



Investment AB Kinnevik

INTERIM MANAGEMENT STATEMENT 1 JANUARY – 31 MARCH 2014

Q1

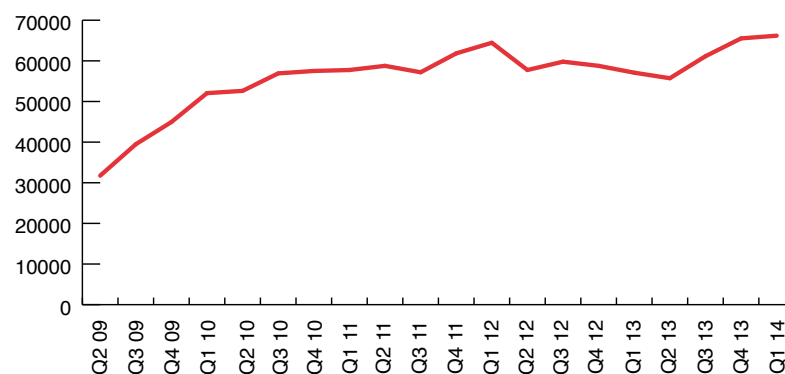
- The net asset value increased during the quarter by SEK 656m, and amounted to SEK 66,183m at the end of March, corresponding to SEK 238.66 per share.
- Out of the increase in net asset value, SEK 977m consisted of an increase in fair value of listed holdings and a negative SEK 111m change in fair value of unlisted holdings.
- Profit per share amounted to SEK 2.50 (loss of 5.83).
- New investments amounted to SEK 469m, of which SEK 382m into E-commerce & Marketplaces.
- Zalando's trading update for the first quarter will be reported separately by Zalando and Kinnevik on 9 May, 2014.

HIGHLIGHTS

- Kinnevik invested USD 39.3m in the leading Indian online classified site Quikr.
- Kinnevik invested USD 9.7m in Milvik/Bima in a funding round with existing investors amounting to USD 22m.
- Revenues in Avito increased by 167% to USD 73.7m for the full year 2013 with an EBITDA margin of 28%.
- Kinnevik CEO Mia Brunell Livfors informed the Board of her intention to step down as CEO. The Board has appointed Lorenzo Grabau as CEO of Kinnevik from 1 May 2014.

NET ASSET VALUE

Value development of net asset value 2009-2014 (SEKm)



TOTAL RETURN

The Kinnevik share's average annual total return

Past 30 years	16%
Past 10 years	17%
Past 5 years	35%
Past 12 months	57%

Total return is calculated on the assumption that shareholders have reinvested all cash dividends and dividends in kind into the Kinnevik share.

Investment AB Kinnevik (publ)
Skeppsbron 18
P.O. Box 2094
SE-103 13 Stockholm, Sweden

Reg no 556047-9742
Phone +46 8 562 000 00
Fax +46 8 20 37 74
www.kinnevik.se

This interim Management Statement is prepared in accordance with Nasdaq OMX's "Guidelines for preparing interim management statements" from 1 January 2014. The figures in this statement refer to the first quarter 2014 unless otherwise stated. Figures shown within brackets refer to the comparable periods in 2013.



Chief executive's review



The positive trend displayed in 2013 continued during the first quarter of 2014. We have seen a sharp increase in the use of smartphones in all markets in which we operate. This provides a strong platform for growth for many of Kinnevik's companies, not only established holdings such as Millicom and Tele2, but also our younger, fast-growing holdings.

E-commerce also displayed remarkably strong growth, even in mature markets where e-commerce is already a natural part of many people's lives. A recent report from the UK industry association IMRG revealed that the growth rate in the first quarter of 2014 was the highest rate reported since 2011.

Kinnevik's major e-commerce holding Zalando is still a young company with the potential to deliver much more. However, Zalando has gone from strength to strength, achieving record-fast customer and sales growth. A long-term approach to ownership will be needed to guide such a company along the way as it navigates through a relatively new and fast-changing industry. However, we know where the road is headed and our high expectations for the e-commerce sector in general – and Zalando in particular – continue to be met.

We made a few investments during the first quarter, including an investment in the Indian company Quikr – India's largest platform for online classifieds, with more than 30 million visitors per month. This is a prime example of Kinnevik's strategy of investing in growth industries in rapidly developing regions. India's total e-commerce market is expected to grow from SEK 13 billion to nearly SEK 120 billion within the next four years.

We also increased our ownership stake in the Russian company Avito, which continues to display strong growth while at the same time delivering favourable operating profit. Both Avito and Quikr are also good examples of Kinnevik's focus on technology-driven consumer companies founded and operated by entrepreneurs.

In February, MTG clearly demonstrated its ability to manage and develop a major event such as the TV broadcast of the Winter Olympic Games. The coverage of the Sochi Games, which marked a major success for Sweden, received praise from many experts and viewers.

This is my final interim report as CEO and President of Kinnevik, a company that I love and that has achieved a strong trend for its shareholders for many years. Lorenzo Grabau will now take over and I am confident that he is the best person to advance the company. This is a natural step and Kinnevik has ensured its own promising future in recent years through its systematic aim of being an investment company on the front line when it comes to its core areas of communication, e-commerce & marketplaces, financial services, and entertainment.

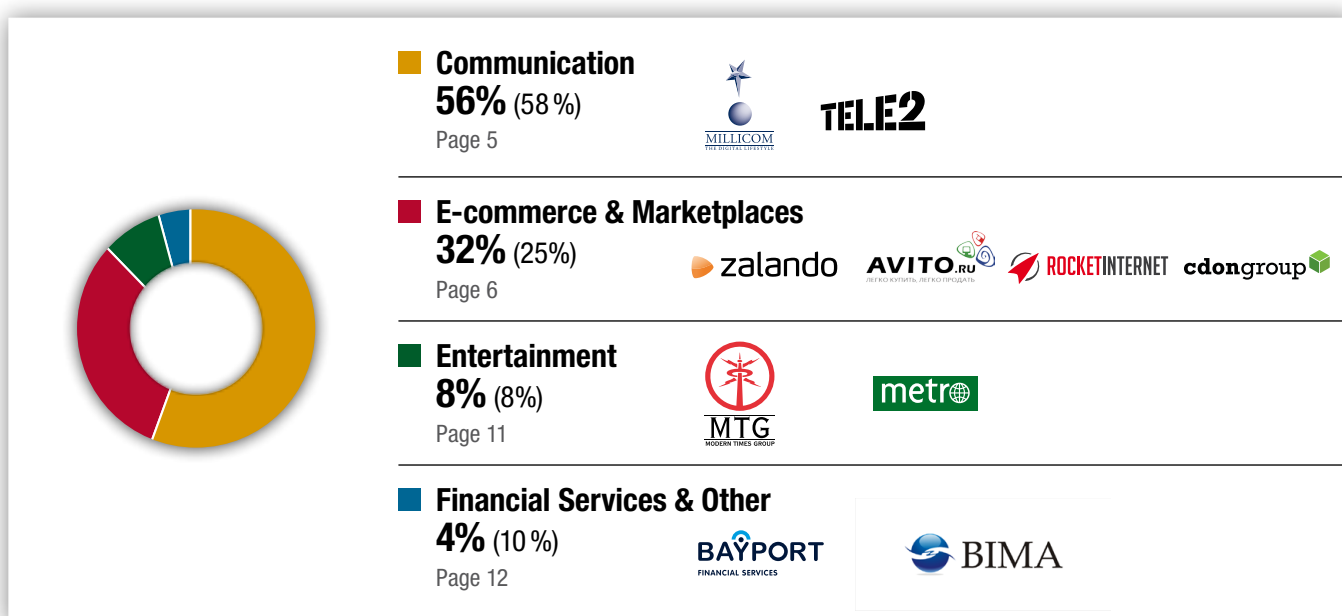
Mia Brunell Livfors
CEO and President



Kinnevik's holdings

Kinnevik is currently invested in four consumer-centric sectors: Communications, E-commerce & Marketplaces, Entertainment, and Financial Services. While we concentrate on these sectors, we also look at businesses in other areas that fit our investment criteria. Approximately two-thirds of our investments by value are in the Communications and Entertainment sectors and these tend to be larger, more establis-

hed businesses reflecting their later stage of development. Approximately one-third of our investments by value are in the E-commerce & Marketplaces and Financial Services sectors, and these tend to be younger, challenger businesses that are investing heavily to build market-leading positions in a short timeframe.



Kinnevik's holdings as of 31 March 2014 (figures within brackets refer to 31 March 2013)

KINNEVIK'S PROPORTIONAL PART OF REVENUE AND OPERATING RESULT IN ITS HOLDINGS

SEK m	Proportional part of		Change compared to Q1 2013	
	Revenue	EBIT	Revenue	EBIT
Jan-March 2014				
Communication	5 599	837	1%	-9%
E-commerce & Marketplaces	2 392	-266	38%	N/A
Entertainment	990	28	3%	-63%
Financial Services & Other	762	12	3%	-78%
Total sum of Kinnevik's proportional part	9 743	612	9%	-16%

The table above is a compilation of the holdings' revenues and operating result reported for the first quarter of 2014 multiplied by Kinnevik's ownership share at the end of the reporting period, thereby showing Kinnevik's proportional share of the companies' revenues and operating result.

Revenues and operating results reported by the companies have been translated at constant exchange rates (average rate for the first quarter of 2014) from each company's reporting currency into Swedish kronor. For listed companies that have not yet reported the results for the first quarter of 2014, the figures are included with one quarter's delay. For private companies that have not yet finalized the results for March 2014, the figures are based on Kinnevik's forecasted numbers. The proportional share of revenues and operating result has no connection with Kinnevik's accounting and is only additional information.



BOOK AND FAIR VALUE OF ASSETS

SEK m	Book value 2014 31 Mar	Fair value 2014 31 Mar	Fair value 2013 31 Mar	Fair value 2013 31 Dec	Total return 2014
Millicom	24 915	24 915	19 674	24 215	3%
Tele2	10 867	10 867	15 365	9 864	10%
Total Communication	35 782	35 782	35 039	34 079	
Zalando	12 143	12 143	8 250	12 136	
Avito	2 186	2 186	1 050	2 196	
Rocket Internet with portfolio companies ¹⁾	5 424	5 424	4 930	5 409	
CDON Group	584	584	616	786	-26%
Other	482	579	188	382	
Total E-commerce & Marketplaces	20 819	20 916	15 034	20 909	
MTG	4 078	4 078	3 497	4 498	-6%
Metro	814	814	786	879	
Net cash, Metro	173	173	272	221	
Other	85	85	103	77	
Total Entertainment	5 150	5 150	4 658	5 675	
Bayport	860	860	611	836	
Transcom	510	510	358	505	1%
BillerudKorsnäs	0	0	3 250	0	
Black Earth Farming	298	298	627	337	-12%
Other	841	999	958	932	
Total Financial Services & Other	2 509	2 667	5 804	2 610	
Other interest-bearing net cash/(net debt)	1 789	1 789	-3 035	2 557	
Debt, unpaid investments	-121	-121	-412	-303	
Total Equity/Net asset value	65 929	66 183	57 088	65 527	
Net asset value per share		238.66	205.94	236.29	
Closing price, class B share		238.90	157.80	297.50	-20%

¹⁾ For split see page 6.

DIVIDEND AND CAPITAL STRUCTURE

The Board of Directors in Millicom, Tele2 and MTG have proposed to the Annual General Meetings in May that dividends be approved according to the table to the right.

The guidance for investments in 2014 is SEK 2-3bln compared to the SEK 2.4bln invested in 2013. The Kinnevik balance sheet is strong and the net cash position at the end of March 2014 was SEK 2.0bln. Kinnevik's focus on growth assets which are still not cash flow positive means that in any individual year, the company needs to strike a balance between the level of investment and the growth in dividend paid to shareholders. Going forward, the growth in dividend should therefore not be expected to be at the same rate as in previous years.

Kinnevik's part of dividends proposed to be paid from listed holdings

		SEKm
Millicom	USD 2.64 per share	645 ¹⁾
Tele2	SEK 4.40 per share	596
MTG	SEK 10.50 per share	142

Total expected dividends to be received from listed holdings

Proposed dividend to Kinnevik's shareholders	SEK 7.00 per share	1 942
--	--------------------	-------

¹⁾ Based on an exchange rate of 6.46 SEK/USD.



Communication

Investment (SEK m)	Capital/ Votes, %	Estimated fair value	Change in fair value Q1 2014
Millicom	37.9/37.9	24 915	700
Tele2	30.4/48.0	10 867	1 003
Total		35 782	1 703

Return Communication	1 year	5 years
Average annual return (IRR)	20%	25%

Communication makes up 56% of Kinnevik's holdings. Kinnevik's mobile companies Millicom and Tele2 have in total 66 million subscribers in 23 countries in Europe, CIS, Latin America, and Africa. Both Millicom and Tele2 are focusing on providing superior services as customers increasingly use their phones to access various data services.

[For more information >](#)

MILLICOM

- Customer base grew by 1.6 million net new mobile customers.
- Strong growth in Cable supported by launch of new services.
- Accelerated growth in Mobile Financial Services.

Millicom is a leading international telecommunications and media company dedicated to emerging markets in Latin America and Africa. Millicom also offers mobile financial services, various information services, entertainment, e-commerce, lead generation, and payments.

[For more information >](#)

Key data (USD m)	Q1 2014	Q1 2013	Full year 2013
Revenue	1 405	1 351	5 159
EBITDA	478	517	1 881
Operating profit, EBIT	236	294	781
Net profit	61	136	205
Number of mobile subscribers (million)	51.6	46.9	50.1

Figures for Q1 2013 are adjusted pro forma to reflect full consolidation of Guatemala and equity accounting for Mauritius and the Online segment. Full year 2013 as per Annual Report 2013.

Millicom continued to deliver growth across all regions and business units during the first quarter. Organic revenue growth amounted to 8.5% in local currency, compared to the first quarter of 2013. The EBITDA margin for the first quarter was 34%, demonstrating Millicom's financial discipline while investing in growth opportunities.

TELE2

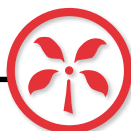
- Strong mobile end-user service revenue growth for the Group.
- Robust operational performance in Tele2 Sweden.
- Tele2 conducting a strategic review of Tele2 Norway.

Tele2 is one of Europe's leading telecommunications operator offering mobile services, fixed broadband and telephony, data network services, cable TV and content services. Tele2 is focusing its strategy to become a value champion, i.e. to offer its customers the combination of low price, superior customer experience, and a challenger culture.

[For more information >](#)

Key data (SEK m)	Q1 2014	Q1 2013	Full year 2013
Revenue	7 108	7 298	29 871
EBITDA	1 381	1 488	5 990
Operating profit, EBIT	854	670	2 192
Net profit	475	353	655
Number of mobile subscribers (million)	14.4	15.7	14.8

Tele2 displayed good progress during the first quarter with operational improvements in several markets. Marketing efforts in the Netherlands and Sweden contributed to lower EBITDA contribution. The growth profile within mobile services was maintained in the quarter, with a 3% mobile end-user revenue growth. The EBITDA-margin for the first quarter amounted to 19%.



E-commerce & Marketplaces

- Kinnevik invested USD 39.3m in the leading Indian online classified site Quikr.
- Kinnevik's proportional share of the unlisted companies' revenues increased by 43% while EBIT-margin improved by nine percentage points compared to Q1 2013.

E-Commerce & Marketplaces makes up 32% of Kinnevik's holdings. The Kinnevik online investments are mainly focused around e-commerce and marketplaces. E-commerce is one of the strongest global growth trends in the world economy, and it is based on a permanent shift in consumer behaviour.

[For more information >](#)

Return E-commerce & Marketplaces	1 year	5 years
Average annual return (IRR)	23%	29%

Investment (SEK m)	Equity interest as per 31 March 2014			Accumulated invested amount	Fair value as per 31 March 2014			Change in fair value and dividends received in Q1
	Direct	Indirect via Rocket Internet	Total ³⁾		Direct	Indirect via Rocket Internet	Total	
Zalando	36%	-	36%	7 916	12 143	-	12 143	7
Avito	32%	-	32%	434	2 186	-	2 186	-109
Quikr	16%	-	16%	254	254	-	254	-
Bigfoot I with portfolio companies	27%	8%	35%	1 567	1 567	168	1 735	-25
<i>Dafiti</i>			27%				430	
<i>Lamoda</i>			29%				724	
<i>Jabong</i>			26%				273	
<i>Namshi</i>			14%				42	
Bigfoot II	30%	10%	39%	930	411	-	411	-23
<i>Zalora</i>			29%					
<i>The Iconic</i>			29%					
<i>Zando</i>			15%					
<i>Jumia</i>			15%					
BigCommerce with portfolio companies	14%	12%	26%	606	566	7	573	24
<i>Lazada</i>			17%					
<i>Linio</i>			19%					
<i>Namshi</i>			10%					
Home24	22%	11%	33%	791	694	8	702	15
<i>Mobly</i>			28%					
Westwing	14%	7%	21%	175	219	81	300	22
Wimdu	29%	12%	41%	364	358	29	387	-1
Rocket Internet with other portfolio companies ¹⁾				-1 503	404	911	1 315	-18
Konga	46%	-	46%	114	156	-	156	-
Other unlisted companies	mixed	mixed	mixed	426	170	-	170	-54
Total unlisted investments				12 074	19 128	1 204	20 332	-162
CDON Group	25,1%	-	25,1%	646 ²⁾	584	-	584	-202
Total investments within E-commerce & Marketplaces				12 720	19 712	1 204	20 916	-364

1) Invested amount includes net invested amount in Rocket Internet GmbH after dividends received. Fair value includes cash balance in Rocket Internet GmbH.

2) The value of dividends received from MTG when shares distributed, and share purchases and new issues made thereafter.

3) The shareholdings in Rocket Internet with portfolio companies have not been adjusted for employee stock option plans.



INVESTMENTS IN THE FIRST QUARTER

Investment (SEK m)	Q1 2014
Avito	98
Quikr	254
Other	30
Total	382

In the first quarter, Kinnevik acquired warrants in Avito from the company's founders, whereby Kinnevik's ownership in Avito increased by 0.9 percentage points on a fully diluted basis. The warrants were transacted between existing owners of the company at an equity value of SEK 11.7bln (USD 1.8bln) and corresponded to 1.7% of the company on a fully diluted basis.

In March, Kinnevik invested SEK 254m (USD 39.3m) in the context of a total raise of USD 90.0m in Quikr Mauritius Holding Pvt Ltd ("Quikr"), which operates the Indian classified platform Quikr.com. Quikr's principal current investors include Matrix Partners, Nokia Growth Partners, Norwest Venture Partners, Omidyar Network, Warburg Pincus and eBay Inc. Quikr is a leading horizontal classifieds platform in India with more than 30 million unique visitors and 100 million visits per month. Individuals and businesses access Quikr to sell, buy, rent or find products and services in a variety of categories such as electronics, cars, bikes, real estate, services, jobs, education and entertainment.

VALUATION

At the end of the first quarter, investments in E-commerce & Marketplaces were valued at a total of SEK 20,916m, to be compared with an accumulated invested amount (net after dividends received) of SEK 12,720m. The assessed change in fair value recognized in the consolidated income statement in the first quarter amounted to a loss of SEK 325m (loss of SEK 364m including change of assessed value of subsidiaries when calculating net asset value), as specified in the table on the previous page. The sales multiples for the companies' listed peers decreased during the quarter, following an increase during 2013, why also the sales multiples applied in Kinnevik's valuation of its unlisted companies as per 31 March 2014 have been lowered compared to previous quarter.

Company	31 March 2014*	31 December 2013*	Adjusted multiple**
Zalando	1.9	2.0	Yes
Dafiti, Lamoda, Jabong, Zalora, The Iconic	1.3-1.9	1.4-2.0	Yes
Lazada, Linio	1.2-1.3	1.2-1.4	Yes
Home24	1.1	1.2	Yes
Westwing	1.3	1.3	Yes
Avito	12.0	13.5	No
Wimdu	2.8	3.0	Yes

* Sales multiple, last 12 months historical sales.

**Sales multiple has been lowered to reflect factors such as lower profitability than peer group. See Note 3 for further details.

Zalando: A continued strong sales growth compensated for the impact from a lower sales multiple, resulting in an unchanged equity value of EUR 3.9bln as assessed fair value in Kinnevik's accounts as per 31 March 2014.

Avito: In spite of a continued strong sales growth, the decrease in market sales multiples applied in Kinnevik's valuation resulted in a negative change in fair value of SEK 109m in the first quarter. The valuation resulted in a company equity value of SEK 6.9bln at the end of March compared to SEK 7.2bln as at 31 December. When determining the assessed fair value of Avito, Kinnevik has considered the transaction made in Avito shares in beginning of February 2014, but considered that the size of the trade (1.7% of the total capital in the company) has been too small to be applied on Kinnevik's shareholding in Avito. If the transaction price had been applied as fair value in Kinnevik's financial statements, the book value of Kinnevik's shareholding would have been SEK 1.4bln higher as per 31 March 2014.

A number of Kinnevik's E-commerce & Marketplaces portfolio companies have issued new shares to external investors at price levels that exceed Kinnevik's recognized assessed fair values. Since the newly issued shares have higher preference over the portfolio companies' assets in the event of liquidation or sale than Kinnevik's shares have, Kinnevik do not consider these price levels as a relevant base for assessing the fair values in the accounts. The latest transactions that have been made with higher preference than Kinnevik's shareholdings, have been made at levels that, applied to Kinnevik's shareholdings, is approximately SEK 6bln higher than Kinnevik's book value as per 31 March 2014.

For further information about valuation principles and assumptions, please see Note 3.



E-COMMERCE & MARKETPLACES - GEOGRAPHICAL FOOTPRINT



KINNEVIK'S PROPORTIONAL PART OF REVENUE, EBIT AND CASH BALANCE WITHIN ITS UNLISTED E-COMMERCE & MARKETPLACE HOLDINGS

Kinnevik's proportional part of the unlisted companies' revenue grew by 43% year-on-year and reached SEK 2,108m (1,476) for the first quarter. Revenue growth is strongest in the second and fourth quarter which is explained by seasonal variations within the shoes- and fashion industry. Due to the strong growth, short operating history and the fact that all start-up costs are taken to the P&L, most of the un-

listed companies within Kinnevik's online portfolio are still unprofitable. However, the larger companies in the portfolio are well capitalised and can afford continued investments until they reach break-even. Kinnevik's proportional part of the companies' cash position amounted to SEK 4,472m at 31 March 2013.

SEK m	Q1	Q2	Q3	Q4	FY2012	Q1	Q2	Q3	Q4	FY2013	Q1
Revenue	767	967	1 079	1 529	4 342	1 476	1 766	1 702	2 304	7 247	2 108
Y on Y growth						104%	90%	63%	54%	73%	43%
EBIT	-224	-318	-345	-258	-1 146	-327	-285	-309	-136	-1 057	-266
EBIT margin	-31%	-34%	-33%	-17%	-27%	-22%	-16%	-18%	-6%	-15%	-13%
Y on Y EBIT margin improvement						9 pp	18 pp	15 pp	11 pp	12 pp	9 pp
Fair value as per 31 March 2014											20 332
Net proportional part of cash balance 31 March 2014											4 472

The table above is a compilation of the unlisted E-commerce & Marketplace holdings' reported revenues, operating result and cash balance multiplied by Kinnevik's ownership share at the end of the reporting period, thereby showing Kinnevik's proportional share of the companies' revenues, operating result and cash balance.

Revenues and operating results reported by the companies have been translated at constant exchange rates (average rate for the first quarter of 2014) from each company's reporting currency into Swedish kronor. For companies that have not yet finalized the results for March 2014, the figures are based on Kinnevik's forecasted numbers. The proportional share of revenues and operating result has no connection with Kinnevik's accounting and is only additional information.



ZALANDO

- Zalando's financial performance for 2013 was published in Kinnevik's Year-end release 2013 ([link](#)).
- Zalando's trading update for the first quarter will be reported separately by Zalando and Kinnevik on 9 May, 2014.

Zalando operates online fashion shops in 15 European markets. The company is today the largest standalone pure online fashion player by net sales in Europe. Key drivers for Zalando's success include its expertise in fashion, retail and technology.

[For more information >](#)

AVITO

- Revenues for the fourth quarter 2013 amounted to RUB 803m (USD 24.5m), up 131% compared to the fourth quarter 2012.
- Revenues for the full year 2013 amounted to RUB 2.4bln (USD 73.7m), up 167% compared to 2012.
- Full year EBITDA for 2013 amounted to RUB 680m, (USD 20.9m), equivalent to a 28% margin. 2013 was a transformational year for Avito with the acquisition of Slando.ru and OLX.ru, and the business turning from operating losses in the beginning of the year into profits during the latter part of the year.
- Page views in December 2013 amounted to 4.6 billion, compared to 2.7 billion in December 2012.
- Avito's cash position at the end of 2013 exceeded USD 100m.

Avito is the largest online classified platform in Russia in terms of visitors and number of ads, distancing itself from its competitors.

[For more information >](#)

ROCKET INTERNET

- During the first quarter, Rocket has expanded its non-inventory based marketplace models within real estate, cars, price comparison services, food delivery and home cleaning across Europe and in emerging markets.
- Rocket has also started building presence within financial services with the successful launch and roll-out of peer-to-peer lending platform Lendico and businesses lender Zencap, along with established companies such as Paymill.

Rocket Internet is a company that incubates and develops e-commerce and other consumer-oriented online companies. Kinnevik works closely with the management of Rocket Internet in order to foster companies and develop them into leading Internet players.

[For more information >](#)

E-COMMERCE - EMERGING MARKETS SHOES AND FASHION

- As mobile commerce is becoming increasingly important all of the companies increased their focus on improving the mobile user experience and drive mobile sales.
- Zalora launched its marketplace in Indonesia, the Philippines and Vietnam, enabling individual sellers to market their offering to Zalora's online audience.

Lamoda, Dafiti, Jabong, Namshi, The Iconic, Zalora, and Zando are shoe and fashion e-commerce companies active on emerging markets in Latin America, Africa, and South East Asia. The shoes and fashion segment in e-commerce is attractive for several reasons: it is a relatively large part of a household budget, it is a sector with high gross margins and the products offered are easy to package and ship - enabling efficient logistics with attractive delivery terms and returns. It is important to improve customers' freedom of selection, and make the purchasing process simple and smooth in order to satisfy customers, which is why Kinnevik's holdings in this sector all offer leading ranges of products and logistics solutions on their respective markets.

[For more information >](#)

Revenue* (EUR m)	2013	2012	Growth
Lamoda	120.3	37.3	223%
Dafiti	136.8	72.3	89%
Jabong	50.4	14.4	250%
Namshi	10.7	3.1	244%
Zalora	30.0	8.2	265%
The Iconic	36.3	20.1	81%
Zando	3.8	1.8	106%

With continued strong growth in 2013, the shoes and fashion companies are also focusing on improving unit economics as well as operational excellence.

* Revenues for 2012 and 2013 are translated to EUR from local currency at constant exchange rates (average rate for Q1 2014). 2013 figures are preliminary and unaudited.



GENERAL E-COMMERCE

- Jumia expanded to Uganda, targeting an additional population of around 35 million people.
- In the quarter, both Linio and Lazada continued their strong growth and expanded their marketplace offering.
- Konga launched a consumer-to-consumer marketplace to broaden its value proposition to consumers in the Nigerian market.

Kinnevik's holdings in general e-commerce, Lazada, Linio, Jumia, and Konga, all hold market leading positions in several emerging markets in South East Asia, Latin America, and Africa. Just as in shoes and fashion e-commerce, to be successful in general e-commerce it is important to increase customers' freedom of selection, and make the purchasing process smooth and simple. Lazada, Linio, Jumia and Konga all offer leading delivery solutions and range of goods in their respective markets.

[For more information >](#)

Revenue* (EUR m)	2013	2012	Growth
Lazada	53.5	7.7	593%
Linio	36.8	4.6	700%
Jumia	21.0	1.9	986%
Konga	4.7	0.2	-

E-COMMERCE - HOME DÉCOR

- Home24 expanded their geographical footprint to Switzerland and is now present in five European markets.
- Westwing continued its geographical expansion by entering Kazakhstan.

Home24 and Westwing are e-commerce companies in the home décor segment active in Europe, CIS, and Latin America. The growth of online purchasing in this segment is a global megatrend. Home décor differs from other e-commerce segments by having a relatively lower purchase frequency, but also a higher average order value. Due to the characteristics of the products, attractive delivery solutions for customers are essential for simplifying purchases, and improving customer satisfaction. Home24 and Westwing are complementing business models, Home24 offers a wide assortment of furniture and home décor, while Westwing's inventory is carefully curated, focusing on design-conscious customers.

[For more information >](#)

Revenue* (EUR m)	2013	2012	Growth
Home24	89.9	52.4	72%
Westwing	106.8	44.6	140%

MARKETPLACES

- The marketplace segment is expanding geographically, and the car classifieds site Carmudi launched in Ghana, Vietnam, Philippines, United Arab Emirates, and Indonesia, during the first quarter.
- Mobile usage is a growing focus, with several apps and mobile-friendly services launched, as user behaviour continues to trend towards mobile.

Quikr, Saltside, Wimdu, Foodpanda, Pricepanda, and Yell are all companies operating online marketplaces in emerging markets in Asia, Africa, CIS, and Latin America. The business model is attractive due to the high profitability that can be achieved once a market leading position has been established. A leading position creates high barriers of entry for competitors, while also improving customer experience. Economies of scale are substantial, as the model does not require the companies to hold inventory and tie up capital when growing.

[For more information >](#)

CDON GROUP

- Net sales were up 10% compared to first quarter 2013.
- CDON.com Marketplace displayed good growth.
- Pilot testing of an in-house payment solution disclosed in April.

CDON Group is a leading e-commerce company with some of the most well-known and appreciated brands in the Nordic area.

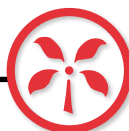
[For more information >](#)

Key data (SEK m)	Full year		
	Q1 2014	Q1 2013	2013
Revenue	1 133	1 032	4 441
Operating profit. EBIT	0	-4	-48
Net profit	-4	-17	-67

Excluding divested operations and non-recurring items.

CDON Group saw a promising start to 2014, delivering a growth of 10% compared to the first quarter of 2013, a positive operating profit in the seasonally weak first quarter and an improvement in cash flow of almost SEK 159m compared to the first quarter of 2013.

* Revenues for 2012 and 2013 are translated to EUR from local currency at constant exchange rates (average rate for Q1 2014). 2013 figures are preliminary and unaudited.



Entertainment

Investment (SEK m)	Capital/ Votes %	Estimated fair value	Change in fair value Q1 2014
Modern Times Group MTG	20.3/48.0	4 078	-420
Metro	100/100	987	N/A
Other	-	85	7
Total		5 150	-413

Return Entertainment	1 year	5 years
Average annual return (IRR)	15%	13%

Entertainment makes up 8% of Kinnevik's holdings. Kinnevik's media companies have operations in a total of 40 markets and has the largest broadcasting footprint in Europe in MTG, and 18.3 million daily readers in Metro. Both MTG and Metro are leading international media companies founded by Kinnevik.

[For more information >](#)

MODERN TIMES GROUP MTG

- Winter Olympics coverage in Sweden drove accelerated revenue growth in segments Free-TV Scandinavia and Pay-TV Nordic.
- Subscriber intake at Viaplay reached all-time high levels during the first quarter.
- Viaplay and MTGx merged to create a leading digital entertainment powerhouse.

Modern Times Group MTG is a leading international entertainment broadcasting group with the largest geographical footprint of TV- and radio operations in Europe.

[For more information >](#)

Key data (SEK m)	Q1 2014	Q1 2013	Full year 2013
Revenue	3 597	3 209	14 073
Operating profit, EBIT	301	454	1 738
Net profit	159	334	1 168

Net sales grew by 13% at constant exchange rates during the first quarter of 2014 compared to the first quarter of 2013. Operating income was lower than the first quarter of 2013 following investments in the Olympics coverage, new channel launches, and MTGx.

METRO

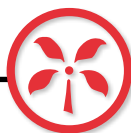
- In March 2014, Metro sold its newspaper in Hong Kong and its remaining interest in the newspaper in Canada, which resulted in accounting losses of SEK 58m.
- Metro focuses on growth markets in Latin America and continued the move of its headquarter functions from Stockholm and London to Latin America.

Metro is published in over 150 major cities in 23 countries across Europe, Asia, North and South America. Metro's global readership is approximately 18.3 million daily readers.

[For more information >](#)

Key data (SEK m)	Q1 2014	Q1 2013	Full year 2013
Revenue	256	302	1 299
Operating profit/loss, EBIT	-94	-18	10
Net profit/loss	-90	-18	-18

Revenue decreased SEK 46m year-on-year, mainly as a result of lower advertising income in Sweden and Hong Kong as well as the disposal of the newspaper in Russia. The operating loss increased as a result of weaker advertising markets in Europe and SEK 58m in losses on sale of the newspapers in Hong Kong and Canada.



Financial Services & Other

Investment (SEK m)	Capital/ Votes, %	Estimated fair value	Change in fair value Q1 2014
Bayport	31/31	860	1
Milvik/Bima	43/43	114	4
Seamless	9.3/9.3	124	-68
Other Financial services	-	94	0
Total Financial Services		1 192	-63
Transcom	33.0/39.7	510	4
Black Earth Farming	24.9/24.9	298	-39
Rolnyvik	100/100	250	N/A
Vireo Energy	78/78	189	N/A
Other	-	228	-1
Total Financial Services & Other		2 667	-99

Return Financial Services & Other	1 year	5 years
Average annual return (IRR)	15%	32%

Financial services & Other makes up 4% of Kinnevik's holdings. The Financial Services companies are focused on consumer-directed financial services on emerging markets in Africa, Asia, and Latin America.

[For more information >](#)

INVESTMENTS IN THE FIRST QUARTER

Kinnevik invested SEK 87m into Financial Services in the first quarter of 2014, of which SEK 64m in Milvik/Bima and SEK 23m in Bayport. At the end of the quarter, investments in financial services companies were valued at a total of SEK 1,192m.

VALUATION

When determining fair value of the unlisted companies Bayport and Milvik/Bima as per 31 March, transactions where the companies have raised equity from new as well as existing owners have been used as basis. For Milvik/Bima the assessed fair value has been based on an equity valuation of the entire company of USD 40m. In the first quarter 2014 Bayport closed a new equity issue at a post-money valuation of USD 431m for the entire company, which has served as the basis for Kinnevik's valuation.

BAYPORT

- Acquisition of Bayport Financial Services South Africa and the raising of USD 141m of equity was completed. The total cash consideration was ZAR 1,610m.
- Bayport expanded its product portfolio by a product aimed at small enterprises in Ghana as well as insurance products in Uganda and Tanzania.

Bayport provides unsecured credit and other financial services to the formally employed mass market in Africa and Latin America.

[For more information >](#)

TRANSCOM

Transcom is active within outsourcing of Customer Relationship Management (CRM) and Credit Management Services.

[For more information >](#)

MILVIK/BIMA

- Milvik/Bima announced that it had raised USD 22m from existing investors in March.

Milvik offers, under the brand name Bima, affordable and uniquely designed life and health insurance products via mobile phones.

[For more information >](#)

BLACK EARTH FARMING

Black Earth Farming is a leading agricultural company with operations in Russia.

[For more information >](#)



CONDENSED CONSOLIDATED INCOME STATEMENT (SEK M)

	Note	2014 Jan-Mar	2013 Jan-Mar	2013 Jan-Dec
Change in fair value of financial assets	3	866	-1 580	3 052
Dividends received		0	-	5 828
Revenue		334	370	1 541
Cost of goods sold and services		-193	-222	-753
Selling- and administration costs		-266	-205	-1 106
Share of profit/loss of associates accounted for using the equity method		2	3	15
Other operating income		7	58	96
Other operating expenses		-59	-7	-105
Operating profit/loss		691	-1 583	8 568
Financial net		-4	-28	-114
Profit/loss after financial net		687	-1 611	8 454
Tax		-4	-10	-25
Net profit/loss for the period		683	-1 621	8 429
Of which attributable to:				
Equity holders of the Parent company		694	-1 616	8 468
Non-controlling interest		-11	5	-39
Net profit/loss per share before dilution		2,50	-5,83	30,54
Net profit/loss per share after dilution		2,50	-5,83	30,51
Average number of shares before dilution		277 318 298	277 183 276	277 264 289
Average number of shares after dilution		277 568 302	277 520 045	277 578 260

The change in fair value of financial assets amounted to SEK 866m (loss of 1,580) for the first quarter of which SEK 977m (loss of 1.291) was related to listed holdings and a loss of SEK 111m (loss of 289) was related to unlisted holdings, see note 3 for further details.

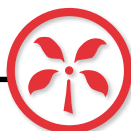
Other operating expenses includes a negative result of SEK 58m from divestments of Metros's operations in Hong Kong and Canada.

CONDENSED SEGMENT REPORTING (SEK M)

	2014 Jan-Mar			2013 Jan-Mar		
	Operating subsidiaries	Investment operation	Total	Operating subsidiaries	Investment operation	Total
Change in fair value of financial assets		866	866		-1 580	-1 580
Revenue	334		334	369	1	370
Cost of goods sold	-193		-193	-222		-222
Selling- and administration costs	-214	-52	-266	-168	-37	-205
Share of profit/loss of associates accounted for using the equity method	2		2	3		3
Other operating income and expenses	-52		-52	49	2	51
Operating profit/loss	-123	814	691	31	-1 614	-1 583

Operating subsidiaries includes Metro, Vireo Energy, Rolnyvik, Saltside Technologies, Duego Technologies, AVI, and G3 Good Governance Group.

The lower operating result within operating subsidiaries compared to previous year is mainly explained by the above mentioned negative result of SEK 58m from divestments of operations within Metro, a positive one-off effect of SEK 44m in other operating income in the first quarter of 2013, as well as increased costs for expansion within newly established businesses.



INFORMATION ABOUT FINANCIAL POSITION (SEK M)

	Note	2014 31 Mar	2013 31 Mar	2013 31 Dec
ASSETS				
Fixed assets				
Intangible fixed assets		740	914	805
Tangible fixed assets		320	274	343
Financial assets accounted at fair value through profit and loss	3	62 835	58 773	61 575
Other fixed assets		144	97	113
Total fixed assets		64 039	60 058	62 836
Other current assets		595	618	599
Short-term investments	4	2 675	13	3 502
Cash and cash equivalents	4	521	414	465
TOTAL ASSETS		67 830	61 103	67 402
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity attributable to equityholders of the Parent Company		65 929	56 893	65 276
Shareholders' equity attributable to non controlling interest		35	90	43
Interest-bearing liabilities, long-term	4	1 253	1 215	1 231
Interest-bearing liabilities, short-term	4	4	2 004	20
Non interest-bearing liabilities		609	901	832
TOTAL EQUITY AND LIABILITIES		67 830	61 103	67 402
KEY RATIOS				
Debt/equity ratio		0.02	0.06	0.02
Equity ratio		97%	93%	97%
Net cash/(net debt), including debt unpaid investments		1 841	-2 763	2 435

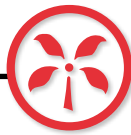


INFORMATION ABOUT CASH FLOW (SEK M)

	Note	2014 Jan-Mar	2013 Jan-Mar	2013 Jan-Dec
Cash flow from operations		-97	33	-121
Investments in shares and other securities, including subsidiaries		-658	-54	-2 088
Sale of shares and other securities, including subsidiaries		-5	63	3 894
Dividends received		-	-	5 828
Other		-5	-10	-107
Cash flow from investing activities		-668	-1	7 527
Change in interest bearing liabilities		4	-44	-2 011
Dividend paid to equityholders of the Parent Company		-	-	-1 803
Other		-10	-15	-79
Cash flow from financing activities		-6	-59	-3 893
CASH FLOW FOR THE PERIOD		-771	-27	3 513
Cash and short term investments, opening balance		3 967	454	454
Cash and short term investments, closing balance		3 196	427	3 967

SUPPLEMENTARY CASH FLOW INFORMATION

Investments in financial assets accounted to fair value	3	-469	-362	-2 288
Current period investments, paid after period end		25	308	200
Prior period investments, paid in current period		-214	-	-
Investments in shares and other securities		-658	-54	-2 088



Notes for the Group (SEK m)

NOTE 1 ACCOUNTING PRINCIPLES

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. This statement has been prepared in accordance with NasdaqOMX's "Guidelines for preparing interim management statements" from 1 January 2014. Kinnevik will in the future prepare reports in accordance with the Annual Accounts Act and IAS 34, Interim Financial Reporting for the interim period January-June and for the full year.

From 2014 Kinnevik applies the three new standards; IFRS 10 Consolidated Financial Standards, IFRS 11 Joint Arrangements and IFRS 12 Disclosures of Interests in Other Entities, as well as amended IAS 27 and IAS 28. Kinnevik has made the assessment that it does not have de facto control over any company where it owns less than 50% of the shares or controls less than 50% of the votes. Therefore the new standards have no effect on Kinnevik except for additional supplementary disclosures.

From the first quarter 2014 Kinnevik has changed the format for the income statement. The changed format is assessed to give a more relevant view on Kinnevik's financial development. Comparative figures have been recalculated.

The Kinnevik Group's accounting is distributed on two accounting segments - which is consistent with management's internal structure for controlling and monitoring the Group's operations - from 2014:

- Operating subsidiaries – all the Group's operating subsidiaries.
- Investment operation – shares and securities in all other companies, that are not subsidiaries, and other financial assets.

This includes change in fair value of financial assets, dividends received and the administration costs of the Parent company.

Other accounting principles and calculation methods applied in this report are the same as those described in the 2013 Annual Report.

NOTE 2 RISK MANAGEMENT

The Group's financing and management of financial risks is centralized within Kinnevik's finance function and is conducted on the basis of a finance policy established by the Board of Directors. The Group's operational risks are primarily evaluated and managed within the particular business area and then reported to the Kinnevik Board.

The Group has established a model for risk management, the aims of which are to identify, control and reduce risks. The identified risks and how they are managed are reported to the Kinnevik Board on a quarterly basis.

Kinnevik is exposed to financial risks mainly in respect of changes in the value of the stock portfolio, changes in market interest rates, exchange rate risks, liquidity and refinancing risks and counterparty risks.

The Group is also exposed to political risks since the companies Kinnevik has invested in have a substantial part of their operations in emerging markets such as Latin America, Sub-Saharan Africa, Russia and Eastern Europe.

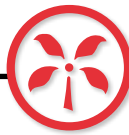
For a more detailed description of the Company's risks and risk management, refer to the Board of Directors' report and Note 26 of the 2013 Annual Report.

NOTE 3 FINANCIAL ASSETS ACCOUNTED AT FAIR VALUE THROUGH PROFIT AND LOSS

Kinnevik's unlisted holdings are valued using IFRS 13 and the International Private Equity and Venture Capital Valuation Guidelines, whereby a collective assessment is made to establish the valuation method that is most suitable for each individual holding. Firstly, it is considered whether any recent transactions have been made at arm's length in the companies. For new share issues, consideration is taken to if the newly issued shares have better preference to the company's assets than earlier issued shares if the company is being liquidated or sold. For companies where no or few recent arm's length transactions have been performed, a valuation is conducted by applying relevant multiples to the company's historical and forecast key figures, such as sales, profit, equity, or a valuation based on future cash flows. When performing a valuation based on multiples, consideration is given to potential adjustments due to, for example, difference in size, historic growth and geographic market between the current company and the group of comparable companies.

Work to measure Kinnevik's unlisted holdings at fair value is performed by the financial department and based on financial information reported from each holding. The correctness of the financial information received is ensured through continuous contacts with management of each holding, monthly reviews of the accounts, as well as internal audits performed by auditors engaged by Kinnevik. Prior to decisions being made about the valuation method to be applied for each holding, and the most suitable peers with which to compare the holding, the financial department obtains information and views from the investment team, as well as external sources of information. Information and opinions on applicable methods and groups of comparable companies are also obtained periodically from well-renowned, valuation companies in the market. The results from the valuation is discussed firstly with the CEO and the Chairman of the Audit Committee, following which a draft is sent to all members of the Audit Committee, who analyze and discuss the outcome before it is approved at a meeting attended by the company's external auditors.

Below is a summary of the valuation methods applied in the accounts as per 31 March 2014:



Company	Valuation method	Valuation assumptions
Zalando	<p>Valuation based on sales multiples for a group of comparable companies. The peer group includes, among others, Amazon, Asos, CDON and Yoox.</p> <p>The average sales multiple for the peer group has been reduced due to Zalando's lower profitability.</p> <p>Value in transactions in the company's shares during the second half of 2013 (sale of secondary shares as well as directed new share issue) have also been considered when establishing fair value in the accounts.</p>	<p>Last 12 months historical sales has been multiplied with a sales multiple of 1.9. The entire company has been valued at EUR 3.9bln.</p>
Avito	<p>Valuation based on sales multiples for a group of comparable companies. The peer group includes, among others, Rightmove, 58.com and Trade Me Group.</p>	<p>Last 12 months historical sales has been multiplied with a sales multiple of 12.0. The entire company has been valued at SEK 6.9bln.</p>
Quikr	<p>Latest transaction value.</p>	<p>USD 240m for the entire company.</p>
Bigfoot I, Bigfoot II, BigCommerce, Home24, Wimdu och Westwing	<p>Valuation based on sales multiples for a group of comparable companies. The peer group includes, among others:</p> <ul style="list-style-type: none"> - for Bigfoot I, Bigfoot II and BigCommerce: Amazon, Asos, CDON and Yoox; - for Home24: Amazon, CDON, Williams-Sonoma and Bed, Bath & Beyond; - for Wimdu: HomeAway, Priceline, Expedia and Tripadvisor; and - for Westwing: Groupon, Vipshop and Zulily. <p>The average sales multiple for the peer group has been reduced to reflect factors such as lack of profitability and early e-commerce market.</p> <p>For the holding companies Bigfoot I, Bigfoot II and BigCommerce, the underlying operating businesses (e.g. Dafiti and Lamoda) have been valued separately.</p> <p>The valuations also consider what preference the owned shares have in case of liquidation or sale of the entire company.</p>	<p>Applied sales multiples for last 12 months historical sales:</p> <ul style="list-style-type: none"> - Bigfoot I: 1.3-1.9 - Bigfoot II: 1.4-1.6 - BigCommerce: 1.2-1.3 - Home24: 1.1 - Wimdu: 2.8 - Westwing: 1.3
Rocket Internet	<p>Portfolio companies valued as per above, cash balance and other assets as per Rocket financial statements.</p>	<p>N/A</p>
Bayport	<p>Latest transaction value.</p>	<p>USD 431m for the entire company.</p>
Milvik/Bima	<p>Latest transaction value.</p>	<p>USD 40m for the entire company.</p>
Other portfolio companies	<p>Fair value corresponds to cost.</p>	<p>N/A</p>

For the companies in the table above that are valued based on sales multiples (i.e. Zalando and Avito as well as direct and indirect ownership in Bigfoot I, Bigfoot II, Home24, BigCommerce, Westwing and Wimdu), an increase in the multiple by 10% would have increased estimated fair value by SEK 1,608m. Similarly, a decrease in the multiple by 10% would have decreased estimated fair value by SEK 1,637m.

When establishing the fair value of other financial instruments, methods that in every individual case are assumed to provide the best estimation of fair value have been used. For assets and liabilities maturing within one year, a nominal value adjusted for interest payments and premiums is assumed to provide a good approximation to fair value.

Information is provided in this note per class of financial instruments that are valued at fair value in the balance sheet, distributed in the levels stated below:

Level 1: Fair value established based on listed prices in an active market for the same instrument.

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market.



CHANGE IN FAIR VALUE OF FINANCIAL ASSETS

	2014 1 Jan– 31 Mar	2013 1 Jan– 31 Mar	2013 Full year
Millicom	700	-1 608	2 932
Tele2	1 003	-501	-6 003
Communication	1 703	-2 109	-3 071
Zalando	7	-203	2 626
Avito	-109	127	1 273
Bigfoot I with portfolio companies ¹⁾	1	-48	56
Bigfoot II ¹⁾	-24	-152	-442
BigCommerce with portfolio companies ¹⁾	24	-9	-60
Home 24 ¹⁾	15	-24	-75
Westwing ¹⁾	2	-5	44
Wimdu ¹⁾	-	-11	10
Rocket Internet with other portfolio companies	-24	-2	147
CDON Group	-202	-48	-7
Konga	-	22	22
Other	-15	3	-
E-commerce & Marketplaces	-325	-350	3 594
MTG	-420	455	1 456
Other	7	-15	-14
Entertainment	-413	440	1 442
Bayport	1	25	251
Milvik/Bima	4	-	-3
Seamless	-68	25	127
Transcom	4	127	276
BillerudKorsnäs	-	88	552
Black Earth Farming	-39	171	-119
Other	-1	3	3
Financial Services & Other	-99	439	1 087
Total	866	-1 580	3 052
- of which traded in an active market, level 1	977	-1 291	-786
- of which fair value established using valuation techniques, level 3	-111	-289	3 838

¹⁾ Direct shareholding only.



BOOK VALUE OF FINANCIAL ASSETS

	31 March 2014 listed companies		2014 31 Mar	2013 31 Mar	2013 31 Dec
	Class A shares	Class B shares			
Millicom	37 835 438	-	24 915	19 674	24 215
Tele2	18 430 192	117 065 945	10 867	15 365	9 864
Communication			35 782	35 039	34 079
Zalando			12 143	6 076	12 136
Avito			2 186	1 050	2 196
Quikr			254	-	-
Bigfoot I with portfolio companies ¹⁾			1 567	1 431	1 535
Bigfoot II ¹⁾			411	726	435
BigCommerce with portfolio companies ¹⁾			566	415	544
Home 24 ¹⁾			694	730	679
Westwing ¹⁾			219	152	217
Wimdu ¹⁾			358	334	358
Rocket Internet with other portfolio companies			1 608	3 308	1 632
CDON Group	24 959 410	-	584	616	786
Konga			156	63	156
Other			81	81	97
E-commerce & Marketplaces			20 827	14 982	20 771
MTG	4 461 691	9 042 165	4 078	3 497	4 498
Other			96	148	164
Entertainment			4 174	3 645	4 662
Bayport			860	611	836
Milvik/Bima			114	49	46
Seamless	3 898 371	-	124	90	192
Transcom	247 164 416	163 806 834	510	358	505
BillerudKorsnäs	-	-	-	3 250	-
Black Earth Farming	51 811 828	-	298	627	337
Other			146	122	147
Financial Services & Other			2 052	5 107	2 063
Total			62 835	58 773	61 575
- of which traded in an active market, level 1			41 375	43 477	40 397
- of which fair value established using valuation techniques, level 3			21 460	15 296	21 178

¹⁾ Direct shareholding only.

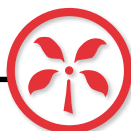


INVESTMENTS IN FINANCIAL ASSETS

	2014 1 Jan– 31 Mar	2013 1 Jan– 31 Mar	2013 Full year
Zalando	-	-	855
Avito	98	-	-
Quikr	254	-	-
Bigfoot I with portfolio companies	32	-	-
Bigfoot II	-	170	169
BigCommerce with portfolio companies	-2	138	317
Westwing	-	24	38
Rocket Internet with other portfolio companies	-	-	576
CDON Group	-	-	129
Konga	-	20	114
Other	-	1	20
E-commerce & Marketplaces	382	353	2 218
Other	-	-	10
Entertainment	-	-	10
Bayport	23	-	35
Milvik/Bima	64	3	3
Other	-	6	22
Financial Services & Other	87	9	60
Total investments	469	362	2 288
- of which traded in an active market, level 1	-	-	129
- of which fair value established using valuation techniques, level 3	469	362	2 159

CHANGES OF FINANCIAL ASSETS IN LEVEL 3

	2014 1 Jan– 31 Mar	2013 1 Jan– 31 Mar	2013 Full year
Opening balance	21 178	15 185	15 185
Investments	469	362	2 159
Reclassifications	-	49	49
Change in fair value	-111	-289	3 838
Disposals	-78	-7	-68
Exchange gain/loss and other	2	-4	15
Closing balance	21 460	15 296	21 178



NOTE 4 INTEREST-BEARING ASSETS AND LIABILITIES

Kinnevik's total interest bearing assets amounted to SEK 3,219m as at 31 March 2014. The short term deposits of SEK 2,675m were made mostly in Swedish money market funds with high credit quality with no restrictions on accessibility. The total amount of outstanding interest-bearing liabilities was SEK 1,257m and consequently Kinnevik was in a net cash position of SEK 1,962m as at 31 March 2014 (SEK 2,727m at 31 December 2013).

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 7,171m as at 31 March 2014 whereof SEK 5,800m related to a revolving credit facility and SEK 1,200m related to a bond. The utilization of the credit facilities was SEK 1,240m as at 31 March 2014.

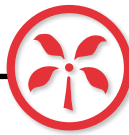
The Group's available liquidity, including short-term deposits and available credit facilities, totaled SEK 9,128m at 31 March 2014 (SEK 9,897m at 31 December 2013).

	2014 31 Mar	2013 31 Mar	2013 31 Dec
Interest-bearing long-term assets			
Other interest bearing assets	23	8	11
	23	8	11
Interest-bearing short-term assets			
Short-term investments	2 675	13	3 502
Cash and cash equivalents	521	414	465
	3 196	427	3 967
Total interest-bearing assets	3 219	435	3 978
Interest-bearing long-term liabilities			
Liabilities to credit institutions	28	0	20
Capital markets issues	1 200	1201	1 200
Accrued borrowing cost	-21	-23	-25
Other interest bearing liabilities	46	37	36
	1 253	1 215	1 231
Interest-bearing short-term liabilities			
Liabilities to credit institutions	4	1 211	20
Capital markets issues	-	794	0
	4	2 004	20
Total interest-bearing liabilities	1 257	3 219	1 251
Net interest bearing assets/liabilities	1 962	-2 784	2 727

The outstanding loans carry an interest rate of Stibor or similar base rate with an average margin of 1.8% (1.8%). All bank loans have variable interest rates (up to 3 months) while financing from the capital markets vary between 1 to 12 months for the loans under the commercial paper program and 5 years fixed for the outstanding bond (as per date of issue).

As per 31 March 2014, the average remaining tenor was 2.9 years for all credit facilities including the bond (but excluding two unutilized extension options for one year each related to the Group's SEK 5.800m credit facility).

At 31 March 2014 the Group had not provided any security for any of its outstanding loans.

**KINNEVIK ANNUAL GENERAL MEETING 2014**

The Annual General Meeting will be held on 12 May 2014 at 10.00 am at Hotell Rival, Mariatorget 3 in Stockholm. Further details on how and when to register are published on Kinnevik's website, www.kinnevik.se.

The Board of Directors has proposed a cash dividend of SEK 7.00 (6.50) per share to be paid to the shareholders.

FINANCIAL REPORTS

Reporting dates for 2014:

18 July	Interim Report January-June
24 October	Interim Management Statement January-September

Stockholm, 28 April 2014

Mia Brunell Livfors

President and Chief Executive Officer

This Interim Management Statement has not been subject to specific review by the Company's auditors.

Investment AB Kinnevik is a leading, long-term oriented, investment company based in Sweden. Kinnevik primarily invests in consumer centric businesses that provide innovative and value-added technology-enabled services. Our main areas of focus are the Communications, e-Commerce, Entertainment and Financial Services sectors. We own significant stakes in over 50 companies that operate in more than 80 countries across five continents, with a particular emphasis on growth markets. The Kinnevik Group employs more than 90 000 people around the world.

Kinnevik actively supports the companies in which it invests and plays an influential role on their respective Boards. Kinnevik was founded in 1936 by three Swedish families who continue to play a leadership role in the ownership of the Company and in the pursuit of its entrepreneurial ventures. Kinnevik's shares are listed on Nasdaq OMX Stockholm's list for large cap companies under the ticker codes KINV A and KINV B.