

January – December 2017

- Net asset value per share at 31 December 2017 was SEK 111.69, compared to SEK 101.74 at year-end 2016, an increase of 9.8 per cent. Net asset value per share including add-back of the dividend of SEK 2.00 per share increased by 11.7 percent during 2017.
- Bure's net asset value increased to SEK 7,743M compared to SEK 7,054M at year-end 2016.
- Total return on the Bure share decreased 3.3 per cent, while the SIX Return Index increased 9.5 per cent in the same period.
- Earnings after tax amounted to SEK 834M (1,173). Earnings per share amounted to SEK 12.03 (16.92).

Fourth quarter 2017

- Net asset value per share was SEK 111.69 compared to SEK 126.50 at the start of the period, which represents a decrease of 11.7 per cent.
- Total return on the Bure share decreased 12.3 per cent, compared to a decrease of 2.7 per cent for the SIX Return Index during the quarter.
- Bure Growth acquired an additional 0.15 million shares in BioLamina for SEK 11M, corresponding to a holding of 29.1 per cent.

Subsequent events

- Net asset value per share at 21 February 2018 amounted to SEK 119.34, representing an increase of 6.8 per cent since the beginning of the year.



Henrik Blomquist
CEO

Bure increased net asset value by 9.6 per cent in 2017, and we entered 2018 as a stronger company. During the year, several portfolio companies improved their results and Bure's financial position was strengthened.

Bure's two largest portfolio companies continued to impress in 2017. Mycronic's turnover increased to SEK 3 billion, with profits of SEK 848 million. Growth in Vitrolife continued, amounting to 22 per cent for the year. Sales exceeded SEK 1 billion for the first time, and the company has now reported increasing turnover for 60 consecutive quarters. Fantastic!

In addition to increasing our holding in Cavotec, we invested in the security company Yubico. The company develops solutions for simple and secure access to computers and Internet services. Internet security is set to become an increasingly business-critical issue as digitalisation continues. In June, we divested our holding in Catella: an excellent transaction that resulted in an annual return of 52 per cent.

Looking forward to 2018, I see a pronounced polarisation. Optimists, who are buoyed by the positive trend in global economic activity, and those who are worried about high prices of shares and debt instruments. Recovery from the 2008-2009 crisis is now in its tenth year. There is therefore perhaps little doubt that we now find ourselves in the latter phase of the economic cycle. The likelihood of a rapid slowdown in demand is however hard to justify, so I continue to be positive about market conditions for our portfolio companies. At the same time, you need to be careful with the stock market. Strong profits can defend relatively high valuation multiples, but it is hard to see a continuation in the trend in valuation multiples experienced in recent years. The key thing for 2018 will therefore be to attempt to identify investment opportunities that correspond with this relatively complicated backdrop of expectations.

Bure's net asset value and holdings

		31 Dec 2016			31 Dec 2017				
SEK M		% of capital	Net asset value	Value change, (+/-) ¹⁾	Investment	Disposal/ Reclassification	Net asset value	% of net asset value	Net asset value per share, SEK
LISTED ²⁾	Cavotec	20.1%	279	14	72	–	366	4.7%	5.3
	Lauritz.com ³⁾	11.3%	37	–	–	-37 ³⁾	–	–	–
	MedCap	23.0%	106	32	1	–	139	1.8%	2.0
	Mycronic	29.9%	2,873	-381	–	–	2,492	32.2%	35.9
	Vitrolife ⁴⁾	20.8%	1,823	1,092	–	-100	2,815	36.3%	40.6
	Xvivo Perfusion	18.7%	430	29	–	–	460	5.9%	6.6
	Total listed holdings		5,548	786	74	-137	6,271	81.0%	90.4
UNLISTED	Bure Financial Services ⁵⁾	100.0%	252	-8	–	-193	51	0.7%	0.7
	Bure Growth ⁶⁾	100.0%	37	–	170	-8	199	2.6%	2.9
	Investment AB Bure ⁷⁾	100.0%	222	-16	–	-32	175	2.3%	2.5
	Mercuri International Group ⁸⁾	99.1%	114	–	–	–	114	1.5%	1.6
	Total unlisted holdings		625	-23	170	-233	539	7.0%	7.8
Total holdings		6,173	762	243	-370	6,809	87.9%	98.2	
TREASURY	Cash and cash equivalents and short-term/financial investments ⁹⁾	873		61		933	12.1%	13.5	
	Other assets ¹⁰⁾	8		-7		1	0.0%	0.0	
	Total treasury		881		53		934	12.1%	13.5
Total treasury		7,054		690 ¹¹⁾		7,743	100.0%	111.7	

1) Change in value including exit gains/losses.

2) Number of shares at 31 December 2017: Cavotec 15,759,837; Medcap 3,081,017; Mycronic 29,317,163; Vitrolife 4,517,857; and Xvivo Perfusion 4,891,483.

3) During 2017, Lauritz.com was reclassified as a financial investment rather than a listed portfolio company.

4) During the second quarter of 2017, 191,933 shares in Vitrolife were divested for SEK 100M. The entry value of the shares was SEK 7M, and the exit gain amounted to SEK 93M. The divestment resulted in a reversal of previously booked fair value adjustments of SEK +76M for the divested shares.

5) During the first half of 2017, all shares in Catella were divested for SEK 193M. The entry value of the shares was SEK 55M, and the exit gain amounted to SEK 138M.

The divestment resulted in a reversal of previously booked fair value adjustments of SEK +146M for the divested shares.

6) During the first half of 2017, all shares in Vigmed Holding were divested for SEK 8M. The entry value of the shares was SEK 36M, and the exit loss amounted SEK 28M.

The divestment resulted in a reversal of previously booked fair value adjustments of SEK -28M for the divested shares.

7) Refers to net assets. During 2017, SEK 32M in cash equivalents have been transferred to the parent company.

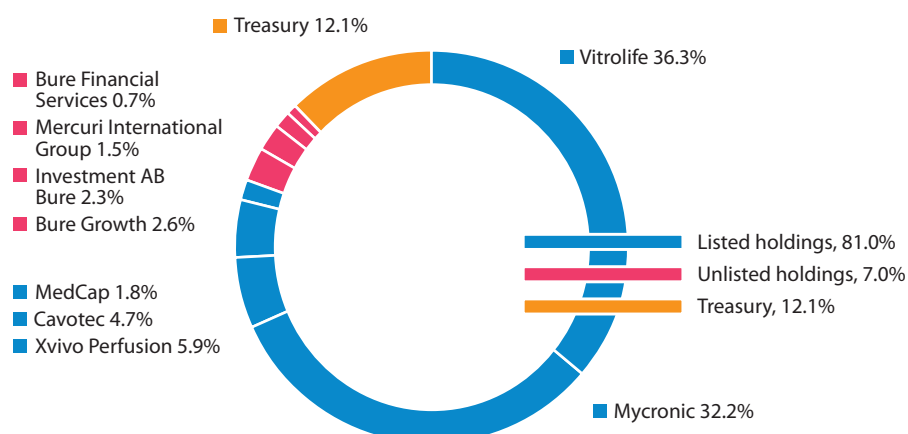
8) Refers to the book value of equity and interest-bearing receivables.

9) Cash and cash equivalents, participations in funds and short-term investments in market-listed assets.

10) Refers to other unlisted companies, interest-bearing receivables and other net assets.

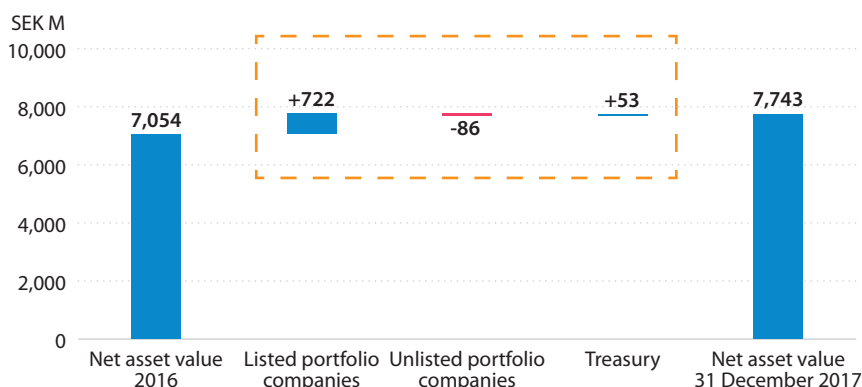
11) Total change in value, investments and divestments during the period.

Net asset value at 31 December 2017



Net asset value. 12 months 2017

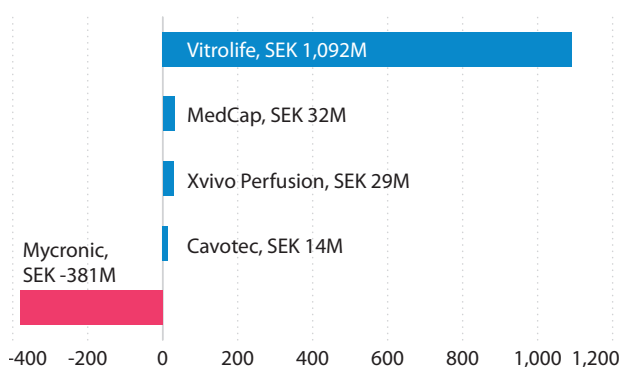
Net asset value amounted to SEK 7,743M, an increase of SEK 690M since year-end 2016. Net asset value per share was SEK 111.69, representing an increase of 9.8 per cent on the year.



Listed portfolio companies, 12 months 2017

The value of listed portfolio companies increased during the year by SEK 722M to SEK 6,271M. Of this value growth, value changes and exit gains/losses accounted for SEK 786M, and reclassifications and net investments for SEK -63M.

Development of listed portfolio companies, 12 months 2017



Vitrolife's value growth was SEK 1,092M. The holding in Vitrolife amounted to SEK 2,815M at 31 December 2017. During the year, Bure divested 0.2 million shares for SEK 100M with an exit gain of SEK 93M. The share price rose by 61.0 per cent during the year.

The value of the holding in MedCap increased by SEK 33M to SEK 139M. The value change consisted of value growth of SEK 32M and the acquisition of shares for SEK 1M. The share price rose 29.7 per cent during the year.

The value of the holding in Xvivo Perfusion increased by SEK 29M to SEK 460M at year-end. The share price rose 6.8 per cent during the year.

The value of the holding in Cavotec increased by SEK 86M to 366M. The value change consisted of value growth of SEK 14M and the acquisition of shares for SEK 72M. The share price rose 7.9 per cent during the year.

The value of the holding in Mycronic decreased by SEK 381M to SEK 2,492M at year-end. The share price fell

13.3 per cent during year.

Lauritz.com was reclassified during the year from a listed portfolio company to a financial investment.

Listed portfolio companies accounted for 81.0 per cent of net asset value, compared to 78.7 per cent at year-end 2016.

Unlisted portfolio companies, 12 months 2017

The value of unlisted portfolio companies decreased by SEK 86M to SEK 539M, compared to SEK 625M at year-end 2016. The change in value was due primarily to the divestment of shares in Catella and Vigmed Holding, and the transfer of cash and cash equivalents from Investment AB Bure to the parent company. Net investments excluding the transfer of cash and cash equivalents from Investment AB Bure to the parent company amounted to a decrease of SEK 31M.

Bure Financial Services' net asset value fell by SEK 201M to SEK 51M due to the divestment of the holding in Catella. The stake was divested for SEK 193M with an exit gain of SEK 138M. Bure Financial Services received share dividends of SEK 7M from Catella and SEK 10M from Fondita in the second half of 2016 and the first half of 2017.

Bure Growth's net asset value increased by SEK 162M to SEK 199M. During the period, 18.2 per cent of Yubico and 22.5 per cent of My Driving Academy Sweden was acquired. Bure Growth also acquired additional shares in BioLamina. The holding in Vigmed Holding was divested for SEK 8M with an exist loss of SEK 28 M.

Investment AB Bure' net asset value fell to SEK 175M, compared to SEK 222M at year-end 2016. This was primarily due to the transfer of cash and cash equivalents of SEK 32M to the parent company.

Mercuri's book value of SEK 114M remained unchanged from the beginning of the year.

Unlisted portfolio companies accounted for 7.0 per cent of net asset value, compared to 8.9 per cent at year-end 2016.

Treasury, 12 months 2017

The value of assets in Treasury rose by SEK 53M to SEK 934M. Assets in Treasury decreased primarily due to the purchase of shares in BioLamina, Cavotec, MedCap, My Driving Academy and Yubico, as well as dividend payments of SEK 139M made to Bure shareholders and administrative expenses of SEK 42M. During the period, Bure has received dividends of SEK 95M, additional considerations from the divestment of the holding in Carnegie of SEK 24M, and SEK 301M from sales of shares in Catella, Vitrolife and Vigmed Holding. Assets in Treasury accounted for 12.1 per cent of net asset value, compared to 12.5 per cent at year-end 2016.

The Bure share

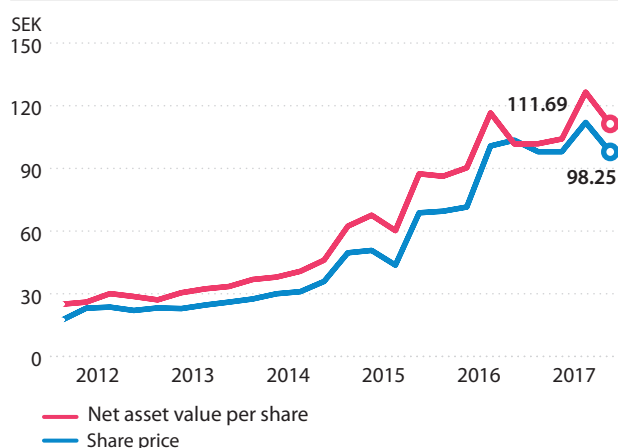
The number of shares in Bure amounts to 69,332,710. The 2017 Annual General Meeting authorised Bure's Board of Directors to decide on the buyback of up to 10 per cent of the total number of shares outstanding. As at 31 December 2017, no share buybacks had been made.

Bure's share price on 31 December 2017 was SEK 98.25, which amounts to a total return of -3.3 per cent since the beginning of the year.






	21 Feb 2018	31 Dec 2017	31 Dec 2016	31 Dec 2015
Share price, SEK	98.0	98.3	103.5	68.8
Dividend per share, SEK	–	2.0	2.0	1.0
Total return since year-end ¹⁾	-0.3%	-3.3%	54.7%	95.4%
Net asset value per share, SEK	119.3	111.7	101.7	87.4
Development of NAV per share	6.8%	9.8%	16.4%	89.6%
SIX Return Index	0.6%	9.5%	9.6%	10.4%



1) Including dividends of SEK 2.00 per share for 2017 and 2016 and SEK 1.00 per share for 2015.

Increase in Bure's net asset value and market price per share



Portfolio companies 2017 and 2016¹⁾

Listed SEK M		2017	2016
	Net sales	n/a	2,003
	EBIT	n/a	116
	EBIT margin	n/a	5.8%
	Holding	20.1%	16.6%
	Net sales	778	896
	EBIT	19	17
	EBIT margin	2.4%	1.9%
	Holding	23.0%	22.7%
	Net sales	3,001	2,319
	EBIT	848	691
	EBIT margin	28.3%	29.8%
	Holding	29.9%	29.9%
	Net sales	1,046	856
	EBIT	341	249
	EBIT margin	32.6%	29.1%
	Holding	20.8%	21.7%
	Net sales	148	138
	EBIT	7	3
	EBIT margin	4.8%	2.0%
	Holding	18.7%	20.7%

Unlisted SEK M		2017	2016
	Net sales	11	27
	EBIT	11	27
	EBIT margin	100.0%	100.0%
	Holding	100.0%	100.0%
	Net sales	1	-15
	EBIT	1	-15
	EBIT margin	100.0%	n/m
	Holding	100.0%	100.0%
	Net sales	11	31
	EBIT	-11	7
	EBIT margin	n/m	23.4%
	Holding	100.0%	100.0%
	Net sales	443	424
	EBIT ²⁾	21	37
	EBIT margin	4.6%	8.7%
	Holding	99.1%	99.1%

1) MedCap refers to the period from November to October of each year.

2) Mercuri's operating profit before amortization of goodwill was SEK 32M in 2017 corresponding to an EBITA margin of 7.2 M.

Listed portfolio companies



Share of Bure's
net asset value

4.7%

www.cavotec.com

Cavotec is a leading engineering group that designs and manufactures automated connection and electrification systems for ports, airports and industrial applications worldwide.

Key figures EUR M	Q4 2017	Q4 2016	2017	2016	2015
Net sales	n/a	60	n/a	212	232
Operating expenses	n/a	-54	n/a	-199	-225
EBIT	n/a	5.9	n/a	12.3	7.6
EBIT margin	n/a	9.8%	n/a	5.8%	3.3%
Net financial items	n/a	0.9	n/a	-1.0	5.2
Profit/loss before tax	n/a	6.8	n/a	11.3	12.8
Income tax expense	n/a	-1.9	n/a	-4.8	-6.7
Profit/loss for the period	n/a	4.9	n/a	6.5	6.1
Net loan debt (-)/receivable (+)			n/a	-23	-25
Total assets			n/a	244	260
Equity			n/a	145	140
Cash flow from operating activities			n/a	10	0
Average no. of employees			n/a	942	1,063

Facts at 31 December 2017

	Largest shareholders
Book value: SEK 366M	Bure Equity 20.1%
Acquisition date: 2014	Others 79.9%
Board member from Bure: Patrik Tigerschiöld, board member	

1) Cavotec is due to publish its full-year report on 23 February 2018.

The quarter in brief

- The share price fell 14.7 per cent in the quarter.



MEDCAP

www.medcap.se

MedCap owns and develops companies with significant expansion potential in the Life Science sector.

Share of Bure's
net asset value

1.8%

Key figures SEK M	Aug-17 Oct-17	Aug-16 Oct-16	Nov-16 Oct-17	Nov-15 Oct-16	Nov-14 Oct-15
Net sales	199	222	778	896	816
Operating expenses	-188	-223	-759	-879	-791
EBIT	10.8	-0.9	19.0	17.0	24.9
EBIT margin	5.4%	-0.4%	2.4%	1.9%	3.1%
Net financial items	-2.0	-0.4	-4.4	-5.9	-1.0
Profit/loss before tax	8.8	-1.3	14.6	11.1	23.9
Income tax expense	-2.0	0.2	-2.3	-1.5	-4.3
Profit/loss for the period	6.8	-1.1	12.3	9.6	19.6
Net loan debt (-)/receivable (+)			-104	-117	-62
Total assets			617	628	529
Equity			283	309	287
Cash flow from operating activities			84	-10	83
Average no. of employees			331	321	261

Facts at 31 December 2017

	Largest shareholders
Book value: SEK 139M	Bengt Julander 23.7%
Acquisition date: 2012	Bure Equity 23.0%
Board member from Bure: Henrik Blomquist, board member	Karl Tobieson 4.3%
	Others 49.0%

The quarter in brief

- Net sales fell to SEK 199M compared to SEK 222M in the same period in the previous year due to lower sales in the pharma trading unit. Net sales excluding life sciences increased 22 per cent to SEK 152M.
- Operating profit reached SEK 10.8M (-0.9) amounting to an operating margin of 5.4 per cent (-0.4).
- At the Annual General Meeting in September 2017, it was decided to change the company's fiscal year to the calendar year, which means that the company's current fiscal year runs from 1 May 2017 to 31 December 2017.
- The share price rose 20.0 per cent in the quarter.

MYCRONICShare of Bure's
net asset value**32.2%**

www.mycronic.com

Mycronic creates world-leading production equipment for electronics and display manufacturing

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Net sales	931	1,016	3,001	2,319	1,815
Operating expenses	-619	-611	-2,153	-1,628	-1,275
EBIT	311.8	405.2	848.0	691.0	540.3
EBIT margin	33.5%	39.9%	28.3%	29.8%	29.8%
Net financial items	-2.6	-0.8	-8.6	-1.6	0.2
Profit/loss before tax	309.1	404.4	839.4	689.4	540.5
Income tax expense	-77.3	-98.5	-213.1	-163.1	-98.0
Profit/loss for the period	231.9	305.9	626.3	526.3	442.5
Net loan debt (-)/receivable (+)			800	198	898
Total assets			3,239	2,755	1,742
Equity			1,800	1,412	1,268
Cash flow from operating activities			984	462	661
Average no. of employees			962	577	495

Facts at 31 December 2017	Largest shareholders
Book value: SEK 2,492M	Bure Equity 29.9%
Acquisition date: 2010 via Skanditek	Fjärde AP-fonden 9.2%
Board member from Bure: Patrik Tigerschiöld, chairman	Swedbank Robur
	Fonder 8.0%
	Others 52.9%

The quarter in brief

- Mycronic reported order intake for the fourth quarter of SEK 572M (518). Order intake for 2017 was SEK 3,567M (2,455), an increase of 45 per cent on 2016.
- Order intake in the Assembly Solutions unit reached SEK 374M (389). Orders in Pattern Generators rose to SEK 198M (129). The total order book at year-end was SEK 1,927M (1,342).
- Net sales under in the fourth quarter was SEK 931M (1,016), a fall of 8 per cent on the year.
- Operating profit amounted to SEK 311.8M (405.2), which represents an operating margin of 33.5 per cent (39.9).
- The share price fell 23.9 per cent in the quarter.

VitrolifeShare of Bure's
net asset value**36.3%**

www.vitrolife.com

Vitrolife is an international medtech group that develops, produces, and markets fertility treatment products.

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Net sales	271	251	1,046	856	722
Operating expenses	-184	-173	-705	-607	-496
EBIT	86.8	78.3	340.9	248.8	226.1
EBIT margin	32.1%	31.2%	32.6%	29.1%	31.3%
Net financial items	3.0	-0.5	0.1	0.1	0.7
Profit/loss before tax	89.8	77.8	340.9	248.9	226.8
Income tax expense	-21.3	-18.1	-76.3	-57.7	-43.5
Profit/loss for the period	68.5	59.7	264.6	191.2	183.4
Net loan debt (-)/receivable (+)			395	151	152
Total assets			1,422	1,250	1,059
Equity			1,229	1,020	845
Cash flow from operating activities			312	181	194
Average no. of employees			355	328	320

Facts at 31 December 2017	Largest shareholders
Book value: SEK 2,815M	William Demant 21.6%
Acquisition date: 2010 via Skanditek	Invest A/S
Board member from Bure: Fredrik Mattsson, board member	Bure Equity 20.8%
	Capital Group 4.5%
	Others 53.1%

The quarter in brief

- Net sales for the fourth quarter rose 8 per cent to SEK 271M (251). Net sales were up 11 per cent in local currencies and comprised entirely of organic growth.
- Operating profit increased to SEK 86.8M (78.3), amounting to an operating margin of 32.1 per cent (31.2). Operating profit before amortization, depreciation and items affecting comparability, (EBITDA), stood at SEK 103M (96), amounting to an operating margin of 38 per cent (38). Currency charges affected EBITDA negatively by SEK 5M.
- The share price fell 5.7 per cent in the quarter.

Xvivo Perfusion is an international medtech company that develops solutions for organ, tissue and cells during transplantation procedures.

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Net sales	42	38	148	138	120
Operating expenses	-37	-38	-141	-135	-113
EBIT	4.7	0.0	7.1	2.7	7.2
EBIT margin	11.4%	0.1%	4.8%	2.0%	6.0%
Net financial items	0.8	-0.1	0.3	0.3	0.2
Profit/loss before tax	5.5	-0.1	7.5	3.0	7.4
Income tax expense	0.1	-0.4	-1.2	-1.5	-2.3
Profit/loss for the period	5.6	-0.6	6.3	1.5	5.1
Net loan debt (-)/receivable (+)			195	25	41
Total assets			539	349	204
Equity			504	316	185
Cash flow from operating activities			22	13	9
Average no. of employees			30	28	21

Facts at 31 December 2017	Largest shareholders
Book value: SEK 460M	Bure Equity 18.7%
Acquisition date: Lex Asea distribution from Vitrolife in 2012	Eccenovo AB 5.6%
Board member from Bure: Fredrik Mattsson, chairman Gösta Johannesson, board member	Robur Fonder 5.5%
	Others 70.2%

The quarter in brief

- Net sales for the fourth quarter rose 8 per cent to SEK 42M (38). The increase in local currencies was 14 per cent. Sales excluding capital goods increased during the quarter by 14 per cent, amounting to SEK 39M (35). Sales of warm perfusion (STEEN Solution™ and products and services related to the use of XPS™ and LS™) accounted for 43 per cent (38) of sales excluding capital goods.
- Operating profit came in at SEK 4.7M (0.0), equating to an operating margin of 11.4 per cent (0.1). Operating profit before EBITDA reached SEK 9.1M (6.7), amounting to an operating margin of 22 per cent.
- Reimbursement codes were awarded for the entire EVLP process in the US, which is expected to simplify the payment process for US hospitals.
- Cash flow from day-to-day operations amounted to SEK 7.9M (-6.2).
- The share price fell 0.8 per cent in the quarter.

Unlisted portfolio companies

BURE FINANCIAL SERVICES

www.bure.se

Share of Bure's
net asset value

0.7%

Bure Financial Services is a wholly owned subsidiary that invests in financial operations and assets. The company owns 20.1 per cent of Fondbolaget Fondita and 33.0 per cent of Idevall & Partners Holding.

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Revenue/value adjustments	2.7	10.6	11.0	26.9	105.3
Operating expenses	0.0	0.0	0.0	0.0	0.0
EBIT	2.7	10.6	11.0	26.9	105.3
EBIT margin	100.0%	100.0%	100.0%	100.0%	100.0%
Net financial items	0.0	0.0	0.0	0.0	0.0
Profit/loss before tax	2.7	10.6	11.0	26.9	105.3
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	2.7	10.6	11.0	26.9	105.3
Net loan debt (-)/receivable (+)			135	-75	-88
Total assets			187	250	234
Equity			187	175	146
Cash flow from operating activities			17	14	17
Average no. of employees			0	0	0

Facts at 31 December 2017

Largest shareholders

Book value: SEK 51M	Bure Equity	100.0%
Acquisition date: Established 2014		
Board member from Bure: Patrik Tigerschiöld, chairman Henrik Blomquist, board member Max Jonson, board member		

The quarter in brief

- Revenues/value change during the fourth quarter of SEK 2.7M relate to participations in Fondita och Idevall & Partners Holding.

BURE GROWTH

www.bure.se

Share of Bure's
net asset value

2.6%

Bure Growth is a wholly owned company that invests in development companies. The company owns 29.1 per cent of BioLamina, 26.2 per cent of Life Genomics, 22.5 per cent of My Driving Academy Sweden and 18.2 per cent of Yubico.

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Revenue/value adjustments	0.2	-3.7	1.0	-15.4	-15.0
Operating expenses	0.0	0.0	0.0	0.0	0.0
EBIT	0.2	-3.7	1.0	-15.4	-15.0
EBIT margin	100.0%	n/m	100.0%	n/m	n/m
Net financial items	0.0	0.0	0.5	0.0	0.0
Group contributions	-0.5	-	-0.5	-	-
Profit/loss before tax	-0.3	-3.7	1.0	-15.4	-15.0
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	-0.3	-3.7	1.0	-15.4	-15.0
Net loan debt (-)/receivable (+) ¹⁾			-177	-35	-38
Total assets			197	33	43
Equity			20	-2	5
Cash flow from operating activities			0	0	0
Average no. of employees			0	0	0

1) Of which, SEK 176.8M is liable to the Parent Company as at 31 December 2017.

Facts at 31 December 2017

Largest shareholders

Book value: SEK 199M	Bure Equity	100.0%
Acquisition date: Established 2015		
Board member from Bure: Henrik Blomquist, chairman Fredrik Mattsson, board member Max Jonson, board member		

The quarter in brief

- Revenues/value change of SEK 0.2M relate to participations in BioLamina, Life Genomics and My Driving Academy.
- Bure Growth acquired and additional 0.15 million shares in BioLamina for SEK 11M, which corresponds to a holding of 29.1 per cent.

Investment AB Bure

www.bure.se

Investment AB Bure is a wholly owned subsidiary that owns and manages the lease of locomotives. The business was established in January 2013.

Share of Bure's
net asset value

2.3%



www.mercuri.se

Mercuri International is Europe's leading sales and management training consultancy and is present worldwide.

Share of Bure's
net asset value

1.5%

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Net sales	11.2	6.1	11.2	31.0	33.9
Operating expenses	-13.6	-11.3	-22.1	-23.8	-12.6
EBIT	-2.4	-5.2	-10.9	7.2	21.2
EBIT margin	neg	neg	neg	23.4%	62.7%
Net financial items	-0.6	-0.9	-2.9	-3.5	-4.0
Appropriations	-	64.1	-	64.1	-17.3
Profit/loss before tax	-3.1	58.1	-13.8	67.8	0.0
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	-3.1	58.1	-13.8	67.8	0.0
Net loan debt (-)/receivable (+) ¹⁾			-102	-90	-109
Total assets			186	231	226
Equity			68	81	64
Cash flow from operating activities			-9	23	25
Average no. of employees			0	0	0

1) Of which, SEK 107.0M is liable to the Parent Company as at 31 December 2017.

Facts at 31 December 2017	Largest shareholders
Book value: SEK 175M ¹⁾	Bure Equity
Acquisition date: Established 2012	100.0%
Board member from Bure: Henrik Blomquist, chairman Philip Nyblaeus, board member	

1) Refers to net assets in Investment AB Bure.

The quarter in brief

- Net sales in the fourth quarter amounted of 2017 were SEK 11.2M (6.1) and consisted of insurance reimbursements. The locomotives did not generate any rental income during the period.
- Operating profit was SEK -2.4M (-5.2), of which SEK 1.7 M was depreciation in the book value of the locomotives.

Key figures SEK M	Q4 2017	Q4 2016	2017	2016	2015
Net sales	124	118	443	424	452
Operating expenses	-107	-104	-411	-387	-424
EBITA	17.0	14.0	31.9	36.7	27.8
EBITA margin	13.6%	11.9%	7.2%	8.7%	6.2%
Impairment of intangible fixed assets	-11.4	-	-11.4	-	-
EBIT	5.6	14.0	20.5	36.7	27.8
EBIT margin	4.5%	11.9%	4.6%	8.7%	6.2%
Net financial items	-8.8	-2.9	-13.6	1.5	-7.7
Profit/loss before tax	-3.2	11.1	6.9	38.2	20.1
Income tax expense	-4.1	-4.7	-5.8	-8.3	-11.6
Profit/loss for the period	-7.3	6.3	1.1	29.9	8.5
Net loan debt (-)/receivable (+) ¹⁾			-35	-41	-73
Total assets			338	335	326
Equity			130	127	94
Cash flow from operating activities			14	38	18
Average no. of employees			265	256	274

1) Of which, SEK 58.8M is liable to the Parent Company as at 31 December 2017.

Facts at 31 December 2017	Largest shareholders
Book value: SEK 114M ¹⁾	Bure Equity 99.1%
Acquisition date: 1998	Others 0.9%
Board member from Bure: Henrik Blomquist, chairman	

1) Relates to book value of equity and interest-bearing receivables.

The quarter in brief

- Net sales under in the fourth quarter increased 5.7 per cent to SEK 124 M (118). Sales increased 4.6 per cent in 2017.
- EBITA improved by SEK 3.0M to SEK 17.0M, and margins strengthened to 13.6 per cent (11.9).
- During the fourth quarter, a goodwill write-down was made relating to the Celemi subsidiary of SEK 11.4M.
- Net financials items includes a write-down of financial claims of SEK 8.2M.
- Cash flow in 2017 was SEK 14M and net debt fell to SEK 35M.

Interim report January – December 2017

Bure is an investment company, which means that the Group's composition of subsidiaries and associated companies varies in line with its acquisitions and divestitures. Since this makes the Group's consolidated statements difficult to analyse, the development and financial position of the companies should also be analysed on an individual basis. More detailed information on portfolio companies are presented on pages 5–9.

GROUP

Results for the fourth quarter 2017

Consolidated operating income was SEK -874M (-880).
Subsidiaries' net sales were SEK 124M (124).
Dividends amounted to SEK 0M (0).
Exit gains/losses were SEK 0M (0).
Capital gains/losses totalled SEK -11M (-3).
Fair value changes amounted to SEK -1,004M (-1,006) of which listed portfolio companies accounted for SEK -1,000M. Of this amount, Cavotec accounted for SEK -63M, MedCap SEK 23M, Mycronic SEK -784M, Vitrolife SEK -172M, and Xvivo Perfusion SEK 4M; and short-term investments SEK -5M. During the period, Lauritz.com was reclassified from a portfolio company to a financial investment.
Shares in profit/loss of associated companies amounted to SEK 3M (4).
Consolidated operating profit was SEK -1,018M (-1,012).
During the fourth quarter, a goodwill write-down of SEK 11M was made relating to Celemi, a subsidiary of Mercuri.
Net financial items totalled SEK -8M (-2). Net financials items includes a write-down of financial claims of SEK 8M.
Consolidated profit/loss after financial items was SEK -1,026M (-1,014).
Profit/loss after tax was SEK -1,030M (-1,005).
Other comprehensive income included translation differences of SEK 6M (-3).

Results for January – December 2017

Consolidated operating income was SEK 1,345M (1,626).
Subsidiaries' net sales were SEK 443M (455).
Dividends amounted to SEK 85M (139), of which Catella accounted for SEK 7M, Cavotec SEK 7M, Mycronic SEK 59M, and Vitrolife SEK 12M.
Exit gains/losses were SEK 228M (2), including SEK 138M from the divestment of the holding in Catella, and SEK 93M from the divestment of shares in Vitrolife, SEK 24M from the contingent consideration of the sale of Carnegie Holding, and SEK -28M from the divestment of the holding in Vigmed Holding.
Capital gains/losses from short-term investments was SEK -11M (2).
Fair value changes amounted to SEK 569M (1,016), of which listed portfolio companies accounted for SEK 692M. Of this amount, Cavotec accounted for SEK 14M, MedCap SEK 32M, Mycronic SEK -381M, Vitrolife SEK 999M, and Xvivo Perfusion SEK 29M, as well as adjustment of previous fair value changes attributable to divested holdings in Catella and Vigmed Holding and short-term investments of SEK -123M.
Shares in profit/loss of associated companies amounted to SEK 14M (8).
Consolidated operating profit for the period was SEK 852M (1,162).
During the year, a goodwill write-down of SEK 11M was made relating to Celemi, a subsidiary of Mercuri.
Net financial items totalled SEK -12M (5). Net financials items includes a write-down of financial claims of SEK 8M.
Consolidated profit/loss after financial items was SEK 840M (1,167).
Profit/loss after tax was SEK 834M (1,173).
Other comprehensive income included translation differences of SEK 5M (2).

Financial position

Consolidated equity at the end of the year amounted to SEK 7,802M (7,101), and the equity/assets ratio was 98 per cent (98). At 31 December 2017, the Group had reported a net loan receivable of SEK 678M (669), which consisted of interest-bearing assets of SEK 706M (698), and interest-bearing liabilities of SEK 28M (30). Consolidated equity per share at the end of the year was SEK 112.52, compared to SEK 102.42 per share at 31 December 2016.

PARENT COMPANY

Results for the fourth quarter of 2017

Profit/loss after tax was SEK -1,022M (-1,039).

Dividends amounted to SEK 1M (0).

Exit gains/losses amounted to SEK 0M (0).

Capital gains/losses from short-term investments was SEK -11M (-3).

Fair value changes amounted to SEK -1,004M (-1,023), of which listed portfolio companies accounted for SEK -1,000M. Of this amount, Cavotec accounted for SEK -63M, MedCap SEK 23M, Mycronic SEK -784M, Vitrolife SEK -172M, and Xvivo Perfusion SEK -4M, and value decrease of short-term investments of SEK 5M. During the period, Lauritz.com was reclassified from a portfolio company to a financial investment.

Administrative expenses amounted to SEK 10M (14). Net financial items were SEK 2M (1).

Results for January – December 2017

Profit/loss after tax was SEK 834M (1,086).

Dividends amounted to SEK 79M (133), of which Cavotec accounted for SEK 7M, Mycronic SEK 59M, and Vitrolife SEK 12M.

Exit gains/losses were SEK 117M (0), of which SEK 93M derived from the divestment of shares in Vitrolife, and SEK 24M consisted of contingent consideration from the sale of Carnegie Holding.

Capital gains/losses from short-term investments was SEK -11M (2).

Fair value changes amounted to SEK 687M (989), of which listed portfolio companies accounted for SEK 692M. Of this amount, Cavotec accounted for SEK 14M, MedCap SEK 32M, Mycronic SEK -381M, Vitrolife SEK 999M, and Xvivo Perfusion SEK 29M, the impairment loss on shares in Bure Growth for SEK 1M and the value change of short-term investments of SEK -5M.

Administrative expenses amounted to SEK 42M (46). Net financial items were SEK 4M (7).

Financial position

Equity in the Parent Company at the end of the year amounted to SEK 7,517M (6,822), and the equity/assets ratio was 100 per cent (100). At the end of the year, the Parent Company had a reported net loan receivable of SEK 680M (798), which consisted of interest-bearing assets of SEK 680M (798), and interest-bearing liabilities of SEK 0M (0). External interest-bearing receivables amounted to SEK 1M (8). Receivables from subsidiaries totalled to SEK 343M (309).

Group acquisitions and divestments

Bure acquired an additional 2.8 million shares in Cavotec for SEK 72M, increasing its holding to 20.1 per cent.

Bure acquired an additional 0.04 million shares in MedCap for SEK 1M, increasing its holding to 23.0 per cent.

Bure Growth acquired 18.2 per cent of shares in security company Yubico AB. The parties have agreed not to publish the purchase price.

Bure Growth acquired 22.5 per cent of My Driving Academy Sweden AB.

Bure acquired an additional 0.15 million shares in BioLamina for SEK 11M, increasing its holding to 29.1 per cent.

Bure divested 0.2 million shares in Vitrolife for SEK 100M, which gave an exit gain of SEK 93 M. Bure Financial Services divested all its shares in Catella for SEK 193M, which gave an exit gain of SEK 138M.

Bure Growth divested all its shares in Vigmed Holding for SEK 8M, which gave an exit loss of SEK -28M.

Group loss carry forwards

At the end of the year, the Bure Group had loss carry forwards of SEK 923M, of which SEK 596M related to the Parent Company. In Sweden tax loss carry forwards were SEK 849M all of which are perpetual. The deferred tax asset based on loss carry forwards in the Group has been valued at SEK 7M (8).

Currency exposure

Most of the Group's revenue is denominated in SEK and EUR. Underlying costs are normally generated in the same currency as revenues, which limits transaction exposure. Since the Group has investments outside Sweden via its subsidiaries, the consolidated balance sheet and income statement are exposed to translation differences arising from the translation of foreign subsidiaries' accounts. Listed portfolio companies with substantial international sales have currency exposure primarily in EUR and USD.

Related party transactions

The Board Chairman provided consulting services to Bure during 2017 under agreement.

Ownership structure

Bure's largest shareholders at 31 December 2017 were Nordea Investment Funds, with 12.8 per cent, Patrik Tigerschiöld with 11.4 per cent, and the Björkman family including foundations with 9.0 per cent. The number of shareholders at 31 December 2017 was 22,445 according to Euroclear Sweden.

Subsequent events

No events have taken place after the balance sheet date that could have a material impact on the assessment of the financial information in this report.

Significant risks and uncertainties

In view of rapid changes in the financial markets, a special emphasis is placed on monitoring the effects of these on Bure's investments and their valuations. Bure has a number of basic principles for management of risks. Bure's finance policy states that the Parent Company shall be essentially debt-free. Furthermore, each portfolio company shall be financially independent from the Parent Company, which means that the Parent Company is not financially liable for obligations in the portfolio companies and that the portfolio companies are responsible for their own financing arrangements. Financing of the respective portfolio company shall be well adapted to each company's individual situation, where total risk is managed through a balanced spread between operational and financial risk. Bure's annual report for 2016 provides a detailed description of the Group's risk exposure and risk management in the administration report and in Note 21. Bure's assessment is that no significant risks have arisen other than those described in the annual report and in this interim report. This year-end report has not been reviewed by the company's auditors.

Bure Equity Annual General Meeting 2018

The Board Chairman has convened a nominating committee consisting of members who represent the largest shareholders in Bure Equity AB. The nominating committee consists of Erik Durhan representing Nordea Investment Funds, Patrik Tigerschiöld representing the Tigerschiöld family, and Per Björkman representing the Björkman family. The nominating committee has been appointed in accordance with the instructions that were adopted by the 2017 Annual General Meeting. The nominating committee represents a total of 44 per cent of the number of votes of all voting shares in the company.

The Board of Directors proposes that the Annual General Meeting approve an ordinary dividend of SEK 1.50 per share (SEK 1.50), and an extraordinary dividend of SEK 0.50 per share (SEK 0.50).

Subsequent events

No events have taken place after the balance sheet date that could have a material impact on the assessment of the financial information in this report.

Significant risks and uncertainties

In view of rapid changes in the financial markets, a special emphasis is placed on monitoring the effects of these on Bure's investments and their valuations. Bure has a number of basic principles for management of risks. Bure's finance policy states that the Parent Company shall be essentially debt-free. Furthermore, each portfolio company shall be financially independent from the Parent Company, which means that the Parent Company is not financially liable for obligations in the portfolio companies and that the portfolio companies are responsible for their own financing arrangements. Financing of the respective portfolio company shall be well adapted to each company's individual situation, where total risk is managed through a balanced spread between operational and financial risk. Bure's annual report for 2016 provides a detailed description of the Group's risk exposure and risk management in the administration report and in Note 21. Bure's assessment is that no significant risks have arisen other than those described in the annual report and in this interim report. This year-end report has not been reviewed by the company's auditors.

Stockholm, 22 February 2018
Bure Equity AB (publ)

Patrik Tigerschiöld
(Chairman)

Hans Biörck

Carl Björkman

Bengt Engström

Charlotta Falvin

Sarah McPhee

Mathias Uhlén

Henrik Blomquist
(CEO)

Financial calendar

Interim report January – March 2018	26 April	2018
Annual General Meeting	3 May	2018
Interim report January – June 2018	16 August	2018

For additional information contact

Henrik Blomquist, CEO	+46 (0)8 - 614 00 20
Max Jonson, CFO	+46 (0)8 - 614 00 20

Statement of financial position, Group

SEK M	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Operating income				
Net sales	124.3	123.7	443.3	455.1
Other operating income	13.3	1.1	16.0	3.1
Dividends:				
Portfolio companies	0.0	0.0	77.9	132.0
Other companies	0.0	-0.3	7.0	6.0
Short-term and financial investments	0.0	0.2	0.4	0.7
Exit gains/losses	0.0	0.0	227.9	2.4
Capital gains/losses on short-term investments	-10.6	-3.1	-10.9	2.2
Fair value:				
Portfolio companies	-999.5	-999.8	692.5	1,049.5
Other companies	0.0	4.8	-118.4	-0.4
Short-term and financial investments	-4.6	-10.5	-4.7	-32.8
Shares in profit/loss of associates	3.4	4.0	13.9	8.5
Total operating income	-873.7	-880.0	1,345.0	1,626.3
Operating expenses				
Other external expenses	-57.6	-51.4	-186.6	-178.5
Personnel costs	-72.3	-73.9	-278.9	-268.9
Depreciation and impairment of property, plant and equipment	-2.7	-5.8	-12.1	-16.0
Depreciation and impairment of Intangible assets	-11.4	0.0	-11.4	0.0
Other operating expenses	-0.2	-0.9	-3.6	-0.4
Total operating expenses	-144.2	-131.9	-492.6	-463.9
Operating profit/loss	-1,017.9	-1,011.9	852.4	1,162.4
Interest income and similar profit/loss items	1.8	-0.6	3.0	8.4
Interest expenses and similar profit/loss items	-9.5	-1.5	-15.4	-3.5
Profit/loss after financial items	-1,025.7	-1,014.1	839.9	1,167.3
Tax on income for the period	-4.1	9.4	-5.8	5.8
Income for the period	-1,029.8	-1,004.7	834.1	1,173.1
Other comprehensive income				
Items that can be subsequently re-entered onto the income statement				
Translation differences	6.5	-3.4	4.8	2.4
Other comprehensive income for the period, after tax	6.5	-3.4	4.8	2.4
Total income for the period	-1,023.3	-1,008.1	838.9	1,175.5
Profit/loss attributable to non-controlling interests	-0.1	0.1	0.0	0.3
Profit/loss attributable to owners of the Parent Company	-1,029.7	-1,004.7	834.1	1,172.8
Comprehensive income attributable to non-controlling interests	-0.1	0.1	0.0	0.3
Comprehensive income attributable to owners of the Parent Company	-1,023.3	-1,008.2	838.9	1,175.2
Average number of shares outstanding, thousands ¹⁾	69,333	69,333	69,333	69,333
Attributable to owners of the Parent Company, SEK	-14.85	-14.49	12.03	16.92
Earnings per share, SEK¹⁾	-14.85	-14.49	12.03	16.92

1) No dilutive effect at 31 December 2017 or 2016.

Statement of financial position, Group

SEK M	31 December 2017	31 December 2016
Assets		
Intangible assets	96.5	104.8
<i>of which, goodwill</i>	92.5	101.2
Property, plant and equipment	186.0	193.8
Financial assets	6,549.9	5,874.5
Inventories	3.3	3.4
Current receivables	120.1	105.3
Prepaid expenses and accrued income	24.5	19.4
Short-term investments	286.3	284.5
Cash and cash equivalents	704.1	685.3
Total assets	7,970.7	7,270.9
<i>of which, interest-bearing assets¹⁾</i>	<i>705.9</i>	<i>698.1</i>
Equity and liabilities		
Equity attributable to owners of the Parent Company	7,800.5	7,100.3
Equity attributable to non-controlling interests	1.0	1.1
Total equity	7,801.5	7,101.3
Non-current liabilities	32.4	32.8
Current liabilities	136.8	136.8
Total liabilities	169.2	169.6
Total equity and liabilities	7,970.7	7,270.9
<i>of which, interest-bearing liabilities¹⁾</i>	<i>28.0</i>	<i>29.6</i>

1) See Note 5.

Statement of changes in equity, Group

Group SEK M	Share, capital	Other contributed capital	Retained earnings incl. profit for the year	Non- controlling interests	Total equity
Opening balance equity at 1 January 2016	535.5	714.6	4,813.6	0.8	6,064.5
Profit/loss for the year	–	–	1,172.8	0.3	1,173.1
Other comprehensive income	–	–	2.4	–	2.4
Cancellation of shares	-11.3	–	–	–	-11.3
Bonus issue	11.3	–	–	–	11.3
Cash dividend	–	–	-138.7	–	-138.7
Closing balance equity at 31 December 2016	535.5	714.6	5,850.2	1.1	7,101.3
Opening balance equity at 1 January 2017	535.5	714.6	5,850.2	1.1	7,101.3
Profit/loss for the period	–	–	834.1	0.0	834.1
Other comprehensive income	–	–	4.8	–	4.8
Cash dividend	–	–	-138.7	–	-138.7
Closing balance equity at 31 December 2017	535.5	714.6	6,550.4	1.1	7,801.5

Statement of cash flows, Group

SEK M	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Cash flow from operating activities before change in working capital	-8.2	-9.4	289.6	158.5
Cash flow from change in working capital	10.9	25.2	-21.7	11.6
Cash flow from operating activities	2.6	15.8	267.8	170.0
Cash flow from investing activities	12.7	2.5	-103.0	-353.5
Cash flow from financing activities	-4.1	-16.5	-140.2	-170.1
Cash flow for the period	11.2	1.8	24.6	-353.5
Cash and cash equivalents at beginning of period	696.9	686.9	685.3	1,036.4
Cash flow for the period	11.2	1.8	24.6	-353.5
Translation differences	-4.1	-3.4	-5.8	2.4
Cash and cash equivalents at end of period	704.1	685.3	704.1	685.3

Income statement, Parent Company

SEK M	Q4 2017	Q4 2016	Full year 2017	Full year 2016
OPERATING INCOME				
Investing activities				
Dividends:				
Portfolio companies	0.0	0.0	77.9	132.0
Other companies	0.5	0.0	0.5	0.7
Short-term and financial investments	0.0	0.2	0.4	0.7
Exit gains/losses	0.0	0.0	117.4	0.0
Capital gains/losses on short-term investments	-10.6	-3.1	-10.9	2.2
Fair value:				
Portfolio companies	-999.5	-999.8	692.5	1,049.5
Other companies	0.0	-12.8	-1.0	-27.8
Short-term and financial investments	-4.6	-10.5	-4.7	-32.7
Other income	0.4	0.1	1.0	1.2
Total operating income	-1,013.7	-1,025.9	873.1	1,125.8
Operating expenses				
Personnel costs	-3.2	-6.8	-18.7	-21.7
Other external expenses	-6.4	-7.3	-23.5	-24.1
Depreciation of property, plant and equipment	-0.2	-0.2	-0.7	-0.8
Total operating expenses	-9.8	-14.3	-42.9	-46.6
Operating profit/loss	-1,023.5	-1,040.2	830.2	1,079.2
Financial income and expenses				
Interest income and similar profit/loss items	1.1	1.8	5.3	7.4
Interest expenses and similar profit/loss items	0.5	-0.6	-1.8	-0.6
Total financial income and expenses	1.6	1.2	3.5	6.9
Profit/loss before tax	-1,021.9	-1,039.0	833.7	1,086.1
Income tax expense	0.0	0.0	0.0	0.0
Profit/loss for the period¹⁾	-1,021.9	-1,039.0	833.7	1,086.1
Average basic number of shares, thousands ²⁾	69,333	69,333	69,333	69,333
Basic earnings per share, SEK ²⁾	-14.74	-14.99	12.02	15.66
Average number of employees	7	6	7	6

1) Corresponds to comprehensive income.

2) No dilutive effect at 31 December 2017 or 2016.

Statement of financial position. Parent Company

SEK M	31 December 2017	31 December 2016
Assets		
Property, plant and equipment	3.5	4.2
Financial assets	6,377.4	5,639.0
Current receivables	344.6	313.8
Prepaid expenses and accrued income	3.6	4.8
Short-term investments	286.3	284.5
Cash and cash equivalents	512.4	588.0
Total assets	7,527.8	6,834.4
<i>of which, interest-bearing assets¹⁾</i>	<i>679.7</i>	<i>797.6</i>
Equity and liabilities		
Equity	7,516.8	6,821.8
Non-current liabilities	0.9	0.9
Current liabilities	10.0	11.6
Total equity and liabilities	7,527.8	6,834.4
<i>of which, interest-bearing liabilities¹⁾</i>	<i>–</i>	<i>–</i>

1) See Note 5.

Statement of cash flows. Parent Company

SEK M	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Cash flow from operating activities before change in working capital	-16.4	-15.9	147.4	97.9
Cash flow from change in working capital	1.1	4.0	-0.7	-1.2
Cash flow from operating activities	-15.4	-11.9	146.7	96.6
Cash flow from investing activities	-1.0	1.5	-83.7	-339.5
Cash flow from financing activities	0.0	0.0	-138.7	-138.7
Cash flow for the period	-16.4	-10.5	-75.7	-381.5
Cash and cash equivalents at beginning of period	528.8	598.5	588.0	969.5
Cash flow for the period	-16.4	-10.5	-75.7	-381.5
Cash and cash equivalents at end of period	512.4	588.0	512.4	588.0

Statement of changes in equity. Parent Company

SEK M	Q4 2017	Q4 2016	Full year 2017	Full year 2016
Opening balance, equity	8,538.7	7,860.7	6,821.8	5,874.4
Cancellation of treasury shares	–	–	–	-11.3
Bonus issue	–	–	–	11.3
Cash dividend	–	–	-138.7	-138.7
Profit/loss for the period	-1,021.9	-1,039.0	833.7	1,086.1
Closing balance, equity	7,516.8	6,821.8	7,516.8	6,821.8

NOTE 1 – Accounting policies

Bure applies International Financial Reporting Standards (IFRS) as endorsed for application in the EU. This interim report has been prepared in compliance with IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. No changes have taken place in the Group's accounting and valuation policies compared to those described in Note 1 of the annual report for 2016. New or revised standards, interpretations and improvements that have been endorsed by the EU and are effective for financial periods beginning on or after 1 January 2017 have not had any material impact on the consolidated financial statements in 2017.

New accounting rules that came into effect on 1 January 2018 can be summarised in the following way: IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes a model for the recognition and measurement of financial instruments, a forward-looking impairment model for financial assets, and substantially re-worked guidance regarding hedging. Recognition and measurement under IFRS 9 is based on the business model a given company applies for the management of assets and cash flow characteristics of financial assets. The changes have no effect on the valuation of Bure's financial instruments. IFRS 15 Revenue from Contracts with Customers is a new revenue standard that replaces existing revenue standards and guidance. Revenue recognition shall correspond to how the transfer of contracted goods or services to customers is conducted; and with amounts that corresponds to the value of the compensation that a company is expected to receive in exchange for these goods or services. The standard does not have any material effect on the Group's net sales either in terms of amounts or differences in periodicity. On initial application of the change, recalculation will be retroactive, with the total effect of the first application being an adjustment of the opening balance of capitalised earnings.

NOTE 2 – Segment reporting

Reporting by operating segment

Bure has previously accounted for segments in a similar manner and no changes have taken place in the basis for segmentation or in calculation of profit/loss in the segments compared to the previous year's annual report. Consolidation adjustments relating to positive and negative goodwill have been attributed to the respective companies. Transactions between the various segments are insignificant in scope and are equal to less than 0.1 per cent of total sales. Dormant companies or companies not classified as portfolio companies are reported under the heading "Other companies". No customer accounted for more than 10 per cent of net sales during the periods.

SEK M	Mercuri		Investment AB Bure		Bure Financial Services		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Operating income																
Total operating income	443	424	0	31	0	0	0	0	0	0	0	0	0	0	443	455
Profit/loss																
Shares in profit/loss	1	2	–	–	12	9	1	-2	–	–	–	–	–	–	14	8
Profit/loss by segment	20	32	-11	7	–	–	–	–	–	–	–	–	1	1	10	41
Administrative expenses	–	–	–	–	–	–	–	–	–	–	–	–	-43	-47	-43	-47
Fair value/impairment losses	–	–	–	–	-146	13	28	-13	–	–	1	28	687	989	569	1,016
Dividends	–	–	–	–	7	5	–	–	–	–	-1	–	79	133	85	139
Exit gains/losses/capital gains/losses on short-term investments	–	3	–	–	138	–	-28	–	–	–	–	0	106	2	217	5
Operating profit/loss	21	37	-11	7	11	27	1	-15	0	0	1	28	830	1,079	852	1,162
Net financial items															-12	5
The period's income tax expense															-6	6
Profit/loss for the period															834	1,173

SEK M	Mercuri		Investment AB Bure		Bure Financial Services		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Assets																
Assets	252	250	158	203	135	202	128	6	0	0	-344	-312	7,528	6,835	7,856	7,183
Equity in associates	15	14	–	–	52	48	48	25	–	–	–	–	–	–	115	88
Total assets	267	264	158	203	187	250	176	31	0	0	-344	-312	7,528	6,835	7,971	7,271
Liabilities																
Unallocated liabilities	208	209	118	149	0	76	177	35	0	0	-344	-312	11	13	169	170
Total liabilities	208	209	118	149	0	76	177	35	0	0	-344	-312	11	13	169	170
Investments	4	6	0	0	0	0	0	0	0	0	0	0	0	0	4	6
Amortisation/depreciation	16	4	7	11	0	0	0	0	0	0	0	0	1	1	24	16

Note 3 – Effects of changed estimates and assumptions

Key accounting estimates and assumptions are presented in Note 1 of the annual report for 2016. No changes have been made in these accounting estimates and assumptions that could have a material impact on this interim report.

Note 4 – Financial instruments

Financial assets and liabilities are classified according to six categories in accordance with IFRS 13.

Note 5 – Financial position

Net loan receivable: Cash and cash equivalents, interest-bearing investments and interest-bearing current and non-current receivables minus interest-bearing current and non-current liabilities.

	Group		Parent company	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Cash and cash equivalents	704.1	685.3	512.4	588.0
+ Interest-bearing investments	0.0	3.8	0.0	3.8
+ Current interest-bearing receivables	0.0	3.7	165.8	201.1
+ Non-current interest-bearing receivables	1.8	5.4	1.5	4.6
Interest-bearing assets	705.9	698.1	679.7	797.6
- Current interest-bearing liabilities	1.1	4.3	–	–
- Non-current interest-bearing liabilities	26.9	25.4	–	–
Interest-bearing liabilities	28.0	29.6	–	–
Net loan receivable at end of period	677.8	668.5	679.7	797.6

Note 6 – Ställda säkerheter

	Group		Parent company	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Shares in subsidiaries and associates	80.1	73.0	–	–
Blocked bank accounts	0.4	0.4	–	–
Total pledged assets	80.6	73.4	–	–

Contingent liabilities in the Group amounted to SEK 0.4M (0.7), and refer to sureties and guarantee commitments furnished by subsidiaries. There is no contingent consideration in the Group that has not already been expensed. Bure has no obligation to acquire additional shares in subsidiaries.

Femårsöversikt

Data per share ¹⁾	2017	2016	2015	2014	2013
Net asset value, SEK ²⁾	111.7	101.7	87.4	46.1	33.5
Share price, SEK	98.3	103.5	68.8	35.9	26.0
Share price as a percentage of net asset value	88%	102%	79%	78%	78%
Parent Company basic equity per share, SEK	108.4	98.4	82.9	42.3	30.6
Parent Company equity per share excl. buybacks, SEK	108.4	98.4	84.7	45.0	32.6
Consolidated basic equity per share, SEK	112.5	102.4	85.6	43.4	31.6
Consolidated equity per share excl. buybacks, SEK	112.5	102.4	87.5	46.2	33.7
Parent Company basic earnings per share, SEK ³⁾	12.0	15.7	40.4	12.7	6.4
Consolidated earnings per share, SEK ³⁾	12.0	16.9	42.0	12.8	6.6
Number of shares, thousands	69,333	69,333	70,834	76,082	81,102
Number of outstanding options/warrants, thousands	–	–	–	–	1,359
Total number of shares incl. outstanding options/warrants, thousands	69,333	69,333	70,834	76,082	82,461
Number of shares excluding share buybacks, thousands	69,333	69,333	69,333	71,397	76,052
Average basic number of shares, thousands	69,333	69,333	70,042	74,947	78,649

Key figures

Dividend, SEK per share	2.0	2.0	1.0	1.0	0.5
Of which, extraordinary dividend, SEK per share	0.5	1.0	–	0.5	–
Direct return	2.0%	1.9%	1.5%	2.8%	1.9%
Total return	-3.3%	54.7%	95.4%	43.0%	21.0%
Market capitalisation, SEK M	6,812	7,176	4,870	2,731	2,109
Net asset value, SEK M	7,743	7,054	6,060	3,291	2,545
Return on equity	11.6%	17.1%	62.2%	33.5%	21.8%
Administrative expenses/Net asset value	0.55%	0.66%	0.68%	1.23%	1.21%

Parent Company profit and financial position

Exit gains/losses, SEK M	117	0	417	132	2
Profit/loss after tax, SEK M	834	1,086	2,829	953	503
Total assets, SEK M	7,528	6,835	5,895	3,233	2,659
Equity, SEK M	7,517	6,822	5,874	3,216	2,479
Equity/assets ratio	100%	100%	100%	99%	93%
Cash and cash equivalents and short-term investments, SEK M	799	873	1,040	473	683

Consolidated profit and financial position

Net sales, SEK M	443	455	486	537	549
Exit gains/losses, SEK M	228	0	416	132	2
Profit/loss after tax, SEK M	834	1,173	2,940	961	507
Total assets, SEK M	7,971	7,271	6,281	3,545	2,814
Equity, SEK M	7,802	7,101	6,065	3,302	2,560
Equity/assets ratio	98%	98%	97%	93%	91%
Net loan debt (-)/receivable (+), SEK M	678	669	1,017	626	552
Average number of employees	272	262	280	336	612

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

2) Net asset value consists of the market value of Bure's listed holdings and the Parent Company's book value of unlisted holdings/net assets in subsidiaries, short-term and financial investments and cash and cash equivalents.

3) No dilutive effect at 30 December 2017.

The information in this interim report is subject to the disclosure requirements of Bure Equity AB under the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was publicly communicated on 22 February 2018, 08:30 a.m. CEST.

Definitions

Basic earnings per share	Profit after tax divided by the average number of shares outstanding during the period. The Group uses net profit less the non-controlling interests' share in profit for the period.
Diluted earnings per share	Profit after tax divided by the average number of shares outstanding during the period after dilution. The Group uses net profit less the non-controlling interests' share in profit for the period. The average number of shares after dilution is calculated in accordance with the rules in IFRS, IAS 33, Earnings Per Share.
Direct return	The dividend proposed to the Annual General Meeting and extraordinary dividends paid during the year divided by the share price at the beginning of the period.
EBIT	Operating profit after amortisation of goodwill/acquisition-related surplus values and non-current assets.
Equity/assets ratio	Equity in relation to total assets. With effect from the adoption of IFRS on 1 January 2005, the non-controlling interests' share is included in total equity.
Equity per share	Equity divided by the number of shares outstanding.
Growth	Increase in net sales in relation to net sales for the previous period. The key figure thus includes both organic and acquisition-driven growth.
IRR	Average annual return (Internal Rate of Return).
Market capitalisation	Share price multiplied by the total number of shares outstanding.
Net asset value	The market value of Bure's listed holdings plus the book values/asset values of unlisted holdings, investment assets and cash and cash equivalents.
Net loan liability	Same definition as net loan receivable, but is used when interest-bearing liabilities exceed interest-bearing assets.
Net loan receivable	Financial interest-bearing assets minus interest-bearing liabilities.
Return on equity	Profit/loss after tax divided by average equity.
Share buybacks	For a number of years, Swedish companies have been permitted to repurchase up to 10 per cent of their own outstanding shares, provided that this is approved by the Annual General Meeting within the framework of non-restricted equity.
Total return	The total of the period's share price growth and reinvested dividends divided by the share price at the beginning of the period.

About Bure

Bure is a listed investment company that is quoted on Nasdaq Stockholm. On 30 September 2017 the portfolio consisted of ten companies, of which five are listed holdings.

Our business concept is to be a long-term principal owner of operating companies. Through far-reaching engagement and value-driving initiatives and activities, we support the portfolio companies in becoming successful in their respective businesses.

Our objective is to create a long-term sustainable total return for our shareholders and to be a competitive investment alternative in the market.

Bure's strategic cornerstones are:

- Long-term approach
- Commitment and responsibility
- Adapted leadership
- Financial strength