

Interim report

[January – March 1999]

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- Consolidated net sales rose by 23 per cent to SEK 3,822M.
- Consolidated profit after financial items, SEK 131M (501). Included capital gains amounted to SEK 41M (413).
- Bure's new Business Area Training and Education starts strongly.
- Bure IT, improved profit and significant volume growth.
- Bure Health Care, recovery after sluggish start.
- Continued focusing on the knowledge-based service sector, several important acquisitions.

Bure's operations
consists of five Business Areas:

Bure Health Care

Bure IT

Bure InfoMedia

Bure Training and Education

Bure Investments

Asset Management forms an integral part of the Parent Company.

Bure's business concept

As an active owner and investor, Bure will contribute capital and expertise with the objective of creating high growth in value for the shareholders. This is partly achieved by Bure contributing to defining industrial values and carrying out structural changes, especially within the knowledge-based service sector.

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Summary of operations

Consolidated profit after financial items amounted to SEK 131M (501). All Business Areas reported a strong growth rate and during the quarter consolidated net sales rose by 23 per cent to SEK 3,822M (3,120). The previous year's profit included capital gains of SEK 413M. This year, these amounted to SEK 41M net. Adjusted for capital gains, operating profit of operations is on a par with the previous year.

Bure's focusing on the knowledge-based service sector now comprises Business Areas Health Care, IT, InfoMedia and Training and Education.

Business Area Bure Health Care reported a weak earnings trend at the end of the previous year and a sluggish start in January and February of this year.

However, during March all Business Sectors showed a positive trend with recovery and report operating profit before goodwill depreciation of SEK 23M (26) for the period.

Within Bure IT, sales growth was 72 per cent with operating profit before goodwill depreciation which improved from SEK 11M to SEK 26M.

The companies in Bure InfoMedia developed positively. The Business Area reports net sales of SEK 303M (213) and operating profit before goodwill of SEK 32M (25).

Bure Training and Education, which was established in November 1998, had a sound start to the year and reports operating profit before goodwill depreciation of SEK 14M and sales of SEK 118M.

In the first quarter, the Group invested a total of SEK 207M (226). No divestments were made. The Group's interest-bearing net loan liability increased to SEK 1,568M (108). The Parent Company's bank loans totalled SEK 1,156M. Equity ratio in the Group amounted to 39 per cent (52) on 31 March. At the turn of the year, the equity ratio amounted to 39 per cent. During the period, Asset Management reported a positive yield amounting to 9.7 per cent. The Findata Yield Index amounted to 6.6 per cent at the same time. Capital gains within Asset Management amounted to SEK 34M net (47).

On 31 March, Bure's net asset value amounted to SEK 95 per share (99). The net asset value has increased by 9 per cent since the turn of the year. On 22 April, the net asset value amounted to SEK 91 per share after SEK 5.75 had been paid in dividend to the shareholders. Approximately 45 per cent consists of unlisted shareholdings which are entered at book value in the net asset value.

Consolidated Statement of Income, SEK M	Q1 -99	Q1 -98
Net sales	3,822	3,120
Operating expenses	- 3,680	- 2 852
Exit result	7	196
Shares in results of associated	2	5
Operating profit before goodwill depreciation ¹	151	469
Goodwill depreciation	- 40	- 20
Operating profit	111	449
Dividends	0	1
Capital Gains Asset Management	34	47
Interest income	18	9
Interest expenses	- 32	- 14
Other financial items	0	9
Profit after financial items	131	501
Minority interest	- 22	- 109
Taxes	- 34	- 31
Net profit	75	361

¹ 1998 is inclusive of items affecting comparability of SEK 170M net.

Consolidated Balance Sheet, SEK M	Q1 -99	311298
Assets		
Fixed assets	5,947	5,713
Current assets	4,908	4,824
Total assets	10,855	10,537
Equity and liabilities		
Equity	4,210	4,153
Minority interest	705	643
Provisions	309	256
Long-term liabilities	4,264	888
Current liabilities	4,367	4,597
Total equity and liabilities	10,855	10,537

Cash Flow Analysis, SEK M	Q1 -99	Q1 -98
Cash flow from operations	262	414
Change in working capital	- 328	- 470
Cash flow from operations	- 66	- 56
Acquisition of subsidiaries and associated companies	- 89	- 78
Sale of subsidiaries and associated companies	12	242
Investments in tangible and intangible fixed assets	- 118	- 148
Cash flow from investment operations	- 195	16
Change in loans, net	545	- 191
Change in liquid funds	284	- 231

The Bure share

The Bure share had a weak development in the first quarter. On 31 March, the share was quoted at SEK 102 excluding right to a dividend of SEK 5.75. At the start of the year, the share price was SEK 115 per share.

The number of shareholders in Bure continued to increase strongly and amounted to 15,128 on 31 March (10,100).

The Annual General Meeting in March decided on a bonus issue 1:1, which means that the number of shares in Bure increased 54,550,000 to 109,100,000.

Trading in the increased number of shares started on 21 April. On that date, the share price amounted to SEK 52 per share.

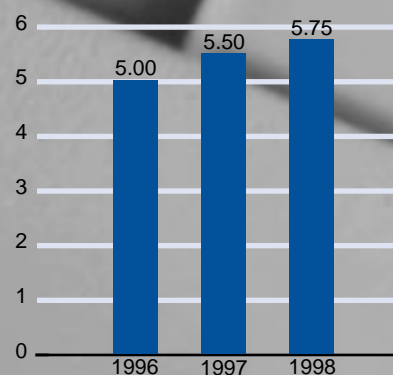
Key figures per share, SEK	310399	311298	311297
Net profit*, Group	4.05	9.20	11.00
Equity, Group	77.20	76.10	72.20
Net asset value, Parent Company	95.00	87.00	88.00
Market price	102.00	115.00	104.50
Dividend paid	-	5.75	5.50
Total yield, %	- 7	15	35

Share data

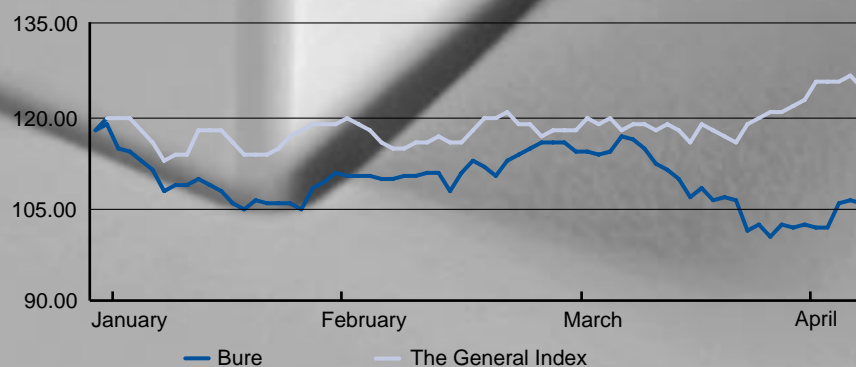
Number of shares, 000	54,550	54,550	54,550
Number of owners	15,128	13,200	7,700

* Latest 12 months

Dividend per share



Price development of the Bure share compared with the General Index



Dividend policy

Bure's dividend policy means that at least 5 per cent of net asset value will be paid in dividend, however not less than SEK 5.



SEK M	Q1 -99	Q1 -98
Net sales	650	544
Operating expenses	-627	-518
Operating profit before goodwill depreciation	23	26
Goodwill depreciation	-13	-7
Management & new projects	-6	-7
Operating profit	4	12

Bure Health Care

Bure Health Care is to be the operator which best meets the demands of the patients and the principals of the health care sector.

In the first quarter, net sales within Bure Health Care increased by 19 per cent to SEK 650M (544). Operating profit before goodwill depreciation amounted to SEK 23M (26), which gives an operating margin of 3.6 per cent (4.8). During the period, Bure Health Care enjoyed sound growth. Profit is lower than in the previous year due to lower capacity utilisation in January and February in Occupational Health Care, and in Specialist Care in Norway. A recovery took place in March. The operating margin of 3.6 per cent in the first quarter was higher than both the third and fourth quarters of 1998 despite the weak start of the year.

Specialist Care's net sales amounted to SEK 152M (143). Operations in Southern Sweden developed very positively with good results and new establishments in Lund and Landskrona. Temporary vacancies for medical practitioners in the Norwegian operations had a negative effect on the result. Operating profit amounted to SEK 8M (14). Business Sector Specialist Care has over a long period prepared an expansion of the operations to include psychiatry. A first step was after the end of the reporting period when two hospitals, which specialise in the psychiatry segment, were acquired in Great Britain and Switzerland, respectively.

Geriatric Care's net sales nearly doubled to SEK 50M (28). Operating profit in the Swedish operations developed in step with sales. Profit was charged with project development costs in Norway. In total, profit amounts to SEK 3M (3).

Occupational Health Care reports unchanged net sales. Capacity utilisation was lower than planned in the first two months of the year but a recovery took place in March. Operating result amounted to SEK -5M (0). Order intake was satisfactory during the period.

Diagnostic's net sales rose by 33 per cent to SEK 152M (114). The increase includes, among other things, the establishment of X-ray as a new segment aside from laboratory medicine. Operations developed positively and operating profit rose strongly to SEK 14M (4).

Materials Supply's rapid expansion continues and net sales increased by 21 per cent to SEK 171M (141). Operating profit amounted to SEK 3M (6). Substantial IT investments were charged to profit. During the period, Simonsen received a large order for its One-Stop concept.

Business Sectors	Net sales					Operating profit before goodwill depreciation				
	Q1 -99	Q4 -98	Q3 -98	Q2 -98	Q1 -98	Q1 -99	Q4 -98	Q3 -98	Q2 -98	Q1 -98
Specialist Care	152	148	119	137	143	8	8	0	7	14
Geriatric Care	50	49	36	30	28	3	2	5	4	3
Occupational Health Care	126	131	110	125	126	-5	-13	1	3	0
Diagnostics	171	148	101	117	114	14	17	-2	7	4
Materials Supply	134	156	134	133	141	3	5	6	-1	6
Elimination, divested	-1	-3	-10	-10	-8	0		1		-1
Total	650	629	490	532	544	23	15	8	26	16
Operating margin, %						3.6	2.4	1.6	4.9	4.8



SEK M	Q1 -99	Q1 -98
Net Sales	354	205
Operating expenses	-330	-196
Shares in results of associated companies	2	2
Operating profit before goodwill depreciation	26	11
Goodwill depreciation	-6	-3
Business Area management	-2	-2
Operating profit	18	6

Bure IT

Bure IT's vision is, as a leading Nordic network of service-based IT companies, to be the first choice for large and medium-size companies which purchase advanced IT solutions.

Bure IT's consolidated net sales amounted to SEK 354M (205), an increase of 73 per cent. Total sales of all companies in the Business Area amounted to SEK 512M, Operating profit before goodwill depreciation rose more than invoicing and amounted to SEK 26M (11).

Guide Konsult's net sales amounted to SEK 149M (131). Operating profit amounted to SEK 13M (10).

CR&T reported both increased net sales and improved operating profit. The geographic expansion continues in Stockholm and in Linköping.

Erda's sales and profit developed positively. The company continues to grow strongly and in less than one year the number of employees doubled and now amounts to approximately 60.

Work aimed at merging Santa Monica Software and Salcom, in order to create a leading Nordic operator within network integration, continues according to plan. **Santa Monica Software** reported net sales of SEK 55M and operating profit of SEK 6M.

Salcom's net sales amounted to SEK 82M with an operating result of SEK 0M. The market for systems suppliers of networks was weak in general during the beginning of the year. During January, Bure IT acquired an additional 20 per cent of the shares in Santa Monica Software. Following the acquisition, Bure's shareholding amounts to 60 per cent.

AXNet reported net sales of SEK 51M and operating profit of SEK 2M.

Dimension had a strong order intake during the beginning of the year and net sales rose by 59 per cent to SEK 132M (83). Operating profit amounted to SEK 12M (6). The positive trend is mainly due to increased demand as a result of IT adaptations ahead of the turn of the Millennium.

Udac's net sales amounted to SEK 24M (25). Operating profit amounted to SEK 2M (-2). Particularly consulting services developed positively and order intake is satisfactory.

Bure IT, SEK M	Net Sales			Operating profit			Invested Capital ¹	Ownership % ¹
	Q1 -99	Q1 -98	1998	Q1 -99	Q1 -98	1998		
Included companies								
Guide Konsult	149	131	537	13	10	32	89	34
CR&T	9	4	28	1	1	2	8	45
Erda ⁴	13		26	1		3	18	75
Dimension	132	83	461	12	6	35	155	69
Salcom ²	82	100	493	0	2	16	67	61
Santa Monica Software	55		242	6		38	213	60
Udac	24	25	99	2	-2	1	33	100
AXNet ³	51			2			74	98

¹ Book value at period-end and ownership share of capital. ² 1998 figures including AXNet. ³ Included in Salcom during 1998. ⁴ Figures 1998 refer to June-December.



SEK M	Q1 -99	Q1 -98
Net sales	303	213
Operating expenses	- 274	- 188
Exit result	3	0
Operating profit before goodwill depreciation	32	25
Goodwill depreciation	- 9	- 10
Management & new projects	- 2	- 1
Operating profit	21	14

Bure InfoMedia

Bure InfoMedia aims to raise the efficiency and quality of its customers' information flows by providing advanced support for decision-making and adding tools and expertise for efficient communication.

Bure InfoMedia increased its net sales by 42 per cent to SEK 303M (213). Operating profit before goodwill depreciation amounted to SEK 32M (25).

Sifo Group's net sales rose by 29 per cent to SEK 252M (195). Operating profit amounted to SEK 24M (17). Expansion within Observer Media Intelligence continued with the acquisition of the Finnish company, Pressfax OY. In January, Sifo Group established a jointly-owned subsidiary with Guide Konsult. Sifo's ownership amounts to 60 per cent. By utilising each other's expertise, the company will develop IT-based solutions in, among other things, external monitoring and knowledge management.

Citat's net sales amounted to SEK 47M (43). Operating profit before goodwill depreciation amounted to SEK 3M (5). The year started on a slightly weaker note than in the previous year

but capacity utilisation accelerated towards the end of the period and order intake is satisfactory.

Bure InfoMedia owns approximately 3 per cent in **Relevant-Knowledge/Media Metrix** which is the market-leading company in the USA in audience-measurement on the Internet.

In February, Bure InfoMedia signed an agreement for a new share issue and convertible subordinated debentures in **Buyonet International**. Buyonet is a fast-growing reseller of downloadable software via the Internet.

Bure Infomedia, SEK M	Net sales			Operating profit			Invested capital ¹	Ownership ¹
	Q1 -99	Q1 -98	1998	Q1 -99	Q1 -98	1998		
Included companies								
Sifo Group	252	195	894	24	17	83	508	51
Citat	47	43	170	3	5	12	32	87

¹ Book value at period-end and ownership of capital.

SEK M	Q1 -99	Q1 -98 ¹
Net sales	118	
Operating expenses	- 104	
Operating profit before goodwill depreciation	14	
Goodwill depreciation	- 3	
Management & new projects	- 2	
Operating profit	9	

¹ Established in November 1998



Bure Training and Education

The business concept of Bure Training and Education is to provide high-quality training and education to companies and public sector principals in the Corporate Training and Schools segments.

Bure Training and Education, which was established towards the end of 1998, had a positive start. Net sales amounted to SEK 118M with operating profit before goodwill depreciation of SEK 14M.

At the beginning of the year, 70 per cent of the shares were acquired in **Vittra För- och grundskolor** which operates 12 pre-schools and compulsory schools in the Stockholm Region. Vittra will form the base in the build-up of Bure's operations in Business Sector Schools.

In January, **Network Management** which is a leading training company in networks and data communication, was acquired. Network Management complements already-acquired companies and will be included in the newly established **Informator**

Training Group which will take a leading position in advanced IT training in Sweden.

The IT training companies developed positively. Work aimed at merging **Nordisk Datautbildning** and **Fama** was initiated and is expected to be completed during summer.

Mercuri International ScanAsia reported satisfactory order intake.

After the end of the reporting period, Bure Training and Education acquired a majority holding in **Mercuri International Western Europe**. The operation has sales of approximately SEK 300M. Through the acquisition and acquired companies in the Business Area, Bure Training and Education will now have sales of approximately SEK 800M on an annual basis.



SEK M	Q1 -99	Q1 -98
Net sales	2,394	2,158
Operating expenses	- 2,318	-1,915
Exit result	3	196
Shares in results of associated companies	0	2
Operating profit before goodwill depreciation	79	441
Goodwill depreciation	-8	-5
Management & new projects	- 2	-4
Operating profit	69	432

Bure Investments

Bure Investments will invest primarily in operations which are closely linked with Bure's other operations.

In the first quarter, Bure Investments contributed operating profit before goodwill depreciation on SEK 79M (441).

Business area-related investments

Scribona's sales amounted to SEK 2,119M (1,959), an increase of 8 per cent. For comparable units and in comparable currencies, sales were at the same level as in the previous year. Operating profit amounted to SEK 21M (201). Last year's profit included result of divestment with SEK 170M.

Other direct investments

Chematur Engineering's net sales rose to SEK 134M (48). Operating result was SEK -7M (-16). The sales increase includes, among other things, the acquisition of the German engineering company, Plinke, which was carried out in April 1998. The foreign subsidiaries developed positively, whereas the Swedish Parent Company was negatively affected by delays in projects in Asia which occurred during 1998 and which it has not yet been possible to recover.

Gunnebo's profit after financial items amounted to SEK 5M (28). Net sales amounted to SEK 919M (807).

Åre Vemdalen's net sales amounted to SEK 156M (133). Operating profit amounted to SEK 64M (64). Investments in the new facilities, which were inaugurated in December last year, were positively received. Occupancy increased and the acquisition of the new family concept led to Åre taking additional market shares.

Troponor reports operating result of -2M (-11). Implemented structural measures are now beginning to make an impact despite a weak market.

Svolder has a split financial year and reported its six-month accounts on 28 February 1999. At 28 February, the net asset value was SEK 815M, equivalent to SEK 127 per share (148).

Funds

Bure's invested capital within the framework of Nordic Capital has remained unchanged since the turn of the year, SEK 152M. Bure's investments in InnovationsKapital increased by SEK 4M to SEK 21M at 31 March.

Bure Investments, SEK M	Net sales			Operating result			Invested capital	Ownership % ¹
	Q1 -99	Q1 -98	1998	Q1 -99	Q1 -98	1998		
Included companies								
Nobel Biocare ²			1,310			121	397	16
Scribona	2,119	1,959	8,880	21	201	303	707	51
Gunnebo	919	807	3,791	19	41	256	209	32
Chematur Engineering	134	48	487	-7	-15	7	248	100
Åre Vemdalen	156	133	204	64	64	25	152	100
Troponor	113	87	448	-2	-11	-14	48	40

¹ Book value at period-end and ownership of capital.

² Quarterly report on 29 April.

Asset Management, SEK M	310399	1998	1997	1996	1995
Shares	948	851	836	713	593
Interest-bearing investments	0	0	431	1,033	864
Total	948	851	1,267	1,746	1,457
Capital gains, net	34	126	318	79	185
Yield of stock portfolio, %	9.7	15.2	26.4	54.5	17.4
The Findata Yield Index, %	6.6	13.0	27.8	43.3	20.6

Parent Company

The Parent Company's profit after tax amounted to SEK 16M (233). Bure's net asset value has risen by 9.2 per cent since the turn of the year and amounted to SEK 95 per share at 31 March. Approximately 45 per cent of Bure's investments consist of unlisted shareholdings which have been entered at book value in the net asset value.

Asset Management reported a yield of 9.7 per cent in the first quarter to be compared with the Findata Yield Index of 6.6 per cent. The net of capital gains and capital losses amounted to SEK 34M (47). On 31 March, the value of Asset Management's portfolio amounted to SEK 948M (977). In total, the Parent Company invested SEK 155M (241) during the period. On 31 March, the Parent Company's equity ratio amounted to 75 per cent (94).

Personnel

At the turn of the year, the average number of employees amounted to 6,079 (6,052) in the Group and to 24 in the Parent Company, of whom 12 belong to the Business Area managements in Bure IT, Bure InfoMedia, Bure Training and Education, and Bure Investments.

After the end of the reporting period

In April, Bure Health Care acquired 100 per cent of the shares in the hospitals, Charter Medical of England Ltd and SA de la Métairie in Switzerland, respectively. The hospitals are specialised in psychiatry and together have sales of approximately SEK 260M. Through the acquisition, Bure Health Care will achieve sales of nearly SEK 3 billion per annum and a positive contribution to profit will be received as early as 1999.

In April, Bure IT acquired 30 per cent of the IT consulting company, SYSteam, with sales of approximately SEK 470M. The acquisition means that Bure begins an investment in standardised business systems and IT for medium-size companies.

Within Bure IT, Salcom also carried out an acquisition of the Danish network integrator, Westerberg. The company, which has sales of approximately SEK 60M, aside from Denmark is also established in Poland. Through the acquisition, Salcom strengthens its position in Northern Europe.

In April, Bure InfoMedia sold the document-handling company, Pennon, to Elanders.

In April, Sifo Group made an agreement to acquire an additional 30 per cent of the shares in the German company, Argus Media GmbH. Sifo Group already owns 50 per cent of the shares in the company. During the year 2000, Argus Media will merge with Observer RTV Medienauswertungen GmbH which is a wholly-owned company in Sifo Group. As a result, the company will become a leading operator in media and external monitoring on the German market.

In April, Bure Training and Education acquired a majority holding in Mercuri International Western Europe. The operation has sales of approximately SEK 300M. Through the acquisition and with previously-acquired companies in the Business Area, Bure Training and Education will now have sales of SEK 800M on an annual basis.

In April, Gunnebo acquired the French company, Fichet-Bauche, which is a leading supplier of security products in Southern Europe. Through the acquisition Gunnebo significantly strengthens its position in Europe and takes a further step in its streamlining to become a leading security Group.

Consolidated Statement of Income, SEK M	Q1 -99	Q4 -98	Q3 -98	Q2 -98	Q1 -98
Net sales	3,822	4,402	2,862	3,502	3,120
Operating expenses	- 3,679	- 4,257	- 2,870	- 3,451	- 2,852
Exit profit	7	-5	0	84	196
Shares in results of associated companies	2	24	20	39	5
Operating profit before goodwill depreciation ¹	151	164	12	174	469
Goodwill depreciation	-40	-36	-39	-41	-20
Operating profit	111	128	-27	133	449
Dividend	0	4	0	22	1
Capital gains Asset Management	34	-13	31	61	47
Interest income	18	16	2	13	9
Interest expenses	-32	-22	-12	-17	-14
Other financial items	0	-10	31	-10	9
Profit after financial items	131	103	25	202	501
Minority interest	-22	-46	-19	-12	-109
Taxes	-34	-74	0	-38	-31
Net profit	75	-17	6	152	361

¹ Q1-98 including items affecting comparability of SEK 170M.



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Gothenburg, 27 April 1999
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Future Reports:

Interim Report January-June will be published on 11 August.
Interim Report January-September will be published on 1 November.
Preliminary Accounts Report will be published in February year 2000.

Examination report:

This Report has not been the subject of examination by the Company's Auditors.

Net asset value Parent Company		310399	310399	310398	310398
		SEK/share	SEK M	SEK/share	SEK M
Bure Health Care	Unlisted companies	12.90	706	9.40	517
Bure IT	Listed companies	5.20	286	1.90	104
	Unlisted companies	10.40	569	3.60	198
Bure InfoMedia	Listed companies	16.80	920		
	Unlisted companies	1.50	81	0,70	38
Bure Training and Education	Unlisted companies	1.40	78		
Bure Investments	Listed companies	30.20	1,651	53.00	2,901
	Unlisted companies	12.00	654	9.60	526
Asset Management		17.40	948	17.90	977
Other		6.50	355	5.10	280
Total assets		114.30	6,248	101.20	5,541
Total liabilities		- 19.30	- 1,056	- 2.20	- 122
Net asset value		95.00	5,192	99.00	5,419

Calculation of Bure's net asset value

The net asset value is defined as the difference between the Parent Company's assets and liabilities where the market-listed assets have been valued at market value. The calculation of Bure's net asset value is made on the basis of the Parent Company's Balance Sheet and consists of visible equity, including profits during the period and surplus values in market-listed assets.

Listed securities are valued at current market price without taking into account any value-added in control holdings. Bure's holdings of money market instruments are valued at a price calculated at current market interest. Bure's holdings of shares in unlisted companies are entered at book values.

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Bure is growth and knowledge company which is characterised by...

- **Business Leadership**
- **Continuous development**
- **Challenging old structures**
- **Building new and innovative operations**
- **Focusing on knowledge-oriented service industry**
- **Creating high growth in value for the shareholders**

...with maintained investment company status
