



K I N N E V I K

YEAR-END RELEASE 2015

1 YEAR TSR

5%

NAV 31 DECEMBER 2015

SEK 83.5BN

5 YEAR TSR

18%

FOURTH QUARTER 2015

NET INVESTMENTS

SEK -7.6BN

CHANGE IN NAV

2%

FULL-YEAR 2015

NET INVESTMENTS

SEK -6.7BN

CHANGE IN NAV

-1%

OPERATING COMPANIES' PERFORMANCE

- Zalando's preliminary fourth quarter revenues grew 30-31% with an adjusted EBIT margin of 7-9%
- Millicom reported revenues of USD 1.68bn - organic service revenue up 6%
- Tele2 launched its 4G network in the Netherlands and agreed to combine its mobile business in Kazakhstan with Kazakhtelecom

OPERATING COMPANIES' PERFORMANCE

- Zalando's preliminary full-year revenues grew 33-34% to almost EUR 3.0bn with an adjusted EBIT margin of 3-4%
- Millicom's mobile subscriber base increased by almost 6 million to 63 million subscribers with 30% data penetration
- Tele2's mobile end-user service revenues grew 5% in constant currencies
- Global Fashion Group announced 61% GMV growth in euro terms for the first nine months of 2015

KINNEVIK INVESTMENT ACTIVITIES

- The sale of Kinnevik's entire 31% stake in Avito for a total cash consideration of USD 846m closed on 15 December
- Kinnevik's Polish agricultural business Rolnyvik divested for a total cash consideration of SEK 385m

KINNEVIK INVESTMENT ACTIVITIES

- SEK 1.6bn of investments focused on existing companies, net investments of SEK 430m excluding the sale of Avito
- For 2016, Kinnevik expects its net investments to amount to SEK 2-3bn

KINNEVIK FINANCIAL POSITION

- Net Asset Value of SEK 83.5bn, up by SEK 1.4bn in the quarter and a strong balance sheet with a net cash position of SEK 7.6bn
- The Administrative Court of Appeal decided in favor of Kinnevik in SEK 702m tax dispute

KINNEVIK FINANCIAL POSITION

- The Kinnevik Board of Directors recommends that the Annual General Meeting decides upon an ordinary dividend of SEK 7.75 per share for 2015, corresponding to an increase of 7%
- Today Kinnevik announced that its Board of Directors has resolved to execute a SEK 500m share buyback program between 15 February and 23 March

SEKm	31 Dec 2015	30 Sep 2015	31 Dec 2014
Net Asset Value	83 517	82 105	84 370
Net Asset Value per share, SEK	301.10	296.01	304.21
Share price, SEK	262.00	238.80	255.20
Net cash / (net debt)	7 558	34	130

SEKm	Q4 2015	Q4 2014	FY 2015	FY 2014
Net profit	1 362	7 868	1 129	20 863
Net profit per share, SEK	5.07	28.33	4.49	75.27
Change in fair value of financial assets	1 318	8 124	-1 456	19 494
Dividends received	-	-	2 984	2 350
Gross investments	33	369	1 562	1 463
Divestments	7 633	29	8 298	137

Chief executive's review

Following a successful 2014 during which our Net Asset Value ("NAV") grew 29% to SEK 84.4bn, Kinnevik delivered a solid 2015 thanks to the strong operating performance of Zalando, Tele2 and Avito. Our NAV remained stable and we increased our dividend per share and share price by 3% to SEK 7.25 and SEK 262, respectively. During the year, we invested SEK 1.6bn in our priority companies, and released SEK 1.1bn from businesses with less potential and SEK 7.2bn through the sale of our interest in Avito. We ended 2015 with stronger digital brands, an exciting pipeline of new opportunities, a committed leadership team and a net cash position of SEK 7.6bn, or 9% of the total portfolio. Whilst the sharp drop experienced by the equity markets during January 2016 has led to a 18% decline in our NAV as of 10 February, we are confident of Kinnevik's ability to continue to deliver long term shareholder value.

KINNEVIK FOURTH QUARTER 2015 RESULTS

During the fourth quarter of 2015, Kinnevik's NAV increased by 2% to SEK 83.5bn, or SEK 301 per share.

A 6% growth in the value of our E-Commerce & Marketplaces businesses was offset by a 3% decline in our Communication investments, with Millicom down 7% and Tele2 up 4%. Given the significant emerging markets exposure of our existing private assets, their value was reduced by 15%.

During the quarter, we closed the sale of our stake in Avito receiving USD 846m, and of our Polish agricultural business Rolnyvik for SEK 385m, ending the year with net cash of SEK 7.6bn. Our share price increased by 10% to SEK 262 ending the year at a 13% discount to our reported NAV.

2015: A YEAR OF INNOVATION, INVESTMENTS AND TRANSFORMATION

Within technology-led markets where the only constant is change, every one of Kinnevik's investee companies executed plans to transform and adapt their business model to capture a larger share of the opportunities created by ubiquitous mobile broadband.

Zalando was at the forefront of this transformation, investing in innovative products, infrastructure and talent in order to strengthen its position as the leading European online fashion platform. The company grew its customer base to 17.2 million (at the end of the third quarter) and, with 60% of its traffic now coming from mobile devices, Zalando delivers an exciting and ubiquitous shopping experience across Europe. Despite its increased investments intended to re-accelerate revenue growth to approximately 34%, the company remained clearly profitable with an EBIT margin of between 3-4%.

Global Fashion Group brought together six separate regional companies to create the world's largest emerging markets fashion e-commerce group, a unique partner for the world's leading fashion brands. Despite the sharp drop in many emerging market currencies, the company delivered excellent revenue growth.

Rocket Internet, a company known as an incubator and business builder, became a fully established multi stage internet investor, raising over EUR 1.5bn through a secondary public equity offering, a convertible placing and the establishment of a private co-investment structure which was launched in January 2016. Rocket Internet acquired a significant posi-

tion in Delivery Hero and launched a number of promising new ventures.

Millicom continued to execute its "digital lifestyle" strategy combining mobile and broadband businesses in Latin America and Africa. In Latin America, Tigo/UNE is a clear success story in an increasingly competitive Colombian market. In Africa, Millicom divested its DRC business in the beginning of 2016, furthering the company's intentions to deliver a significantly improved cash profile from this region.

In Sweden, Tele2 continued to leverage its dual brand strategy and to deliver flexibility, transparency and simplicity to its customers together with a great network experience. The company's commitment to customer service resulted in lower churn, lower subscriber acquisition costs and higher EBITDA growth. At the end of 2015, Tele2 also launched a nationwide 4G only network, the world's first, in the Netherlands, and entered into a mobile joint venture in Kazakhstan with Kazakhtelecom.

MTG accelerated its transformation from a traditional broadcaster to a broadband digital entertainment company through the acquisitions of Turtle Entertainment, the world's largest e-sports company, Dreamhack and Zoomin.TV, as well as through continued investments in Viaplay. This enabled MTG to deliver almost stable profits for the year despite negative impact from currency headwinds and M&A costs.

Quikr, the largest and broadest horizontal classifieds businesses in India, continued on its path towards monetisation. Quikr launched five category-specific businesses on top of its core horizontal platform and strengthened its position in the highest revenue categories - real estate, jobs and services - via product innovation and the acquisition of CommonFloor. Quikr was rated as the second most trusted internet brand in India in a survey conducted by the Economic Times and Nielsen in November 2015.

At Kinnevik, we continued to build our capabilities through the recruitment of an additional 8 talented professionals. We further reduced the number of investee companies from 41 to 34, and delivered a return exceeding 16x on the SEK 438m of capital invested into Avito.

Following the identification of Healthcare and Education as two new attractive sectors with significant potential, we made our first investment in Healthcare by contributing GBP 10m to fund the growth of babylon.

SHAREHOLDER REMUNERATION AND UPDATED GUIDANCE

For 2015, the Kinnevik Board of Directors recommends a dividend of SEK 7.75 per share, corresponding to a 3% dividend yield based on the closing price for the year of SEK 262 and of 4% based on the share price as at 10 February 2016.

In addition, the Board of Directors has approved a SEK 500m share buyback program to be executed between 15 February to 23 March.

Based on our current pipeline of investment opportunities and the state of the capital markets, in 2016 we expect to make net investments (gross investments net of sale of assets) of SEK 2-3bn.

Based on our current portfolio composition, Kinnevik aims for an annual total shareholder return of 13% over the cycle.

OUTLOOK FOR 2016

We expect 2016 to remain a challenging year for the valuations of our companies, especially for those exposed to emerging market currencies. At the same time, we believe 2016 will be a more attractive year for new investments given the likely decline in the amount of capital available to private digital consumer businesses.

With a strengthened investment team, a tighter portfolio of performing investments and a strong net cash position, Kinnevik begins 2016 well positioned to fulfil its long-term ambitions and with clear priorities.

We will continue to work closely with our operating companies to drive innovation, growth and where appropriate consolidation, we will attract new talent and establish new partnerships to expand our reach, and we will execute on our GRC and CR promise.

We will progress our investment activities by investing in our existing priority companies to support their growth and to increase Kinnevik's ownership. We will also build a presence in our sectors of focus through two to four new investments, and will continue pruning our portfolio.

We will complete the build-up of the Kinnevik team, maintain a very strong balance sheet with a significant net cash position, and continue on our path of shareholder value creation.

On behalf of the entire Kinnevik team, I would like to thank all of our shareholders for the support during 2015. Despite the challenges ahead, we will continue to work hard to deliver on our commitment to build sustainable businesses that can contribute to the societies in which we operate.

Just as Kinnevik has done since 1936.

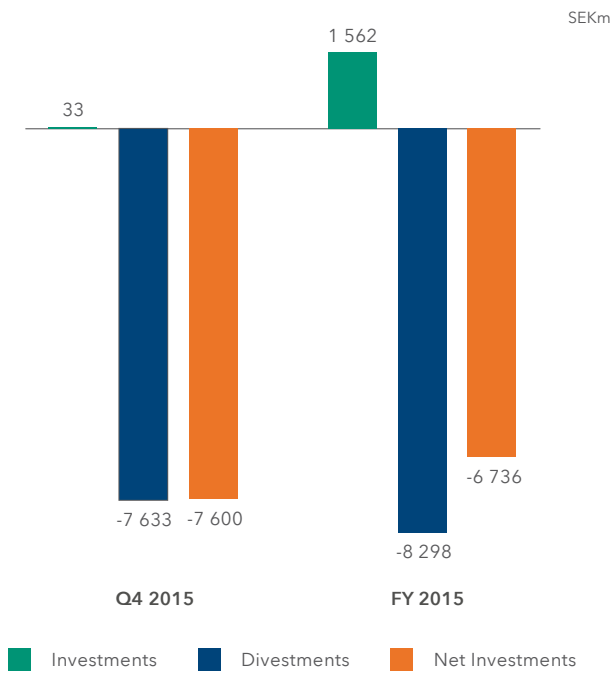
Lorenzo Grabau
Chief Executive Officer

Kinnevik in summary

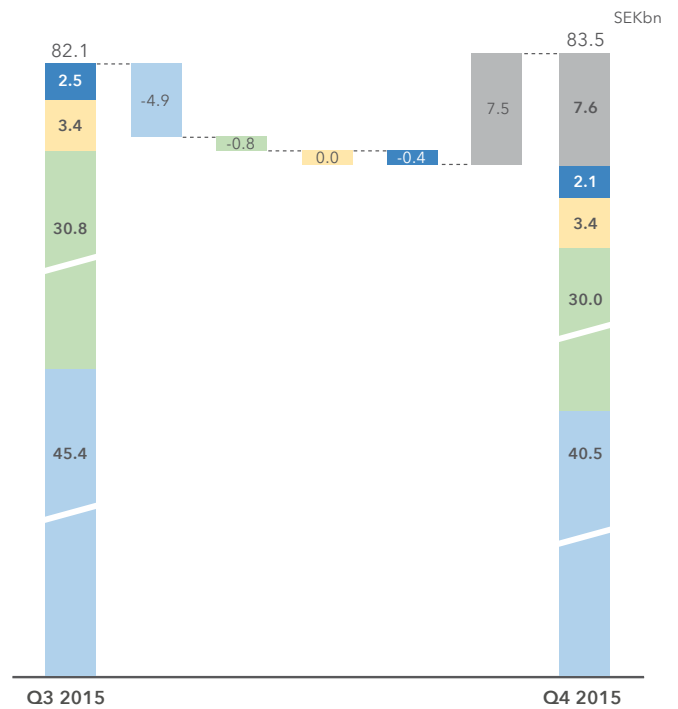
Kinnevik is an entrepreneurial investment group focused on building digital consumer brands in six sectors: Communication, E-Commerce & Marketplaces, Entertainment, Financial Services, Education and Healthcare. With our focus on digital consumer businesses, the Kinnevik companies and its digital

brands provide services to 230 million people in over 80 markets. In markets where supply once was limited, we give people something extremely valuable - choice.

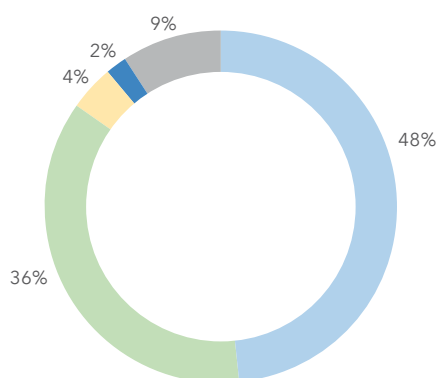
INVESTMENT ACTIVITY



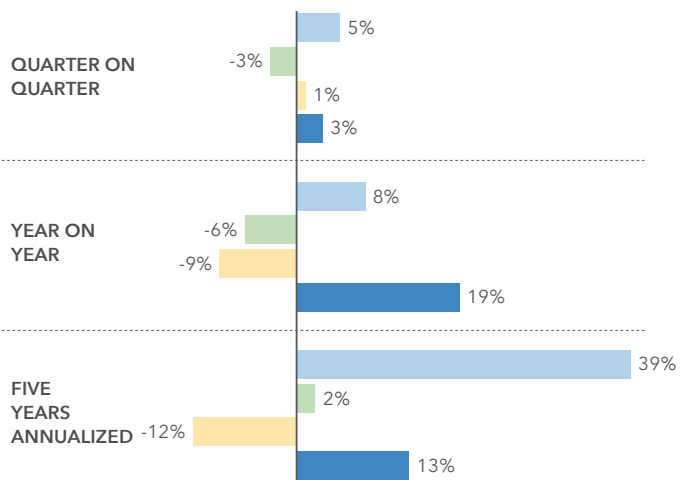
PORTFOLIO DEVELOPMENT



PORTFOLIO COMPOSITION



PORTFOLIO RETURN RATES



One and five-year returns are annualized internal rates of return (IRR). The returns are based on fair values at the beginning and end of the respective period, includes cash and non-cash items and is calculated on a SEK gross basis.

- E-Commerce & Marketplaces
- Communication
- Entertainment
- Financial Services & Other
- Net Cash

Net Asset Value

SEKm	Fair value 2015 31 Dec	Fair value 2015 30 Sep	Fair value 2014 31 Dec	Change ² Q4 2015	Change ² 2015	Total return ⁵ 2015
Millicom	18 479	19 788	22 039	-7%	-16%	-12%
Tele2	11 524	11 036	12 865	4%	-10%	5%
Total Communication	30 003	30 824	34 904	-3%	-14%	-6%
Zalando	25 943	21 729	19 030	19%	36%	36%
Global Fashion Group ¹	4 067	5 300	6 092	-23%	-33%	-44%
Rocket Internet	5 627	5 845	10 620	-4%	-47%	-47%
Qliro Group	513	445	737	15%	-30%	-30%
Home & Living E-Commerce ³	1 250	1 347	1 305	-7%	-4%	-19%
Other E-Commerce ^{1,3}	1 028	1 447	1 697	-29%	-39%	-30%
Avito	-	7 087	2 298	-	-	211%
Quikr	1 519	1 511	425	1%	257%	136%
Other Marketplaces ³	505	649	650	-22%	-22%	-17%
Total E-Commerce & Marketplaces	40 452	45 360	42 854	-11%	-6%	8%
MTG	2 938	2 905	3 358	1%	-13%	-8%
Other	489	506	567	-3%	-14%	-23%
Total Entertainment	3 427	3 411	3 925	0%	-13%	-9%
Bayport	1 278	1 456	1 032	-12%	24%	24%
Transcom	-	-	494	-	-	18%
Black Earth Farming	209	151	151	38%	38%	38%
Other	590	869	880	-32%	-33%	4%
Total Financial Services & Other	2 077	2 476	2 557	-16%	-19%	19%
Portfolio Value	75 959	82 071	84 240	-7%	-10%	2%
Net cash/debt ⁴	7 620	401	130			
Debt, unpaid investments/divestments	-62	-367	0			
Total Net Asset Value	83 517	82 105	84 370	2%	-1%	2%
Net Asset Value per share, SEK	301.10	296.01	304.21	2%	-1%	2%
Closing price, class B share, SEK	262.00	238.80	255.20	10%	3%	5%

¹ Comparable periods adjusted for transactions related to the merger of Global Fashion Group

² Unadjusted for investments, divestments and dividends

³ For split see page 15

⁴ Excluding cash in operating subsidiaries

⁵ Adjusted for investments, divestments and dividends

Communication



Millicom is an international telecommunications and media company dedicated to emerging markets in Latin America and Africa. Millicom sets the pace when it comes to providing innovative and customer-centric digital lifestyle services.

- Despite the impact of currency depreciation in many key markets, Millicom reported organic service revenue growth of 6% in the fourth quarter, including UNE
- Millicom divested its DRC business in the beginning of 2016 and the company intends to deliver a significantly improved cash profile from the African region
- Millicom's Board of Directors has decided to recommend an ordinary dividend for 2015 amounting to USD 2.64 per share



Tele2 is one of Europe's leading telecommunications operators offering mobile communication services, fixed broadband and telephony, data network services and content services. Tele2 is focusing on becoming the champion of customer value.

- Continued mobile end user service revenue growth across the Tele2 Group, up 5% in local currencies compared to the fourth quarter of 2014
- In November, Tele2 and Kazakhtelecom announced it had agreed to combine their mobile businesses in Kazakhstan. All regulatory approvals have been received and the transaction is expected to close in the first quarter of 2016
- Tele2's Board of Directors has decided to recommend an ordinary dividend for 2015 amounting to SEK 5.35 per share, corresponding to an increase of 10%

37.8%

KINNEVIK STAKE

SEK 18.5BN

FAIR VALUE

63M

MOBILE SUBSCRIBERS

30.0%

KINNEVIK STAKE

SEK 11.5BN

FAIR VALUE

13.2M

MOBILE SUBSCRIBERS

Key data (USDm)	Oct-Dec		Full year	
	2015	2014	2015	2014
Revenue	1 677	1 860	6 730	6 386
% Growth	-10%	-	5%	-
EBITDA	492	588	2 178	2 093
% Margin	29%	32%	32%	33%
EBIT	114	225	791	924
% Margin	7%	12%	12%	14%
Net profit/loss	-426	48	-559	2 643

* Figures include UNE from August 2014

Key data (SEKm)	Oct-Dec		Full year	
	2015	2014	2015	2014
Revenue	6 943	6 876	26 856	25 955
% Growth	1%	-	3%	-
EBITDA	1 337	1 412	5 757	5 926
% Margin	19%	21%	21%	23%
EBIT	602	704	2 890	3 216
% Margin	9%	10%	11%	12%
Net profit/loss	45	494	1 268	2 626

* Figures refer to continuing operations excluding one-off items

E-Commerce & Marketplaces



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

- In its first year as a public company, Zalando significantly accelerated its growth, made important long-term investments, and remained profitable
- Zalando showed continued growth with fourth quarter revenues at EUR 865-872m, equivalent to 30-31% growth
- Adjusted EBIT amounted to EUR 61-78m (7-9% margin) during the quarter, in line with prior management guidance
- Zalando's full-year 2015 revenues amounted to EUR 2,955-2,962m with a 3.3-3.9% adjusted EBIT margin

31.7%
KINNEVIK STAKE

SEK 25.9BN
FAIR VALUE

17M
ACTIVE CUSTOMERS



GFG is the leading emerging markets fashion e-commerce company with operations across 5 regions and 27 countries with a 2.5 billion population and addressing a fashion market worth EUR 350bn. GFG offers a wide assortment of over 3,000 international and local fashion brands, as well as a selection of private label brands.

- Strong growth during the first nine months with 61% GMV growth in euro terms despite currency and macro headwinds
- Gross margin expanded to 33% as GFG continued on its clear path towards profitability
- Growth in mobile traffic drove higher revenues and customer engagement. Jabong and Zalora now generate more than half of its revenues from mobile in the third quarter
- GFG continued to strengthen its customer proposition with a widening of the assortment portfolio, ramp-up of private label, and the launch of world-leading brands such as Mango and Topshop in several of its markets

26%
KINNEVIK STAKE

SEK 4.1BN
FAIR VALUE

7.5M
ACTIVE CUSTOMERS

Key data (EURm)	Oct-Dec		Full year	
	2015	2014	2015	2014
Revenue	865	666	2 955	2 214
% Growth	30%	-	33%	-
EBIT	61	66	96	82
% Margin	7%	10%	3%	4%

* EBIT adjusted for share-based compensation. Figures for 2015 are preliminary, figures included in table represent bottom of preliminary range

Key data (EURm)	Jan-Sep		Full year	
	2015	2014	2014	2013
Net revenues	650	-	627	317
% Growth	-	-	98%	-
Gross profit	212	-	186	97
% Margin	33%	-	30%	31%
EBITDA	-225	-	-235	-149
% Margin	-35%	-	-37%	-47%

* Based on simple aggregation. EBITDA adjusted for share-based compensation



Rocket Internet is a global internet platform that incubates and develops e-commerce and other consumer-oriented online companies. It has a network of companies in 110 countries outside US and China.

- In the first nine months of 2015, Rocket Internet's Proven Winners demonstrated continued strong performance with an average weighted net revenue and GMV growth of 120% compared to the same period the previous year
- The Rocket Internet Capital Partners Fund completed its first closing of USD 420m. The fund will co-invest alongside Rocket to ensure availability of capital for Rocket's private companies

13.2%
KINNEVIK STAKE

SEK 5.6BN
FAIR VALUE

110
OF COUNTRIES

Qliro Group

Qliro Group is an e-commerce group in the Nordic region. Established in 1999, the Group has expanded its product portfolio and is now a leading e-commerce player within consumer goods and lifestyle products.

- Qliro Group's largest segment, CDON Marketplace, delivered both strong sales and a significant earnings improvement in the fourth quarter
- Qliro Financial Services continued to develop in line with high expectations, and the company reported positive earnings in the fourth quarter. Loans to the public amounted to SEK 530m at the end of 2015
- Operational warehouse disturbances in Lekmer had a significant impact on the company's and Qliro Group's sales and earnings

28.5%
KINNEVIK STAKE

SEK 513M
FAIR VALUE

4.2M
ACTIVE CUSTOMERS

Key data (SEKm)	Oct-Dec		Full year	
	2015	2014	2015	2014
Net Sales	1 685	1 650	5 174	4 967
% Growth	2%	-	4%	-
Gross profit	227	219	730	710
% Margin	14%	13%	14%	14%
EBITDA	7	15	-24	35
% Margin	0%	1%	-0%	1%

* Excluding divested operations and non-recurring items



Home24 is an online store for furniture and home accessories in seven core markets in Europe and in Brazil. The broad range of around 180,000 products from over 800 manufacturers includes furniture, lamps, home accessories and garden equipment.

- Home24 acquired the German home & living competitor Fashion4Home to expand its leadership position in its home market. The transaction adds an experienced management team to the company, further specializes its supplier network especially in Asia, and provides access to an offline sales channel
- The company accelerated its private label sales effort and launched seven new labels in the first three quarters of 2015 including Loistaa, a lighting collection, Smood, a bed mattress label, and Says Who, a Nordic design furniture brand



Westwing is an international home & living e-commerce company offering a curated selection of home décor, interior design and furniture products. Westwing covers 14 markets across Europe, Brazil and Russia.

- Westwing expanded its product offering by partnering with an ever-increasing number of suppliers, and currently has a unique network of over 3,500 brand partners as well as a growing share of private label sales
- WestwingNow, the assortment shop model in Germany with over 20,000 products, grew substantially and has proven to be a successful cross selling channel while bringing new customer to the Westwing platform

17%

KINNEVIK STAKE

SEK 801M

FAIR VALUE

0.9M

ACTIVE CUSTOMERS

17%

KINNEVIK STAKE

SEK 387M

FAIR VALUE

0.9M

ACTIVE CUSTOMERS

Key data (EURm)	Jan-Sep		Full year	
	2015	2014	2014	2013
Revenue	172	105	160	93
% Growth	63%	-	73%	-
Gross profit	64	39	59	36
% Margin	37%	37%	37%	39%
EBITDA*	-56	-27	-49	-32
% Margin	-33%	-26%	-31%	-34%

* EBITDA adjusted for share-based compensation

Key data (EURm)	Jan-Sep		Full year	
	2015	2014	2014	2013
Revenue	154	121	183	110
% Growth	27%	-	66%	-
Gross profit	65	52	79	45
% Margin	42%	43%	43%	41%
EBITDA*	-46	-35	-47	-37
% Margin	-30%	-29%	-26%	-33%

* EBITDA adjusted for share-based compensation

LAZADA

Launched in 2012, Lazada is the leading online shopping and selling destination for assorted merchandise in South East Asia, with presence in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

- Lazada further solidified its market leadership in South East Asia, supported by its cross-border marketplace model which now represents more than 75% of the company's GMV
- The shift towards a marketplace model also accelerated assortment growth. By the end of the third quarter, there were over 9.6 million products available on Lazada, compared to 3.2 million products three months earlier
- Mobile remains a key driver of growth and generated more than half of total GMV during the third quarter

9%

KINNEVIK STAKE

SEK 520M

FAIR VALUE

7.3M

ACTIVE CUSTOMERS



Launched in 2012, Linio is an online shopping and selling destination in Spanish speaking Latin America, with presence in Argentina, Chile, Colombia, Ecuador, Mexico, Panama, Peru and Venezuela.

- Linio strengthened its position as the leading player in the Latin American general merchandise vertical, with a solid GMV growth of 94%. This was largely driven by high marketplace growth and significant expansion of the international assortment
- A disciplined approach to reach profitability and improve monetisation of marketplace services led to a gross margin of 23% in the first nine months, a significant improvement from 10% in the same period the previous year

8%

KINNEVIK STAKE

SEK 135M

FAIR VALUE

1.0M

ACTIVE CUSTOMERS

Key data (EURm)	Jan-Sep		Full year	
	2015	2014	2014	2013
GMV	691	213	384	95
% Growth	225%	-	305%	-
Net revenue	191	105	154	75
% Growth	81%	-	104%	-
Gross profit	45	13	22	5
% Margin	24%	12%	14%	7%
EBITDA	-213	-90	-147	-58
% Margin	-111%	-86%	-95%	-77%

* GMV includes taxes and shipping costs. EBITDA is adjusted for share-based compensation

Key data (EURm)	Jan-Sep		Full year	
	2015	2014	2014	2013
GMV	130	67	127	61
% Growth	94%	-	107%	-
Net revenue	52	36	62	48
% Growth	43%	-	29%	-
Gross profit	12	4	5	5
% Margin	23%	10%	8%	10%
EBITDA	-43	-31	-52	-30
% Margin	-84%	-85%	-84%	-62%

* GMV includes taxes and shipping costs. EBITDA is adjusted for share-based compensation



Konga is one of the largest general merchandise marketplaces in Nigeria and ranks as one of the top ten websites in the country.

- Konga continued the roll-out of its proprietary secure payments method KongaPay, which now represents approximately 10% of total orders
- Konga achieved record breaking Yakata (Black Friday) sales with a GMV increase by 100% year-on-year
- A new scorecard was rolled out to improve the pricing of shipping costs across Nigeria



Saltside operates the top online horizontal classifieds platform in four frontier markets - Bangladesh, Sri Lanka, Ghana and Nigeria.

- Saltside launched membership packages for small enterprises, allowing them to have customised store-front pages and greater access to value-added services.
- The company also had a successful launch of its delivery programme, which aims to solve the last-mile logistics problems faced by its users in frontier markets

34%

KINNEVIK STAKE

SEK 103M

FAIR VALUE

61%

KINNEVIK STAKE

SEK 195M

FAIR VALUE

210 000

ACTIVE CUSTOMERS

4.1M

DECEMBER UMV_s



Quikr is India's number one online classifieds platform. Launched in 2008, today the company has over 4.2 million listings and have generated over 150 million replies.

- Quikr agreed a combination with CommonFloor, a leading real estate classifieds portal, to strengthen the QuikrHomes offering. In particular, the combination will provide an enhanced focus on primary development and community management software
- The company continued to focus on accelerating verticalisation and targeted ad campaigns, resulting in an acceleration of monetisation

19%

KINNEVIK STAKE

SEK 1.5BN

FAIR VALUE

28.5M

DECEMBER UMV_s

Entertainment



Modern Times Group is an international entertainment group. Its operations span six continents and include TV channels and online platforms, content production and distribution businesses, radio stations, multi-channel networks and e-sports.

- During the fourth quarter MTG delivered record sales, driven by the company's transformation from a traditional broadcaster to a broad based digital entertainment company as manifested by the company's acquisitions within e-sports and MCN
- Viaplay continued to perform above expectations following investments and enhancements in the product offering
- MTG's Board of Directors has decided to recommend an ordinary dividend 2015 amounting to SEK 11.50 per share, corresponding to an increase of 5%



Iroko is a subscription based video on demand platform with the most comprehensive catalogue of African content across the globe. Iroko has subscribers in over 100 countries.

- Iroko partnered with Canal+ Overseas in a joint venture to build the company's Nollywood video on demand service for French speaking Africa
- The company expanded its London office to further scale the content distribution business. Iroko is already the main Nollywood content provider for several Pay-TV, online and offline entertainment companies
- The company released an updated version of its download-only Android app that further enhanced speed and user experience

20.3%

KINNEVIK STAKE

SEK 2.9BN

FAIR VALUE

17%

KINNEVIK STAKE

SEK 86M

FAIR VALUE

1.0M

PREMIUM SUBSCRIBERS IN THE NORDICS

58 000

SUBSCRIBERS

Key data (SEKm)	Oct-Dec		Full year	
	2015	2014	2015	2014
Revenue	4 545	4 371	16 218	15 746
% Growth	4%	-	3%	-
EBIT	434	478	1 268	1 290
% Margin	10%	11%	8%	8%
Net profit/loss	375	471	251	1 172

* EBIT excluding non-recurring items

Financial Services & Other



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

- Following the success of retail banking in Ghana, where the MyMoney mobile-enabled multi-product initiative was launched in late 2014 and already has more than 30,000 customers on the platform, Bayport expanded its offering in Zambia to include the retail banking suite of products
- During the fourth quarter, Bayport continued to strengthen its capital base by raising SEK 1.1bn of 2018 bonds. In addition, in 2016 Bayport finalized a USD 250m OPIC facility on attractive terms, securing long term funding and improving its cost of capital



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

- BIMA added 1.5 million subscribers during the fourth quarter and the product portfolio was further expanded across markets with both new insurance products as well as value added health services. Doctor's consultation over phone has now been launched in Ghana, Bangladesh, Paraguay and Indonesia
- New mobile operator partnership agreements, enabling new market launches in first half of 2016, were finalized in the fourth quarter. BIMA also added new partnership agreements with micro finance institutions in several existing markets in order to further develop its distribution channels beyond mobile operator partnerships

24%

KINNEVIK STAKE

SEK 1.3BN

FAIR VALUE

557 000

CUSTOMERS

39%

KINNEVIK STAKE

SEK 351M

FAIR VALUE

20.7M

REGISTERED CUSTOMERS

Financial review

DIVIDEND AND CAPITAL STRUCTURE

During 2015 Kinnevik received cash dividends from its investee companies of SEK 3.0bn (whereof SEK 1.6bn in ordinary dividends and SEK 1.4bn in extraordinary dividends), and paid dividends to Kinnevik's shareholders of SEK 2.0bn.

As at 31 December 2015 Kinnevik had a net cash position of SEK 7.6bn, excluding cash in the operating subsidiaries and after deducting debt for unpaid investments.

For 2015, the Kinnevik Board of Directors recommends an ordinary dividend of SEK 7.75 per share. The Board of Directors of Millicom, Tele2 and MTG have recommended dividends as per below.

Kinnevik's part of dividend recommended to be paid from listed investee companies		Amount (SEKm)
Millicom	USD 2.64 per share *	846
Tele2	SEK 5.35 per share	725
MTG	SEK 11.50 per share	155
Total expected ordinary dividends		1 726

Recommended dividend to Kinnevik's shareholders		
Ordinary dividend	SEK 7.75 per share	2 150
Total recommended ordinary dividend		2 150

* USD/SEK of 8.47

Kinnevik will execute a SEK 500m share buyback program between 15 February and 23 March 2016. The Kinnevik Board of Directors intends to propose to the Annual General Meeting that the share capital in the company be reduced by cancelling the repurchased shares.

REVISED FINANCIAL TARGETS

Based on the current portfolio composition, Kinnevik aims for an annual **total shareholder return** of 13% over the cycle.

Given the nature of Kinnevik's new investments, the goal is to have low or no **leverage** in the parent company.

Kinnevik aims to pay an annual **dividend** growing in line with dividends received from our investee companies and the cash flow generated from our investment activities.

Kinnevik will make **share buybacks** when our shares trade at a significant discount to their intrinsic value, as perceived by Kinnevik, and the company has significant net cash (taking into consideration its dividend expectations, net investment plan and operating cost).

INVESTMENT ACTIVITY

Investee company (SEKm)	Oct-Dec 2015	Full-year 2015
Global Fashion Group	-	555
Quikr	-	517
Westwing	-	186
BIMA	-	129
Saltside	-	41
Other	33	134
Gross investments	33	1 562
Avito	7 166	7 166
Rolnyvik	385	385
Transcom	-	580
Foodpanda	-	80
Other	82	87
Gross divestments	7 633	8 298
Net investments	-7 600	- 6 736

During the fourth quarter, Kinnevik divested its entire stake in Avito for a consideration of USD 846m, corresponding to SEK 7,166m, as well as its entire stake in Rolnyvik for a consideration of PLN 183m, corresponding to SEK 385m, bringing Kinnevik's divestments during the fourth quarter to SEK 7,633m.

Total investments amounted to SEK 33m in the fourth quarter. Accordingly, Kinnevik's net investments (gross investments net of divestments), amounted to negative SEK 7,600m during the fourth quarter.

For the full-year 2015, Kinnevik's net investments amounted to negative SEK 6,736m.

For 2016, Kinnevik expects net investments to amount to SEK 2-3bn.

EVENTS AFTER THE REPORTING PERIOD

On 15 January, Kinnevik announced that it had invested GBP 10m into babylon, a UK based digital healthcare service provider.

VALUATION OF UNLISTED ASSETS

Investment (SEKm)	Kinnevik ownership	Accumulated net invested amount	Fair value 31 Dec 2015	Change in fair value and dividends received ⁴		Valuation method
				Oct-Dec 2015	Full-year 2015	
Global Fashion Group ^{1,2,3}	26%	4 155	4 067	-1 233	-2 696	Sales multiple
Home & Living						
Home24 ³	17%	806	801	-18	-44	Sales multiple
Westwing ³	17%	361	387	-87	-178	Sales multiple
Other	Mixed	102	62	8	-70	Mixed
Other E-commerce						
Lazada ¹	9%	502	520	-12	-36	Sales multiple
Linio ^{1,3}	8%	191	135	-8	-89	Sales multiple
Konga	34%	209	103	-306	-189	Sales multiple
Other ^{1,2}	Mixed	732	270	-117	-249	Mixed
Marketplaces						
Avito	-	-	-	70	4 859	-
Quikr	19%	879	1 519	8	577	Latest transaction
Saltside	61%	195	195	-	-	Latest transaction ⁵
Wimdu ³	27%	367	275	-99	-106	Sales multiple
Other	Mixed	151	35	-44	-	Mixed
Total E-Commerce & Marketplaces		8 649	8 369	-1 838	1 779	
Iroko	19%	53	86	18	21	Latest transaction
Metro	100%	1 026	353	-30	-142	DCF
Other	Mixed	58	50	-5	-6	Mixed
Total Entertainment		1 137	489	-17	-127	
Bayport	24%	467	1 278	-178	246	Price/book ratio
Milvik/BIMA	39%	213	351	2	16	Latest transaction
Rolnyvik	-	-	-	135	135	-
Other	Mixed	560	205	10	-93	Mixed
Total Financial Services & Other		1 240	1 834	-31	304	
Total Unlisted Assets		11 026	10 692	-1 886	1 956	

¹ Accumulated net invested amounts and comparable periods have been adjusted pro forma for transactions related to the merger of Global Fashion Group as well as the sale of Kanui and Tricae to Global Fashion Group

² Accumulated net invested amounts include the value of share distributions received from Rocket Internet

³ Ownership not adjusted for employee stock option plans and employee equity at subsidiary level

⁴ Including change in fair value and dividends received relating to subsidiaries that are consolidated into the group's financial statements

⁵ Equivalent to invested amount in the company's respective share classes

FAIR VALUES AS AT 31 DECEMBER 2015

At the end of December, Kinnevik's unlisted assets were valued at a total of SEK 10,692m, to be compared with an accumulated invested amount (net after dividends received) of SEK 11,026m. The unrealized change in fair value amounted to negative SEK 1,886m in the fourth quarter (including changes in the assessed value of subsidiaries when calculating net asset value), as specified in the table on the previous page.

As a consequence of Kinnevik's investee companies adopting different financing structures, the value of Kinnevik's shareholding in an investee company may be higher or lower than implied by Kinnevik's percentage ownership stake.

GLOBAL FASHION GROUP

In June 2015, the shareholders of Global Fashion Group ("GFG") agreed upon a EUR 150m primary capital raise at a post-money valuation of EUR 2.9bn. The subsequent contribution of Kanui and Tricae implied a post-transaction valuation of GFG of EUR 3.1bn. Since the June funding round was agreed on a pro rata basis between the major existing investors, and the acquisition of Kanui and Tricae was a share for share transaction, neither have been used as sole basis for determining the fair value of Kinnevik's shares in GFG. The valuation has instead been based on a multiple of 2.2x the company's latest publicly available 12 months' net revenues (ending on 30 September 2015). The applied sales multiple represents a 15% discount to GFG's listed and profitable developed market peers. The discount has been applied in consideration of public equity markets' increased focus on earnings at the expense of growth, and the general discounting of emerging market companies vis-à-vis developed market companies. The valuation of Kinnevik's aggregate shareholding in GFG implies a EUR 2.0bn valuation of the company's equity as a whole.

OTHER E-COMMERCE

Revenue multiple valuations have been applied for Kinnevik's shareholdings in the e-commerce companies listed in the table on the right hand side. The valuations have in all cases been based on the respective company's latest publicly available 12 months' net revenues (ending on 30 September 2015).

The peer group's average revenue multiple has been left unadjusted for Home24 at 1.6x and marginally discounted downwards for Westwing to 1.4x when assessing the fair values of Kinnevik's shareholding.

In recent quarters, the valuation of Kinnevik's shareholding in Konga has been based on the implied valuation in a June 2015 funding round. In consideration of subsequent developments in the Nigerian currency and market environment, the valuation of Kinnevik's shareholding as at 31 December 2015 has instead been based on a sales multiple methodology as further described below.

Kinnevik's general e-commerce investee companies, Lazada, Linio and Konga, are continuing their shift from a purely inventory based business model into a marketplace model, where third party products are sold on the companies' platforms. Revenues from this model generally consist of the fees charged third party merchants. To reflect the ongoing

shift in business model in the method of valuing Kinnevik's shareholding in each company, the average trading multiples of two different peer groups have been applied in proportion to the revenue contribution of each business model. The weighted average multiple applied on the respective company's latest publicly available 12 months' net revenue is 2.5x for Lazada, 1.5x for Linio and 1.3x for Konga.

Company	31 Dec 2015 *	30 Sep 2015 *	Adjusted multiple **
GFG	2.2	2.9	Yes
Home24	1.6	1.6	No
Westwing	1.4	1.5	Yes
Lazada	2.5	2.0	No
Linio	1.5	1.4	No
Konga	1.3	-	No
Wimdu	1.5	2.5	Yes

* Sales multiple, latest publicly available 12 months historical sales

** Sales multiple has been adjusted as per 31 December 2015 to reflect differences in factors such as profitability and growth rate. See Note 5 for further details

MARKETPLACES

The valuation of Kinnevik's shares in Quikr has as in the previous quarter been based on the value implied by cash transactions made in secondary Quikr shares with various preferential rights in July 2015 at a valuation of USD 900m. The size of the transactions, approximately 6% of the company's diluted share capital at that point in time, is considered sufficiently large to be applied to Kinnevik's entire shareholding in Quikr.

As in previous quarters, Kinnevik's shares in Wimdu have been valued applying a multiple on the company's latest publicly available 12 months' net revenues. The applied multiple as at 31 December 2015 amounts to 1.5x, compared to 2.5x applied as at 30 September 2015.

FINANCIAL SERVICES

In previous quarters, Kinnevik's shareholding in Bayport has been valued based on the implied valuation from the company's funding round in May 2015. In consideration of recent market developments, including local currency movements, Kinnevik's shareholding as at 31 December 2015 has been valued applying a 3.0x multiple to the company's latest reported book value of equity. The applied multiple corresponds to a 25% discount to Bayport's listed peers, reflecting the company's relative size and maturity.

For Kinnevik's shares in Milvik/BIMA, the valuation as at 31 December 2015 has been based on the latest transaction at arm's length, consisting of a financing round with participation from new investors.

FAIR VALUES AND IMPLIED VALUES FROM LATEST TRANSACTIONS AS AT 31 DECEMBER 2015

Investment (SEKm)	Valuation in latest transaction	Implied value Kinnevik's stake	Fair value Kinnevik's stake	Difference	Nature of latest transaction
Global Fashion Group	28 027	7 163	4 067	3 096	New share issue
Home24	8 799	1 538	801	737	New share issue
Westwing	4 391	726	387	339	New share issue
Lazada	9 158	866	520	346	New share issue
Linio	4 287	362	135	227	New share issue
Quikr	11 277	2 110	1 519	591	New share issue
Saltside	955	581	195	386	New share issue
Bayport	6 036	1 463	1 278	185	New share issue
BIMA	1 165	468	351	117	New share issue
Iroko	458	86	86	-	New share issue
Other E-Commerce & Marketplaces	-	1 582	745	837	New share issues
Other Financial Services	-	123	115	8	New share issues
Other Entertainment	-	408	403	5	Various
Other	-	90	90	-	Various
Total		17 566	10 692	6 874	

In a number of Kinnevik's unlisted investee companies, shares have been issued or transacted at price levels that exceed Kinnevik's recognized assessed fair values. Newly issued shares may have preferential rights such as higher preference over an investee company's assets in the event of a liquidation or sale than Kinnevik's shares have, may represent a small share of an investee company's share capital, and may be directed solely to existing shareholders. Transactions in secondary shares may also represent a small share of an investee company's share capital or otherwise not be reflective of the value of an investee company as a whole. Kinnevik therefore does not necessarily consider these price

levels as the most relevant base in assessing the fair values in Kinnevik's accounts.

As specified in the table above, the total difference between the valuations implied by the latest transactions and the fair values in Kinnevik's books amounted to SEK 6.9bn applied to Kinnevik's shareholdings as at 31 December 2015, whereof Kinnevik's E-Commerce & Marketplaces portfolio represented SEK 6.6bn.

For further information about valuation principles and assumptions, please see Note 5.

TOTAL SHAREHOLDER RETURN
The Kinnevik share's average annual total return

Past 30 years	16%
Past 10 years	16%
Past 5 years	18%
Past 12 months	5%

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

Condensed Consolidated Income Statement

SEK m	Note	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Change in fair value of financial assets	5	1 318	8 124	-1 456	19 494
Dividends received	6	-	-	2 984	2 350
Revenue		306	379	1 129	1 245
Cost of goods sold and services		-132	-113	-513	-571
Selling and administration costs		-320	-359	-1 039	-1 057
Other operating income		211	36	285	57
Other operating expenses		-9	-192	-210	-637
Operating profit/loss		1 374	7 875	1 180	20 881
Financial net		5	-18	-21	-27
Profit/loss after financial net	4	1 379	7 857	1 159	20 854
Tax		-17	11	-30	9
Net profit/loss for the period		1 362	7 868	1 129	20 863
Of which attributable to:					
Equity holders of the Parent company		1 408	7 864	1 247	20 891
Non-controlling interest		-46	4	-118	-28
Net profit/loss per share before dilution		5.08	28.36	4.50	75.33
Net profit/loss per share after dilution		5.07	28.33	4.49	75.27
Average number of shares before dilution		277 396 796	277 359 896	277 380 851	277 343 257
Average number of shares after dilution		277 567 756	277 494 640	277 516 889	277 529 845

CONSOLIDATED EARNINGS FOR THE FOURTH QUARTER

The change in fair value of financial assets amounted to a profit of SEK 1,318m (profit of 8,124) for the fourth quarter of which a profit of SEK 3,336m (profit of 7,770) was related to listed holdings and a loss of SEK 2,018m (profit of 354) was related to unlisted holdings, see note 5 and 6 for further details.

Other operating income includes a profit from sales of Rolnyvik and other subsidiaries of SEK 202m.

CONSOLIDATED EARNINGS FOR THE YEAR

The change in fair value of financial assets, including dividends received, amounted to a profit of SEK 1,528m (profit of 21,844) for the year of which a loss of SEK 508m (profit of 6,854) was related to listed holdings and a profit of SEK 2,036m (profit of 14,990) was related to unlisted holdings, see note 5 and 6 for further details.

Other operating expenses includes an impairment of intangible fixed assets in Metro of SEK 141m.

Condensed Consolidated Statement of Comprehensive Income

SEK m	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Net profit/loss for the period	1 362	7 868	1 129	20 863
OTHER COMPREHENSIVE INCOME				
Items that will be reclassified to profit and loss				
Translation differences	-51	36	-71	11
Cash flow hedging -gains/losses during the period	4	-38	2	-47
Total items that will be reclassified to profit and loss	-47	-2	-69	-36
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD	-47	-2	-69	-36
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1 315	7 866	1 060	20 827
Total comprehensive income for the period attributable to:				
Equityholders of the Parent Company	1 367	7 893	1 190	20 853
Non-controlling interest	-52	-27	-130	-26

Condensed Consolidated Cash Flow Statement

SEK m	Note	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Dividends received	6	-	-	2 984	1 400
Operating cash flow - operating subsidiaries		-20	13	-172	-76
Operating cash flow - investment operation		-50	-57	-180	-185
Cash flow from operations before interest net and income taxes		-70	-44	2 632	1 139
Interest, received		5	2	13	17
Interest, paid		-12	-12	-44	-44
Income taxes, paid		0	-7	0	-7
Cash flow from operations		-77	-61	2 601	1 105
Acquisition of subsidiaries		-	-	-23	-7
Sale of subsidiaries		382	-	382	-
Investments in financial assets		-339	-443	-1 504	-1 574
Sale of shares and other securities		7 169	29	7 932	61
Other		0	-40	-10	-70
Cash flow from investing activities		7 212	-454	6 777	-1 590
Change in interest bearing loans		-15	7	-13	48
Dividend paid to equity holders of the Parent company		-	-	-2 011	-1 941
Contribution from holders of non-controlling interest		-	10	289	10
Other		-	9	0	-5
Cash flow from financing activities		-15	26	-1 735	-1 888
Cash flow for the period		7 120	-489	7 643	-2 373
Cash and short term investments, opening balance		2 117	2 083	1 594	3 967
Cash and short term investments, closing balance		9 237	1 594	9 237	1 594
SUPPLEMENTARY CASH FLOW INFORMATION					
Investments in financial assets	5	-33	-360	-1 476	-1 342
Non-cash investments		-	-	-	71
Current period investments, not yet paid		-	-	62	0
Prior period investments, paid in current period		-306	-83	-90	-303
Cash flow from investments in financial assets		-339	-443	-1 504	-1 574

Condensed Consolidated Balance Sheet

SEK m	Note	2015 31 Dec	2014 31 Dec
ASSETS			
Fixed assets			
Intangible fixed assets		113	293
Tangible fixed assets		122	335
Financial assets accounted at fair value through profit and loss	5	75 443	83 259
Other fixed assets		11	26
Total fixed assets		75 689	83 913
Other current assets		330	558
Short term investments		8 321	1 311
Cash and cash equivalents		916	283
TOTAL ASSETS		85 256	86 065
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to equityholders of the Parent Company		83 282	84 176
Shareholders' equity attributable to non controlling interest		172	30
Interest bearing liabilities, long term		1 275	1 289
Interest bearing liabilities, short term		5	9
Non interest bearing liabilities		522	561
TOTAL EQUITY AND LIABILITIES		85 256	86 065

Condensed Report Of Changes In Equity For The Group

SEK m	2015 Full year	2014 Full year
Equity, opening balance	84 206	65 319
Total comprehensive income for the period	1 060	20 827
Contribution from non-controlling interest	289	10
Acquisition from non-controlling interest	-65	-
Divestments, non-controlling interest	-17	-
Dividend paid to owners of non-controlling interest	-	-5
Dividend paid to shareholders of the Parent company	-2 011	-1 941
Effect of employee share saving programme	-8	-4
Equity, closing amount	83 454	84 206
Equity attributable to the shareholders of the Parent Company	83 282	84 176
Equity attributable to non-controlling interest	172	30

Key Ratios

Ratio	Note	2015 31 Dec	2014 31 Dec
Debt/equity ratio		0.02	0.02
Equity ratio		98%	98%
Net cash/(Net debt) for the Group	7	7 910	402

DEFINITIONS OF KEY RATIOS

Active customers	Number of customers having made at least one order within the last 12 months.
Debt/equity ratio	Interest-bearing liabilities including interest-bearing provisions divided by shareholders' equity.
Equity ratio	Shareholders' equity including non-controlling interest as percentage of total assets.
Net cash/(net debt)	Interest bearing receivables, short-term investments and cash and cash equivalents less interest-bearing liabilities including interest-bearing provisions and net debt unpaid investments/divestments.
Total shareholder return, TSR	Change in market price and dividends paid assuming that shareholders have reinvested all cash dividends and dividends in kind into the company's share.
Internal rate of return, IRR	Annualized return based on fair value at the beginning and end of the respective period, includes cash dividends and dividends in kind and is calculated on a SEK basis.
Gross Merchandise Value, GMV	Total value of all sale transactions during the period, including taxes but excluding shipping costs.
Unique Monthly Visitors, UMV	Number of unique monthly visitors of a classifieds platform.

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 report was prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Reporting.

The accounting principles and calculation methods applied in this report are the same as those described in the 2014 Annual Report.

To make the financial statements for Kinnevik better reflect the activities of the group, Kinnevik has, after an assessment, decided to apply Investment Entity accounting according to IFRS 10. This means that the operating subsidiaries will be valued at fair value through profit and loss instead of being consolidated from 1 January 2016. The effect of changing to Investment Entity accounting would have had a less than 1% positive effect on Shareholders' equity at 31 December 2015 and a positive effect on the Net result for the full year 2015 of approximately SEK 70m.

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. Kinnevik is also exposed to political and other market and funding related risks since a number of the companies Kinnevik has invested in are early stage businesses and may 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 2014 Annual Report.

NOTE 3 RELATED PARTY TRANSACTIONS

Related party transactions for the period are of the same character as the transactions described in the 2014 Annual Report.

NOTE 4 CONDENSED SEGMENT REPORTING

SEK m	Operating subsidiaries	Investment operation	2015	Operating subsidiaries	Investment operation	2014
			Full year			Full year
			Total			Total
Change in fair value of financial assets	-	-1 456	-1 456	-	19 494	19 494
Dividends received	-	2 984	2 984	-	2 350	2 350
Revenue	1 123	6	1 129	1 225	20	1 245
Cost of goods and services sold	-513	-	-513	-571	-	-571
Selling and administration costs	-809	-230	-1 039	-839	-218	-1 057
Other operating income and expenses	74	1	75	-607	27	-580
Operating profit/loss	-125	1 305	1 180	-792	21 673	20 881
Financial net	-1	-20	-21	-10	-17	-27
Profit/loss after financial net	-126	1 285	1 159	-802	21 656	20 854

Operating subsidiaries includes Metro, Vireo Energy, Rolnyvik (divested in November 2015), Saltside Technologies, AVI (divested in July 2015) and G3 Good Governance Group.

NOTE 5 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 preferential rights, such as senior liquidation preference to the company's assets than earlier issued shares. For companies where no or few recent arm's length transactions have been performed, a valuation is conducted either by applying relevant multiples to the company's historical and forecast key figures, such as sales, profit, equity, or by discounting future expected cash flows. When performing a valuation based on multiples, consideration is given to potential adjustments due to, for example, difference in size, historic growth, profitability and geographic market between the current company and the group of comparable companies.

The valuation process for Kinnevik's unlisted holdings is run 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 each quarter 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 December 2015:

Company	Valuation method	Valuation assumptions
Global Fashion Group	The valuation is based on the average sales multiple of a group of comparable companies (Zalando, Asos and Yoox Net-a-Porter Group), adjusted with a 15% discount on an aggregated level to adjust for emerging market exposure and path to profitability. The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.	12 months historical sales (ending 30 September 2015) Multiple: 2.2x
Home24	The valuation is based on the average sales multiple of a group of comparable companies (including Ocado Group, Zalando and AO World). The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.	12 months historical sales (ending 30 September 2015) Multiple: 1.6x

Company	Valuation method	Valuation assumptions
Westwing	<p>The valuation is based on the average sales multiple of a group of comparable companies (including Ocado Group, Zalando and AO World).</p> <p>The average sales multiple of the peer group has been reduced by 10% due to factors such as lower profitability and company size.</p> <p>The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.</p>	<p>12 months historical sales (ending 30 September 2015)</p> <p>Multiple: 1.4x</p>
Lazada	<p>The valuation is based on the average sales multiple of a group of comparable companies. Lazada generates revenue from two business models, inventory and marketplace. Accordingly, two different peer groups are used in the valuation and the multiple weighted based on sales. The peer group for the inventory model includes Amazon, Qliro Group, JD.com and AO World. The peer group for the marketplace model includes MercadoLibre, Rakuten and Alibaba.</p> <p>The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.</p>	<p>12 months historical sales (ending 30 September 2015)</p> <p>Multiple: 2.5x</p>
Linio	<p>The valuation is based on the average sales multiple of a group of comparable companies. Linio generates revenue from two business models, inventory and marketplace. Accordingly, two different peer groups are used in the valuation and the multiple weighted based on sales. The peer group for the inventory model includes Amazon, Qliro Group, JD.com and AO World. The peer group for the marketplace model includes MercadoLibre, Rakuten and Alibaba.</p> <p>The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.</p>	<p>12 months historical sales (ending 30 September 2015)</p> <p>Multiple: 1.5x</p>
Konga	<p>The valuation is based on the average sales multiple of a group of comparable companies. Konga generates revenue from two business models, inventory and marketplace. Accordingly, two different peer groups are used in the valuation and the multiple weighted based on sales. The peer group for the inventory model includes Amazon, Qliro Group, JD.com and AO World. The peer group for the marketplace model includes MercadoLibre, Rakuten and Alibaba.</p> <p>The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.</p>	<p>12 months historical sales (ending 30 September 2015)</p> <p>Multiple: 1.3x</p>
Quikr	<p>The valuation is based on the latest transaction at arm's length; secondary share transactions in July 2015. The transaction valued all shares in Quikr at USD 900m.</p>	
Wimdu	<p>The valuation is based on sales multiples for a group of comparable companies: Priceline, Expedia and Tripadvisor.</p> <p>The average sales multiple of the peer group has been reduced by 75% due to factors such as lower profitability and company size.</p> <p>The valuation considers preferential rights that shares have in case of a liquidation or sale of the company.</p>	<p>12 months historical sales (ending 30 September 2015)</p> <p>Multiple: 1.5x</p>
Bayport	<p>The valuation is based on book value multiples for a broader group of comparable companies (including Capitec, Compartamos, IPF and Letshego).</p> <p>The average book value multiple of the peer group has been reduced by 25% due to factors such as size and maturity.</p>	<p>Book value of equity (as of 30 September 2015)</p> <p>Multiple: 3.0x</p>
Milvik/BIMA	<p>The valuation is based on latest transaction at arm's length; new funding during the end of 2014 adjusted for subsequent financing, valuing all shares in Milvik/BIMA at USD 104m.</p>	

For the companies in the table above that are valued based on multiples (i.e. Global Fashion Group, Home24, Westwing, Lazada, Linio, Konga, Wimdu and Bayport), an increase in the multiple by 10% would have increased estimated fair value by SEK 920m. Similarly, a decrease in the multiple by 10% would have decreased estimated fair value by SEK 830m.

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	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Black Earth Farming	57	-74	57	-185
Millicom	-1 309	151	-3 560	-2 176
MTG	34	273	-420	-1 140
Qliro Group	68	-50	-224	-289
Rocket Internet ¹⁾	-218	2 843	-4 993	2 842
Seamless	1	-55	-13	-147
Tele2	488	1 057	-1 342	3 001
Transcom	-	77	89	1
Zalando ¹⁾	4 215	3 548	6 914	3 547
Total Listed assets	3 336	7 770	-3 492	5 454
Avito	70	-175	4 859	-
Bayport	-178	76	246	174
Global Fashion Group ²⁾	-1 233	217	-2 696	2 952
Home24	-18	26	-44	150
Iroko	18	4	21	14
Konga	-306	24	-189	41
Lazada ²⁾	-12	118	-36	110
Linio ²⁾	-8	8	-89	10
Milvik/BIMA	2	15	16	96
Quikr	8	31	577	64
Rocket Internet ¹⁾	-	1	-	6 557
Westwing	-87	98	-178	162
Wimdu	-99	13	-106	20
Zalando ¹⁾	-	1	-	3 347
Other	-175	-103	-345	343
Total Unlisted assets	-2 018	354	2 036	14 040
Total	1 318	8 124	-1 456	19 494

1) Rocket Internet and Zalando have been reclassified from Unlisted assets to Listed assets as a result of IPOs in October 2014. Changes in fair value up until IPO have been included in Unlisted assets and changes thereafter in Listed assets

2) Comparable periods have been adjusted for restructuring relating to merger of Global Fashion Group, contribution of Kanui and Tricac into Global Fashion Group and spin-off of assets within BigCommerce

Book value of Financial assets	31 December 2015 (listed companies)			2015 31 Dec	2014 31 Dec
	Class A shares	Class B shares	Capital/Votes (%)		
Black Earth Farming	51 811 828	-	24.6/24.6	209	151
Millicom	37 835 438	-	37.8/37.8	18 479	22 039
MTG	4 461 691	9 042 165	20.3/48.0	2 938	3 358
Qliro Group	42 613 642	-	28.5/28.5	513	737
Rocket Internet ¹⁾	21 716 964	-	13.2/13.2	5 627	10 620
Seamless	4 232 585	-	9.3/9.3	35	48
Tele2	18 430 192	117 065 945	30.0/47.9	11 524	12 865
Transcom	-	-	-/-	-	494
Zalando ¹⁾	78 427 800	-	31.7/31.7	25 943	19 030
Total Listed assets				65 268	69 342
Avito			N/A	-	2 298
Bayport			24/24	1 278	1 032
Global Fashion Group ²⁾			26/26	4 067	6 210
Home24			17/17	801	833
Iroko			18/18	86	50
Konga			34/34	103	292
Lazada ²⁾			9/9	520	555
Linio ²⁾			8/8	135	184
Milvik/BIMA			39/39	351	206
Quikr			19/19	1 519	425
Rocket Internet ¹⁾			N/A	-	-
Westwing			17/17	387	379
Wimdu			27/27	275	381
Zalando ¹⁾			N/A	-	-
Other				653	1 072
Total Unlisted assets				10 175	13 917
Total				75 443	83 259

1) Rocket Internet and Zalando have been reclassified from Unlisted assets to Listed assets as a result of IPOs in October 2014

2) Comparable periods have been adjusted for restructuring relating to merger of Global Fashion Group, contribution of Kanui and Tricae into Global Fashion Group and spin-off of assets within BigCommerce

Investments in financial assets	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Qliro Group	-	241	-	241
Seamless	-	3	-	3
Total Listed assets	-	244	-	244
Avito	9	-	9	102
Bayport	-	-	-	23
Global Fashion Group ¹⁾	-	-	555	276
Home24	-	3	12	3
Iroko	-	-	15	-
Konga	-	-	-	95
Lazada ¹⁾	-	74	-	72
Linio ¹⁾	17	-	41	-
Milvik/BIMA	-	-	129	64
Quikr	-	-	517	362
Westwing	-	-	186	-
Wimdu	-	-	-	2
Other	7	39	12	99
Total Unlisted assets	33	116	1 476	1 098
Total	33	360	1 476	1 342

1) Comparable periods have been adjusted for restructuring relating to merger of Global Fashion Group, contribution of Kanui and Tricac into Global Fashion Group and spin-off of assets within BigCommerce

Changes in unlisted assets (level 3)	2015 Full year	2014 Full year
Opening balance	13 917	21 178
Investments	1 476	1 098
Distribution of shares in Bigfoot I and Bigfoot II	-	950
Disposals / Exit proceeds	-7 254	-195
Reclassifications ¹⁾	-	-23 149
Change in fair value ¹⁾	2 036	14 040
Exchange gain/loss and other	-	-5
Closing balance	10 175	13 917

1) Rocket Internet and Zalando have been reclassified from Unlisted assets to Listed assets as a result of IPOs in October 2014. Changes in fair value up until IPO have been included in Unlisted assets (Level 3)

NOTE 6 DIVIDENDS RECEIVED

	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Millicom	-	-	823	662
Tele2	-	-	2 012	596
MTG	-	-	149	142
Rocket Internet (shares in Bigfoot I and Bigfoot II)	-	-	-	950
Total dividends received	-	-	2 984	2 350
Of which cash dividends	-	-	2 984	1 400
Of which ordinary cash dividends	-	-	1 629	1 400

NOTE 7 INTEREST BEARING ASSETS AND LIABILITIES

Kinnevik's total interest bearing assets amounted to SEK 9,252m as at 31 December 2015. The short term deposits of SEK 8,321m were mainly split between Swedish money market funds with high credit quality with no restrictions on accessibility. The total amount of interest bearing liabilities was SEK 1,280m and including the debt for unpaid investments of SEK 62m, the Group was in a net cash position of SEK 7,910m (402) as at 31 December 2015.

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 7,151m as at 31 December 2015 whereof SEK 5,800m related to a revolving credit facility and SEK 1,200m related to bonds. The utilization of the credit facilities was SEK 1,220m.

The Group's available liquidity, including interest bearing assets and available unutilized credit facilities, totaled SEK 15,167m (7,524) as at 31 December 2015.

	2015 31 Dec	2014 31 Dec
Interest bearing long term assets		
Other interest bearing assets	15	106
	15	106
Interest bearing short term assets		
Short term investments	8 321	1 311
Cash and cash equivalents	916	283
Other interest bearing assets	0	0
	9 237	1 594
Total interest bearing assets	9 252	1 700
Interest bearing long term liabilities		
Liabilities to credit institutions	50	70
Capital markets issues	1 200	1 200
Accrued borrowing cost	-8	-16
Other interest bearing liabilities	33	35
	1 275	1 289
Interest bearing short term liabilities		
Liabilities to credit institutions	5	9
	5	9
Total interest bearing liabilities	1 280	1 298
Net interest bearing assets	7 972	402
Debt, unpaid investments/divestments	-62	-
Net cash/(Net debt) for the Group including debt unpaid investments	7 910	402

The outstanding loans carry an interest rate of Stibor or similar base rate with an average margin of 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 at 31 December 2015, the average remaining tenor was 2.8 years for all credit facilities including the bond. As at 31 December 2015, Kinnevik had not provided any security for any of its outstanding loans.

Condensed Parent Company Income Statement

SEK m	2015 1 Oct- 31 Dec	2014 1 Oct- 31 Dec	2015 Full year	2014 Full year
Revenue	2	10	6	22
Administration costs	-95	-80	-229	-221
Other operating income	0	26	1	27
Operating loss	-93	-44	-222	-172
Dividends received, external	0	0	1 973	656
Result from subsidiaries	-4 487	0	8 605	1 414
Result from other financial assets	0	-582	0	-694
Net interest income/expense	-6	108	-41	416
Profit/loss after financial items	-4 586	-518	10 315	1 620
Group contribution	31	-649	31	-649
Profit/loss before taxes	-4 555	-1 167	10 346	971
Taxes	0	0	0	14
Net profit/loss for the period	-4 555	-1 167	10 346	985
Total comprehensive income for the period	-4 555	-1 167	10 346	985

Condensed Parent Company Balance Sheet

SEK m	2015 31 Dec	2014 31 Dec
ASSETS		
Tangible fixed assets	4	3
Financial fixed assets	54 278	64 516
Short term receivables	83	328
Short term investments	345	1 284
Cash and cash equivalents	8 337	77
TOTAL ASSETS	63 047	66 208
SHAREHOLDERS' EQUITY AND LIABILITIES		
Equity	52 513	44 185
Provisions	28	29
Long term interest bearing liabilities	10 370	12 555
Short term liabilities	136	9 439
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	63 047	66 208

The Parent Company's liquidity, including short-term investments and unutilized credit facilities, totalled SEK 14,612m (7,300) at 31 December 2015. The Parent Company's interest bearing external liabilities amounted to SEK 1,225m (1,209) on the same dates. Investments in tangible fixed assets amounted to SEK 1m (0) during the period.

Distribution by class of shares on 31 December 2015 was as follows:

	Number of shares	Number of votes	Par value (SEK 000s)
Outstanding Class A shares, 10 votes each	42 369 312	423 693 120	4 237
Outstanding Class B shares, 1 vote each	235 033 410	235 033 410	23 503
Class B shares in own custody	365 468	365 468	37
Registered number of shares	277 768 190	659 091 998	27 777

The total number of votes for outstanding shares in the Company amounted at 31 December 2015 to 658,726,530 excluding 365,468 class B treasury shares. During the year 42,826 Class B-shares have been delivered to participants in long term incentive plans from 2011 and 2012. The Board has authorization to repurchase up to a maximum of 10% of all shares in the Company over 12 months. The Board has not used the authorization during 2015. There are no convertibles or warrants in issue.

KINNEVIK ANNUAL GENERAL MEETING 2016

The Annual General Meeting will be held on 23 May 2016 in Stockholm. Shareholders wishing to have matters considered at the Annual General Meeting should submit their proposals in writing to agm@kinnevik.com or to the Company Secretary, Investment AB Kinnevik, Box 2094, SE-103 13 Stockholm, Sweden, at least seven weeks before the Annual General Meeting, in order that the proposal may be included in the notice to the meeting. Further details on how and when to register will be published in advance of the Meeting.

NOMINATION COMMITTEE FOR THE 2016 ANNUAL GENERAL MEETING

In accordance with the resolution of the 2015 Annual General Meeting, Cristina Stenbeck has convened a Nomination Committee consisting of members appointed by the largest shareholders in Kinnevik that have chosen to appoint a member to the Nomination Committee. The Nomination Committee is comprised of Cristina Stenbeck as Chairman of the Board of Directors and representative of Verdere S.à.r.l., Wilhelm Klingspor representing the Klingspor family, Edvard von Horn representing the von Horn family, James Anderson representing Baillie Gifford, and Ramsay Brufer representing Alecta.

Information about the work of the Nomination Committee can be found on Kinnevik's corporate website, www.kinnevik.com.

FINANCIAL REPORTS

Kinnevik's Annual Report 2015 will be published on Kinnevik's website on 7 April 2016. Dates for 2016 reporting:

27 April	Interim Report January-March 2016
22 July	Interim Report January-June 2016
26 October	Interim Report January-September 2016

Stockholm 11 February 2016

The Board of Directors

Kinnevik discloses the information provided herein pursuant to the Securities Market Act (Sw. lagen om värdepappersmarknaden (2007:528)). The information was submitted for publication at 8.00 CET on 11 February 2016.

REVIEW REPORT

Introduction

We have reviewed the interim report for Investment AB Kinnevik for the period 1 January - 31 December, 2015. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 11 February 2016

Deloitte AB

Jan Berntsson
Authorized Public Accountant

Kinnevik is an entrepreneurial investment group focused on building digital consumer businesses. We work in partnership with talented founders and managers to create, invest in and lead fast growing digital businesses both in developed and developing countries. Kinnevik was founded in 1936 by the Stenbeck, Klingspor and von Horn families. Kinnevik's shares are listed on Nasdaq Stockholm's list for large cap companies under the ticker codes KINV A and KINV B.