<b>2 423.9</b>
<b>Total fixed assets</b>		<b>3 354.7</b>	<b>3 225.3</b>	<b>5 028.5</b>	<b>5 884.9</b>
<b>Current assets</b>					
<b>Inventories, etc.</b>					
Raw materials and necessities				4.4	3.3
Finished products and goods for resale				141.9	519.5
Work in progress				27.8	14.4
Advance to suppliers				247.6	0.1
<b>Total inventories, etc.</b>				<b>421.7</b>	<b>537.3</b>
<b>Current receivables</b>					
Trade debtors		0.1	0.5	1 105.2	1 081.2
Receivables from Group companies		809.1	1 012.6		
Other current receivables		150.0	395.5	236.3	230.7
Prepaid tax		4.5	4.5	28.1	56.1
Prepaid expenses and accrued income	22	7.8	5.3	244.1	172.7
<b>Total current receivables</b>		<b>971.5</b>	<b>1 418.4</b>	<b>1 613.7</b>	<b>1 515.5</b>
Short-term investments		250.0	–	322.8	325.4
Cash at bank		73.1	46.3	404.2	842.5
<b>Total current assets</b>		<b>1 294.6</b>	<b>1 464.7</b>	<b>2 762.4</b>	<b>3 220.7</b>
<b>Total assets</b>		<b>4 649.3</b>	<b>4 690.0</b>	<b>7 790.9</b>	<b>9 105.6</b>

SEK M	Note	Parent company		Group	
		2001	2000	2001	2000
<b>Shareholders' equity</b>					
<b>Restricted equity</b>					
Share capital (109 100 000 shares at a nominal value of SEK10 each)					
	23	1 091.0	1 091.0	1 091.0	1 091.0
	23	1 091.0	1 091.0	1 075.1	1 190.4
<b>Total restricted equity</b>		<b>2 182.0</b>	<b>2 182.0</b>	<b>2 166.1</b>	<b>2 281.4</b>
<b>Non-restricted equity</b>					
		1 086.0	361.3	1 121.9	111.1
		73.5	1 766.8	-193.2	2 000.3
<b>Total non-restricted equity</b>	23	<b>1 159.5</b>	<b>2 128.1</b>	<b>928.7</b>	<b>2 111.4</b>
<b>Total equity</b>		<b>3 341.5</b>	<b>4 310.1</b>	<b>3 094.8</b>	<b>4 392.8</b>
<b>Minority interest</b>				<b>195.7</b>	<b>1 106.3</b>
<b>Provisions</b>					
				19.8	29.1
		-	37.0	55.4	125.6
	24			41.8	120.3
		-	70.0	19.6	103.0
<b>Total provisions</b>		<b>-</b>	<b>107.0</b>	<b>136.6</b>	<b>378.0</b>
<b>Liabilities</b>					
<b>Long-term liabilities</b>					
		1 000.0	-	1 705.8	404.0
		7.2	20.1	416.3	869.6
<b>Total long-term liabilities</b>	25	<b>1 007.2</b>	<b>20.1</b>	<b>2 122.1</b>	<b>1 273.6</b>
<b>Current liabilities</b>					
				244.7	129.7
				306.3	76.4
		16.1	10.3	475.8	871.6
		75.8	165.0		
				19.4	120.2
		155.6	30.1	456.8	291.6
	26	53.1	47.4	738.7	465.4
<b>Total current liabilities</b>		<b>300.6</b>	<b>252.8</b>	<b>2 241.7</b>	<b>1 954.9</b>
<b>Total liabilities</b>		<b>1 307.8</b>	<b>272.9</b>	<b>4 363.8</b>	<b>3 228.5</b>
<b>Total shareholders' equity, provisions and liabilities</b>		<b>4 649.3</b>	<b>4 690.0</b>	<b>7 790.9</b>	<b>9 105.6</b>
<b>Pledged assets</b>	27	<b>57.5</b>	<b>24.9</b>	<b>1 033.3</b>	<b>2 165.9</b>
<b>Contingent liabilities</b>	28	<b>1 038.1</b>	<b>936.0</b>	<b>1 478.0</b>	<b>1 105.4</b>

# Cash flow analyses

SEK M	Parent company		Group	
	2001	2000	2001	2000
<b>Current operations</b>				
Profit after financial items	44.1	1 766.8	-186.8	2 550.0
Depreciation and write-downs	213.1	628.0	248.0	833.7
Shares in results of associated companies			142.3	-130.8
Dividends received from associated companies			38.9	46.3
Capital result, investment operations	-579.9	-1 902.2	-645.6	-2 180.7
Paid tax			-10.4	-219.7
<b>Cash flow from current operations before changes in working capital</b>	<b>-322.7</b>	<b>492.6</b>	<b>-413.6</b>	<b>898.8</b>
<b>Cash flow from change in working capital</b>				
Change in inventories			21.6	-235.3
Change in current receivables	446.9	-1 270.1	-215.5	-480.4
Change in stock and bond portfolio	-	982.5	187.7	124.3
Change in provisions	-77.6	70.0	-76.9	-42.0
Change in current liabilities	-39.6	-92.4	86.3	684.3
<b>Cash flow from change in working capital</b>	<b>329.7</b>	<b>-310.0</b>	<b>3.2</b>	<b>50.9</b>
<b>Cash flow from current operations</b>	<b>7.0</b>	<b>182.6</b>	<b>-410.4</b>	<b>949.7</b>
<b>Investment operations</b>				
Acquisition of subsidiaries	-812.6	-688.8	-711.3	-162.1
Acquisition of other fixed assets	-2.9	-1.0	-247.4	-186.3
Acquisition of intangible fixed assets			-132.2	-51.8
Acquisition of associated companies and other shares	-382.2	-136.1	-125.6	-136.1
Sale of subsidiaries	776.8	704.5	671.1	1 171.7
Sale of associated companies and other shares	120.6	1 736.7	-	1 741.6
<b>Cash flow from investment operations</b>	<b>-300.4</b>	<b>1 615.3</b>	<b>-545.4</b>	<b>2 377.0</b>
<b>Financial operations</b>				
Raised loans/amortisation of liabilities	1 000.0	-1 555.3	1 365.3	-2 883.1
Granted loans/amortisation of receivables			-14.2	-117.7
Cash dividend and cost of distribution	-329.9	-399.6	-753.6	-400.5
Repurchase of own shares	-99.9	-	-99.9	-
Payment to minority			17.4	467.1
<b>Cash flow from financial operations</b>	<b>570.2</b>	<b>-1 954.9</b>	<b>515.0</b>	<b>-2 934.2</b>
<b>The year's cash flow</b>	<b>276.8</b>	<b>-157.0</b>	<b>-440.8</b>	<b>392.5</b>
<b>Liquid funds on 1 January</b>	<b>46.3</b>	<b>203.3</b>	<b>1 167.9</b>	<b>775.4</b>
<b>Liquid funds on 31 December</b>	<b>323.1</b>	<b>46.3</b>	<b>727.1</b>	<b>1 167.9</b>

The accounts of Bure Equity AB, the Bure Group, subsidiaries and associated companies included therein have been prepared in accordance with generally accepted accounting principles. This means that the accounts have, in all significant respects, been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendations and pronouncements, and the Annual Accounts Act.

#### **Consolidated accounts**

The consolidated accounts have been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation No1 regarding consolidated accounts with application of acquisition accounting. The consolidated accounts comprise all companies in which the parent company has a controlling influence in addition to the parent company. This normally applies to companies in which Bure directly or indirectly holds more than 50 per cent of the votes.

Companies which are acquired during the year are consolidated from the date of acquisition. Subsidiaries which have been divested during the year are included in the consolidated accounts to the date of sale.

Associated companies are consolidated in accordance with the Swedish Financial Accounting Standards Council's recommendation No13. Associated companies are reported in accordance with the equity method in the consolidated accounts. Companies in which Bure has a significant influence, usually when the number of votes amounts to between 20 and 50 per cent, are treated as associated companies. The equity method means that the acquisition cost of the shares, plus the Group's share in the results of the associated companies with deduction for dividends received, is reported under the heading "Shares in capital of associated companies" in the consolidated balance sheet.

In the consolidated statement of income, "Shares in results of associated companies" constitute Bure's share of the results of the associated companies after financial items, with deduction for amortisation of goodwill where applicable. Amortisation of goodwill is made according to a plan which is established in accordance with the same principles that are applied for Group companies. The share in the taxes of the associated companies is reported separately and is included in the Group's taxes.

The foreign subsidiaries' assets and liabilities in the balance sheet are translated in accordance with the current method. This means that a translation is

made in the balance sheet at the exchange rate applicable on the balance sheet date and that all items in the income statement are translated at the average rate for the year. Exchange rate differences which have arisen as a result have been posted directly to shareholders' equity. Over and undervalues which have arisen in connection with the acquisition analysis, and which relate to assets in foreign currency, are also translated in accordance with the current method.

Where investments in foreign subsidiaries have been hedged by raising loans in foreign currency, exchange rate differences that have arisen on the loans have been reported directly to shareholders equity to the extent that they correspond with the translation difference attributable to the foreign subsidiary.

#### **Intangible fixed assets**

The intangible fixed assets are reported at their acquisition cost with deduction for accumulated depreciation according to plan.

Goodwill attributable to acquired subsidiaries is reported as a fixed asset and is amortised according to plan over the estimated economic life. The economic life is determined after individual examination. The economic life within the Group varies between five and 20 years.

An economic life in excess of five years can be put on long-term strategically acquired companies with stable operations and positive growth. Bure frequently has an investment horizon in its investments of around five years, following which the objective is to make a successful exit. Bure's prerequisites thus differ from a normal operating group in which the acquired unit is often integrated with the other units. During the period of holding, the intention is that the business value of the acquired company should normally increase. Depreciation periods could, therefore, be set higher than five years and, in many cases, at 20 years. An individual evaluation is made on a regular basis and amortisation of goodwill is made where there is an individual need.

#### **Tangible fixed assets**

The tangible fixed assets are reported at their acquisition value with deduction for accumulated depreciation according to plan. Depreciation has been calculated on the original acquisition amount which normally constitutes the original acquisition values, where applicable, with estimated residual value at the end of the period of use. Depreciation is made in a straight line over the economic life of the assets.

Bure has subsidiaries whose operations differ greatly which means that it is not appropriate to set fixed rules for depreciation periods. However, the following basic guidelines are given:

Machinery and equipment	3–7 years
Buildings	50 years
Land improvements	20–27 years

## Leasing

In accordance with the Swedish Financial Accounting Standards Council's recommendation No 6, financial lease contracts are reported as fixed assets and financial liabilities, respectively, in the consolidated balance sheet. In the consolidated statement of income, the leasing cost is distributed on depreciation of the leased asset and interest expense if the asset has been acquired directly. Some minor, standard financial lease contracts relating to company cars and office equipment can, in insignificant instances, be reported as operating lease contracts.

A large number of lease contracts of a standard nature relating to operating premises exist within the Group. Taking into account the Group's heterogeneous nature, information has not been compiled in the manner which is stated in the aforementioned recommendation.

## Financial fixed assets

In the parent company's balance sheet, Bure's investments are valued at their acquisition value including costs which are directly attributable to the acquisition. The participations are valued at the lower of acquisition and actual value.

Shares in listed and unlisted companies which are not subsidiaries of associated companies are reported at their acquisition values under the item "Participations and convertible debt instruments" among financial fixed assets. Valuation of the listed shares is made on the basis of a collective evaluation of the total holding. Other shares are valued at the lower of acquisition value and actual value item by item.

Investments in interest-bearing securities with a tenor of up to one year are reported as current assets under "Short-term investments". Investments with a tenor of more than one year are reported as fixed assets under "Other long-term securities holdings".

## Current assets

Inventories are valued in accordance with the lowest value principle at the lower of acquisition value and actual value. Deduction for estimated actual obsolescence has been made.

Receivables and liabilities in foreign currency have been valued at balance sheet date rate or at the forward rate where forward cover has taken place.

Exchange profits and exchange losses on financial receivables and liabilities are reported among financial items. Operations-related exchange profits and exchange losses are reported in the operating result. For work in progress, gradual income recognition is applied which means that work in progress is valued at an estimated sales value with deduction for anticipated losses.

## Provisions

Obligations which are attributable to the financial year, and which on balance sheet date are probable in their existence but uncertain with regard to amount or date, have been reported as provisions.

## Untaxed reserves

The equity portion of untaxed reserves is included in restricted reserves. The tax portion of untaxed reserves has been reported as deferred tax included in the provisions.

## Minority interest

The minority's share of the consolidated net profit is stated in the consolidated statement of income. The minority's share of the Group's shareholders' equity is reported in a separate item between long-term liabilities and shareholders' equity.

## Tax

During the year, the consolidated accounts have been adapted to the Swedish Financial Accounting Standards Council's recommendation No 9, Taxes. For the Bure Group, the changed principle means that deferred income taxes recoverable have been capitalised and not only as previously deferred tax liabilities.

The year's tax expense refers to tax payable on the year's taxable profit (current tax), deferred tax and share of tax in the associated companies.

## Cash flow analysis

The Group applies the Swedish Financial Accounting Standards Council's recommendation No 7 "Cash Flow Reporting". By liquid assets is meant bank deposits and short-term investments with a tenor of less than three months.

## Buy-back of own shares

Buy-back of own shares has reduced non-restricted equity.

**NOTE 1 – Distribution of net sales/Accounts by operation**

SEK M	Net sales		Result after financial items	
	2001	2000	2001	2000
<b>Net sales and results of companies within:</b>				
IT Solutions & Services	2 062	3 068	-55	28
InfoMedia	710	1 439	-6	526
Training & Education	1 170	1 057	-142	-15
Venture Capital & Incubators	-	-	-46	42
Health Care	-	1 705	-	197
Other investments	55	284	-238	26
Bure's goodwill amortisation			-34	-218
Parent company adjusted for Group adjustments			334	1 964
<b>Total</b>	<b>3 997</b>	<b>7 553</b>	<b>-187</b>	<b>2 550</b>

**Net sales distributed by type of income:**

SEK M	2001	2000
Sales of goods	1 434	2 573
Service assignments	2 438	4 827
Other sales	125	153
<b>Total</b>	<b>3 997</b>	<b>7 553</b>

**Net sales are distributed by geographic markets as follows:**

SEK M	Net sales	
	2001	2000
Sweden	2 015	4 904
Other Nordic countries	1 240	1 341
Other European countries	665	1 047
North America	8	20
Asia	49	109
Other markets	20	132
<b>Total</b>	<b>3 997</b>	<b>7 553</b>

**NOTE 2 – Purchases and sales between Group companies**

Purchases and sales between the parent company and Group companies are insignificant. Inter-company interest income and interest expenses are included in the parent company's results with SEK 45.0M (10.5) and SEK -1.9 M (-2.3) respectively.

**NOTE 3 – Shares in results of associated companies**

SEK M	Group	
	2001	2000
Gunnebo	-	38.9
System	-3.9	-13.8
CR&T	-41.8	13.4
Dimension	-9.8	-
Customer Group	-11.4	-
Celemi	-8.2	-
Xdin	-7.2	-
Innap Management	1.0	29.1
Newmad	-4.0	-
Scribona	-48.3	68.3
Buyonet	-4.0	-6.6
Other	-4.7	1.5
<b>Total</b>	<b>-142.3</b>	<b>130.8</b>
Separate reporting of an item affecting comparability		-31.7
<b>Total</b>	<b>-142.3</b>	<b>99.1</b>

**NOTE 4 – Items affecting comparability**

SEK M	Group		Parent company	
	2001	2000	2001	2000
<b>Investment operations</b>				
Write-downs and written off contributions	-280.4	-444.8	-497.2	-847.8
<b>Asset management</b>				
Write-downs	-107.4	-	-	-
<b>Results of subsidiaries</b>				
Cancelled funds from Alecta	-	204.4	-	-
Other	-76.7	58.9	-	-
<b>Total</b>	<b>-464.5</b>	<b>-181.5</b>	<b>-497.2</b>	<b>-847.8</b>

**NOTE 5 – Exit results and capital results, net**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Exit results, investment operations	668.0	2 564.1	590.4	2 676.7
Exit results from subsidiaries	0.1	383.8	-	-
	668.1	2 947.9	590.4	2 676.7
Capital result, asset management	-39.9	66.3	-	66.3
Capital result, subsidiaries	-5.1	41.0	-	-
<b>Total</b>	<b>623.1</b>	<b>3 055.2</b>	<b>590.4</b>	<b>2 743.0</b>

**NOTE 6 – Fees to auditors**

SEK M	Group		Parent company	
	2001	2000	2001	2000
<b>Fees to Ernst &amp; Young</b>				
Audit fees	3.9	6.7	0.3	0.3
Fees for consultations	11.4	12.6	6.0	2.7
<b>Total fees</b>	<b>15.3</b>	<b>19.3</b>	<b>6.3</b>	<b>3.0</b>
<b>Fees to other auditors</b>				
Audit fees	0.3	0.8	-	-
Fees for consultation	0.5	0.4	-	-
<b>Total fees, other auditors</b>	<b>0.8</b>	<b>1.2</b>	<b>-</b>	<b>-</b>

The Note, Fees to auditors, does not include information relating to subsidiaries which have been divested/distributed during the year.

**NOTE 7 – Dividends**

SEK M	Group		Parent company	
	2001	2000	2001	2000
<b>Investment Operations</b>				
Dividend from associated companies	-	-	38.9	46.3
Dividend from subsidiaries	-	-	-	20.0
Dividend from other companies	8.4	11.9	8.4	11.9
<b>Total</b>	<b>8.4</b>	<b>11.9</b>	<b>47.3</b>	<b>78.2</b>
<b>Asset Management</b>				
Dividend from shares in stock portfolio	15.2	15.8	-	15.8
Dividend from subsidiaries	-	0.3	-	-
<b>Total</b>	<b>23.6</b>	<b>28.0</b>	<b>47.3</b>	<b>94.0</b>

## NOTE 8 – Taxes

SEK M	Group	
	2001	2000
Current tax	-24.0	-143.1
Deferred tax	-2.6	-32.1
Share in taxes of associated companies	4.6	-45.5
<b>Total</b>	<b>-22.0</b>	<b>-220.7</b>

Bure Equity has a tax status as an investment company which means that exit results are exempt from taxation and dividend is deductible as a cost. During the year, the parent company reports a tax revenue of SEK 29.4M. This is attributable to a tax litigation won by Bure relating to the 1993 financial year. See also the section relating to tax matters in the Directors' Report.

The Bure Group reports deferred income taxes recoverable totalling SEK 52.9M (83.9). This amount is almost exclusively attributable to losses carried forward in the subsidiaries which can be expected to be offset against future surpluses. In addition, there are losses carried forward and temporary differences between book values and fiscal values for a total value of SEK 169.5M for which deferred tax liability has not been taken into account. The majority of this amount consists of losses carried forward. Future tax relief of approximately SEK 47M can be expected if the losses carried forward are utilised.

The minority's share of profit after financial items amounts to SEK -11.4M. The minority's share of taxes amounts to SEK 27.0M.

Derivation of the Group's tax expense shall be made in accordance with the Financial Accounting Standards Council's recommendation RR9, Income taxes. The reported result after minority interest for the Bure Group amounts to SEK-171.2M and a tax expense of SEK 22.0M on this falls due on this amount. The Bure Group consists of more than a hundred companies, each of which has a different tax position. In addition, the parent company is exempted from tax on exit gains. The reason why a tax expense arises is that results are unevenly distributed between different companies and between different countries. For the aforementioned reasons, it is not relevant to make a detailed derivation of the Group's tax expense.

## NOTE 9 – Patents, licences, etc.

SEK M	Group	
	2001	2000
Opening acquisition value	125.8	150.3
Acquisition during the year	66.5	51.8
Sale during the year	-103.7	-78.1
Reclassifications	0.6	0.4
Translation difference	1.0	1.4
<b>Closing acquisition value</b>	<b>90.2</b>	<b>125.8</b>
Opening depreciation	-50.9	-57.0
Acquisition during the year	-10.7	-
Sale/Disposal	45.7	26.0
Reclassifications	-0.9	0.5
The year's depreciation	-10.6	-19.3
Translation difference	-0.4	-1.1
<b>Closing accumulated depreciation</b>	<b>-27.8</b>	<b>-50.9</b>
Opening write-downs	-	-
Acquisition during the year	-15.5	-
Translation difference	-0.3	-
<b>Closing accumulated write-downs</b>	<b>-15.8</b>	<b>-</b>
<b>Book value</b>	<b>46.6</b>	<b>74.9</b>

## NOTE 10 – Goodwill

SEK M	Group	
	2001	2000
Opening acquisition value	3 537.0	4 716.3
Acquisition during the year	1 003.0	251.9
Sale/Disposal	-2 398.5	-1 513.0
Reclassifications	-2.3	-1.2
Translation difference	23.9	83.0
<b>Closing acquisition value</b>	<b>2 163.1</b>	<b>3 537.0</b>
Opening amortisation	-429.7	-523.5
Amortisation taken over on acquisition	-36.2	-3.5
Sale/Disposal	258.9	490.6
Reclassifications	2.3	-
The year's amortisation	-111.2	-386.3
Translation difference	2.1	-7.0
<b>Closing accumulated amortisation</b>	<b>-313.8</b>	<b>-429.7</b>
Opening write-downs	-170.1	-
Write-downs taken over on acquisition	-17.6	-
Sale/Disposal	170.1	-
The year's write-downs	-27.2	-170.1
Translation difference	-0.9	-
<b>Closing accumulated write-downs</b>	<b>-45.7</b>	<b>-170.1</b>
<b>Book value</b>	<b>1 803.6</b>	<b>2 937.2</b>

## The largest goodwill items are attributable to:

	Book value	Amortisation and write-down
Mercuri	455.5	-49.4
Svenska PA-System	344.6	-8.0
Cygate	294.4	-22.0
Carl Bro	261.7	-1.1

The low amortisation of Carl Bro and Svenska PA-System is explained by the fact that the companies were acquired late in the year.

## NOTE 11 – Buildings, land and land improvements

SEK M	Group	
	2001	2000
Opening acquisition value	192.2	628.4
Acquisition during the year	402.0	14.0
Sale during the year	-129.7	-454.0
Reclassifications	0.4	0.0
Translation difference	4.8	3.8
<b>Closing acquisition value</b>	<b>469.7</b>	<b>192.2</b>
Opening depreciation	-11.3	-69.1
From acquired companies	-39.6	-
Sale/Disposal	6.2	64.4
Reclassifications	-0.4	-
The year's depreciation	-6.1	-6.5
Translation difference	-1.3	-0.1
<b>Closing accumulated depreciation</b>	<b>-52.5</b>	<b>-11.3</b>
From acquired companies	-25.0	-
Translation difference	-0.4	-
<b>Closing accumulated depreciation</b>	<b>-25.4</b>	<b>-</b>
<b>Book value</b>	<b>391.8</b>	<b>180.9</b>
Tax assessment values, buildings	159.1	158.7
Tax assessment values, land	4.5	17.8



**Note 11, continued**

Not all properties have been given tax assessment values. Properties which are held in accordance with financial lease contracts with the following amounts are included in the reported values:

SEK M	Group	
	2001	2000
Opening acquisition value	115.1	150.2
Acquisition during the year	206.0	–
Sale during the year	-60.5	-35.8
Translation difference	–	0.7
<b>Closing acquisition value</b>	<b>260.6</b>	<b>115.1</b>
Opening accumulated depreciation	-6.0	-5.6
The year's depreciation	-5.3	-1.9
Sale during the year	3.3	1.4
Translation difference	0.0	0.1
<b>Closing accumulated depreciation</b>	<b>8.0</b>	<b>-6.0</b>
<b>Book Value</b>	<b>252.6</b>	<b>109.1</b>

**NOTE 12 – Machinery and other technical plant**

SEK M	Group	
	2001	2000
Opening acquisition value	21.2	290.9
Acquisition during the year	0.2	2.5
Sale during the year	-0.6	-272.2
Reclassifications	–	–
Translation difference	–	–
<b>Closing acquisition value</b>	<b>20.8</b>	<b>21.2</b>
Opening depreciation	-12.2	-130.2
Sale/Disposals	0.6	140.2
Reclassifications	–	–
The year's depreciation	-2.0	-22.2
Translation difference	–	–
<b>Closing accumulated depreciation</b>	<b>-13.6</b>	<b>-12.2</b>
<b>Book value</b>	<b>7.2</b>	<b>9.0</b>

**NOTE 13 – Equipment, tools and installations**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Opening acquisition value	654.4	1 125.4	9.2	8.4
Acquisition during the year	469.6	169.8	2.9	1.1
Sale during the year	-341.1	-653.7	-0.1	-0.3
Reclassifications	6.3	3.9	–	–
Translation difference	11.7	9.0	–	–
<b>Closing acquisition value</b>	<b>800.9</b>	<b>654.4</b>	<b>12.0</b>	<b>9.2</b>
Opening depreciation	-395.4	-700.0	-6.1	-4.8
Acquisition during the year	-234.6	-0.3	–	–
Sale/Disposal	214.5	463.5	–	0.1
Reclassifications	2.4	-6.0	–	–
The year's depreciation	-92.2	-143.1	-1.6	-1.4
Translation difference	-8.2	-9.5	-0.1	–
<b>Closing accumulated depreciation</b>	<b>-513.5</b>	<b>-395.4</b>	<b>-7.8</b>	<b>-6.1</b>
<b>Book value</b>	<b>287.4</b>	<b>259.0</b>	<b>4.2</b>	<b>3.1</b>

**NOTE 14 – New construction in progress**

SEK	Group	
	2001	2000
Opening acquisition value	–	2.1
Acquisition during the year	0.8	–
Sale during the year	–	-2.1
Reclassifications	–	–
Translation difference	–	–
<b>Closing acquisition value</b>	<b>0.8</b>	<b>–</b>

**NOTE 15 – Participations in tenant-owners associations**

SEK M	Group	
	2001	2000
Opening acquisition value	–	15.6
Acquisition during the year	–	–
Sale during the year	–	-15.6
Reclassifications	–	–
Translation difference	–	–
<b>Closing acquisition value</b>	<b>–</b>	<b>–</b>

**NOTE 16 – Participations in Group companies**

SEK M	Parent company	
	2001	2000
Opening acquisition value	2 140.7	3 201.6
Acquisition during the year	822.1	688.8
Sales and dividend*	-1 066.6	-1 749.7
Reclassification	-131.2	–
<b>Closing acquisition value</b>	<b>1 765.0</b>	<b>2 140.7</b>
Opening write-downs	-314.5	-91.6
The year's write-downs	-66.3	-264.5
Sales	247.7	41.7
<b>Closing accumulated write-downs</b>	<b>-133.1</b>	<b>-314.4</b>
<b>Book value</b>	<b>1 631.9</b>	<b>1 826.3</b>

\* The amount includes the distribution of Observer with SEK 612M.

**NOTE 17 – Participations in Group companies – information regarding the year's acquisitions****Acquisitions during the year**

During the year, acquisitions of Group companies totalling SEK 711.3M were implemented. The most significant acquisitions are Carl Bro A/S SEK 244M and Svenska PA-System AB SEK 199M.

**Total value of acquired assets and liabilities for all acquisitions during the year:**

SEK M	
Intangible fixed assets	952.5
Tangible fixed assets	264.7
Financial fixed assets	137.2
Current assets	1 114.5
Liabilities	-1 591.3

**Total purchase price for all acquisitions during the year within the Bure Group** 877.6

Liquid assets in Group companies which have been acquired	-86.3
Payment flows over year-ends	–
New share issues in subsidiaries	-80.0

**Effect on the Group's liquid assets** 711.3**Total value of sold and distributed assets and liabilities for all divestments during the year:**

Intangible fixed assets	2 095.4
Tangible fixed assets	177.1
Financial fixed assets	-101.0
Current assets	1 715.0
Liabilities	-3 046.8
Capital result	588.2

**Total purchase price for all divestments within the Bure Group during the year:** 1 427.9

Liquid assets in subsidiaries which have been divested	-478.3
New share issues in subsidiaries	–

**Effect on the Group's liquid assets** 949.6

## NOTE 18 – Shares in subsidiaries

SEK M	Number of	Share of capital/ votes, %	Book value in parent company	Market value	Corporate identity number	Registered office
<b>IT Solutions &amp; Services</b>						
Cygate AB	17 943 187	74	389.1		556364-0084	Stockholm
Erda Technology AB	1 000	100	19.5		556606-6931	Uppsala
Retea AB	402	100	28.9		556536-7918	Stockholm
Svenska PA System AB	20 000	100	199.3		556346-2646	Stockholm
Carl Bro AS	110 006	50	243.9		48233511	Glostrup, Denmark
Länia Material AB <sup>1</sup>	1 000	100	20.0		556548-1289	Gothenburg
			<b>900.7</b>			
<b>InfoMedia</b>						
Citat AB	6 629 973	74	53.0		556382-3656	Gothenburg
Business Communication Group Scandinavia AB	1 000	100	129.4		556548-1297	Gothenburg
Citat/Project AB <sup>2</sup>	5 000	100	17.6		556559-1186	Gothenburg
			<b>200.0</b>			
<b>Training &amp; Education</b>						
Informator Training Group International AB	5 000	100	111.0		556561-0408	Gothenburg
Mercuri International Group AB	982	98	337.5		556518-9700	Gothenburg
Vittra AB <sup>3</sup>	10 000	100	47.9		556402-8925	Stockholm
AB Grundstenen 93897 unä PT & S Svenska AB <sup>4</sup>	1 000	100	27.5		556619-4873	Gothenburg
			<b>523.9</b>			
<b>Other</b>						
Axnet Holding AB (inactive)	1 000	100	0.1		556566-3357	Gothenburg
Bure Hälsa och Sjukvård AB (inactive)	1 000	100	0.1		556548-1230	Gothenburg
Bure Information Group AB (inactive)	1 000	100	0.1		556548-8169	Gothenburg
Bure Information, Technology & Services AB (inactive)	1 000	100	0.1		556535-0740	Gothenburg
Bure Interactive Group AB (inactive)	1 000	100	0.1		556551-7355	Gothenburg
Bure Utvecklings AB (inactive)	10 000	100	1.2		556472-7112	Gothenburg
Capio Hälsa o Sjukvård AB (inactive)	1 000	100	0.1		556566-4512	Gothenburg
Cindra AB (inactive)	1 000	100	0.1		556542-7415	Gothenburg
Cintera AB (inactive)	1 000	100	0.1		556554-6958	Gothenburg
AB Cypressen nr 3768 (inactive)	510	51	0.1		556616-3795	Gothenburg
Gårda Äldrevård Holding AB	1 000	100	0.9		556548-8144	Gothenburg
Investment AB Bure (inactive)	1 000	100	0.1		556561-0390	Gothenburg
Sancera AB <sup>5</sup>	1 000	100	4.1		556551-6910	Gothenburg
SG Intressenter AB (inactive)	1 000	100	0.1		556508-6211	Gothenburg
			<b>7.3</b>			
<b>Total</b>			<b>1 631.9</b>			

Owned share of operating subsidiaries:

<sup>1</sup> Simonsen Sverige AB, 80 %

<sup>2</sup> Convenio Communication AB, 100 %

<sup>3</sup> Vittra Utbildning AB, 70 %

<sup>4</sup> Prokoda Training and Services GmbH, 100 %

<sup>5</sup> Bure Kapital, 100 %

**NOTE 19 – Proportion of equity in associated companies**

SEK M	Number of shares	Share of capital/ votes, %	Book value in parent company	Book value in Group	Market value	Corporate identity number	Registered office
<b>IT Solutions &amp; Services</b>							
Dimension i Stockholm AB	10 096 550	34	91.1	179.1	222.1	556328-2754	Stockholm
SYSteam Aktiefbolag	7 500 500	30	259.5	241.9		556237-3877	Jönköping
XDIN AB	7 049 411	39/41	44.8	37.6		556420-7453	Västra Frölunda
Buyonet International Inc	221 209	24	–	–			Washington
			<b>395.4</b>	<b>458.6</b>			
<b>Traning &amp; Education</b>							
Celemiab Group AB	119 039	30	44.1	36.6		556562-3997	Malmö
Customer Group AB	177 171	42	15.2	13.0		556543-0146	Stockholm
Boxer Technologies AS	741 584	20	–	–		NO 935021979	Kristiansand
			<b>59.3</b>	<b>49.6</b>			
<b>Venture Capital &amp; Incubators</b>							
Carlstedt Research & Technology CRT Holding AB	235 814	65/49	56.0	33.9		556524-3176	Göteborg
InnovationsKapital Fond 1 AB	228	23	–	0.1		556541-0056	Göteborg
InnovationsKapital Management i Göteborg AB	4 000	40	0.4	1.8		556541-0064	Göteborg
Newmad Technologies AB	510 000	27	28.0	24.0		556576-6705	Göteborg
			<b>84.4</b>	<b>59.8</b>			
<b>Other</b>							
Scribona AB	17 757 089	35/28	353.8	304.8	202.6	556079-1419	Solna
Nordic Capital Svenska AB	9 375	19/32	0.0			556475-7044	Stockholm
<b>Other indirect proportions of equity</b>			<b>–</b>	<b>43.5</b>			
<b>Book value</b>			<b>892.9</b>	<b>916.3</b>			

The share of equity goodwill on the acquisition of Xdin amounted to SEK 22M and of Celemi to SEK 33M.

The difference between book value in the Group and the parent company is because shares in results in associated companies are included in accordance with the equity method. The difference, SEK 23.4M, consists of accumulated shares in results of associated companies with the deduction of write-downs of surplus values and received dividends, and of reported shares of equity from subsidiaries. The amount has been posted to the equity method reserve, which forms part of the Group's restricted reserves.

**NOTE 20 – Participations in associated companies**

SEK M	Parent company	
	2001	2000
Opening acquisition value	1 077.6	1 232.0
Acquisition during the year	94.6	136.1
Sales	–	-295.4
Reclassification	131.3	4.9
<b>Closing acquisition value</b>	<b>1 303.5</b>	<b>1 077.6</b>
Opening write-downs	-363.4	–
The year's write-downs	-47.2	-363.4
Sales	–	–
<b>Closing accumulated write-downs</b>	<b>-410.6</b>	<b>-363.4</b>
<b>Book value</b>	<b>892.9</b>	<b>714.2</b>

**NOTE 21 – Participations and convertible debt instruments**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Opening acquisition value	1 636.0	1 654.6	791.5	1 656.8
Acquisition during the year	1 069.3	1 921.9	362.1	1 850.0
Sales	-1 131.8	-1 935.7	-228.8	-2 710.4
Reclassification	4.4	-4.8	4.5	-4.9
Translation difference	0.1	0.0	–	–
<b>Closing acquisition value</b>	<b>1 578.0</b>	<b>1 636.0</b>	<b>929.3</b>	<b>791.5</b>
Opening write-downs	-119.7	-9.0	-110.7	–
The year's write-downs	-110.9	-110.7	-106.5	-110.7
Sales	119.7	–	110.7	–
<b>Closing accumulated write-downs</b>	<b>-110.9</b>	<b>-119.7</b>	<b>-106.5</b>	<b>-110.7</b>
<b>Book value</b>	<b>1 467.1</b>	<b>1 516.3</b>	<b>822.8</b>	<b>680.8</b>

**NOTE 22 – Prepaid expenses and accrued income**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Prepaid rentals	39.9	28.2	1.0	1.1
Accrued interest income	2.1	0.8	0.2	1.4
Accumulated income	21.5	9.3		
Accrued compensation from supplier	2.6	1.2		
Other items	178.0	133.2	6.6	2.8
<b>Total</b>	<b>244.1</b>	<b>172.7</b>	<b>7.8</b>	<b>5.3</b>

**NOTE 23 – Change in shareholders' equity**

SEK M	Share Capital	Restricted reserves	Non-restricted reserves
Group			
Amount on 1 January	1 091.0	1 190.4	2 075.9
Effect of changed accounting principle			35.5
<b>Adjusted amount on 1 January</b>	<b>1 091.0</b>	<b>1 190.4</b>	<b>2 111.4</b>
Transfer between non-restricted and restricted reserves		-115.3	115.3
Translation difference			27.3
Cash dividend to shareholders			-327.3
Distribution of subsidiary			-704.9
Repurchase of own shares			-99.9
Net profit for the year			-193.2
<b>Amount on 31 December</b>	<b>1 091.0</b>	<b>1 075.1</b>	<b>928.7</b>

Parent company	Share Capital	Statutory reserve	Non-restricted equity
Amount on 1 January	1 091.0	1 091.0	2 128.1
Cash dividend to shareholders			-327.3
Distribution of subsidiary			-614.9
Repurchase of own shares			-99.9
Net profit for the year			73.5
<b>Amount on 31 December</b>	<b>1 091.0</b>	<b>1 091.0</b>	<b>1 159.5</b>

**NOTE 24 – Provisions for restructuring reserve**

SEK M	Group	
	2001	2000
<b>Opening restructuring reserve</b>	<b>120.3</b>	<b>155.3</b>
<b>Increase during the year in connection with acquisitions:</b>		
Observer	–	76.8
Informator Training Group AB	–	1.5
<b>Total</b>	<b>–</b>	<b>78.3</b>
<b>Increase during the year in connection with restructuring within subsidiaries:</b>		
Carl Bro / Sycon	39.0	–
<b>Dissolved during the year in accordance with established plan:</b>		
Chematur	–	-17.9
Observer	–	-59.9
Informator Training Group AB	-0.5	-2.4
Mercuri International Group AB	-3.6	-7.4
<b>Total</b>	<b>-4.1</b>	<b>-87.6</b>
<b>Less divested and distributed operations</b>	<b>-113.6</b>	<b>-29.6</b>
<b>Translation difference</b>	<b>0.2</b>	<b>3.9</b>
<b>Closing restructuring reserve</b>	<b>41.8</b>	<b>120.3</b>

**NOTE 25 – Long-term liabilities**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Total long-term liabilities	2 122.1	1 273.6	1 007.2	20.1
Of which, mature for payment later than five years after closing date	282.5	–	–	–

The parent company has agreements with banks for credit facilities of SEK 2,150M for terms of between one and five years. The parent company does not need to pledge assets for credits raised under these facilities as long as the Bure Group's equity ratio does not fall below 30 per cent. At the same time, the parent company has undertaken not to pledge assets to other lenders.

**NOTE 26 – Accrued expenses and prepaid income**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Holiday pay liability	238.2	88.1	1.5	1.9
Payroll overheads	76.4	71.9	4.8	5.0
Other accrued expenses	382.9	234.8	46.8	40.5
Prepaid income	41.2	70.6	–	–
<b>Total</b>	<b>738.7</b>	<b>465.4</b>	<b>53.1</b>	<b>47.4</b>

**NOTE 27 – Pledged assets**

SEK M	Group		Parent company	
	2001	2000	2001	2000
<b>For own liabilities and provisions</b>				
<b>Relating to provision for pensions and similar obligations:</b>				
Property mortgages	–	–		
Floating charges	–	51.9		
<b>Relating to long-term liabilities to credit institutions:</b>				
Floating charges	148.1	195.2		
Shares in subsidiaries	407.7	1 647.1		
Property mortgages	112.6	–		
Blocked bank deposits	15.3	0.7		
Pledged trade debtors	–	9.5		
Pledged properties	256.4	109.1		
Other	0.5	22.8		
<b>Total</b>	<b>940.6</b>	<b>2 036.3</b>		
<b>Other</b>				
Pledged trade debtors	6.9	–		
Floating charges	19.2	60.0		
Property mortgages	–	–		
Shares against issued warrants	57.5	24.9	57.5	24.9
Shares in subsidiaries	–	7.0		
Blocked bank deposits	0.3	35.5		
Other	8.8	2.2		
<b>Total</b>	<b>92.7</b>	<b>129.6</b>		
<b>Total pledged assets</b>	<b>1 033.3</b>	<b>2 165.9</b>	<b>57.5</b>	<b>24.9</b>

**NOTE 28 – Contingent liabilities**

SEK M	Group		Parent company	
	2001	2000	2001	2000
Pension obligations which have not been included among the liabilities or provisions and which are not covered by the assets of the pension foundation	–	2.0	–	–
Guarantees	310.3	10.1	–	–
Ongoing tax disputes	888.1	936.0	888.1	936.0
Guarantee commitment on behalf of subsidiaries	–	–	150.0	–
Other contingent liabilities	279.6	157.3	–	–
<b>Total</b>	<b>1 478.0</b>	<b>1 105.4</b>	<b>1 038.1</b>	<b>936.0</b>

**NOTE 29 – Average number of employees**

	2001		2000	
	Number of employees	Of whom, women	Number of employees	Of whom, women
Parent company	40	17	35	17
Subsidiaries	2 557	1 189	4 253	2 228
<b>Total Group</b>	<b>2 597</b>	<b>1 206</b>	<b>4 288</b>	<b>2 245</b>
<b>Geographic distribution of employees:</b>				
<b>Parent company</b>				
Sweden	40	17	35	17
<b>Subsidiaries</b>				
Sweden	1 552	822	2 198	1 102
Denmark	248	91	273	142
Great Britain	82	28	638	417
Finland	188	60	310	151
Norway	37	12	213	126
Germany	61	21	352	184
USA	–	–	28	6
Other countries	389	155	241	100
<b>Total Group</b>	<b>2 597</b>	<b>1 206</b>	<b>4 288</b>	<b>2 245</b>

**NOTE 30 – Salaries, other remunerations and payroll overheads**

SEK M	2001			2000		
	Salaries and other remunerations	Payroll overheads	Pension costs <sup>1</sup>	Salaries and other remunerations	Payroll overheads	Pension costs
Parent company	41.0	13.7	9.3	34.5	11.4	18.3
Subsidiaries	1 041.9	235.6	83.4	1 381.0	237.9	73.6
<b>Total Group</b>	<b>1 082.9</b>	<b>249.3</b>	<b>92.7</b>	<b>1 415.5</b>	<b>249.3</b>	<b>91.9</b>
	Board of Directors and President	(of which bonus)	Other employees	Board of Directors and President	(of which bonus)	Other employees
<b>Parent company</b>						
Sweden	4.7	0.9	36.3	6.3	2.6	28.2
<b>Subsidiaries<sup>2</sup></b>						
Sweden	23.3	1.3	496.8	31.4	4.8	638.5
Denmark	5.1	0.1	151.1	3.8	0.9	100.0
Great Britain	5.3	0.2	42.6	9.5	0.0	158.2
Finland	4.8	0.4	97.9	5.9	0.5	109.5
Norway	1.5	0.0	23.2	3.9	0.4	70.6
Germany	7.2	0.9	33.8	9.8	0.7	113.1
USA	–	–	–	1.4	0.0	19.7
Other countries	24.1	3.2	125.2	17.0	1.6	88.7
<b>Total Group</b>	<b>76.0</b>	<b>7.0</b>	<b>1 006.9</b>	<b>89.0</b>	<b>11.5</b>	<b>1 326.5</b>

The 2001 Annual General Meeting decided on remuneration to the Board of Directors totalling SEK 870K, of which the Chairman received SEK 300K. Other Board Members, who are not permanently employed, received remuneration of SEK 140K each.

<sup>1</sup> Of the parent company's pension costs, SEK 0.8M relates to the Board of Directors and the President. Pension costs are stated including payroll tax, distributed by country between the Board of Directors, the President and other employees.

<sup>2</sup> Information about salaries and other remuneration has not included companies which have been sold/distributed during the year.

## NOTE 31 – Benefits for Senior Executives

The cost of salary and remuneration for the President, Peter Sandberg, has amounted to SEK 2.6M including a bonus SEK 0.9M. The information relates to the period from the 2001 Annual General Meeting of Bure. Peter Sandberg is entitled to a pension from the age of 60. This is covered by a pension insurance premium for a fixed annual amount of SEK 450 000 and an annual premium equivalent to 32.5 per cent of the fixed salary paid at any time. During the year, the previous President, Roger Holtback, was paid a remuneration of SEK 1.3M. The Chairman was paid a remuneration of SEK 0.3M.

Other staff in the parent company and the Group have conditions on market terms and no agreements exist with regard to severance pay and salaries exceeding two years' remuneration. During the year, a bonus scheme existed for Bure's parent company Management based on, among other things, the parent company's growth in shareholders' equity, net asset value and realised investments above a certain yield level.

The Board of Directors has decided to implement a new incentive system for 2002 which is aimed at attracting, developing and retaining the best staff in the sector and creating a basis for common evaluations.

The system will be directly linked to shareholder value, created as a function of yield and time and of the performance of the Bure share.

The system is based on the creation of a pool for the management, investment and key administrative staff. Funds can be contributed to the pool if the gains on exited investments exceed an annual yield of at least 12 per cent (for indirect investments, at least 15 per cent) after deduction for realised investments with a return of less than 12 per cent and write-downs. The amount of the administrative costs will also influence the outcome.

Half of the bonus will be paid in cash and half into a foundation which will acquire shares in Bure for an investment period of at least three years.

The bonus due to an individual staff member could be worth up to four years salary depending on their position. This should be seen against the background that Bure's investments normally develop in value of over several years before an exit can be implemented.

In addition, a bonus payment can never exceed 10 per cent of the parent company's profit before taxes.

## NOTE 32 – Synthetic options

In 1997, Bure issued 1,540,000 synthetic options which were subscribed by Senior Executives in the Group and the staff of the parent company. At 31 December 2001, a total of 217,500 options remained outstanding.

The exercise price is SEK 10.50 with 15 March 2002 as the closing day. The revaluation of the options has had an effect on 2001 profit of SEK 3.8M in the parent company. This revenue is included among the parent company's personnel costs.

In 2001, Bure launched a warrant scheme for the parent company's staff. The scheme comprises a total of 750,000 warrants, equivalent to approximately 0.7 per cent of the company's outstanding shares. The President has been allocated 80,000 warrants, other senior executives 50,000 shares each and other staff 1,500-30,000 warrants each. The duration of the warrants is five years with an opportunity to exercise the warrants after an initial three-year lock-in period. The exercise price has been set at SEK 36. In order to secure the delivery of the shares and to cover the social security contributions which will arise as a result of the scheme, the company has made an agreement with a Swedish bank for a so-called share derivative arrangement. This ensures that no dilution effect will arise for the company's shareholders in connection with the scheme. Bure could be hit by a cost for the scheme if the Bure share price falls below SEK 32.

**To the Annual General Meeting of Bure Equity AB (publ) Corporate identity number 556454-8781**

We have audited the parent company and the consolidated financial statements, the accounts and the administration of the Board of Directors and the President of Bure Equity AB (publ) for 2001. These accounts and the administration of the Company are the responsibility of the Board of Directors and the President. Our responsibility is to express an opinion on the financial statements and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. These standards require that we plan and perform the audit to obtain reasonable assurance that the statements are free of material mis-statements. An audit includes examining evidence supporting the amounts and disclosures in the financial statements on a test basis. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the President as well as evaluating the overall presentation of information in the financial statements. To form a basis for our opinion, we examined significant decisions, actions taken and circumstances of the company in order to be able to assess the possible liability to the company of any Board Member or the President. We have also examined whether any Board Member or the President has in some other way acted in contravention of the Companies Act, the Annual Accounts Act, or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

In our opinion, the parent company and the consolidated financial statements have been prepared in accordance with the Annual Accounts Act and therefore give a true and fair picture of the Company's and the consolidated Group's results and position in

accordance with generally accepted auditing standards in Sweden.

We recommend that the Annual General Meeting adopt the statement of income and the balance sheet for the parent company and for the Group, appropriate the profit in the parent company in accordance with the recommendation in the Directors' Report, and that the Board of Directors and the President be discharged from liability for the financial year.

Gothenburg, 20 February 2002

Bertel Enlund	Lars Träff
Authorised	Authorised
Public Accountant	Public Accountant

## Information about the Auditors

### Auditors

Bertel Enlund, Authorised Public Accountant  
Ernst & Young AB, Gothenburg  
Born 1950

Lars Träff, Authorised Public Accountant  
Ernst & Young AB, Stockholm  
Born 1954

### Deputy Auditors

Staffan Landén, Authorised Public Accountant  
Ernst & Young AB, Gothenburg  
Born 1963

Clas Blix, Authorised Public Accountant  
Ernst & Young AB, Stockholm  
Born 1942



From the left: Leif Edvinsson, Erling Gustafsson, Hans Wilandh, Gösta Wiking, Peter Sandberg and Maria Lilja.

### **Gösta Wiking\***

Chairman  
Malmö, born 1937  
Board member since 1992

Other directorships:  
Chairman of Mölnlycke Health Care,  
Tribon Solutions and AngioGenetics.  
Deputy Chairman of SEB.  
Board member of Bong Ljungdahl,  
Karlshamns and XCounter.

Shareholding in Bure, own shares and  
shares owned by related parties: 20,000

### **Leif Edvinsson\***

Stockholm, born 1946  
Board Member since 2000

Other directorships:  
Board member of Novacast, Intellectual  
Capital Sweden, Centrum för Molykelär  
Medicin and other companies.

Adjunct Professor of Intellectual  
Capital at the University of Lund.

Shareholding in Bure, own shares and  
shares owned by related parties: 1,000

### **Erling Gustafsson\***

Kungsbacka, born 1958  
Board Member since 2000

President of 6:e AP-Fonden.

Shareholding in Bure, own shares and  
shares owned by related parties: 2,000

### **Maria Lilja**

Stockholm, born 1944  
Board Member since 1997

Other directorships:  
Deputy Chairman of Stockholms  
Handelskammare.  
Board member of Bilia, Cell Network,  
Observer, Poolia, Vasakronan,  
E Öhman Jr, Intrum Justitia BV and  
Diageo Plc.

Shareholding in Bure, own shares and  
shares owned by related parties: 2,000

### **Hans Wilandh**

Gothenburg, born 1956  
Board Member since 2000

Shareholding in Bure, own shares and  
shares owned by related parties: 1,600

### **Peter Sandberg**

President and CEO  
Gothenburg, born 1959  
Board Member since 2001

Other directorships:  
Board member of Green Cargo and  
AU-System.

Shareholding in Bure, own shares and  
shares owned by related parties:  
201,000 and 80,000 warrants

\*Member of the Remuneration  
Committee of the Board.



## **Peter Sandberg**

President and CEO  
Gothenburg, born 1959  
Employed since 2001

Shareholding in Bure, own shares and shares owned by related parties: 201,000 and 80,000 warrants



## **Per-Henrik Berthelius**

Responsible for strategic matters and also other investments  
Born 1944  
Employed since 1997

Shareholding in Bure, own shares and shares owned by related parties: 5,000 and 50,000 warrants

## **Benny Averpil**

Chief Financial Officer  
Born 1948  
Employed since 2000

Shareholding in Bure, own shares and shares owned by related parties: 0 and 50,000 warrants



## **Irène Axelsson**

Head of Investor Relations and Corporate Communications  
Born 1962  
Employed since 1993

Shareholding in Bure, own shares and shares owned by related parties: 2,400 and 50,000 warrants

## **Börje Bengtsson**

Responsible for investment area IT Solutions & Services  
Born 1947  
Employed since 2001

Shareholding in Bure, own shares and shares owned by related parties: 4,000 and 50,000 warrants



## **Örjan Serner**

Responsible for investment area InfoMedia  
Born 1964  
Employed since 2001

Shareholding in Bure, own shares and shares owned by related parties: 10,000 and 50,000 warrants

## **Sven-Åke Lewin**

Responsible for investment area Training & Education  
Born 1952  
Employed since 1998

Shareholding in Bure, own shares and shares owned by related parties: 0 and 50,000 warrants



## **Björn Boldt-Christmas**

Responsible for investment area Venture Capital & Incubators and the President's representative in specific issues and projects  
Born 1945  
Employed since 1998

Shareholding in Bure, own shares and shares owned by related parties: 2,000 and 50,000 warrants

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In the Annual Report, there are a number of terms and key figures whose meaning is defined below:

**Yield of the share**

Proposed dividend divided by the share price at the year end.

**Total yield of the share**

The total of the year's growth in price and dividend paid divided by share price on 1 January.

**Return on equity**

Profit after tax divided by average shareholders' equity.

**Blended learning**

A term used within investment area Training & Education and which stands for teacher-led training in combination with interactive digital courses.

**Equity per share**

The parent company's shareholders' equity divided by outstanding number of shares.

**EVCA recommendations (European Venture Capital Association)**

EVCA is a European organisation which makes recommendations and pronouncements relating to the principles by which private equity companies should value their holdings.

**Exit result**

The capital result on divestment of a company calculated as purchase price received minus book value and selling expenses.

**Fragmented market**

A market with many participants where no company has a dominant position.

**HR (Human Resources)**

A function the role of which is to support the management within an organisation in personnel matters.

**Infomedia**

Infomedia means the creation and distribution of information via some type of media.

**Incubator company**

An incubator company offers a process for development of ideas into companies. The incubator assists the innovator with proactive and adapted management, financial technical and commercial competence.

**IP Technology**

IP stands for Internet Protocol and is basically a number of communications rules to enable one network to communicate with another network. The Internet is really several connected networks in which each network has been given a specific IP address to enable it to communicate with other parts of the network. Thus, IP technology is all the technology which is in some way based on the IP protocol.

**Hub company**

A company which will form the base, the "hub", for Bure's continued investments within the sector or a sector segment.

**Net debt**

Financial interest-bearing assets minus interest-bearing long-term current liabilities and provisions. The over liquidity which from time to time has been invested in the parent company's stock portfolio has also been included in the parent company's interest-bearing assets.

**Private equity**

Private equity is sometimes used as a synonym for venture capital. Private equity is, as is venture capital, risk capital investments in companies which are not listed on the stock market. The difference is that private equity is usually investments in companies which are in later stages.

**SAX index**

The most recognised index for describing the development on the OM Stockholm Exchange (since 2001).

**Debt/equity ratio**

The parent company's own and guaranteed liabilities in relation to the parent company's shareholders' equity.

**Equity ratio**

Shareholders' equity in relation to total assets.

**Start-ups**

Start-ups are newly-established companies. This expression is often used for companies which take help from outside capital in order to speed up the development of their operations.

**Net asset value discount**

The net asset value discount consists of the difference between the market value and the net asset value per share, divided by the net asset value per share.

**Net asset value**

Bure's net asset value consists of the parent company's assets and liabilities adjusted for the surplus values which exist in the parent company's investments. Surplus values have been established in accordance with a set rule system, where the listed holdings are valued at the latest price paid on the closing day and where unlisted holdings are valued by application of EVCA's recommendations. See section on investment portfolio on pages 20-21.

**Uplift**

Uplift is a measurement of the difference between the net asset value of an asset at the start of the financial year compared with the value on a stock market listing or the sales value. Uplift thus gives an indication of the reliability of the reported net asset value. The key figure can both be reported as an index number where anything in excess of 1.00 indicates that the asset was realised at a higher value than the net asset value, and in absolute terms, where everything in excess of 0 indicates a higher value than the net asset value.

**Venture capital**

Venture capital is investments in companies which are not listed. However, venture capital is not only a capital investment but it also assumes that the investor (The venture capital company) makes a proactive ownership involvement, for example, through representation on the company's board of directors.

**Profit per share**

Profit after taxes divided by average number of shares.

**Buy back of own shares**

For a number of years, Swedish companies have had an opportunity to acquire up to 10 per cent of its own outstanding shares within the framework of the non-restricted equity, subject to the approval of the Annual General Meeting.

**Key figures which are used in the presentation of the hub companies:****Operating margin before goodwill amortisation**

Operating profit before goodwill amortisation, i.e. excluding exit results and shares in results of associated companies, in relation to net sales.

**Operating margin before goodwill amortisation and items affecting comparability**

Operating profit before goodwill amortisation and items affecting comparability, i.e. excluding items affecting comparability, exit results and shares in results of associated companies in relation to net sales.

**Value added per employee**

Operating profit before goodwill amortisation and items affecting comparability plus personnel costs in relation to average number of employees. The added value is an expression for the company's underlying development potential and ability to transform individuals' knowledge into value.

**Growth**

Increase in net sales in relation to the previous year's net sales. The key figure thus includes both organic and acquired growth.

## **Glossary and definitions, please turn over**

### **Annual General Meeting of Bure**

The Annual General Meeting of Bure will be held at Kongresshallen, Svenska Mässan in Gothenburg at 3 pm on Tuesday 23 April 2002.

### **Participation**

Shareholders who on 12 April 2002 are entered in the Register of Shareholders maintained by the Swedish Securities Register Centre, VPC, are entitled to participate in the AGM. Shareholders whose shares are nominee registered must re-register their shares temporarily in their own name before 12 April 2002.

Notification of participation at the AGM must be made to Bure not later than 12 noon on 16 April 2002 by mail: Box 5419, SE 402 29 Gothenburg, Sweden, by e-mail: [info@bure.se](mailto:info@bure.se), by fax +46 31-778 58 38, or by telephone +46 31-335 76 81/335 76 92.

When notifying the company, shareholders must state name, personal/corporate identity number, address and telephone number. A confirmation will be sent by mail after 16 April 2002.

- Bure is a leading private equity company in Sweden. Its business objective is to become a proactive owner in knowledge-intensive service companies which have the potential to become market leaders within their sectors.
- By investing capital, knowledge and experience, and providing access to our entire network, we develop companies and restructure whole sectors.
- Bure helps the companies to grow strong and remains a proactive owner until they have achieved leading positions. Over the past few years, we floated the healthcare company Capio and the IT integrator Dimension on the the Stockholm Exchange.
- Bure has its base in Sweden – with investment teams in Gothenburg and Stockholm – but our and our portfolio companies’ perspective is international.
- Bure was established in 1992 and is quoted on the A list of the Stockholm Exchange.



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