

INVIK & CO. AB

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FINANCIAL RESULTS FOR THE PERIOD 1 JANUARY – 31 MARCH 2003

- The consolidated income after financial items amounted to SEK 75.3 (3.3) million for the period, including capital gain of SEK 90.6 (30.8) million.
- The Parent Company's liabilities to credit institutions continued to decrease and amounted to SEK 1,514 million at the end of the quarter. During the quarter, 600,000 Tele2 B-shares valued at SEK 153 million were sold on the market.
- The market value of the long-term securities portfolio increased during the period by SEK 197 million to SEK 4,393 million.
- The Securities trading division reported an income after financial items of SEK 2.3 (1.6) million. During the quarter, Fischer Partners Fondkommission continued to increase market share on Stockholmsbörsen at the same time as costs have been reduced.
- The Insurance division reported an income after financial items of SEK 1.3 (–1.2) million. The customer base increased by 8,000 new customers during the period.
- Aktie-Ansvar, a subsidiary of MPK, was elected Best Fund Manager 2002 in January 2003.
- The Banking division reported an income after financial items of SEK 6.9 (5.4) million.

Anders Fällman, CEO and President of Invik & Co. AB, commented: "All of the divisions within Modern Finance Group reported a profit for the period, which is a substantial improvement compared with both the first and the fourth quarter of 2002. The long term securities portfolio has increased in value and net debt has been reduced."

"Efforts to increase cash flow within Modern Finance Group have continued during the period, with the result that costs have been reduced and several of the businesses have increased market share".

	31 March 2003	Value/Share	Share of	31 Dec
Net Asset Value	(SEK million)	(SEK)	total assets	2002 (SEK million)
			(%)	
Book value listed securities	2,902.4	374	57	2,965.4
Premium listed securities	1,490.6	192	29	1,231.0
Book value Modern Finance Group	630.1	81	12	618.9
Book value other assets	52.7	7	1	62.9
Net debt Parent Company	–1,695.8	–218	–	–1,813.2
Net asset value	3,380.0	436	–	3,065.0
Market value Invik (closing rate B-share)	2,134.0	275	–	2,009.8
Net asset value discount	37%	–	–	34%

ADMINISTRATION

Invik & Co. AB is an investment company. The Group consists of the Parent Company, Invik & Co. AB, and more than ten operating subsidiaries. The Parent Company manages a long-term securities portfolio. The subsidiaries are principally active in the areas of Banking, Insurance, Asset management and Securities trading.

The value of the Group's holdings of listed securities increased during the period by 5% to SEK 4,393 million as at 31 March 2003, representing a premium of SEK 1,491 million to the book value of the Group's portfolio. The value of the Group's holdings of listed securities was SEK 4,835 million as at 24 April 2003.

The long-term securities portfolio as at 31 March 2003 consisted of the following shares in Tele2 AB ("Tele2"), Industriförvaltnings 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, 9,891,787 A-shares and 2,225,579 B-shares, equivalent to 29.5% of the votes and 8.2% of the equity.
- Kinnevik, 6,281,387 A-shares and 2,286,936 B-shares, equivalent to 32.7% of the votes and 13.6% of the equity.
- MTG, 6,181,249 A-shares, equivalent to 30.0% of the votes and 9.3% of the equity.
- Metro, 7,222,082 A-shares, equivalent to 12.9% of the votes and 6.6% of the equity.
- Transcom, 7,152,046 A-shares and 1,351,277 B-shares, equivalent to 21.8% of the votes and 13.1% of the equity.
- MIC, 313,473 shares, equivalent to 1.9% of the votes and equity.

Although Stockholmsbörsen has fallen sharply over the recent years, the appreciation in Invik's net asset value during its 18-year history has generated an annual return of 30% (excluding dividend), calculated from the basis of the company's original net asset value of SEK 4 per share in 1985. This can be compared with an annual return of 11% on the "Affärsvärlden General Index" during the same period. The price of Invik's shares has increased by 1,150% since the first day of trading on 1 July 1987, equivalent to a compound annual growth rate of 17%.

The net asset value, calculated as the market value of listed securities plus the book value of other assets less liabilities, was SEK 436 per share as at 31 March 2003 and SEK 492 as at 24 April 2003.

Invik's shares have been listed on Stockholmsbörsen since 1997. The last traded price for the A-shares on 31 March 2003 was SEK 266, and SEK 300 on 24 April 2003. The traded price for the B-shares on 31 March 2003 was SEK 275 and SEK 299 on 24 April 2003.

CONSOLIDATED RESULT

The consolidated income after financial items, in accordance with the acquisition method, was SEK 75.3 (3.3) million. The net income was SEK 54.7 (–3.8) million.

The consolidated result above does not include the Parent Company's interest in the earnings of associate companies. The consolidated result in accordance with the equity interest method is shown in a note to the consolidated income statement.

FINANCIAL POSITION AND INVESTMENTS

The Group's liquidity reserve, excluding funds in the banking and insurance operations, i.e. liquid funds and approved but undrawn credits, amounted to SEK 35.6 million at 31 March 2003, compared to SEK 197.1 million at 31 December 2002. The Group's other assets consisted largely of securities in listed companies that are realizable on the stock market. The Group's long-term holdings of listed securities had a total market value of SEK 4,393 (7,275) million as at 31 March 2003.

The Group's net sales of securities during the period amounted to SEK 153.3 million, compared to net investments in securities of SEK 33.7 million for the same period in 2002. Investments in intangible and tangible fixed assets amounted to SEK 1.6 (19.9) million during the period.

The Group's equity ratio was 23.6% (26.9%) as at 31 March 2003. Adjusted for the surplus value of the long-term securities portfolio, the equity ratio was 35.5% (49.7%).

OPERATIONS AND RESULTS OF SUBSIDIARIES**PORTFOLIO MANAGEMENT**

During the first quarter, a total of 600,000 Tele2 B-shares with an average share price of SEK 255.6 were sold on the market. The capital gain of SEK 90.6 million on the sale is accounted for as income from sale of securities in the consolidated income statement. The sum obtained from the sale has been used in order to reduce the Parent Company's debts to credit institutions.

The associate companies Tele2, Kinnevik, MTG, Metro, Transcom and MIC are all listed companies and publish independent interim reports. The income after financial items for Portfolio management amounted to SEK 66.0 (3.3) million.

MODERN FINANCE GROUP

The effort to improve profitability within Modern Finance Group is beginning to pay off. Despite weak financial markets, the result have been improved on both a yearly and a quarterly basis and all divisions within Modern Finance Group are currently profitable. The growth strategy to provide attractive niche products within profitable segments has shown to be successful. The group's companies have managed to strengthen their positions within weak financial markets whilst their competitors have struggled. On the weak financial market,

the strategy of Fischer Partners has shown to be right and the company's share of the trade on Stockholmsbörsen has quickly increased. Moderna Försäkringar's strong financial position and its focus on profitable segments on the insurance market have, in a similar manner, enabled continued growth. Aktie-Ansvar, a subsidiary of MPK, was during the period elected Best Fund Manager 2002. This distinction is a good testimony to MPK's standards of excellence and in the same time a platform for continued growth.

Modern Finance Group reported an income after financial items of SEK 10.6 (3.0) million.

BANKING

Banque Invik's revenue have been negatively affected by continuously volatile market conditions during 2003. The bank's costs were continuously reduced in light of the weak markets.

The corporate financial advisory service, which handles financing issues, has continued its progress. The total assets under management decreased slightly in light of the weak financial markets.

The liquidity ratio was 56% and the capital adequacy ratio was 243%.

The Banking business reported an income after financial items of SEK 6.9 (5.4) million.

INSURANCE

Moderna Försäkringar AB reported continued strong growth for the period with 8,000 new policy holders, an annual increase on premiums of SEK 45 million and a positive trend in the result of its insurance operations despite decreased income from investments. Both the claims frequency and the claims ratio were lower than in 2002. The claims cost ratio amounted to 55.6% and the combined ratio amounted to 87.0%. The industry- and marine run-off portfolio, showed improvements. The income after financial items amounted to SEK 3.0 (0.6) million.

The launch of investment bond and personal pension products by Moderna Försäkringar Liv AB, together with Aktie-Ansvar and Moderna Fonder, has generated considerable attention in the market. The group life business has continued to expand and reported nearly 4,000 new customers during the period as well as continued low claim costs. The income after financial items amounted to SEK -1.2 (-0.7) million.

The remainder of the insurance business in Sweden and Luxembourg reported an income after financial items of SEK 1.4 (3.0) million.

The Insurance business reported an income after financial items of SEK 1.3 (-1.2) million, including goodwill amortization of SEK 2.0 million.

ASSET MANAGEMENT

Affected by international geo-political factors and weakening markets, Stockholmsbörsen fell by nearly 8% during the period. This had a negative influence on the business climate and as a consequence trading volumes for the fund and asset management business has been low throughout the period.

Aktie-Ansvar AB, the Group's fund manager, which was elected Best Fund Manager 2002, continues to prosper and all of its funds were top listed in their respective category also during the first quarter.

Total assets under management in the MPK group amounted to some SEK 4,800 million. The discretionary management side had more than 2,000 customers and Aktie-Ansvar had some 5,600 customers.

The Asset management business reported an income after financial items of SEK 0.1 (–2.8) million.

SECURITIES TRADING

Fischer Partners is engaged in stockbroking and securities trading on the Nordic markets. The company is a leading player in electronic stockbroking and is a member of the Stockholm, Helsinki, Copenhagen and Oslo stock markets. Fisher Partner's clients are mainly foreign and Swedish institutions and active private investors. The customer activities, similarly to trading volumes, on the stock market have been low during the period. Fischer Partners has continued to increase its market share on Stockholmsbörsen to 5.19% (2.82%) during the period.

The Securities trading business reported an income after financial items of SEK 2.3 (1.6) million.

OTHER BUSINESSES

The result for Gamla Stans Bryggeri AB has improved but is still unsatisfactory. The restaurant business has been rented by Pontus Frithiof by the Sea AB since May 2002 in accordance with a profit sharing agreement with Invik. The Other businesses reported an income after financial items of SEK –0.9 (–3.0) million.

EARNINGS PER SHARE

The result per share amounted to SEK 7.05 (–0.50). As at 31 March 2003, the total number of issued and outstanding shares was 7,760,000; comprising 3,753,333 A-shares and 4,006,667 B-shares.

PARENT COMPANY

The income after financial items amounted to SEK 67.6 (4.3) million. The liquid assets amounted to SEK 35.6 million as at 31 March 2003, compared to SEK 181.2 million at the end of 2002. The Parent Company's net sales of shares amounted to SEK 153.3 million during the period. The net investments in shares during the same period in 2002 amounted to SEK 39.0 million. Investments in fixed capital expenditure amounted to SEK 0.5 (0.0) million during the period.

The Parent Company's liability to credit institutions amounted to SEK 1,514.2 million as at 31 March 2003, of which SEK 599.1 million were current liabilities. The corresponding amounts as of 31 December 2002 were 1,736.3 and 599.1.

The average rate of interest paid by the Parent Company during the period was 5.1% (4.7%).

ACCOUNTING PRINCIPLES

This report has been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR20 on Interim Reports. The Council's new recommendations, which came into effect on 1 January 2003, have been applied to this report. The application of the new recommendations has not had any effect on the stated opening equity position. Otherwise, the same accounting principles have been used in preparation of this interim report as were used in the preparation of the 2002 annual report.

Stockholm, 25 April 2003

Anders Fällman

President and Chief Executive Officer

The preliminary publication date for interim report for the period January – June is 7 August 2003.

The interim report has not been subject to specific examination by the company's auditors.

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CONSOLIDATED INCOME STATEMENT	1 Jan – 31 March		Full year
Acquisition method (SEK million)	2003	2002	2002
Net sales	210.9	211.2	983.3
Cost of goods and services	-135.0	-122.1	-571.5
Gross income	75.9	89.1	411.8
Selling and administrative expenses	-85.5	-106.5	-626.9
Other operating revenue and expenses	4.0	0.1	3.4
Income from sales of securities	90.6	30.8	-184.6
Dividend income	9.2	4.3	17.1
Operating income	94.2	17.8	-379.2
Net financial items	-18.9	-14.5	-108.3
Income after financial items ¹⁾	75.3	3.3	-487.5
Current tax	-1.6	-5.2	-12.0
Deferred tax	-19.0	-2.2	42.6
Minority interest	0.0	0.3	1.6
NET INCOME FOR THE PERIOD ²⁾	54.7	-3.8	-455.3
¹⁾ Income after financial items according to the equity method	81.4	-52.4	-1,069.5
²⁾ Net income for the period according to the equity method	17.4	-93.7	-1,121.9

REVIEW OF THE GROUP (SEK million)	1 Jan – 31 March		Full year
	2003	2002	2002
Net sales by business area			
Portfolio management	3.1	0.5	9.8
Banking	54.5	70.9	295.5
Insurance	108.2	98.8	491.4
Asset management	10.2	20.8	68.1
Securities trading	38.6	38.1	149.2
Other businesses	0.5	0.5	2.7
Eliminations	-4.2	-18.4	-33.4
Total	210.9	211.2	983.3
Income after financial items by business area			
Portfolio management	66.0	3.3	-330.3
Banking	6.9	5.4	23.4
Insurance	1.3	-1.2	-2.8
Asset management	0.1	-2.8	-100.1
Securities trading	2.3	1.6	-67.7
Other businesses	-0.9	-3.0	-10.0
Eliminations	-0.4	-	-
Total	75.3	3.3	-487.5

CONSOLIDATED BALANCE SHEET	31 March		31 Dec
Acquisition method (SEK million)	2003	2002	2002
ASSETS			
Fixed assets			
Goodwill	44.9	141.4	53.0
Other intangible assets	4.0	6.1	4.6
Tangible assets	24.5	32.2	25.1
Financial assets ³⁾	2,982.4	3,561.0	3,064.1
Total fixed assets	3,055.8	3,740.7	3,146.8
Current assets			
Inventories and securities	19.4	24.9	29.3
Current receivables	454.4	664.3	466.1
Current investments	4,235.2	3,826.5	3,581.5
Cash and bank balances	234.4	315.7	395.3
Total current assets	4,943.4	4,831.4	4,472.2
TOTAL ASSETS	7,999.2	8,572.1	7,619.0
EQUITY, PROVISIONS AND LIABILITIES			
Equity			
Restricted equity	1,172.6	1,132.8	1,161.5
Unrestricted equity	716.8	1,171.2	672.5
Total equity ⁴⁾	1,889.4	2,304.0	1,834.0
Minority interest	0.0	2.5	0.6
Provisions	128.0	130.4	83.7
Long-term liabilities			
Interest-bearing liabilities	1,221.3	1,850.7	460.0
Current liabilities			
Interest-bearing liabilities	3,909.4	3,508.2	4,535.7
Non-interest-bearing liabilities	851.1	776.3	705.0
Total current liabilities	4,760.5	4,284.5	5,240.7
Total liabilities	5,981.8	6,135.2	5,700.7
TOTAL EQUITY, PROVISIONS AND LIABILITIES	7,999.2	8,572.1	7,619.0
³⁾ Financial assets according to the equity method	4,047.8	5,386.6	4,186.1
⁴⁾ Total equity according to the equity method	2,954.8	4,111.6	2,955.9

SHAREHOLDERS' EQUITY (SEK million)	1 Jan – 31 March		Full year
	2003	2002	2002
Opening balance	1,834.0	2,318.8	2,318.8
Translation differences	0.7	-11.0	-6.2
Dividend	-	-	-23.3
Profit/loss for the period	54.7	-3.8	-455.3
Closing balance	1,889.4	2,304.0	1,834.0

CONSOLIDATED STATEMENT OF CASHFLOWS (SEK million)	1 Jan – 31 March		Full year
	2003	2002	2002
Cash flow from operations before change in working capital	-2.5	-19.1	-183.0
Change in working capital	-181.7	-182.8	100.0
Total cash flow from operations	-184.2	-201.9	-83.0
Investing activities	151.8	-52.9	198.2
Financing activities	-128.5	272.7	-17.7
Cash flow for the period	-160.9	17.9	97.5
Liquid funds at opening of year	395.3	297.8	297.8
Liquid funds at close of period	234.4	315.7	395.3

FINANCIAL HIGHLIGHTS	31 March		31 Dec
	2003	2002	2002
Equity, SEK million	1,889	2,304	1,834
Balance sheet total, SEK million	7,999	8,572	7,619
Net asset value, SEK million	3,365	6,185	3,065
Equity ratio I, %	23.6	26.9	24.1
Equity ratio II, %	35.5	49.7	34.6
Debt/equity ratio, multiple	2.7	2.6	2.7
Data per share, SEK ¹⁾			
Market price	275.0	535.0	259.0
Net asset value	436.0	797.0	395.0
Earnings before/after dilution	7.05	-0.50	-58.71
Market price/net asset value %	63	67	66

¹⁾ The number of shares before/after dilution 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.