

# Interim report January–June 2005

## Continued earnings growth and new long-term ownership strategy

- In the second quarter of 2005, Bure's share of operating profit in the portfolio companies was up 88 per cent year-on-year to SEK 75M (40). Corresponding profit for the first half of the year increased to SEK 120M (84).
- The Parent Company's reported equity after full exercise of outstanding warrants improved during the period by SEK 358M to SEK 2,408M. Equity per share strengthened to SEK 1.86 after full dilution (discounted value).
- The Group's operating profit rose to SEK 408M (38) for the second quarter and SEK 469M (150) for the half of the year. In the second quarter the Group achieved a net profit of SEK 375M (5) and earnings per share of 0.37 SEK (0.01) after full dilution. Net profit for the first half of the year was SEK 398M (76) and earnings per share reached SEK 0.41 (0.09).
- The Parent Company reported a profit after tax of SEK 312M (103) for the second quarter and SEK 306M (119) for the first half of the year.
- The sale of Bure's holding in Mölnlycke Health Care was carried out in June, providing Bure with a proceeds of over SEK 520M and an exit gain of more than SEK 350M.
- Bure raised equity of more than SEK 50M in the second quarter and SEK 151M in the first half of the year through the exercise of warrants for subscription for shares.
- Bure's new strategy calls for a stronger focus on long-term ownership without sector specialisation, i.e. a "buy & hold" strategy. As a clear and firm principal owner, Bure will create shareholder value by concentrating on the operating efficiency and capital structure of the portfolio companies.

## Subsequent events

- In early July Bure acquired the remaining 3.75 per cent of the shares in Vittra.
- On 23 August, Bure raised an additional SEK 12M through subscription for new shares.
- In July the Parent Company redeemed its outstanding loans of SEK 565M.
- Through the repayment of shareholder contributions, Bure has reduced the book value in Systemam by SEK 40M to SEK 265M.

## BEGINNING OF 2005

The first half of 2005 saw continued positive development as earnings in the portfolio companies improved further and Bure's financial position strengthened significantly. Following the sale of Mölnlycke Health Care in June, Bure was able to redeem all outstanding bank loans in the Parent Company during July. Earlier in the year, Bure also redeemed its outstanding subordinated debenture of SEK 565M. In addition, Bure raised proceeds of SEK 151M through subscription for shares in the first half of the year. All in all, these positive developments have given Bure the means to pursue a new strategic focus, which is presented in more detail on page 4.

## DEVELOPMENT OF THE PORTFOLIO COMPANIES

The unlisted portfolio companies delivered further growth in earnings. Bure's share of operating profit before goodwill write-downs for comparable units improved markedly over the previous year and rose by 88 per cent to SEK 75M (40) in the second quarter (excluding Scribona and Mölnlycke Health Care). The corresponding result for the first six months was up by 43 per cent to SEK 120M (84). Profit in the portfolio companies improved by 5.2 per cent in the second quarter and by 4.2 per cent in the first half of the year.

Comments on the performance of the individual companies are provided later in this report (pages 12-15).

## PARENT COMPANY

### Results for the second quarter

In the second quarter the Parent Company reported a profit after tax of SEK 312M (103), including exit gains of SEK 353M (121) and write-downs of SEK 20M (72). No write-downs affected profit for the period (86). The quarter's administrative expenses totalled SEK 12M (19). Earnings were not charged with any non-recurring costs (3). Provisions for bonus payments amounted to SEK 2M (3).

### Results for the first half of the year

The Parent Company's profit after tax for the first half of the year reached SEK 306M (119), of which SEK 356M (123) was attributable to exit gains. Write-backs in the first half of the year amounted to SEK 0M (98) and write-downs to SEK 1M (39).

## Financial position

Equity in the Parent Company, after full exercise of Bure's outstanding warrants and discounted by an annual rate of 10 per cent, totalled SEK 2,408M (1,965). At the end of the period the equity ratio adjusted for full exercise of warrants was 92 per cent (76). Reported equity (before full exercise of warrants) at 30 June 2005 amounted to SEK 1,961M (1,444) and the equity ratio to 75 per cent (56).

At the end of the period the Parent Company had liquid assets of SEK 700M (527) and a net loan liability of SEK 565M (464).

Adjusted for full exercise of Bure's outstanding warrants and discounted by an annual interest rate of 10 per cent, the net loan receivable at the end of the period was SEK 569M (-13). At 30 June 2005 the Parent Company had a reported net loan receivable (before full

exercise of warrants) of SEK 122M (-527).

A breakdown of the net loan liability is shown in the following table.

### Composition of net loan liability

SEK M	30 June 2005	30 June 2004	31 Dec 2004
Interest-bearing assets:			
Receivables from subsidiaries	29	44	34
Other interest-bearing receivables	14	1	1
Liquid assets	700	527	507
<i>(of which, pledged bank deposits)</i>	-	9	38
	<b>743</b>	<b>572</b>	<b>542</b>
Interest-bearing liabilities:			
Subordinated debenture loan	-	541	551
Long-term bank loans	565	463	443
Long-term liabilities to subsidiaries	-	0	0
Short-term bank loans	-	20	20
Current liabilities to subsidiaries	55	73	39
Other interest-bearing liabilities	1	2	1
	<b>621</b>	<b>1,099</b>	<b>1,054</b>
Net loan liability <sup>2</sup>	-122	527	512
Net loan liability, full exercise <sup>1,2</sup>	-569	13	-33

<sup>1</sup> Adjusted for full exercise of outstanding warrants

<sup>2</sup> A minus sign in the sum represents a net loan receivable

## Investments

Investments affecting cash flow during the period amounted to SEK 85M, and consisted of a follow-on investment of SEK 70M in Carl Bro during the first quarter and a capital contribution of SEK 15M to Textilia in the second quarter.

## Divestitures – exits

In the first quarter Bure carried out a divestiture with a reported exit gain of around SEK 353M. The sale referred to Bure's holding in Mölnlycke Health Care, and provided net proceeds of SEK 510M during the period.

## Equity per share

Equity per share after full dilution (10 per cent discount rate) at 30 June 2005 was SEK 1.86, compared with SEK 1.58 at year-end 2004. On 23 August, equity per share was calculated at SEK 1.85 (discounted value).

## Dilution effects

In 2003 Bure carried out a combined issue of shares and subordinated debentures with detachable warrants entitling the holders to subscribe for shares during the period 15 July 2003 to 15 June 2007. Each warrant grants the right to subscribe for one new Bure share at an exercise price of SEK 0.75.

Since the outstanding warrants grant the right to subscribe for a total of 721.5 million new shares, there will be a considerable differ-

ence between Bure's key figures before and after dilution. The relationship between outstanding warrants and shares is shown below:

<b>Dilution</b>	<b>30 June 2005</b>	<b>31 Dec 2004</b>
Number of warrants outstanding, millions	721.5	922.6
Number of shares, millions	575.6	374.6
Warrant/share ratio	1.25	2.46

In the second quarter of 2005, holders of around 68 million warrants exercised their right to subscribe for an equal number of new Bure shares, increasing Bure's equity by SEK 51M.

<b>The Bure share and other listed instruments</b>			
<b>Price development, SEK</b>	<b>23 Aug 2005</b>	<b>30 June 2005</b>	<b>31 Dec 2004</b>
Share	2.20	2.05	1.74
Subscription warrant	1.42	1.26	0.93
Subordinated debenture	redeemed	redeemed	5.54

<b>Change since year-end, %</b>			
Share	26	18	
Subscription warrant	53	35	

Bure's two listed instruments enjoyed positive development in the first half of 2005, as shown above. The NAV premium, i.e. the share price relative to equity per share, was 10 per cent (-7) at 30 June.

It should be noted that equity per share is not necessarily an accurate expression of the market value of Bure's holdings, for which reason the premium/discount is not entirely relevant (see also page 5). Bure's market capitalisation at the end of the period, after full exercise of warrants, was SEK 2,659M (SEK 2.05 per share) compared with SEK 2,257M at year-end 2004.

## GROUP

Because Bure is an investment company, the Group's composition of subsidiaries and associated companies varies in pace with acquisitions and divestitures. Since this makes the consolidated income statement difficult to assess, it is more meaningful to analyse development in the portfolio companies on an individual basis.

## Results for the second quarter of 2005

Consolidated operating profit before goodwill write-downs for the second quarter amounted to SEK 408M (47), including exit gains of SEK 353M (87). Shares were written down by a total of SEK 19M (47) during the quarter. Of total operating profit, SEK 77M (32) is attributable to profit in the subsidiaries, where the comparative figure refers to continuing operations. The remainder consists of the Parent Company's administrative expenses and group adjustments, as well as shares in profit of associated companies.

The Group's second quarter profit after financial items amounted to SEK 391M (14), and was affected by total goodwill write-downs of SEK 0M (9).

## Results for the first half of the year

Consolidated operating profit before goodwill write-downs for the first half of 2005 was SEK 469M (158), including exit gains of SEK 356M (111). Write-downs in the first six months of 2005 amounted to SEK 2M (8). Write-backs (reversals) of previous share write-downs were charged against profit in the amount of SEK 0M (7). Of total operating profit, SEK 123M (78) was attributable to profit in the subsidiaries, where the comparative figure refers to continuing operations. The remainder consists of the Parent Company's administrative expenses and group adjustments, as well as shares in profit of associated companies.

The Group's profit after financial items was SEK 423M (95) and was affected by total goodwill write-downs of SEK 1M (9).

## Financial position

Shareholders' equity at 30 June 2005 totalled SEK 1,772M (1,227) and the equity ratio was 39 per cent (26). Adjusted for the full exercise of Bure's outstanding warrants and discounted by an annual interest rate of 10 per cent, the net loan receivable at 30 June 2005 was SEK 62M (-769). At the end of the period, the Group had a net loan liability (before exercise of warrants) of SEK 385M (1,283), consisting of interest-bearing receivables of SEK 1,078M (828) and interest-bearing liabilities of SEK 1,463M (2,111).

## SUBORDINATED DEBENTURE

On 31 March 2005 Bure carried out an early redemption of its subordinated debenture loan. The redemption price was approximately SEK 5.45 per debenture, equal to around 80.7 per cent of the principal amount of SEK 6.75.

## BUY-BACK OF SHARES

Bure holds one million of its own shares. The number of shares outstanding at 30 June 2005 was 576 million. In addition, there are 722 million outstanding warrants with an exercise price of SEK 0.75 each.

## OWNERSHIP STRUCTURE

Bure's largest shareholder at 30 June 2005 was Skanditek Industrieförvaltning, with a holding of 10.2 per cent. The largest holder of subscription warrants was Handelsbanken fonder, with 7.7 per cent.

For more information about Bure's shareholders visit [www.bure.se](http://www.bure.se) under the heading "Investor Relations/Shareholders".

## SUBSEQUENT EVENTS

At the beginning of July Bure acquired the remaining 3.75 per cent of the shares in Vittra. On 23 August, Bure raised an additional SEK 12M through the exercise of warrants for subscription for shares. In July the Parent Company redeemed all outstanding loans, amounting to SEK 565M. Through the repayment of shareholder contributions from System to Bure and the fulfilment of its payment obligations regarding the additional purchase price, Bure's book value in System has decreased by SEK 40M to SEK 265M.

## BURE'S STRATEGY

### Background

Bure's strategy for the past two years has been to reduce indebtedness, to focus on profitability and cash flows in the existing holdings and to create a sustainably profitable structure. After the now completed sale of Mölnlycke Health Care and improved earnings in the portfolio companies, this strategy has been completed.

### Bure's new strategy and goals

In the first half of 2005 Bure has formulated a new strategy where the cornerstones are:

- to be a long-term owner, i.e. Bure's involvement in the portfolio companies is not exit-driven
- to develop and concentrate the existing portfolio
- to invest primarily in private equity
- to invest in companies with a good earning capacity
- to be the principal shareholder with a controlling influence
- to focus on the capital structure in the portfolio companies, with an emphasis on their debt situation
- to essentially free the Parent Company from debt.

### Bure's financial goals are

- For the Bure share to generate a total return of at least 10 per cent over time, adjusted for dividends
- For administrative costs to be low and not to exceed 1.5 per cent of total assets.

Bure's strategy, now as earlier, is to create value in the portfolio companies by acting as a firm owner. Through Bure, the shareholders are offered the opportunity to invest in a portfolio of unlisted companies. The main changes from the earlier strategy are that Bure no longer has an exit-driven business model and no longer concentrates on specific areas such as the service sector. Instead, the focus will be on long-term ownership and the creation of a portfolio with a balanced spread of operating and financial risk.

## Business mission

Bure is an investment company whose primary emphasis is on long-term ownership of unlisted companies with strong and stable earnings. In its role as principal owner, Bure creates shareholder value by focusing on the operating efficiency and capital structure of its portfolio companies.

### Priorities and shareholder value

Bure's two priorities are:

- 1) to develop and concentrate the existing portfolio
- 2) to evaluate and carry out new investments.

Value added will continue to be created through development of the existing portfolio companies, where the primary focus is on securing the current earnings and profitability. Parallel to this, Bure will actively seek new investments to complement and diversify the existing portfolio. The investment strategy based on seeking companies in stable industries with strong and predictable cash flows.

Bure's goal is to receive substantial dividend flows at certain times from both new and old portfolio companies, and to thereby create additional scope to increase its investment capacity and shareholder value growth. Bure will continue to evaluate exit opportunities and pursue those that are deemed structurally and/or financially sound.

### Bure's capital structure and repurchase of warrants

The extraordinary general meeting of Bure on 9 December 2004 approved a resolution to reduce the legal reserve by SEK 300M to enable the buy-back of Bure's listed warrants. Bure has filed an application for court permission to reduce the legal reserve and exception from the three-year block on dividends. On 12 April Bure obtained a court permission that will allow the company to repurchase warrants for SEK 300M during the period through June 2007.

Bure's board of directors intends to continuously evaluate the opportunities to repurchase warrants. The buy-back will be assessed on the basis of Bure's capital structure and evaluated as an alternative to other potential investments in existing or new companies, and will take place when the market conditions are deemed favourable.

Gothenburg, 24 August 2005

Bure Equity AB (publ)

Mikael Nachemson, President

### Financial calendar

Interim report, January – September 2005 28 October 2005  
Year-end report, January – December 2005 24 February 2006

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## PARENT COMPANY HOLDINGS AT 30 JUNE 2005

	% of capital	% of votes	Book value SEK M
<b>Unlisted holdings</b>			
Carl Bro	66.11	66.11	361
Systeam*	46.23	47.34	305
Cygate	93.92	93.92	301
Mercuri International Group	100.00	100.00	244
Citat	100.00	100.00	191
Vittra	96.25	96.25	150
Textilia	100.00	100.00	40
Retea	100.00	100.00	29
Appelberg (BCG)	100.00	100.00	20
Celemiab Group	32.14	32.14	9
Bure Kapital	100.00	100.00	4
CR&T Ventures	100.00	100.00	2
Other dormant companies			6
Other direct holdings			15
<b>Total</b>			<b>1,677</b>
<b>Listed holdings</b>			
Scribona (79,000 A shares, 11,478,089 B shares)	22.59	19.20	168
<b>Other assets and liabilities</b>			
Interest-bearing receivables from subsidiaries			29
Other interest-bearing receivables			14
Liquid assets and investments			700
Other assets			17
Interest-bearing liabilities			-621
Other liabilities			-23
<b>Total other assets and liabilities</b>			<b>116</b>
<b>Parent Company equity</b>			
Increase in equity after full exercise of warrants, 721,539,884 shares at SEK 0.75 each, present value (10% discount rate)			447
<b>EQUITY (INCLUDING PRESENT VALUE AFTER FULL EXERCISE OF WARRANTS)</b>			<b>2,408</b>
<b>DATA PER SHARE AFTER FULL DILUTION</b>			
<b>Present value of equity per share (10 per cent discount rate) divided among 1,297,200,000 shares</b>			<b>1.86</b>
<b>Equity per share (undiscounted)</b>			<b>1.93</b>

\*) When assessing the market value of Systeam it should be taken into account that an additional purchase price may be paid, provided that Bure's holding is sold by March 2007 at the latest, where by an increase in market value would lead to dilution for Bure. For example, with a value of SEK 1,000M for the entire company, Bure's financial share would decrease to approximately 43 per cent. The dilution factor increases in proportion to growth in market value.

### Comments on the table:

The bulk of Bure's investments consist of unlisted holdings, which means that revaluation surpluses are not recognised. Unlisted companies are stated at book value. The previously used term "net asset value" may be misinterpreted by the readers as meaning the market value of Bure's holdings. To avoid misunderstanding, Bure now uses the term "equity per share". The readers are instead given the opportunity to form their own opinion regarding the market value of the respective holdings based on the information provided about the earnings and financial positions of the individual portfolio companies.

Bure carries out regular cash flow valuations of all its portfolio companies to determine the need for adjustment of book values. If the cash flow value of a company falls below its book value, a write-down is made. Correspondingly, the value of a company that was previously written down may be written back if the value increases again. For obvious reasons, a more critical assessment is made before deciding to write back a value. Since the written-up value may not exceed historical cost, unrealised revaluation surpluses are not recognised in Bure's equity.

The valuation of a company is always uncertain, since it is based on an assessment of the company's future development. The values determined in the cash flow valuations are based on the management's estimates of the future cash flows generated in the respective portfolio company.

## PARENT COMPANY INCOME STATEMENTS

SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full year 2004
<i>Financial investments</i>					
Exit gains	353.3	121.1	356.5	122.9	134.7
Exit losses	-	-	-	-	-2.5
Write-downs	-19.7	-72.2	-0.7	-38.5	-36.1
Write-backs	-	86.0	-	98.4	202.7
<b>Result from financial investments</b>	<b>333.6</b>	<b>134.9</b>	<b>355.8</b>	<b>182.8</b>	<b>298.8</b>
Administrative expenses	-11.6	-19.0	-20.4	-35.1	-60.7
<b>Profit before financial items</b>	<b>322.0</b>	<b>115.9</b>	<b>335.4</b>	<b>147.7</b>	<b>238.1</b>
Net financial items	-9.7	-13.0	-29.8	-28.8	-59.4
<b>Profit after financial items</b>	<b>312.3</b>	<b>102.9</b>	<b>305.6</b>	<b>118.9</b>	<b>178.7</b>
Taxes	-	-	-	-	-
<b>Net profit for the period</b>	<b>312.3</b>	<b>102.9</b>	<b>305.6</b>	<b>118.9</b>	<b>178.7</b>
Average number of shares, thousands	542,036	365,883	487,392	355,868	364,450
Average number of shares after full dilution, thousands	1,015,452	796,426	982,099	812,734	972,531
Earnings per share, SEK	0.58	0.28	0.63	0.33	0.49
Earnings per share after full dilution, SEK	0.31	0.13	0.31	0.15	0.18
Average number of employees	13	19	13	19	18

## PARENT COMPANY BALANCE SHEETS

SEK M	30 June 2005	30 June 2004	31 Dec 2004
<i>Assets</i>			
Tangible assets	1.1	2.3	1.4
Financial assets	1,848.1	1,920.3	2,025.1
Current receivables	55.0	140.2	52.7
Liquid assets and short-term investments	700.4	526.8	506.8
<b>Total assets</b>	<b>2,604.6</b>	<b>2,589.6</b>	<b>2,586.0</b>
<i>Equity, provisions and liabilities</i>			
Equity	1,961.1	1,443.6	1,504.8
Provisions	0.6	1.6	0.6
Long-term liabilities	565.0	1,003.8	993.9
Current liabilities	77.9	140.6	86.7
<b>Total equity, provisions and liabilities</b>	<b>2,604.6</b>	<b>2,589.6</b>	<b>2,586.0</b>
<i>Of which, interest-bearing liabilities</i>	<i>620.8</i>	<i>1,098.8</i>	<i>1,053.3</i>
<i>Pledged assets and contingent liabilities</i>			
Pledged assets	1,129.0	1,249.9	1,375.1
Contingent liabilities	287.8	306.2	291.5

The Parent Company's contingent liabilities consist of sureties and guarantees of SEK 21M for commitments in subsidiaries. In addition, Bure is guarantor for finance lease agreements in Textilia and Vittra, where the residual value at 30 June 2005 was SEK 267M. The risk that Bure will be obligated to assume responsibility for these agreements will arise if either of the companies is unable to pay its contractual lease charges. For these commitments, there is corresponding surety in the property values of the respective companies. Furthermore, Bure has remaining investment commitments in the form of follow-on share acquisitions in subsidiaries amounting to approximately SEK 19M. Pledged assets consist of pledged shares in subsidiaries and associated companies.

## PARENT COMPANY CASH FLOW STATEMENTS

SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full year 2004
Profit after financial items	312.2	102.9	305.6	118.9	178.7
Adjusting items	-328.6	-124.4	-337.4	-160.3	-245.9
<b>Cash flow from operating activities before change in working capital</b>	<b>-16.4</b>	<b>-21.5</b>	<b>-31.9</b>	<b>-41.4</b>	<b>-67.2</b>
Change in working capital	6.6	146.4	-2.8	66.4	87.7
<b>Cash flow from operating activities</b>	<b>-9.8</b>	<b>124.9</b>	<b>-34.7</b>	<b>25.0</b>	<b>20.5</b>
Investments	-15.1	-67.8	-84.7	-161.7	-184.1
Sale of subsidiaries and associated companies	509.6	331.0	604.4	349.3	396.6
<b>Cash flow from investing activities</b>	<b>494.5</b>	<b>263.2</b>	<b>519.7</b>	<b>187.6</b>	<b>212.5</b>
<b>Cash flow from financing activities</b>	<b>31.2</b>	<b>-270.4</b>	<b>-291.5</b>	<b>-447.9</b>	<b>-488.2</b>
<b>The period's cash flow</b>	<b>515.9</b>	<b>117.7</b>	<b>193.6</b>	<b>-235.3</b>	<b>-255.2</b>

## CONSOLIDATED INCOME STATEMENTS

SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full year 2004
Net sales	1,396.6	1,544.1	2,742.3	2,936.0	5,784.5
Operating expenses	-1,347.2	-1,591.6	-2,635.8	-2,896.5	-5,684.5
<i>of which, write-downs</i>	-18.7	-47.1	-2.5	-8.1	-22.6
<i>of which, write-backs</i>	-	0.0	-	7.1	0.0
Exit gains	353.4	87.3	356.5	116.5	128.9
Exit losses	-	-0.5	-	-5.5	-10.6
Shares in profit of associated companies	4.9	7.5	6.4	8.0	30.0
Goodwill write-downs	0.0	-8.7	-0.6	-8.7	-11.0
<b>Operating profit</b>	<b>407.7</b>	<b>38.1</b>	<b>468.8</b>	<b>149.8</b>	<b>237.3</b>
Net financial items	-16.8	-24.5	-45.5	-54.7	-114.0
<b>Profit after financial items</b>	<b>390.9</b>	<b>13.6</b>	<b>423.3</b>	<b>95.1</b>	<b>123.3</b>
Taxes	-15.8	-9.0	-25.4	-18.8	-27.4
<b>Net profit for the period</b>	<b>375.1</b>	<b>4.6</b>	<b>397.9</b>	<b>76.3</b>	<b>95.9</b>
Minority share in profit for the period	9.6	-2.0	13.1	3.6	27.7
Majority share in profit for the period	365.5	6.6	384.8	72.7	68.2
<b>Total profit for the period</b>	<b>375.1</b>	<b>4.6</b>	<b>397.9</b>	<b>76.3</b>	<b>95.9</b>
Average number of shares, thousands	542,036	365,883	487,392	355,868	364,450
Average number of shares after full dilution, thousands	1,015,452	796,426	982,099	812,734	972,531
Earnings per share, SEK	0.69	0.01	0.82	0.21	0.26
Earnings per share after full dilution, SEK	0.37	0.01	0.41	0.09	0.10
Average number of employees	4,758	4,698	4,773	4,822	4,687

## CONSOLIDATED BALANCE SHEETS

SEK M	30 June 2005	30 June 2004	31 Dec 2004
<i>Assets</i>			
Intangible assets	912.1	842.7	829.4
<i>of which, goodwill</i>	899.7	830.5	822.1
Tangible assets	741.5	777.5	765.2
Financial assets	541.4	817.9	799.7
Inventories, etc.	213.0	234.8	189.8
Current receivables	1,083.6	1,283.5	1,132.0
Liquid assets and short-term investments	1,049.6	809.0	789.0
<b>Total assets</b>	<b>4,541.2</b>	<b>4,765.4</b>	<b>4,505.1</b>
<i>Equity, provisions and liabilities</i>			
Attributable to equity holders of the parent	1,672.0	1,117.4	1,108.4
Attributable to minority	100.4	109.6	104.3
<b>Total equity</b>	<b>1,772.4</b>	<b>1,227.0</b>	<b>1,212.7</b>
Provisions	101.5	124.8	105.7
Long-term liabilities	1,382.7	1,912.5	1,854.4
Current liabilities	1,284.6	1,501.1	1,332.3
<b>Total equity, provisions and liabilities</b>	<b>4,541.2</b>	<b>4,765.4</b>	<b>4,505.1</b>
<i>Of which, interest-bearing liabilities</i>	1,462.9	2,111.4	2,007.3
<i>Pledged assets and contingent liabilities</i>			
Pledged assets	1,801.6	1,954.5	2,043.5
Contingent liabilities	283.1	245.7	284.4

Information about IFRS restatement of the comparative figures for 2004 in the above income statements and balance sheets is found on page 10-11.

## CONSOLIDATED CASH FLOW STATEMENTS

SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full year 2004
Profit after financial items	390.9	13.6	423.3	95.1	123.3
Adjusting items	-320.4	4.2	-316.6	-43.6	80.0
<b>Cash flow from operating activities before change in working capital</b>	<b>70.5</b>	<b>17.8</b>	<b>106.7</b>	<b>51.5</b>	<b>203.3</b>
Change in working capital	4.0	185.7	40.4	-75.0	-76.3
<b>Cash flow from operating activities</b>	<b>74.5</b>	<b>203.5</b>	<b>147.1</b>	<b>-23.5</b>	<b>127.0</b>
Investments	-24.6	-72.3	-123.1	-69.4	-180.2
Sale of subsidiaries and associated companies	511.6	302.3	634.5	321.3	371.4
<b>Cash flow from investing activities</b>	<b>487.0</b>	<b>230.0</b>	<b>511.4</b>	<b>251.9</b>	<b>191.2</b>
<b>Cash flow from financing activities</b>	<b>17.8</b>	<b>-349.4</b>	<b>-397.7</b>	<b>-431.1</b>	<b>-540.8</b>
<b>The period's cash flow</b>	<b>579.3</b>	<b>84.1</b>	<b>260.8</b>	<b>-202.7</b>	<b>-222.6</b>

## CHANGES IN EQUITY, PARENT COMPANY

SEK M	6 mths 2005	6 mths 2004	Full year 2004
Opening equity	1,504.8	1,293.8	1,293.8
Sale of repurchased shares	-	5.4	5.5
Subscription for shares	150.7	25.5	26.8
Net profit/loss for the period	305.6	118.9	178.7
<b>Closing equity</b>	<b>1,961.1</b>	<b>1,443.6</b>	<b>1,504.8</b>

## CHANGES IN EQUITY, GROUP

SEK M	6 mths 2005			6 mths 2004			Full year 2004		
	Attributable to equity holders of the parent	Attributable to minority	TOTAL	Attributable to equity holders of the parent	Attributable to minority	TOTAL	Attributable to equity holders of the parent	Attributable to minority	TOTAL
Opening equity	1,108.4	104.3	1,212.7	1,016.1	31.1	1,047.2	1,016.1	31.1	1,047.2
Acquisitions/sales*		-17.0	-17.0		74.9	74.9		45.5	45.5
Provision to fair value reserve**	230.6		230.6	5.4		5.4	5.5		5.5
Reversal of fair value reserve**	-230.6		-230.6	5.4		5.4	5.5		5.5
Sale of repurchased shares				5.4		5.4	5.5		5.5
Subscription for shares	150.7		150.7	25.5		25.5	26.8		26.8
Translation difference	28.1		28.1	-2.3		-2.3	-8.2		-8.2
Net profit for the period	384.8	13.1	397.9	72.7	3.6	76.3	68.2	27.7	95.9
<b>Closing equity</b>	<b>1,672.0</b>	<b>100.4</b>	<b>1,772.4</b>	<b>1,117.4</b>	<b>109.6</b>	<b>1,227.0</b>	<b>1,108.4</b>	<b>104.3</b>	<b>1,212.7</b>

\* This item refers to add-on acquisitions and sales of subsidiaries.

\*\*Revaluation to fair value refers to Bure's holding in Mölnlycke Health Care. This item was added back in connection with the sale of the holding in the second quarter.

## SEGMENT REPORTING (PRIMARY SEGMENT: COMPANIES)

Subsidiary	Net sales			Operating profit/loss*		
	6 mths 2005	6 mths 2004	Full year 2004	6 mths 2005	6 mths 2004	Full year 2004
Cygate	448.7	431.3	854.3	16.3	23.9	37.4
Carl Bro**	1,252.6	1,210.6	2,417.6	47.0	9.1	77.9
Textilia***	178.3	425.7	791.1	-1.6	3.6	-5.5
Retea	28.8	22.5	46.0	3.6	2.1	6.0
Citat	200.0	176.5	354.1	13.8	8.1	11.6
Vittra	248.8	239.6	449.6	9.8	-1.8	2.4
Appelberg	30.8	33.4	64.2	1.9	2.0	4.0
Mercuri	354.9	343.7	635.2	32.3	31.4	38.2
<b>Subtotal</b>	<b>2,742.9</b>	<b>2,883.3</b>	<b>5,612.1</b>	<b>123.1</b>	<b>78.4</b>	<b>172.0</b>
Shares in profit of associated companies**				6.4	8.0	30.0
Sold companies and acquired companies before acquisition date**		53.1	173.6		-14.2	-3.9
Write-downs				-2.5	-8.1	-2.6
Write-backs					7.1	-
Parent Company administrative expenses				-20.4	-35.0	-60.7
Exit gains/losses				356.5	111.0	118.3
Other	-0.6	-0.4	-1.2	5.7	2.6	4.2
<b>Total Group</b>	<b>2,742.3</b>	<b>2,936.0</b>	<b>5,784.5</b>	<b>468.8</b>	<b>149.8</b>	<b>237.3</b>

\* Including any write-downs of consolidated goodwill in Bure.

\*\* Carl Bro is consolidated as a subsidiary with effect from February 2004. Bure's profit share in Carl Bro for January is reported under "Shares in profit of associated companies".

\*\*\* The decrease in sales relates to the divestiture of the Materials division.

## ACCOUNTING PRINCIPLES

This consolidated interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, which is consistent with the requirements in the Swedish Financial Accounting Standards Council's recommendation RR 31, Interim Reporting for Groups.

The accounting principles applied in this interim report are the same as those described in the annual report for 2004, page 54. There, it is disclosed that International Financial Reporting Standards (IFRS) are applied with effect from 2005 and that the comparative figures for 2004 have been restated to the new standards. In accordance with the rules for first time adoption of IFRS, IAS 39 Financial Instruments, is applied with effect from 1 January 2005 without mandatory restatement of prior period information.

According to IAS 39, financial instrument must be recognised at fair value in Bure's consolidated balance sheet. The most significant effect of the application of IAS 39 is that unlisted shareholdings which do not comprise shares in subsidiaries or associated companies are now recognised with estimated fair value changes through equity. The effect on opening equity for 2005 was SEK 230.6M. Previously, reporting at fair value was permitted only if this value was lower than historical cost. To a minor extent Bure also has financial instruments in the form of interest rate and currency swaps, which are primarily reporting according to hedge accounting rules when a hedge can be considered effective. When a hedge fails the effectiveness test, it is recognised at fair value in the income statement.

The effects of restatement on profit for the first half of 2004 and equity at the end of the quarter are described on page 10. Corresponding information for the full year 2004 and the opening and closing balances of equity in 2004 is provided on page 11.

## REVIEW REPORT

We have reviewed this interim report in accordance with the recommendation of the Swedish Institute of Authorised Public Accountants (FAR). A review is considerably limited in scope compared with an audit. Nothing has come to our attention to indicate that the interim report does not fulfil the requirements of the Swedish Stock Exchange Act and the Swedish Annual Accounts Act.

Gothenburg, 24 August 2005

Ernst & Young

Björn Grundvall  
Authorised Public Accountant

Staffan Landén  
Authorised Public Accountant

**IFRS RECONCILIATION OF THE FINANCIAL STATEMENTS FOR THE FIRST HALF OF 2004**  
**CONSOLIDATED INCOME STATEMENTS**

SEK M	According to IFRS		
	6 mths 2004	IFRS adjustment	6 mths 2004
Net sales	2,936.0		2,936.0
Operating expenses	-2,895.0	-1.5	-2,896.5
<i>of which, write-downs</i>	-8.1		-8.1
<i>of which, write-backs</i>	7.1		7.1
Exit gains	122.9	-6.4	116.5
Exit losses	-5.5		-5.5
Shares in profit of associated companies	1.6	6.4	8.0
<b>Operating profit/loss before goodwill amortisation</b>	<b>160.0</b>	<b>-1.5</b>	<b>158.5</b>
Amortisation and write-downs of goodwill	-52.9	44.2	-8.7
<b>Operating profit/loss</b>	<b>107.1</b>	<b>42.7</b>	<b>149.8</b>
Net financial items	-54.7		-54.7
<b>Profit after financial items</b>	<b>52.4</b>	<b>42.7</b>	<b>95.1</b>
Taxes	-22.9	4.1	-18.8
Minority interests	0.8	-0.8	0.0
<b>Net profit for the period</b>	<b>30.3</b>	<b>46.0</b>	<b>76.3</b>

Of which, minority share in profit according to IFRS

3.6

**CONSOLIDATED BALANCE SHEETS**

SEK M	IFRS adjustment		According to IFRS	
	OB January 2004	30 June 2004	IFRS adjustment	30 June 2004
<i>Assets</i>				
Intangible assets		804.8	37.9	842.7
Tangible assets	-9.4	788.5	-1.6	777.5
Financial assets	2.7	804.6	10.6	817.9
Inventories, etc.		234.8		234.8
Current receivables		1,283.5		1,283.5
Liquid assets and short-term investments		809.0		809.0
<b>Total assets</b>	<b>-6.7</b>	<b>4,725.2</b>	<b>46.9</b>	<b>4,765.4</b>
<i>Equity, provisions and liabilities</i>				
Equity	-6.7	1,051.4	-3.6	1,041.1
Net profit for the period		30.3	46.0	76.3
Minority interests		-	109.6	109.6
<b>Subtotal, equity</b>		<b>1,081.7</b>		<b>1,227.0</b>
Minority interests		105.1	-105.1	-
Provisions		124.8		124.8
Long-term liabilities		1,912.5		1,912.5
Current liabilities		1,501.1		1,501.1
<b>Total equity, provisions and liabilities</b>	<b>-6.7</b>	<b>4,725.2</b>	<b>46.9</b>	<b>4,765.4</b>

**TRANSITION TO IFRS**

The above table shows the effects of transition to IFRS on the comparative figures for the first half of 2004. Goodwill amortisation in the consolidated income statement for the first half of 2004 amounted to SEK 44.2M, which has been added back in the restatement to IFRS. Exit gains/losses on the sale of companies have been adjusted for amortisation prior to the date of sale. Shares in profit of associated companies improved by SEK 6.4M as a result of IFRS adjustments in the associated companies and the fact that Bure's acquired goodwill is not amortised, in compliance with IFRS. According to IFRS, taxes in associated companies must be recognised within shares in profit/loss, whereby tax of SEK 3.7M has been charged against shares in profit of associated companies and tax on consolidated profit has been reduced by a corresponding amount. Furthermore, IAS 27 requires that minority interest be stated as a separate item under shareholders' equity, and not expensed as earlier. Reporting of financial instruments and the related disclosure requirements according to IAS 32 and 39 are applied with effect from 2005 without mandatory restatement of comparative information. Consequently, the effects of these standards have not been included in the above table.

Bure's unlisted holdings which do not comprise shares in subsidiaries or associated companies have been stated at fair value with 1 January 2005 as the first valuation date, resulting in a positive value adjustment of SEK 230.6M. Previously, reporting at fair value was permitted only if this value was lower than historical cost. The financial statements of the Parent Company have not been similarly restated, since the application of rules corresponding to IAS 39 is voluntary in 2005. The above reconciliations are preliminary and final reconciliation to IFRS will be carried out at the end of 2005. Reporting of financial instruments and the related disclosure requirements according to IAS 32 and 39 are applied starting in 2005 without mandatory statement of comparative figures. Consequently, the effects of these standards have not been included in the above table. Bure intends to continue reporting associated companies according to the equity method as stated in IAS 28.

**IFRS RECONCILIATION OF THE FINANCIAL STATEMENTS FOR THE FULL YEAR 2004**  
**CONSOLIDATED INCOME STATEMENTS**

SEK M	Full year 2004	IFRS adjustment	Full year 2004
Net sales	5,784.5		5,784.5
Operating expenses	-5,681.7	-2.8	-5,684.5
<i>of which, write-downs</i>	-22.6		-22.6
<i>of which, write-backs</i>	0.0		0.0
Exit gains	134.9	-6.0	128.9
Exit losses	-7.9	-2.7	-10.6
Shares in profit of associated companies	25.6	4.4	30.0
<b>Operating profit/loss before goodwill amortisation</b>	<b>255.4</b>	<b>-7.1</b>	<b>248.3</b>
Amortisation and write-downs of goodwill	-96.3	85.3	-11.0
<b>Operating profit</b>	<b>159.1</b>	<b>78.2</b>	<b>237.3</b>
Net financial items	-114.0		-114.0
<b>Profit after financial items</b>	<b>45.1</b>	<b>78.2</b>	<b>123.3</b>
Taxes	-40.8	13.4	-27.4
Minority interests	-20.3	20.3	-
<b>Net profit/loss for the period</b>	<b>-16.0</b>	<b>111.9</b>	<b>95.9</b>

Of which, minority share in profit according to IFRS

27.7

**CONSOLIDATED BALANCE SHEETS**

SEK M	IFRS adjustment OB January 2004 01	31 Dec 2004	IFRS adjustment	According to IFRS 31 Dec 2004
<i>Assets</i>				
Intangible assets		752.6	76.8	829.4
Tangible assets	-9.4	777.6	-3.0	765.2
Financial assets	2.7	779.2	17.8	799.7
Inventories, etc.		189.8		189.8
Current receivables		1,132.0		1,132.0
Liquid assets and short-term investments		789.0		789.0
<b>Total assets</b>	<b>-6.7</b>	<b>4,420.2</b>	<b>91.6</b>	<b>4,505.1</b>
<i>Equity, provisions and liabilities</i>				
Equity	-6.7	1,046.9	-27.7	1,012.5
Net profit/loss for the year		-16.0	111.9	95.9
Minority interests			104.3	104.3
<b>Subtotal, equity</b>		<b>1,030.9</b>		<b>1,212.7</b>
Minority interests		96.9	-96.9	-
Provisions		105.7		105.7
Long-term liabilities		1,854.4		1,854.4
Current liabilities		1,332.3		1,332.3
<b>Total equity, provisions and liabilities</b>	<b>-6.7</b>	<b>4,420.2</b>	<b>91.6</b>	<b>4,505.1</b>

**TRANSITION TO IFRS**

The above table shows the effects of transition to IFRS on Bure's consolidated financial statements for the full year 2004. Goodwill amortisation in the consolidated income statement for 2004 amounted to SEK 85.3M, which has been added back in the restatement to IFRS. Exit gains/losses on the sale of companies have been adjusted for amortisation prior to the date of sale. Shares in profit of associated companies improved by SEK 4.4 M as a result of IFRS adjustments in the associated companies and the fact that Bure's acquired goodwill is not amortised, in compliance with IFRS. According to IFRS, taxes in associated companies must be recognised within shares in profit/loss, whereby tax of SEK 13.4M has been charged against shares in profit and tax on consolidated profit has been reduced by a corresponding amount. Furthermore, IAS 27 requires that minority interest be stated as a separate item under shareholders' equity, and not expensed as earlier. The effects on equity in 2004 are presented in the annual report for 2004 and the interim report for the first quarter of 2005.

Bure's unlisted holdings which do not comprise shares in subsidiaries or associated companies are stated at fair value with 1 January 2005 as the first valuation date. Previously, reporting at fair value was permitted only if this value was lower than historical cost. The financial statements of the Parent Company have not been similarly restated, since the application of rules corresponding to IAS 39 is voluntary in 2005. The above reconciliations are preliminary and final reconciliation to IFRS will be carried out at the end of 2005. Reporting of financial instruments and the related disclosure requirements according to IAS 32 and 39 are applied starting in 2005 without mandatory restatement of comparative information. Consequently, the effects of these standards have not been included in the above table. Bure intends to continue reporting associated companies according to the equity method as stated in IAS 28.

## UNLISTED HOLDINGS

Where appropriate, the comparative figures have been restated to IFRS.

### CARL BRO

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	652	605	1,253	1,211	2,417
Operating expenses	-619	-608	-1,206	-1,202	-2,351
Op. profit/loss before goodwill write-downs and Items affecting comparability	33	-3	47	9	66
%	5.1	-0.5	3.8	0.8	2.7
Items affecting comparability	0	0	0	0	12
Shares in profit of associated companies	0	0	0	0	0
Op. profit/loss before goodwill write-downs	33	-3	47	9	78
%	5.1	-0.5	3.8	0.8	3.2
Goodwill write-downs	0	0	0	0	0
Operating profit/loss	33	-3	47	9	78
Net financial items	-2	-3	-4	-7	-11
Profit/loss before tax	31	-6	43	2	67
Minority shares and taxes	-4	-1	-9	-3	-15
Net profit/loss	27	-7	34	-1	52

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	7	-4	3	-6	-1
Operating cash flow	44	n/a	102	-30	38
Total assets			1,083	1,062	1,003
Equity			273	181	230
Equity ratio, %			25	17	23
Net loan liability (-)/receivable (+)			-18	-171	-99
Average number of employees			2,512	2,546	2,543

- Operating profit for the second quarter was SEK 33M, a significant improvement over the same period of 2004. All markets showed significant growth in earnings compared with the previous year, although certain parts of the Danish operations reported a loss.
- The interest-bearing net liability was further reduced by a positive operating result and a decrease in capital employed.

**Carl Bro is an international consulting engineering company with services in building, transportation, energy, infrastructure, water & environment, industry & marine, IT & GIS and international donor-funded projects.**

carlbro.com

Chairman: Lennart Svantesson

President: Birgit W. Norgaard

### SYSTEM

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	279	275	561	560	1,211
Operating expenses	-261	-258	-533	-534	-1,151
Op. profit before goodwill write-downs and Items affecting comparability	18	17	28	26	60
%	6.5	6.2	4.9	4.5	5.0
Items affecting comparability	0	0	0	0	0
Shares in profit of associated companies	0	0	0	0	-1
Op. profit before goodwill write-downs	18	17	28	26	59
%	6.5	6.2	4.9	4.5	4.9
Goodwill write-downs	-3	0	-4	0	-10
Operating profit	15	17	24	26	49
Net financial items	0	0	1	0	-2
Profit before tax	15	17	25	26	47
Minority shares and taxes	-5	-5	-8	-7	-14
Net profit	10	12	17	19	33

### Key figures

SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	1	9	0	13	15
Total assets			558	547	596
Equity			313	265	296
Equity ratio, %			56	48	50
Net loan liability (-)/receivable (+)			105	35	86
Average number of employees			948	964	962

- Profit for the first half of the year improved slightly over the previous year.
- System has further strengthened its sector focus as a step in supplementing and reinforcing its customer offer. In line with this strategy, System acquired operations in Atos Origin Retail during the first quarter.
- Operations in Finland saw positive development in the second quarter and Axapta contracts were signed with Are and Finlayson, among others.
- In ERP systems, notable contracts were won during the period from Ljunghälls, ITAB and Svenska Dagbladet.
- A number of major PDM contracts were signed in the first half of the year with customers such as BT Products and Faveley Transport.

**System is a provider of IT consultancy services for small and medium-sized enterprises (SMEs), as well as specialised Enterprise Resource Planning (ERP), systems development and management services for large companies. System also offers a comprehensive range of managed IT and operating services in secure environment.**

system.se

Chairman: Lennart Svantesson

President: Niclas Ekblad

### CYGATE

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	202	215	449	431	854
Operating expenses	-197	-206	-432	-407	-816
Op. profit before goodwill write-downs and Items affecting comparability	5	9	17	24	38
%	2.3	4.4	3.8	5.5	4.4
Items affecting comparability	-1	0	-1	0	0
Shares in profit of associated companies	0	0	0	0	0
Op. profit before goodwill write-downs	4	9	16	24	38
%	2.0	4.4	3.6	5.5	4.4
Goodwill write-downs	0	0	0	0	0
Operating profit	4	9	16	24	38
Net financial items	0	0	1	-1	-1
Profit before tax	4	9	17	23	37
Minority shares and taxes	-3	-2	-4	-3	1
Net profit	1	7	13	20	38

### Key figures

SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	-6	7	4	8	9
Operating cash flow	23	21	33	22	22
Total assets			326	324	354
Equity			129	97	115
Equity ratio, %			40	30	32
Net loan liability (-)/receivable (+)			42	12	15
Average number of employees			238	265	258

- Cygate reported a strong cash flow for the first half of the year, with organic growth of 4 per cent and an operating profit of SEK 16M.
- Cygate won an order for the first stage of an operator-neutral metro area network to be built by Lunds Energi in and around the city of Lund. Stage 1 consists of AF Bostäder's entire property portfolio in Lund, consisting of some 5,700 apartments/student housing units.
- Cygate's Danish business was sold on 1 July. In the first half of 2005 the Danish unit generated sales of SEK 17M and an operating loss of SEK 3.2M. The operations in Denmark have operated at a deficit for several years.

**Cygate is a provider of secure and managed IP network solutions. Cygate designs, builds, implements and maintains secure IT infrastructure based on its own and partner products.**

cygategroup.com

Chairman: Jan Stenberg

President: Bengt Lundgren

## MERCURI INTERNATIONAL

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	197	178	355	344	635
Operating expenses	-171	-157	-322	-306	-589
Op. profit before goodwill write-downs and Items affecting comparability	26	21	33	38	46
%	13.2	11.7	9.3	11.1	7.3
Items affecting comparability	0	-4	0	-7	-6
Shares in profit of associated companies	0	0	0	0	1
Op. profit before goodwill write-downs	26	17	33	31	41
%	13.2	9.6	9.3	9.1	6.4
Goodwill write-downs	0	0	-1	0	-2
Operating profit	26	17	32	31	39
Net financial items	-1	-4	-1	-5	-10
Profit before tax	25	13	31	26	29
Minority shares and taxes	-7	-6	-8	-9	-11
Net profit	18	7	23	17	18

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	11	3	3	-1	1
Operating cash flow	19	12	9	1	25
Total assets			573	547	542
Equity			223	191	190
Equity ratio, %			39	35	35
Net loan liability (-)/receivable (+)			-75	-96	-76
Average number of employees			567	584	580

■ Positive earnings trend in the second quarter.

■ The market for sales training is characterised by globalisation, and Mercuri's strategy is to strengthen its position as a global supplier of sales training and consulting services.

**Mercuri International is Europe's leading sales and management training consultancy, with global coverage through wholly owned subsidiaries and franchisees.**

mercuri.net

Chairman: Lennart Svantesson

President: Nicole Dereumaux

## CITAT

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	103	88	200	176	354
Operating expenses	-95	-84	-186	-168	-342
Op. profit before goodwill write-downs and Items affecting comparability	8	4	14	8	12
%	7.9	4.3	6.9	4.6	3.3
Items affecting comparability	0	0	0	0	0
Shares in profit of associated companies	0	0	0	0	0
Op. profit before goodwill write-downs	8	4	14	8	12
%	7.9	4.3	6.9	4.6	3.3
Goodwill write-downs	0	0	0	0	0
Operating profit	8	4	14	8	12
Net financial items	0	-1	0	-1	-2
Profit before tax	8	3	14	7	10
Minority shares and taxes	-2	-1	-4	-2	-3
Net profit	6	2	10	5	7

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	17	56	13	53	62
Operating cash flow	1	3	2	8	18
Total assets			228	226	223
Equity			129	119	121
Equity ratio, %			57	53	54
Net loan liability (-)/receivable (+)			-23	-28	-19
Average number of employees			301	296	304

■ Operating profit for the first half of the year was up by 75 per cent to SEK 14M, equal to a margin of 6.9 per cent. Net sales reached SEK 200M, representing organic growth of 13 per cent.

■ In the first half of the year, contracts were signed with IBM, SAS Media, TietoEnator, Elitfönster, Swedish Match, Bonniers Direkt Media, IKEA, JC, Bravida and Good Year.

■ Citat has taken over Swedish Vodafone's in-house advertising department. The contract runs for three years and the affected personnel have been employed by Citat.

■ For the fourth consecutive year, Gartner Group ranked Citat as the European market leader in Marketing Resource Management.

**Citat helps its customers to simplify the communication process through a combination of consulting services, system solutions and production.**

citat.se

Chairman: Örjan Serner

President: Magnus Lundblad

## VITTRA

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	124	121	249	240	449
Operating expenses	-118	-121	-239	-242	-447
Op. profit/loss before goodwill write-downs and Items affecting comparability	6	0	10	-2	2
%	4.8	-0.1	4.0	-0.8	0.5
Items affecting comparability	0	0	0	0	0
Shares in profit of associated companies	0	0	0	0	0
Op. profit/loss before goodwill write-downs	6	0	10	-2	2
%	4.8	-0.1	4.0	-0.8	0.5
Goodwill write-downs	0	0	0	0	0
Operating profit/loss	6	0	10	-2	2
Net financial items	-1	-1	-3	-2	-5
Profit/loss before tax	5	-1	7	-4	-3
Minority shares and taxes	-2	0	-2	0	1
Net profit/loss	3	-1	5	-4	-2

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	2	24	4	26	16
Operating cash flow*	7	9	24	14	14
Total assets			361	307	358
Equity			118	87	112
Equity ratio, %			33	28	31
Net loan liability (-)/receivable (+)			-97	-73	-116
Average number of employees			586	550	568

\*Operating cash flow before property investments.

■ Significant improvement in operating profit.

■ Vittra conducts a yearly quality survey among parents, pupils and staff with the help of an external company (TEMO). The year's survey shows excellent results in all areas, such as parent willingness to recommend the school to other parents, pupil satisfaction/security and staff motivation.

■ Vittra's scores on the national achievement tests are higher than average.

Vittra was established in 1993 and is driven by a fundamental idea "to enhance the individual's life during the various phases of development through education and learning." Vittra has developed an educational model based on an individual development plan for each pupil. Vittra has been entrusted with the care of some 7,000 pupils aged 1–19 years at its 26 pre-schools, compulsory schools and high schools throughout Sweden.

vittra.se

Chairman: Widar Andersson

President: Stig Johansson

## TEXTILIA

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	89	215	178	426	791
Operating expenses	-91	-212	-180	-422	-793
Op. profit/loss before goodwill write-downs and Items affecting comparability	-2	3	-2	4	-2
%	-2.2	1.2	-0.9	0.8	-0.2
Items affecting comparability	0	0	0	0	-3
Shares in profit of associated companies	0	0	0	0	0
Op. profit/loss before goodwill write-downs	-2	3	-2	4	-5
%	-2.2	1.2	-0.9	0.8	-0.7
Goodwill write-downs	0	0	0	0	0
Operating profit/loss	-2	3	-2	4	-5
Net financial items	0	-1	0	-2	-4
Profit/loss before tax	-2	2	-2	2	-9
Minority shares and taxes	0	0	0	0	-12
Net profit/loss	-2	2	-2	2	-21

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	4*	-10	6	-10	-9
Operating cash flow	12	1	5	-16	-30
Total assets			250	333	289
Equity			100	110	88
Equity ratio, %			40	33	30
Net loan liability (-)/receivable (+)			-44	-81	-97
Average number of employees			453	562	534

\*) Adjusted for sold operations

■ In the second quarter Textilia renewed its contact with the Stockholm County Council. The contract runs for five years with an expected annual volume equal to around one third of Textilia's total sales.

■ Textilia's current agreement with the Choice Group has not been renewed and will expire at year-end. The annual contract volume amounts to approximately SEK 25M.

**Textilia provides total textile services solutions, primarily for the medical, health care, hotel and military sectors, including textile rental and laundering, as well as departmental and personally labelled textiles.**

textiliaab.se

Chairman: Örjan Serner

President: Sven Ek

## RETEA

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	15	12	29	23	46
Operating expenses	-13	-11	-25	-21	-40
Op. profit before goodwill write-downs and Items affecting comparability	2	1	4	2	6
%	11.5	8.4	12.6	9.2	13.0
Items affecting comparability	0	0	0	0	0
Shares in profit of associated companies	0	0	0	0	0
Op. profit before goodwill write-downs	2	1	4	2	6
%	11.5	8.4	12.6	9.2	13.0
Goodwill write-downs	0	0	0	0	0
Operating profit	2	1	4	2	6
Net financial items	0	0	0	0	0
Profit before tax	2	1	4	2	6
Minority shares and taxes	-1	0	-1	-1	-2
Net profit	1	1	3	1	4

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	25	5	26	-2	7
Operating cash flow	2	2	3	3	4
Total assets			21	19	23
Equity			12	11	10
Equity ratio, %			56	55	41
Net loan liability (-)/receivable (+)			5	6	9
Average number of employees			59	50	51

■ The period saw continued strong demand for Retea's services.

■ Sales and profit surpassed expectations.

■ The company has been awarded several new contracts in the communication systems area, including an order from the County Council of Västmanland. Retea won Vattenfall Eastern Region as a new customer for network optimisation. A framework agreement was signed with Stokab for the provision of civil engineering consulting services.

**Retea is a Stockholm-based consulting company that delivers technical consulting and procurement services in the fields of data communication, power supply, electrical engineering, power transmission networks, telephony systems and telecommunications.**

retease

Chairman: Bengt Lundgren

President: Mikael Vatn

## APPELBERG PUBLISHING AGENCY

Income statement SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	16	17	31	33	64
Operating expenses	-15	-15	-29	-30	-59
Op. profit before goodwill write-downs and Items affecting comparability	1	2	2	3	5
%	3.1	12.3	6.2	8.4	8.7
Items affecting comparability	0	-1	0	-1	-1
Shares in profit of associated companies	0	0	0	0	0
Op. profit before goodwill write-downs	1	1	2	2	4
%	3.1	7.7	6.2	6.1	6.3
Goodwill write-downs	0	0	0	0	0
Operating profit	1	1	2	2	4
Net financial items	0	0	0	0	0
Profit before tax	1	1	2	2	4
Minority shares and taxes	0	0	0	0	-2
Net profit	1	1	2	2	2

Key figures SEK M	Q2 2005	Q2 2004	6 mths 2005	6 mths 2004	Full yr 2004
Growth, %	-6	-24	-8	-15	-12
Operating cash flow	-3	-3	3	-2	5
Total assets			25	20	19
Equity			8	6	5
Equity ratio, %			30	32	27
Net loan liability (-)/receivable (+)			9	4	7
Average number of employees			44	48	43

■ Appelberg developed according to plan in the first half of 2005 with sales of over SEK 31M and an operating margin of 6.2 per cent.

■ In the second quarter the company signed agreements with new customers such as Skandia, OMX and Öhrlings PWC.

■ At the end of May the newly established Appelberg Förlag AB published the first issues of its wine and spirits magazine Vin&Bar-journalen and the media and marketing magazine Komet.

**Appelberg Publishing Agency is one of Sweden's leading providers of PR and editorial communication services. Appelberg's speciality is the development and design of professional newsletters, magazines and other printed materials, websites, communication strategy and PR.**

appelberg.se

Chairman: Örjan Serner

President: Mats Edman

## CELEMI

Income statement SEK M	Q2 2005	Q2 6 mths 2004	6 mths 2005	6 mths 2004	Full yr 2004
Net sales	24	19	39	37	79
Operating expenses	-19	-21	-37	-41	-80
Op. loss before goodwill write-downs and items affecting comparability	5	-2	2	-4	-1
%	20.8	-13.2	5.1	-11.3	-1.5
Items affecting comparability	0	0	0	0	-4
Shares in profit of associated companies	0	0	0	0	0
Op. profit/loss before goodwill write-downs	5	-2	2	-4	-5
%	20.8	-13.2	5.1	-11.3	-6.9
Goodwill write-downs	0	0	0	0	0
Operating profit/loss	5	-2	2	-4	-5
Net financial items	-1	0	0	1	-1
Profit/loss before tax	4	-2	2	-3	-6
Minority shares and taxes	0	0	0	0	-1
Net profit/loss	4	-2	2	-3	-7
<b>Key figures SEK M</b>	<b>Q2 2005</b>	<b>Q2 6 mths 2004</b>	<b>6 mths 2005</b>	<b>6 mths 2004</b>	<b>Full yr 2004</b>
Growth, %	26	-19	5	-25	-24
Operating cash flow	0	0	-4	-4	-4
Total assets			36	45	33
Equity			19	21	17
Equity ratio, %			51	46	52
Net loan liability (-)/receivable (+)			-8	-6	-5
Average number of employees			44	55	55

After a weak start to the year, profitability was restored in the second quarter.

**Celemi helps large enterprises to rapidly and efficiently communicate key messages that motivate and mobilise people to act in line with company objectives. Business simulations and customised solutions help people to understand the big picture and how they can contribute – a critical condition for strategic change and visible results. The company is active in more than 30 countries and has around 50 employees.**

celemi.se

Chairman: Göran Havander

President: Margareta Barchan

## OTHER HOLDINGS

### SCRIBONA

Operating profit for the quarter reached SEK 3M (-4) and profit after tax was SEK -4M (-11). For the first half of the year, operating profit amounted to SEK 9M (39) and profit after tax to SEK -4M (18).

**Scribona is the Nordic region's leading provider of IT products and solutions. The Scribona share is quoted on the A list of the Stockholm Stock Exchange and has a secondary listing on the Oslo Stock Exchange.**

Bure's holding in Scribona amounts to 23 per cent of the share capital.

scribona.se

Chairman: Mikael Nachemson

President: Tom Ekevall Larsen

### VENTURE CAPITAL HOLDINGS

In 2003 Bure gathered together a number of venture capital companies in the subsidiary CR&T Ventures. The objective was to carry out a structured liquidation of this portfolio. Bure's venture capital portfolio currently consists of Kreatel Communications (6%) and Mitra Medical (5%).

## FIVE-YEAR SUMMARY

	2000	2001	2002	2003	2004	6 mths 2004	6 mths 2005
<b>Data per share <sup>1</sup></b>							
Equity (net asset value), SEK <sup>2</sup>	47.56	26.19	6.58	3.86	4.02	3.87	3.41
Equity (net asset value) after full exercise of outstanding warrants, SEK <sup>2</sup>	47.56	26.19	6.58	1.40	1.58	1.51	1.86
Share price, SEK	35.50	20.47	7.17	1.04	1.74	1.40	2.05
Share price as a percentage of equity, %	75	78	109	74	110	93	110
Parent Company equity per share, SEK	27.23	21.78	6.58	3.86	4.02	3.87	3.41
Parent Company equity per share after full dilution, SEK	27.23	21.78	6.58	1.40	1.58	1.51	1.86
Consolidated equity per share, SEK	27.75	20.16	6.65	3.05	3.24	3.29	3.08
Consolidated equity per share after full dilution, SEK	27.75	20.16	6.65	1.19	1.35	1.34	1.71
Parent Company earnings per share, SEK	11.16	0.47	-14.94	0.31	0.49	0.33	0.63
Parent Company earnings per share after full dilution, SEK <sup>3</sup>	11.16	0.47	-14.94	0.12	0.18	0.15	0.31
Consolidated earnings per share, SEK	12.63	-1.24	-13.16	-0.77	0.26	0.21	0.82
Consolidated earnings per share after full dilution, SEK <sup>3</sup>	12.63	-1.24	-13.16	-0.77	0.10	0.09	0.41
Number of shares, thousands	158,282	153,495	151,108	334,874	374,575	372,820	575,660
Number of outstanding warrants, thousands	-	-	-	958,381	922,625	924,380	721,540
Total number of shares including outstanding warrants, thousands	158,282	153,495	151,108	1,293,255	1,297,200	1,297,200	1,297,200
Number of shares after full dilution according to IAS 33, thousands	158,282	153,495	151,108	688,360	982,656	829,686	1,049,076
Average number of shares, thousands	158,282	156,038	152,547	241,481	364,450	355,868	487,392
Average number of shares after full dilution according to IAS 33, thousands	158,282	156,038	152,547	635,211	972,531	812,734	982,099
<b>Key figures</b>							
Dividend paid, SEK per share <sup>4, 1</sup>	13.44	1.21	-	-	-	-	-
Direct yield, %	37.9	5.9	-	-	-	-	-
Total yield, %	36.2	-7.2	-62.8	-85.5	67.3	34.6	17.8
Market capitalisation, SEK M	5,619	3,142	1,083	348	652	522	1,180
Market capitalisation after full dilution <sup>6</sup>	5,619	3,142	1,083	1,345	2,257	1,816	2,659
Equity (net asset value), SEK M	7,528	4,025	995	1,294	1,505	1,444	1,961
Return on equity, %	40.6	1.9	-75.9	6.5	12.8	8.7	17.6
<b>Parent Company profit and financial position</b>							
Exit gains/losses, SEK M	2,743.0	590.4	345.1	157.7	132.2	122.7	356.5
Profit/loss after taxes, SEK M	1,766.8	73.5	-2,279.1	74.6	178.7	118.9	305.6
Total assets, SEK M	4,690	4,649	2,602	2,986	2,586	2,590	2,604
Equity, SEK M	4,310	3,342	995	1,294	1,505	1,444	1,961
Equity ratio, %	91.9	71.9	38.2	43.3	58.2	55.8	75.3
Net loan liability (-)/receivable (+)	1,149	-91	-686	-594	-512	-527	122
Net loan liability (-)/receivable (+) after full exercise of outstanding warrants	1,149	-91	-686	-76	33	-13	569
<b>Consolidated profit and financial position</b>							
Net sales, SEK M	7,553.4	3,996.7	6,044.5	3,767.8	5,784.5	2,936.0	2,742.3
Profit/loss after taxes, SEK M	2,000.3	-193.2	-2,006.9	-186.9	95.9	76.3	397.9
Total assets, SEK M	9,106	7,791	4,776	4,440	4,505	4,765	4,541
Equity, SEK M	4,393	3,095	1,005	1,023	1,213	1,227	1,772
Equity ratio, %	48.2	39.7	21.0	23.0	26.9	25.8	39.0
Net loan liability (-)/receivable (+)	-239	-1,542	-1,950	-1,405	-1,202	-1,283	-385
Net loan liability after full exercise of outstanding warrants	-239	-1,542	-1,950	-887	-657	-769	62

<sup>1</sup> All historical data per share has been adjusted for shares in issue with a time-weighting factor as prescribed by IAS 33.

<sup>2</sup> Net asset value for the full years 2002-2004 corresponds to equity per share.

<sup>3</sup> In the event of a negative result, the average number of shares before dilution is also used for calculation after dilution.

<sup>4</sup> Dividends include dividends in the subsidiaries Capio and Observer.

<sup>5</sup> The figures for the full year 2004 and the first 6 months of 2004 have been retrospectively restated to IFRS. The comparative information for prior periods has not been restated. As of 1 January 2004, minority interest in equity is included in total equity. With regard to consolidated profit and the related key ratios, these have also been adjusted for minority share in net profit for the period.

<sup>6</sup> Market capitalisation taking into account the total number of shares after full exercise of outstanding warrants multiplied by share price on the closing date for the period in question.

