

INVIK & CO. AB

YEAR-END RELEASE 2001

Management

The Invik Group consists of the Parent Company, Invik & Co. AB, and a number of operating subsidiaries. The Parent Company is a holding company whose activities include managing a long-term securities portfolio consisting mainly of major investments in a small number of listed companies in which Invik is seeking active management participation mainly through board representation. The subsidiaries are principally active in Finance and Insurance. In addition there are certain other business activities, principally a small brewery.

On 31 December, 2001, the value of the Group's holdings of listed securities was MSEK 7,637. On 18 February, 2002, the value was MSEK 6,248 which gives a premium over the book value of the Group's portfolio of MSEK 3,253 on that date.

The long-term securities portfolio as at 31 December, 2001 consisted of shares in Tele2 AB ("Tele2"), Industrieförvaltnings AB Kinnevik ("Kinnevik"), Modern Times Group MTG AB ("MTG"), Metro International S.A. ("Metro"), Transcom WorldWide S.A. ("Transcom"), and Millicom International Cellular S.A. ("MIC").

- Tele2, 9,724,108 Series "A" shares and 3,090,696 Series "B" shares, equivalent to 24.0 % of the votes and 8.7 % of the share capital.
- Kinnevik, 6,216,387 Series "A" shares and 2,286,936 Series "B" shares, equivalent to 32.4 % of the votes and 13.5 % of the share capital.
- MTG, 6,381,249 Series "A" shares, equivalent to 30.9 % of the votes and 9.6 % of the share capital. After full conversion of convertible loan stock, 30.5 % of the votes and 9.2 % of the share capital.
- Metro, 7,214,582 Series "A" shares, equivalent to 12.9 % of the votes and 6.6 % of the share capital. After full conversion of convertible loan stock, 11.4 % of the votes and 5.3 % of the share capital.
- Transcom, 7,016,815 Series "A" shares and 1,486,508 Series "B" shares, equivalent to 22.0 % of the votes and 13.4 % of the share capital. After full conversion of convertible loan stock, 17.7 % of the votes and 12.0 % of the capital.
- MIC, 940,418 shares and an option on 186,520 shares. The total holding is equivalent to 2.3 % of the votes and share capital.

During Invik's sixteen-year history, the appreciation of its net asset value corresponds to an annual return of 39 %, calculated on the basis of the company's original net asset value of SEK 4 per share in 1985. This may be compared with an annual return of 15 % on the "Affärsvärlden" composite index over the same period. The price of Invik's shares has increased by some 2,530 % since the first day of trading on 1 July, 1987, corresponding to an annual average appreciation of 25 %.

The net asset value, calculated as the market value of listed securities plus the book value of other assets less liabilities, was SEK 897 per share as at 31 December, 2001 and SEK 718 as at 18 February, 2002.

Invik's shares are listed on the Stockholm Stock Exchange's "O" list. The price paid for Series "B" shares on 31 December, 2001 was SEK 579 and on 18 February, 2002 it was SEK 500.

Consolidated earnings

The result after financial items, in accordance with the acquisition method, amounted to MSEK 7.8, which may be compared with income of MSEK 113.2 for the corresponding period in the previous year. Income after tax amounted to MSEK 38.0 (88.0).

The consolidated income above does not include the Parent Company's interest in the earnings of associated companies.

The result according to the equity method is stated in a note.

Financial position and investments

The Group's liquid assets, excluding funds within the banking and insurance operations, i.e. liquid funds and unutilised credit facilities, amounted to MSEK 104.5 at 31 December 2001, which may be compared with MSEK 407.6 at year-end 2000. Other than this, the assets consist principally of listed securities that are immediately realisable. The Group's long-term holdings of listed securities had a total market value of MSEK 7,637.

The Group's net investments in securities during the year amounted to MSEK 231.0. Investments in fixed assets amounted to MSEK 56.5 during the period.

The Parent Company's equity ratio was 52 % as at 31 December, 2001. If the premium over the book value of the long-term securities portfolio is also included, the equity ratio amounted to 77 %. The corresponding equity ratios for the Group are 27 % and 53 % respectively.

Operations and results of subsidiaries and associated companies

Moderna Försäkringar AB reports strong growth in 2001 with more than 20,000 new policyholders. Its policy of focusing its marketing to new customers on profitable segments, coupled with radical measures to improve the profitability of its existing portfolio, together with a marked increase in premiums enabled the insurance business to report sharply improved profitability. The total cost ratio was 89.9 %. The industrial and marine books, which are being phased out, report a modest profit. Total income before tax amounted to MSEK 8.4 (0.4).

Banque Invik S.A., despite the uncertain market conditions, noted a positive trend in its earnings, while also continuing its expansion in all lines of business. Assets under management and the number of clients investing in Moderna Fonder's index funds are increasing constantly. The bank's income after financial items amounted to MSEK 15.6 (11.6).

Modern Privat Kapitalförvaltning AB provides advanced asset management services. It also manages the Aktie-Ansvar fund, as well as acting as a financial advisor through OP Financial Services. Despite the weakness of the stock market, the number of clients for its discretionary management services and the number of investors in Aktie-Ansvar both increased during the year. Assets under management amounted to approx. MSEK 5.000 at the end of the year. Income after financial items amounted to MSEK 0.5 (19.7).

Fischer Partners Fondkommission AB - a wholly owned subsidiary of Invik since 3 September, 2001 - has a market share of 3.3 % on the Stockholm Stock Exchange. The company is currently a market maker for 12 companies on the NGM list. Income after financial items amounted to MSEK 15.1 (65.4).

Although Gamla Stans Bryggeri AB's result improved radically during the year, the company incurred a further loss.

The associated companies Tele2, Kinnevik, MTG, Metro, Transcom and MIC are listed on the Swedish stock market and publish their own annual reports.

Personnel

The average number of employees in the Group during the year was 215. At the year-end, the number of employees was 214, of whom 186 were in Sweden.

Earnings per share

Earnings per share amounted to SEK 4.90 (11.34).

The total number of shares in issue as at 31 December, 2001 was 7,760,000, of which 3,753,333 were Series "A" shares and 4,006,667 Series "B" shares.

Parent Company

The result after financial items amounted to MSEK 19.0 (97.7). Liquid assets at 31 December, 2001 amounted to MSEK 104.5, which may be compared with MSEK 407.6 at the end of 2000. The Parent Company's net investments in shares during the year amounted to MSEK 476.6 and in fixed assets to MSEK 0.1.

The average rate of interest paid on the Parent Company's borrowing during the year was 4.8 % (4.7).

Dividend

The Board recommends that a dividend of SEK 3 per share be paid (6).

Annual General Meeting

The Annual General Meeting will be held at 4.00 p.m. on Thursday, 16 May, 2002 at Gamla Stans Bryggeri, Tullhus 2, Skeppsbron, Stockholm.

Annual Report

The annual report for 2001 is expected to be published at the beginning of April 2002. It will be made available to the public at the company's head office.

Stockholm, 19 February, 2001

Board

Provisional publication dates for interim reports in 2002:

- Interim report for first quarter 26 April
- Interim report for second quarter 6 August
- Interim report for third quarter 25 October

CONSOLIDATED INCOME STATEMENT

Acquisition method * (SEK million)	1 Oct - 31 Dec		Full year	
	2001	2000	2001	2000
Net sales	237,4	216,9	856,4	817,4
Cost of goods and services supplied	-153,5	-135,7	-569,7	-640,4
Gross income	83,9	81,2	286,7	177,0
Selling and administrative expenses	-142,6	-104,3	-375,2	-329,5
Other operating revenues and expenses	23,2	0,1	22,3	5,5
Dividend income	25,5	4,6	106,0	42,7
Capital gains on securities sold	21,2	41,6	27,5	213,8
Operating income	11,2	23,2	67,3	109,5
Net interest expense and other financial items	-7,8	-17,3	-59,5	3,7
Income after financial items ¹⁾	3,4	5,9	7,8	113,2
Minority share in income for the period	0,3	0,3	1,0	0,3
Tax paid	0,0	0,2	-12,7	-7,0
Deferred tax	18,5	8,3	41,9	-18,5
Net income for the period ²⁾	22,2	14,7	38,0	88,0

*The income statement and balance sheet are prepared according to the earlier accounting principles.

¹⁾ Income after financial items according to the equity method	17,4	2 564,1	-270,0	2 768,5
²⁾ Net income for the period according to the equity method	279,1	2 541,3	-70,8	2 640,8

CONSOLIDATED BALANCE SHEET

Acquisition method (SEK million)

Assets	31 Dec	
	<u>2001</u>	<u>2000</u>
Fixed assets		
Goodwill	6,9	105,0
Other intangible assets	129,9	12,1
Tangible assets	34,0	28,5
Financial assets ³⁾	3 496,8	3 268,7
Total fixed assets	3 667,6	3 414,3
Current assets		
Inventories	18,1	1,3
Current receivables	567,7	610,2
Investments	4 017,0	3 719,0
Cash and bank balances	297,8	145,2
Total current assets	4 900,6	4 475,7
Total assets	8 568,2	7 890,0

Equity, provisions and liabilities

Equity		
Restricted equity	1 130,2	1 116,4
Unrestricted equity	1 188,6	1 203,0
Total equity⁴⁾	2 318,8	2 319,4
Minority interest	2,2	3,1
Provisions	127,8	89,8
Long-term liabilities		
Interest-bearing liabilities	1 580,0	1 361,8
Current liabilities		
Interest-bearing liabilities	3 894,1	3 525,2
Non-interest-bearing liabilities	645,3	590,7
Total current liabilities	4 539,4	4 115,9
Total liabilities	6 119,4	5 477,7
Total equity, provisions and liabilities	8 568,2	7 890,0

³⁾ Financial assets according to the equity method

5 515,3 5 422,3

⁴⁾ Total equity according to the equity method

4 337,3 4 473,0

Change to Group equity (SEK million)

	<u>2001</u>	<u>2000</u>
Opening balance as per balance sheet December 31	2 319,4	2 250,4
Exchange rate differences	7,9	4,3
Dividend	-46,5	-23,3
Profit/loss for the period	38,0	88,0
Closing balance	2 318,8	2 319,4

CASH FLOW ANALYSIS

(SEK million)	2001	2000
Cash flow from current operations	-84,3	-98,6
Change in working capital	158,1	-163,7
Total cash flow from current operations	73,8	-262,3
Cash flow from investment operations	-171,8	-418,5
Cash flow from financing operations	250,6	720,6
Change in liquid funds	152,6	39,8
Liquid funds at opening of year	145,2	105,4
Liquid funds at close of period	297,8	145,2

FINANCIAL HIGHLIGHTS

(SEK million)	2001	2000
Equity, SEK million	2,319	2,319
Balance sheet total, SEK million	8,568	7,890
Net asset value, SEK million	6,960	7,829
Equity ratio, I %	27.1	29.4
Equity ratio II, %	52,7	58.5
Debt/equity ratio, multiple	2.6	2.3
Data per share, SEK ¹⁾		
Market price	579	770
Net asset value	897	1 009
Earnings after taxes	4.9	11.3
Market price/net asset value, %	65	76

1) The number of outstanding shares was 7,760,000

Definitions

Net asset value	Equity, adjusted for surplus value/deficit in the long-term securities portfolio without regard to tax effects.
Equity ratio I	Equity, plus minority interest, divided by the balance sheet total.
Equity ratio II	Net asset value, plus minority interest, divided by the balance sheet total, adjusted for surplus value/deficit in holdings of publicly traded securities.