

Interim report January–June 2018

- Net asset value was SEK 127.1 per share, compared to SEK 111.7 at the beginning of the year, which corresponds to an increase of 13.8 per cent. Net asset value per share increased 15.5 per cent including dividends paid.
- Bure's net asset value was SEK 8,792M compared to SEK 7,743M at the beginning of the year.
- Total return on the Bure share was 5.2 per cent compared to the SIX Return Index that increased by 4.1 per cent.
- Consolidated profit after tax was SEK 1,132M (312). Earnings per share amounted to SEK 16.33 (4.49).

Second quarter 2018

- Net asset value per share was SEK 127.1, compared to SEK 120.0 at the start of the quarter, which corresponds to an increase of 5.9 per cent.
- Bure acquired an additional 4.2 million shares in Cavotec for SEK 104M, increasing its shareholding in the company to 25.4 per cent.
- During the quarter the holding in Yubico was revalued by SEK 212M in accordance with IFRS 9 following Bure Growth's acquisition of shares for SEK 26M.
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- Bure divested 0.3 million shares in Xvivo Perfusion for SEK 30M. The entry value of the shares was SEK 6M, and the exit gain amounted to SEK 24M.
- In line with the decision taken at the Annual General Meeting, an ordinary dividend of SEK 1.50 per share was paid, along with an extra dividend of SEK 0.50 per share, with payments totalling SEK 139M.

Subsequent events

- Net asset value amounted to SEK 122.7 per share on 15 August 2018, which corresponds to an increase of 9.9 per cent since the beginning of the year. Net asset value per share increased 11.7 per cent including dividends paid.



Henrik Blomquist
CEO

All Bure's listed portfolio companies registered increases in share prices during the first six months of the year. MedCap and Xvivo stand out with jumps of 97 and 31 per cent, respectively. The value of Bure's holding in Yubico also increased. Revaluation of this unlisted company is a consequence of a transaction that was conducted during the quarter when, among others, a US venture fund increased its share in the company. Bure participated in this transaction, thereby maintaining its ownership stake. Overall, Bure's net asset value per share increased during the period by 13.8 per cent, comparing favourably with the SIX Return Index that increased 4.1 per cent. At the end of the period, Bure's net asset value amounted to a total of SEK 8,792M, which corresponds to SEK 127.1 per share.

A number of transactions were conducted during the quarter. Bure increased its holding in Cavotec to 25.4 per cent through the acquisition of shares for SEK 104M. In May, satellite communications company Ovzon was listed. Bure was a so-called anchor investor for the transaction, and Ovzon thereby became Bure's tenth portfolio company. Ovzon has a world-leading technology and a profitable business model for the mobile satellite communications market. Bure has followed Ovzon for some time and the hope is that Bure can contribute to the company's continued development through our experience of developing technology-intensive companies.

During the quarter, Bure Financial Services signed an agreement to acquire 32.5 per cent of Alcur Fonder AB – a transaction that is expected to close during the third quarter. Alcur Fonder is an alternative asset manager that has successfully managed the absolute return fund Alcur for more than 11 years. We believe that interest in active investment strategies will grow going forward.

Bure's net asset value and holdings

		31 Dec 2017				30 June 2018			
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	Cavotec	25.4%	366	0	104	–	470	5.3%	6.8
	MedCap	23.0%	139	134	–	–	273	3.1%	3.9
	Mycronic	29.9%	2,492	446	–	–	2,938	33.4%	42.5
	Ovzon	12.0%	0	12	71	–	82	0.9%	1.2
	Vitrolife	20.8%	2,815	151	–	–	2,966	33.7%	42.9
	Xvivo Perfusion ³⁾	16.3%	460	91	–	-57	494	5.6%	7.1
	Total listed holdings		6,271	834	175	-57	7,222	82.1%	104.4
UNLISTED	Bure Financial Services ⁴⁾	100.0%	51	19	–	–	70	0.8%	1.0
	Bure Growth ⁵⁾	100.0%	199	250	26	–	475	5.4%	6.9
	Investment AB Bure ⁶⁾	100.0%	175	-6	4	–	172	2.0%	2.5
	Mercuri International Group ⁷⁾	99.1%	114	50	–	-4	160	1.8%	2.3
	Total unlisted holdings		539	312	30	-4	877	10.0%	12.7
Total holdings		6,809	1,146	205	-61	8,099	92.1%	117.0	
TREASURY	Cash and cash equivalents, short-term investments and other assets ⁸⁾		934		-241		693	7.9%	10.0
	Total treasury		934		-241		693	7.9%	10.0
	Total treasury		7 743	1,146	-36	-61	8,792	100.0%	127.1

1) Change in value including exit gains/losses.

2) Number of shares at 30 June 2018: Cavotec 19,914,837, MedCap 3,081,017, Mycronic 29,317,163, Ovzon 1,007,568, Vitrolife 22,589,285 and Xvivo Perfusion 4,291,483.

3) During the first half of 2018, 600,000 shares in Xvivo Perfusion were divested for SEK 57.4M. The entry value of the shares was SEK 12.1M, and the exit gain amounted to SEK 45.4M. The divestment resulted in a previously booked fair value change of SEK +41.9M related to the divested Xvivo Perfusion shares being written off.

4) Bure Financial Services' net asset value increased by SEK 19.0M to SEK 70.1M due to the revaluation of financial assets to estimated market values. In the Group's consolidated balance sheet the associated companies Fondbolaget Fondita and Idevall & Partners Holding in Bure Financial Services are valued at SEK 54.2M using the equity method.

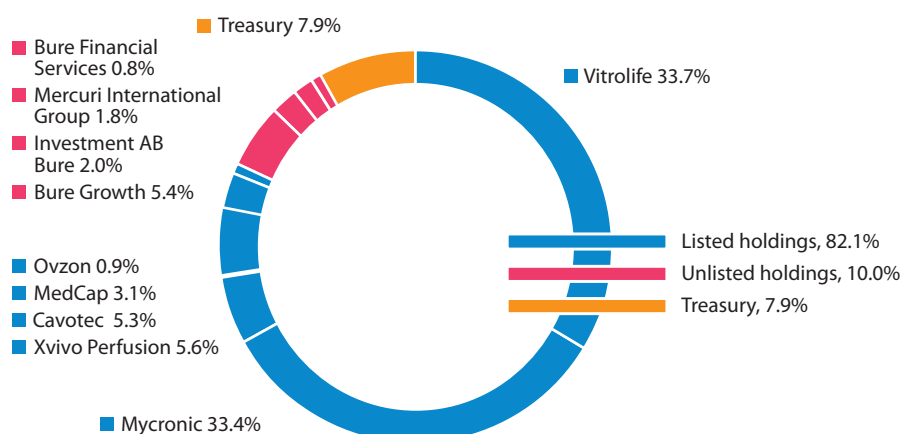
5) Bure Growth's net asset value increased SEK 275.8M to SEK 474.9M due to a revaluation of financial assets to a market value of SEK 249.6M and the acquisition of shares in Yubico for SEK 26.1M. Of the estimated market value of SEK 474.9M, SEK 54.0M is related to associated companies in Bure Growth. In the company's consolidated balance sheet the associated companies in Bure Growth are valued at SEK 45.0M according to the equity method.

6) Refers to net assets. During the first quarter of 2018, the parent company Bure Equity increased its loan to Investment AB Bure by SEK 4.0M to SEK 111.0M.

7) Refers to the book value of equity and interest-bearing receivables. During the first quarter of 2018, the holding in Mercuri was revalued which resulted in a reversal of prior period write-downs by SEK 50.1M. Interest-bearing debt decreased by SEK 4.0M.

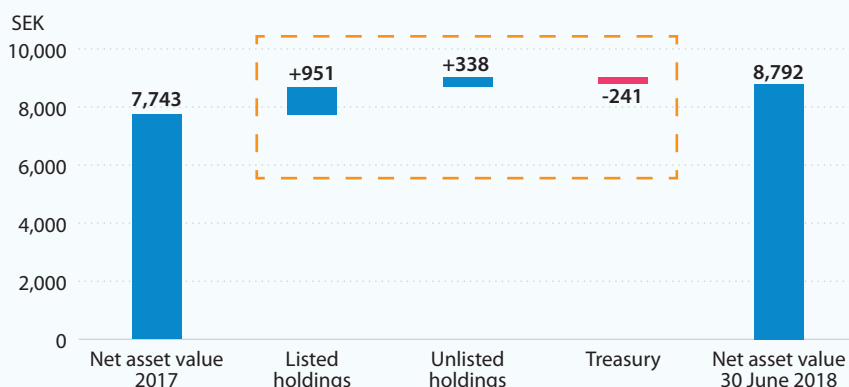
8) Cash and cash equivalents, participations in funds and short-term investments in market-listed assets, other unlisted companies, interest-bearing receivables and other net assets.

Net asset value at 30 June 2018



Net asset value, 6 months 2018

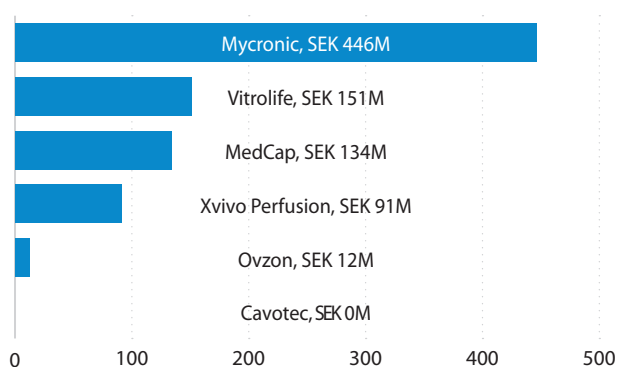
Net asset value was SEK 8,792M, an increase of SEK 1,049M since the beginning of the year. Net asset value per share amounted to SEK 127.1, which corresponds to an increase of 13.8 per cent since the beginning of the year. Net asset value per share increased 15.5 per cent including dividends paid.



Listed portfolio companies, 6 months 2018

The value of listed portfolio companies increased during the period by SEK 951M to SEK 7,222M. Of this value increase, value changes and exit gains accounted for SEK 834M, acquisitions for SEK 175M, and disposals for SEK -57M.

Listed portfolio companies' value change and exit gains, 6 months 2018



The value of the holding in Mycronic increased SEK 446M to SEK 2,938M at the end of the period. The share price increased 17.9 per cent during the first half of 2018.

Vitrolife's value increase was SEK 151M, amounting to SEK 2,966M at the end of the period. The share price increased 5.4 per cent under first half of 2018.

The value of the holding in MedCap increased SEK 134M to SEK 273M. The share price increased 96.9 per cent under first half of 2018.

The value of the holding in Xvivo Perfusion increased SEK 34M to SEK 494M at the end of the period. During the period, 0.6 million shares were divested for SEK 57M with an exit gain of SEK 45M. The share price increased 22.3 per cent during the first half of 2018.

The value of the holding in Ovzon amounted to SEK 82M at the end of the period. The share price has increased 16.4 per cent since listing in May 2018.

The value of the holding in Cavotec increased SEK 104M to SEK 470M. During the period, shares were acquired in Cavotec for SEK 104M. The share price increased 1.7 per cent during the first half of 2018.

Listed portfolio companies accounted for 82.1 per cent of net asset value compared to 81.0 per cent at the end of 2017.

Unlisted portfolio companies, 6 months 2018

The value of unlisted portfolio companies increased SEK 338M to 877M compared to SEK 539M at the end of 2017. The increase in value is due primarily to revaluation of financial assets to estimated market value.

Bure Financial Services net asset value increased SEK 19M to SEK 70M due to revaluation of financial assets to estimated market value. Bure Financial Services received share dividends of SEK 6M from Fondita relating to the second half of 2017.

Bure Growth's net asset value increased SEK 276M to SEK 475M due to revaluation of financial assets to estimated market value of SEK 250M and the acquisition of shares in Yubico for SEK 26M. Most of the revaluation is attributable to the holding in Yubico, which is valued based on the latest transaction in accordance with IFRS 9.

Investment AB Bure's net asset value was essentially unchanged and amounted to SEK 172M.

In the first quarter, shares in Mercuri were re-valued from SEK 55M to SEK 105M through a reversal of previous write-downs of SEK 50M. The value of the shares and the parent company's interest-bearing debt in Mercuri amounted to SEK 160M at the end of the quarter.

Unlisted portfolio companies accounted for 10.0 per cent of net asset value compared to 7.0 per cent at the end of 2017.

Treasury, 6 months 2018

The value of assets in Treasury decreased SEK 241M to SEK 693M. During the period, Bure received dividends of SEK 96M and divested shares for SEK 83M. Bure has also

acquired shares for SEK 201M, paid share dividends of 138M and repurchased its own capital for SEK 13M. During the first half of 2018, administrative costs amounted to SEK 26M.

Assets in Treasury accounted for 7.9 per cent of net asset value compared to 12.1 per cent at the end of 2017.

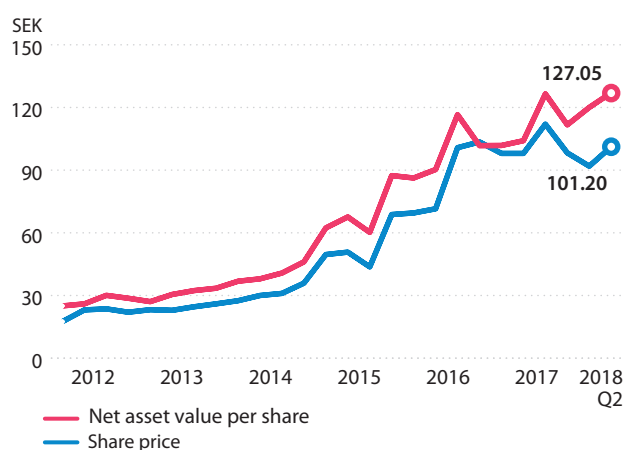
The Bure share

The number of shares in Bure totals 69,332,710. The 2018 Annual General Meeting authorised the Bure board to decide on the buyback of up to 10 per cent of the total number of shares outstanding. At 30 June 2018, 132,289 shares had been repurchased. Bure's share price on 30 June 2018 was SEK 101.2, which is equal to a total return of 5.2 per cent since the beginning of the year.

	15 Aug 2018	30 Jun 2018	31 Dec 2017	31 Dec 2016
Share price, SEK	106.8	101.2	98.3	103.5
Dividend per share, SEK	2.0	2.0	2.0	2.0
Total return since year-end ¹⁾	11.0%	5.2%	-3.3%	54.7%
Net asset value per share, SEK	122.7	127.1	111.7	101.7
Development of NAV per share	9.9%	13.8%	9.8%	16.4%
SIX Return Index	6.8%	4.1%	9.5%	9.6%

1) Including dividends of SEK 2.00 per share for 2018 and 2017.

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



Portfolio companies January – June 2018 and 2017

Listed SEK M		2018	2017
	Net sales	1,005	1,003
	EBIT	-56	11
	EBIT margin	-5.6%	1.1%
	Holding	25.4%	20.1%
	Net sales	356	285
	EBIT	24	14
	EBIT margin	6.8%	4.9%
	Holding	23.0%	23.0%
	Net sales	1,633	1,583
	EBIT	434	472
	EBIT margin	26.6%	29.8%
	Holding	29.9%	29.9%
	Net sales	n/a	n/a
	EBIT	n/a	n/a
	EBIT margin	n/a	n/a
	Holding	12.0%	-
	Net sales	547	529
	EBIT	188	173
	EBIT margin	34.4%	32.7%
	Holding	20.8%	20.8%
	Net sales	89	75
	EBIT	7	2
	EBIT margin	8.1%	2.7%
	Holding	16.3%	18.8%
Unlisted SEK M ¹⁾		2018	2017
	Net sales	6	5
	EBIT	5	5
	EBIT margin	92.2%	100.0%
	Holding	100.0%	100.0%
	Net sales	238	-2
	EBIT	238	-2
	EBIT margin	100.0%	n/m
	Holding	100.0%	100.0%
	Net sales	4	0
	EBIT	-6	-6
	EBIT margin	n/m	n/m
	Holding	100.0%	100.0%
	Net sales	221	222
	EBIT	14	14
	EBIT margin	6.5%	6.4%
	Holding	99.1%	99.1%

1) See page 8 and 9 for additional information.

Listed portfolio companies



Share of Bure's
net asset value

5.3%

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	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Net sales	46	50	99	104	212
Operating expenses	-54	-53	-105	-102	-230
EBIT	-7.8	-2.3	-5.6	1.2	-18.0
EBIT margin	-16.8%	-4.6%	-5.6%	1.1%	-8.5%
Net financial items	1.4	-2.3	0.5	-3.1	-4.9
Profit/loss before tax	-6.3	-4.6	-5.0	-1.9	-23.1
Income tax expense	-0.8	-1.1	-1.2	-1.8	-8.7
Profit/loss for the period	-7.1	-5.7	-6.3	-3.8	-31.8
Net loan debt (-)/receivable (+)			-33	-33	-20
Total assets			217	250	211
Equity			95	134	104
Cash flow from operating activities			-5	-2	13
Average no. of employees			938	1,002	970

Facts at 30 June 2018

	Largest shareholders
Book value: SEK 470M	Bure Equity 25.4%
Acquisition date: 2014	Others 74.6%
Board member from Bure: Patrik Tigerschiöld, chairman	

The quarter in brief

- Order intake was EUR 62M, an increase of 26.8 per cent compared to the same period the previous year.
- Net sales in the second quarter decreased 8.0 per cent to EUR 46M (50).
- Operating profit was EUR -7.8M (-2.3), of which an extraordinary item relating to a legal dispute in the US accounted for EUR 7.0M.
- Bure acquired an additional 4.2 million shares in Cavotec for SEK 104.3M and increased its shareholding to 25.4 per cent.
- The share price increased 9.3 per cent in the second quarter of 2018.



MEDCAP

www.medcap.se

Share of Bure's
net asset value

3.1%

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

Key figures ¹⁾ SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	May-17 -Dec-17 ¹⁾
Net sales	173	145	356	285	533
Operating expenses	-164	-139	-331	-271	-521
EBIT	8.7	6.1	24.3	14.0	12.3
EBIT margin	5.0%	4.2%	6.8%	4.9%	2.3%
Net financial items	-1.9	1.7	-3.9	1.1	-3.1
Profit/loss before tax	6.8	7.8	20.4	15.2	9.2
Income tax expense	-2.0	-0.6	-4.6	-0.6	-6.8
Profit/loss for the period continuing operations	4.8	7.2	15.8	14.6	2.4
Profit/loss for the period discontinued operations	-4.5	-2.9	-6.9	-5.8	-
Profit/loss for the period	0.6	4.3	8.8	8.8	2.4
Net loan debt (-)/receivable (+)			-151	-82	-105
Total assets			655	562	600
Equity			284	295	267
Cash flow from operating activities			30	44	28
Average no. of employees			302	327	324

Facts at 30 June 2018

	Largest shareholders
Book value: SEK 273M	Bengt Julander 23.6%
Acquisition date: 2012	Bure Equity 23.0%
Board member from Bure: Henrik Blomquist, board member	Karl Tobieson 4.3%
	Others 49.1%

1) Shortened fiscal year.

The quarter in brief

- Net sales increased by 20 per cent to SEK 173M compared to SEK 145M in the same period last year.
- Operating profit increased to SEK 8.7M (6.1).
- The share price increased 38.9 per cent in the second quarter of 2018.

MYCRONIC

www.mycronic.com

Share of Bure's
net asset value **33.4%**

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

Key figures EUR M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Net sales	882	905	1 633	1 583	3 001
Operating expenses	-645	-590	-1 199	-1 111	-2 157
EBIT	237.6	314.9	433.7	472.3	844.2
EBIT margin	26.9%	34.8%	26.6%	29.8%	28.1%
Net financial items	-4.5	-2.0	-6.1	-4.7	-8.6
Profit/loss before tax	233.1	312.8	427.6	467.5	835.6
Income tax expense	-59.4	-71.7	-112.5	-115.1	-212.3
Profit/loss for the period	173.7	241.1	315.1	352.4	623.4
Net loan debt (-)/receivable (+)			152	245	800
Total assets			3,741	2,557	3,244
Equity			1,900	1,522	1,780
Cash flow from operating activities			-38	359	984
Average no. of employees			1,071	928	962

Facts at 30 June 2018	Largest shareholders
Book value: SEK 2,938M	Bure Equity 29.9%
Acquisition date: 2010 via Skanditek	Fjärde AP-fonden 9.4%
Board member from Bure: Patrik Tigerschiöld, chairman	Swedbank Robur Fonder 7.9%
	Others 52.8%

The quarter in brief

- Order intake in the second quarter of 2018 increased 86 per cent to SEK 870M (469).
- Order intake in the Assembly Solutions business unit increased to SEK 554M (359). Order intake in Pattern Generators was SEK 317M (110). Total order intake at the end of the quarter was SEK 1,935M (914).
- Net sales during the second quarter 2018 were SEK 882M (905), which corresponds to a reduction of 3 per cent.
- Operating profit amounted to SEK 237.6M (314.9), which corresponds to an operating margin of 26.9 per cent (34.8).
- Mycronic acquired MRSI Systems in the US for SEK 358M. MRSI develops, manufactures and sells highly precise die bonding systems used for making optoelectronics and microelectronics.
- The share price fell 6.2 per cent in the second quarter of 2018.

Ovzon

www.ovzon.com

Share of Bure's
net asset value **0.9%**

Ovzon offers a revolutionary mobile broadband service via satellite that combines high data speeds with high degrees of mobility.

Key figures ¹⁾ SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017 ²⁾
Net sales	n/a	n/a	n/a	n/a	201
Operating expenses	n/a	n/a	n/a	n/a	-177
EBIT	n/a	n/a	n/a	n/a	24.0
EBIT margin	n/a	n/a	n/a	n/a	11.9%
Net financial items	n/a	n/a	n/a	n/a	-16.2
Profit/loss before tax	n/a	n/a	n/a	n/a	7.8
Income tax expense	n/a	n/a	n/a	n/a	-1.7
Profit/loss for the period	n/a	n/a	n/a	n/a	6.1
Net loan debt (-)/receivable (+)			n/a	n/a	-119
Total assets			n/a	n/a	95
Equity			n/a	n/a	-121
Cash flow from operating activities			n/a	n/a	35
Average no. of employees			n/a	n/a	14

Facts at 30 June 2018	Largest shareholders
Book value: SEK 82M	Overhorizon (Cyprus) 36.4%
Acquisition date: 2018	Investment AB Öresund 12.6%
Board member from Bure: Patrik Tigerschiöld, board member	Bure Equity 12.0%
	Others 39.0%

1) Ovzon will publish the interim report on 30 August 2018.

2) The capital structure as of 31 December 2017 refers to the situation before the listing in May 2018.

The quarter in brief

- Bure acquired 12.0 per cent of shares in Ovzon for SEK 70.6M in connection with its listing on Nasdaq First North in May 2018.
- The share price has increased 16.4 per cent since the listing in May 2018.



www.vitrolife.com

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

Share of Bure's
net asset value **33.7%**

Key figures SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Net sales	283	285	547	529	1 046
Operating expenses	-185	-191	-359	-357	-705
EBIT	98.5	94.6	188.1	172.9	340.9
EBIT margin	34.8%	33.1%	34.4%	32.7%	32.6%
Net financial items	1.9	-0.6	6.7	-1.0	0.1
Profit/loss before tax	100.3	94.0	194.9	171.9	340.9
Income tax expense	-20.8	-22.5	-43.5	-40.8	-76.3
Profit/loss for the period	79.6	71.5	151.4	131.1	264.6
Net loan debt (-)/receivable (+)			421	204	396
Total assets			1 566	1 303	1 422
Equity			1 345	1 089	1 229
Cash flow from operating activities			147	118	312
Average no. of employees			358	350	355

Facts at 30 June 2018	Largest shareholders
Book value: SEK 2,966M	William Demant
Acquisition date: 2010 via Skanditek	Invest A/S 21.8%
	Bure Equity 20.8%
Board member from Bure: Fredrik Mattsson, board member	Capital Group 4.5%
	Others 52.9%

The quarter in brief

- Net sales in the second quarter of 2018 decreased 1 per cent to SEK 283M (285). Sales decreased 5 per cent in local currencies.
- Operating profit amounted to SEK 98.5M (94.6), corresponding with an operating margin of 34.8 per cent (33.1). Operating profit before depreciation (EBITDA) amounted to SEK 116M (112), corresponding with a margin of 41 per cent (39). Currency changes affected operating profit before depreciation (EBITDA) positively by SEK 8M.
- Vitrolife received market approval for EmbryoScope+ in the US.
- Vitrolife entered into a co-operation agreement with GE Healthcare related to joint education activities for IVF clinics.
- The share price increased 11.1 per cent in the second quarter of 2018.



www.xvivoperfusion.com

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

Share of Bure's
net asset value **5.6%**

Key figures SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Net sales	46	37	89	75	148
Operating expenses	-42	-35	-81	-73	-141
EBIT	4.0	2.0	7.1	2.0	7.1
EBIT margin	8.7%	5.3%	8.1%	2.7%	4.8%
Net financial items	1.3	-0.1	3.1	-0.1	0.3
Profit/loss before tax	5.3	1.9	10.2	1.8	7.5
Income tax expense	-1.4	-0.8	-2.5	-0.8	-1.2
Profit/loss for the period	3.9	1.1	7.7	1.0	6.3
Net loan debt (-)/receivable (+)			209	203	195
Total assets			577	530	539
Equity			535	501	504
Cash flow from operating activities			22	7	22
Average no. of employees			35	31	30

Facts at 30 June 2018	Largest shareholders
Book value: SEK 494M	Bure Equity 16.3%
Acquisition date: Lex Asea distribution from Vitrolife in 2012	Swedbank Robur Fonder 6.2%
	Eccenovo AB 5.7%
Board member from Bure: Gösta Johannesson, chairman	Others 71.8%

The quarter in brief

- Net sales under second quarter of 2018 increased 24 per cent to SEK 46M (37). Sales excluding capital goods increased during the quarter by 16 per cent and amounted to SEK 42M (36). This increase corresponds to 14 per cent in local currencies.
- Operating profit amounted to SEK 4.0M (2.0), equivalent to an operating margin of 8.7 per cent (5.3).
- Cash flow from ongoing operations amounted to SEK 13.1M (8.7).
- Bure divested 0.3 million shares in Xvivo Perfusion for SEK 30M. The entry value of the shares was SEK 6M and the exit gain amounted to SEK 24M.
- PMA applications for the STEEN Solution™ and XPS™ have been submitted to the FDA. Perfadex Plus, an upgraded version of Perfadex, has been launched in Europe and marketing authorisations (510k) have been received in the US from the FDA.
- The share price increased 33.7 per cent in the second quarter of 2018.

Unlisted portfolio companies

BURE FINANCIAL SERVICES

www.bure.se

Share of Bure's
net asset value

0,8%

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	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Revenue/value adjustments	2.7	34.8	5.8	4.9	11.0
Operating expenses	-0.2	0.0	-0.5	0.0	0.0
EBIT	2.5	34.8	5.4	4.9	11.0
EBIT margin	92.7%	100.0%	92.2%	100.0%	100.0%
Net financial items	0.0	0.0	0.0	0.0	0.0
Profit/loss before tax	2.5	34.8	5.4	4.9	11.0
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	2.5	34.8	5.4	4.9	11.0
Net loan debt (-)/receivable (+)			141	130	135
Total assets			195	256	187
Equity			195	180	187
Cash flow from operating activities			6	12	17
Average no. of employees			0	0	0

Facts at 30 June 2018

Book value: SEK 70M

Acquisition date: Established 2014

Board member from Bure:

Patrik Tigerschiöld, chairman
Henrik Blomquist, board member
Max Jonson, board member

Largest shareholders

Bure Equity 100.0%

The quarter in brief

- Revenues/value changes in the second quarter of 2018 of SEK 5.8M relates to participations from Fondbolaget Fondita and Idevall & Partners Holding.
- Bure Financial Services signed an agreement on the acquisition of 32.5 per cent of Alcur Fonder AB. Ownership assessment by Finansinspektionen was completed in August 2018, and the transaction is expected to take place in the third quarter.

BURE GROWTH

www.bure.se

Share of Bure's
net asset value

5,4%

Bure Growth is a wholly owned company that invests in development companies. The company owns 28.8 per cent of BioLamina, 26.2 per cent of Life Genomics, 22.5 per cent of My Driving Academy Sweden and 18.9 per cent of Yubico.

Key figures SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Revenue/value adjustments	211.9	0.2	237.5	-1.8	1.0
Operating expenses	0.0	0.0	0.0	0.0	0.0
EBIT	211.9	0.2	237.5	-1.8	1.0
EBIT margin	100.0%	100.0%	100.0%	n/m	100.0%
Net financial items	0.0	0.5	0.0	0.5	0.5
Group contributions	-	-	-	-	-0.5
Profit/loss before tax	211.9	0.7	237.5	-1.3	1.0
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	211.9	0.7	237.5	-1.3	1.0
Net loan debt (-)/receivable (+) ¹⁾			-203	-165	-177
Total assets			466	183	197
Equity			263	18	20
Cash flow from operating activities			0	0	0
Average no. of employees			0	0	0

1) Of which, SEK 202.9M is liable to the Parent Company as at 30 June 2018.

Facts at 30 June 2018

Book value: SEK 475M

Acquisition date: Established 2015

Board member from Bure:

Henrik Blomquist, chairman
Fredrik Mattsson, board member
Max Jonson, board member

Largest shareholders

Bure Equity 100.0%

The quarter in brief

- Revenues/value changes of SEK 211.9M relate to participations of SEK -0.9M from BioLamina, Life Genomics and My Driving Academy, and revaluation of financial assets of an estimated market value of SEK 212.3M. The revaluation is attributable to the holding in Yubico, which has been valued based on the latest transaction in accordance with IFRS 9.

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

2.0%



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

1.8%

Key figures SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Net sales	-0.1	0.0	3.7	0.0	11.2
Operating expenses	-3.8	-3.6	-10.1	-5.8	-22.1
EBIT	-3.9	-3.6	-6.5	-5.8	-10.9
EBIT margin	n/m	n/m	n/m	n/m	neg
Net financial items	-0.7	-0.8	-1.4	-1.7	-2.9
Profit/loss before tax	-4.6	-4.4	-7.9	-7.4	-13.8
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	-4.6	-4.4	-7.9	-7.4	-13.8
Net loan debt (-)/receivable (+) ¹⁾			-107	-96	-102
Total assets			177	179	186
Equity			60	74	68
Cash flow from operating activities			-3	-5	-9
Average no. of employees			0	0	0

1) Of which, SEK 111.0M is liable to the Parent Company as at 30 June 2018.

Facts at 30 June 2018	Largest shareholders
Book value: SEK 172M ¹⁾	Bure Equity 100.0%
Acquisition date: Established 2012	
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 Second quarter 2018 was SEK -0.1M (0.0).
- Operating profit was SEK -3.9M (-3.6) of which SEK 3.5M constituted depreciation on the booked value of the locomotives.

Key figures SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	2017
Net sales	118	121	221	222	443
Operating expenses	-105	-109	-207	-207	-411
EBITA	13.0	12.2	14.4	14.1	31.9
EBITA margin	11.0%	10.1%	6.5%	6.4%	7.2%
Impairment of intangible fixed assets	-	-	-	-	-11.4
EBIT	13.0	12.2	14.4	14.1	20.5
EBIT margin	11.0%	10.1%	6.5%	6.4%	4.6%
Net financial items	-0.4	-0.9	0.7	-2.5	-13.6
Profit/loss before tax	12.6	11.3	15.1	11.6	6.9
Income tax expense	-0.5	-1.3	-0.8	-1.8	-5.8
Profit/loss for the period	12.1	10.0	14.3	9.8	1.1
Net loan debt (-)/receivable (+) ¹⁾			-15	-62	-35
Total assets			338	336	338
Equity			153	137	130
Cash flow from operating activities			4	-17	14
Average no. of employees			252	265	265

1) Of which, SEK 54.8M is liable to the Parent Company as at 30 June 2018.

Facts at 30 June 2018	Largest shareholders
Book value: SEK 160M 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 in the second quarter were SEK 118M (121).
- Operating profit was SEK 13.0M (12.2) and margins amounted to 11.0 per cent (10.1).
- Mercuri divested the Celemi subsidiary that in 2017 contributed SEK 62M to sales. The divestment resulted in a capital loss of SEK 0.3M.
- Cash flow in the first half of 2018 was SEK 4M, and net debt decreased to SEK 15M.

Interim report January – June 2018

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 second quarter of 2018

Consolidated operating income was SEK 764M (425).

Subsidiaries' net sales amounted to SEK 118M (121).

Dividends amounted to SEK 90M (85), of which Mycronic accounted for SEK 73M and Vitrolife 17M.

Exit gains were SEK 24M (233) from the divestiture of SEK 0.3 million in Xvivo Perfusion.

Capital gains/losses from short-term investments was SEK -17M (0).

Fair value changes amounted to SEK 544M (-16), of which listed portfolio companies accounted for SEK 320M. Of this amount, Cavotec accounted for SEK 25M, MedCap SEK 76M, Mycronic SEK -193M, Ovzon SEK 12M, Vitrolife SEK 295M, and Xvivo Perfusion SEK 105M.

Fair value changes also include the revaluation of financial assets to estimated market value which resulted in an upward revaluation of the holding in Bure Growth of SEK 212M, and a value change in short-term investments of SEK 12M.

Shares in profit/loss of associated companies amounted to SEK 3M (2).

Consolidated operating profit for the period was SEK 638M (299).

Net financial items totalled SEK 0M (1).

Consolidated profit after financial items was SEK 638M (299).

Profit after tax was SEK 637M (298).

Other comprehensive income included translation differences of SEK 5M (1).

Consolidated operating income was SEK 1,377M (553).

Subsidiaries' net sales amounted to SEK 221M (221).

Dividends amounted to SEK 90M (85), of which Mycronic accounted for SEK 73M and Vitrolife 17M.

Exit gains totalled SEK 45M (228) from the divestiture of 0.6 million shares in Xvivo Perfusion.

Capital losses from short-term investments were SEK -40M (0).

Fair value changes amounted to SEK 1,048M (13), of which listed portfolio companies accounted for SEK 788M. Of this amount, Cavotec accounted for SEK 0M, MedCap SEK 134M, Mycronic SEK 446M, Ovzon SEK 12M, Vitrolife SEK 151M, and Xvivo Perfusion SEK 46M.

Fair value changes also include the revaluation of financial assets to estimated market value which resulted in an upward revaluation of the holding in Bure Growth by SEK 238M, and a value change in short-term investments of SEK 22M.

Shares in profit/loss of associated companies amounted to SEK 5M (4).

Consolidated operating profit for the period was SEK 1,131M (314).

Net financial items totalled SEK 1M (-1).

Consolidated profit after financial items was SEK 1,132M (313).

Profit after tax was SEK 1,132M (312).

Other comprehensive income included translation differences of SEK 16M (2).

Results for January – June 2018

Financial position

Consolidated equity at the end of the period amounted to SEK 8,797M (7 276), and the equity/assets ratio was 98 per cent (98). At the end of the period, the Group reported net loan receivables of SEK 477M (665), which consisted of interest-bearing assets of SEK 506M (695), and interest-bearing liabilities of SEK 29M (30). At the end of the period, consolidated equity per share was SEK 126.88, compared to SEK 112.52 per share on 31 December 2017.

PARENT COMPANY

Results for the second quarter of 2018

Profit after tax was SEK 415M (257).

Dividends amounted to SEK 90M (78), of which Mycronic accounted for SEK 73M and Vitrolife SEK 17M.

Exit gains from amounted to SEK 24M (93) from the divestiture of 0.3 million shares in Xvivo Perfusion.

Capital losses from short-term investments totalled SEK -17M (0).

Fair value changes amounted to SEK 332M (97), of which listed portfolio companies accounted for SEK 320M. Of this amount, Cavotec accounted for SEK 25M, MedCap SEK 76M, Mycronic SEK -193M, Ovzon SEK 12M, Vitrolife SEK 295M, and Xvivo Perfusion SEK 105M, and a value change in short-term investments for SEK 12M.

Administrative expenses amounted to SEK 16M (14). Net financial items totalled SEK 1M (2).

Results for January – June 2018

Profit after tax was SEK 932M (305).

Dividends amounted to SEK 90M (78), of which Mycronic accounted for SEK 73M and Vitrolife SEK 17M.

Exit gains from amounted to SEK 45M (117) from the divestiture of 0.6 million shares in Xvivo Perfusion.

Capital losses from short-term investments totalled SEK -40M (0).

Fair value changes amounted to SEK 860M (130), of which listed portfolio companies accounted for SEK 788M. Of this amount, Cavotec accounted for SEK 0M, MedCap SEK 134M, Mycronic SEK 446M, Ovzon SEK 12M, Vitrolife SEK 151M, and Xvivo Perfusion SEK 46M, reversals of previously conducted write-downs of shares in Mercuri for SEK 50M, and value changes in short-term investments for SEK 22M.

Administrative expenses amounted to SEK 26M (24). Net financial items totalled SEK 2M (3).

Financial position

Equity in the Parent Company at the end of the period amounted to SEK 8,297M (6,988), and the equity/assets ratio was 100 per cent (100). At the end of the period, the Parent Company had reported net loan receivables of SEK 455M (615), which consisted of interest-bearing assets of SEK 455M (615), and interest-bearing liabilities of SEK 0M (0). External interest-bearing receivables amounted to SEK 289M (460). Receivables from subsidiaries totalled SEK 369M (397).

The Group's acquisitions and divestitures

Bure acquired an additional 4.2 million shares in Cavotec for SEK 104M, increasing its holding to 25.4 per cent.

Bure Growth acquired additional shares in Yubico for SEK 26M.

Bure divested 0.6 million shares in Xvivo Perfusion for SEK 57M, which resulted in an exit gain of SEK 45M.

The Group's loss carryforwards

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

Currency exposure

The majority of the Group's revenue is denominated in SEK and EUR. Underlying costs are typically generated in the same currency as revenue, which limits transaction exposure. As the Group has investments outside Sweden through its subsidiaries, its consolidated balance sheet and income statements are subject to differences due to the translation of the foreign subsidiaries' accounts. Listed portfolio companies with significant international sales have currency exposure primarily in EUR and USD.

Related party transactions

Up to the Annual General Meeting in May 2018, the Chairman of the Board has provided Bure with consultancy services under agreement. Subsequently, the contractual relationship has ceased.

Ownership structure

Bure's largest shareholders on 30 June 2018 were Nordea Investment Funds with 12.0 per cent, Patrik Tigerschiöld with 11.4 per cent, and the Björkman family and its foundations with 9.0 per cent. There were 23,965 shareholders on 30 June 2018 according to Euroclear Sweden.

Subsequent events

No events have taken place subsequent to 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 light of rapid change in the financial markets, special emphasis is placed on monitoring the effects such changes may have on Bure's investments and their valuations. Bure has a number of basic risk management principles in place. Under Bure's finance policy, the Parent Company shall essentially be debt-free. Furthermore, every portfolio company shall be financially independent of the Parent Company, which means that the Parent Company is not financially liable for portfolio companies, and that they are responsible for their own financing. Financing of respective portfolio companies shall be appropriate to companies' specific circumstances, where overall risk is managed through a balance between business and financial risk.

Bure's 2017 annual report provides a detailed description of the Group's risk exposure and risk management in the administration report and Note 21. It is Bure's judgement that no significant risks have emerged, other than those outlined in the annual report and in this interim report.

This interim report has not been audited.

Stockholm 16 August 2018
Bure Equity AB (publ)

Patrik Tigerschiöld
(Chairman)

Carl Björkman

Bengt Engström

Charlotta Falvin

Sarah McPhee

Mathias Uhlén

Henrik Blomquist
(CEO)

Financial calendar

Interim report January – September 2018
Year-end report 2018

8 November 2018
22 February 2019

For additional information contact

Henrik Blomquist, CEO
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Statement of comprehensive income, Group

SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	Full year 2017
Operating income					
Net sales	118.1	120.8	221.3	221.5	443.3
Other operating income	1.0	1.0	7.1	2.3	16.0
Dividends:					
Portfolio companies	90.0	77.9	90.0	77.9	77.9
Other companies	0.0	7.0	0.0	7.0	7.0
Short-term and financial investments	0.0	0.2	0.0	0.4	0.4
Exit gains/losses	23.7	232.6	45.1	227.9	227.9
Capital gains/losses on short-term investments	-16.6	-0.3	-40.3	-0.3	-10.9
Fair value:					
Portfolio companies	532.2	96.1	1,026.7	125.1	692.5
Other companies	0.0	-113.1	0.0	-118.4	-118.4
Short-term and financial investments	12.2	1.1	21.7	5.8	-4.7
Shares in profit/loss of associates	2.9	1.9	5.3	3.9	13.9
Total operating income	763.6	425.2	1,376.9	553.2	1,345.0
Operating expenses					
Other external expenses	-45.9	-49.1	-90.8	-88.4	-186.6
Personnel costs	-76.7	-73.7	-147.3	-142.9	-278.9
Depreciation and impairment of property, plant and equipment	-3.0	-3.0	-6.2	-6.2	-12.1
Depreciation and impairment of Intangible assets	-	-	-	-	-11.4
Other operating expenses	-0.3	-0.8	-1.3	-1.7	-3.6
Total operating expenses	-125.9	-126.7	-245.6	-239.2	-492.6
Operating profit/loss	637.6	298.5	1,131.3	314.0	852.4
Interest income and similar profit/loss items	0.0	2.8	3.4	3.4	3.0
Interest expenses and similar profit/loss items	0.0	-2.1	-2.3	-4.0	-15.4
Profit/loss after financial items	637.6	299.3	1,132.5	313.3	839.9
Tax on income for the period	-0.5	-1.3	-0.9	-1.8	-5.8
Income for the period	637.1	298.0	1,131.6	311.5	834.1
Other comprehensive income					
Items that can be subsequently re-entered onto the income statement					
Translation differences	4.7	1.4	15.9	2.1	4.8
Other comprehensive income for the period, after tax	4.7	1.4	15.9	2.1	4.8
Total income for the period	641.8	299.4	1,147.5	313.6	838.9
Profit/loss attributable to non-controlling interests	0.1	0.1	0.1	0.1	0.0
Profit/loss attributable to owners of the Parent Company	637.0	298.0	1,131.5	311.4	834.1
Comprehensive income attributable to non-controlling interests	0.1	0.1	0.1	0.1	0.0
Comprehensive income attributable to owners of the Parent Company	641.7	299.4	1,147.4	313.5	838.9
Average number of shares outstanding, thousands ¹⁾	69,280	69,333	69,306	69,333	69,333
Attributable to owners of the Parent Company, SEK	9.20	4.30	16.33	4.49	12.03
Earnings per share, SEK¹⁾	9.20	4.30	16.33	4.49	12.03

1) No dilutive effect at 30 June 2018 and 2017 or at December 2017.

Statement of financial position, Group

SEK M	30 June 2018	30 June 2017	31 December 2017
Assets			
Intangible assets	97.1	106.4	96.5
<i>of which, goodwill</i>	<i>94.1</i>	<i>103.4</i>	<i>92.5</i>
Property, plant and equipment	180.5	189.5	186.0
Financial assets	7,777.0	6,011.4	6,549.9
Inventories	0.3	3.5	3.3
Current receivables	81.5	116.9	120.1
Prepaid expenses and accrued income	39.5	39.3	24.5
Short-term investments	269.6	276.9	286.3
Cash and cash equivalents	500.5	690.0	704.1
Total assets	8,946.0	7,434.1	7,970.7
<i>of which, interest-bearing assets¹⁾</i>	<i>506.0</i>	<i>695.2</i>	<i>705.9</i>
Equity and liabilities			
Equity attributable to owners of the Parent Company	8,795.9	7,275.0	7,800.5
Equity attributable to non-controlling interests	1.2	1.2	1.0
Total equity	8,797.1	7,276.2	7,801.5
Non-current liabilities	39.9	30.9	32.4
Current liabilities	108.9	127.0	136.8
Total liabilities	148.8	157.9	169.2
Total equity and liabilities	8,946.0	7,434.1	7,970.7
<i>of which, interest-bearing liabilities¹⁾</i>	<i>29.1</i>	<i>30.4</i>	<i>28.0</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 2017	535.5	714.6	5,850.2	1.1	7,101.3
Profit/loss for the year	–	–	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
Opening balance equity at 1 January 2018	535.5	714.6	6,550.4	1.1	7,801.5
Profit/loss for the period	–	–	1,131.5	0.1	1,131.6
Other comprehensive income	–	–	15.9	–	15.9
Cash dividend	–	–	-138.7	–	-138.7
Capital buy-back	–	–	-13.2	–	-13.2
Closing balance equity at 30 June 2018	535.5	714.6	7,545.8	1.2	8,797.1

Statement of cash flows, Group

SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	Full year 2017
Cash flow from operating activities before change in working capital	98.0	284.3	85.1	304.1	279.1
Cash flow from change in working capital	0.1	-24.4	-4.8	-46.5	-21.7
Cash flow from operating activities	98.1	259.9	80.4	257.6	257.3
Cash flow from investing activities	-189.2	67.1	-156.3	-117.0	-103.0
Cash flow from financing activities	-145.2	-141.5	-143.5	-137.9	-140.2
Cash flow for the period	-236.2	185.4	-219.5	2.7	14.1
Cash and cash equivalents at beginning of period	732.1	503.2	704.1	685.3	685.3
Cash flow for the period	-236.2	185.4	-219.5	2.7	14.1
Translation differences	4.7	1.5	15.9	2.1	4.8
Cash and cash equivalents at end of period	500.5	690.0	500.5	690.0	704.1

Income statement, Parent Company

SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	Full year 2017
OPERATING INCOME					
Investing activities					
Dividends:					
Portfolio companies	90.0	77.9	90.0	77.9	77.9
Other companies	0.0	0.0	0.0	0.0	0.5
Short-term and financial investments	0.0	0.2	0.0	0.4	0.4
Exit gains/losses	23.9	93.4	45.4	117.4	117.4
Capital gains/losses on short-term investments	-16.6	-0.3	-40.3	-0.3	-10.9
Fair value:					
Portfolio companies	319.9	96.1	788.3	125.1	692.5
Other companies	0.0	0.0	50.1	-1.0	-1.0
Short-term and financial investments	12.2	1.1	21.7	5.8	-4.7
Other income	0.3	0.1	1.2	0.3	1.0
Total operating income	429.8	268.5	956.4	325.6	873.1
Operating expenses					
Personnel costs	-8.0	-6.8	-12.9	-11.3	-18.7
Other external expenses	-7.6	-6.6	-12.5	-12.3	-23.5
Depreciation of property, plant and equipment	-0.2	-0.2	-0.4	-0.4	-0.7
Total operating expenses	-15.8	-13.5	-25.8	-24.0	-42.9
Operating profit/loss	414.1	255.0	930.5	301.6	830.2
Financial income and expenses					
Interest income and similar profit/loss items	1.1	2.7	2.2	4.4	5.3
Interest expenses and similar profit/loss items	0.0	-0.7	-0.4	-1.4	-1.8
Total financial income and expenses	1.1	2.0	1.8	3.0	3.5
Profit/loss before tax	415.2	256.9	932.3	304.6	833.7
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period¹⁾	415.2	256.9	932.3	304.6	833.7
Average basic number of shares, thousands ²⁾	69,280	69,333	69,306	69,333	69,333
Basic earnings per share, SEK ²⁾	5.99	3.71	13.45	4.39	12.02
Average number of employees	7	7	7	7	7

1) Corresponds to comprehensive income.

2) No dilutive effect at 30 June 2018 and 2017 or at 31 December 2017.

Statement of financial position, Parent Company

SEK M	30 June 2018	30 June 2017	31 December 2017
Assets			
Property, plant and equipment	3.1	3.9	3.5
Financial assets	7,382.5	5,845.5	6,377.4
Current receivables	371.3	413.3	344.6
Prepaid expenses and accrued income	4.5	4.2	3.6
Short-term investments	269.6	276.9	286.3
Cash and cash equivalents	284.0	455.0	512.4
Total assets	8,315.1	6,998.8	7,527.8
<i>of which, interest-bearing assets¹⁾</i>	<i>455.3</i>	<i>615.4</i>	<i>679.7</i>
Equity and liabilities			
Equity	8,297.3	6,987.7	7,516.8
Non-current liabilities	8.1	0.9	0.9
Current liabilities	9.6	10.1	10.0
Total equity and liabilities	8,315.1	6,998.8	7,527.8
<i>of which, interest-bearing liabilities¹⁾</i>	<i>–</i>	<i>–</i>	<i>–</i>

1) See Note 5.

Statement of cash flows, Parent Company

SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	Full year 2017
Cash flow from operating activities before change in working capital	83.0	159.6	72.2	174.4	147.4
Cash flow from change in working capital	1.1	-14.6	-1.0	-13.6	-0.7
Cash flow from operating activities	84.2	145.1	71.1	160.8	146.7
Cash flow from investing activities	-184.5	34.7	-154.9	-155.2	-83.7
Cash flow from financing activities	-144.7	-138.7	-144.7	-138.7	-138.7
Cash flow for the period	-245.0	41.1	-228.4	-133.1	-75.7
Cash and cash equivalents at beginning of period	529.1	413.8	512.4	588.0	588.0
Cash flow for the period	-245.0	41.1	-228.4	-133.1	-75.7
Cash and cash equivalents at end of period	284.0	455.0	284.0	455.0	512.4

Statement of changes in equity, Parent Company

SEK M	Q2 2018	Q2 2017	6 mth 2018	6 mth 2017	Full year 2017
Opening balance, equity	8,034.0	6,869.5	7,516.8	6,821.8	6,821.8
Cash dividend	-138.7	-138.7	-138.7	-138.7	-138.7
Capital buy-back	-13.2	–	-13.2	–	–
Profit/loss for the period	415.2	256.9	932.3	304.6	833.7
Closing balance, equity	8,297.3	6,987.7	8,297.3	6,987.7	7,516.8

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. The Group's accounting and valuation policies are described in Note 1 in the annual report 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. See Note 4 – Financial instruments for further information on the impact of IFRS 9 on the Group's financial statements. 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.

	Mercuri		Investment AB Bure		Bure Financial Services		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
SEK M	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017	6 mth 2018	6 mth 2017
Operating income																
Total operating income	221	221	0	0	0	0	0	0	0	0	–	–	0	0	221	221
Profit/loss																
Shares in profit/loss	0	–	–	–	6	6	-1	-2	–	–	–	–	–	–	5	4
Profit/loss by segment	14	14	-6	-6	0	–	–	–	–	–	–	–	1	0	9	9
Administrative expenses	–	–	–	–	–	–	–	–	–	–	–	–	-26	-24	-26	-24
Fair value/impairment losses	–	–	–	–	–	-146	238	28	–	–	-50	1	860	130	1,048	13
Dividends	–	–	–	–	–	12	–	–	–	–	–	-5	90	78	90	85
Exit gains/losses/capital gains/losses on short-term investments	0	–	–	–	–	138	–	-28	–	–	–	–	5	117	5	228
Operating profit/loss	14	14	-6	-6	5	10	238	-2	0	0	-50	-4	931	302	1,131	314
Net financial items															1	-1
The period's income tax expense															-1	-2
Profit/loss for the period															1,132	312

	Mercuri		Investment AB Bure		Bure Financial Services		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
SEK M	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017	30 Jun 2018	30 Jun 2017
Assets																
Assets	202	250	148	151	141	206	400	128	0	0	-375	-399	8,315	6,999	8,832	7,336
Equity in associates	15	14	–	–	54	50	45	34	0	0	–	–	–	–	114	98
Total assets	217	265	148	151	195	256	445	162	0	0	-375	-399	8,315	6,999	8,946	7,434
Liabilities																
Unallocated liabilities	186	199	116	105	0	76	203	165	0	0	-375	-399	18	11	149	158
Total liabilities	186	199	116	105	0	76	203	165	0	0	-375	-399	18	11	149	158
Investments	2	3	0	0	0	0	0	0	0	0	0	0	0	0	2	3
Amortisation/depreciation	2	2	3	3	0	0	0	0	0	0	0	0	0	0	6	6

NOTE 2 – Segment reporting, cont.

IFRS 15 Revenue from Contracts with Customers is a new revenue standard that replaces existing standards and guidance on revenues. The standard does not have any material effect on the Group's net sales, either in terms of amounts or periodicity. From 1 January 2018, the Group classifies revenue as: consultancy income, licensee income, and other income. The table below shows how net sales would have been reported had the new standard been applied in 2017.

SEK M	Q2 2018	6 mth 2018	Full year 2017
Consultancy income	94	178	355
Licensing revenue	10	19	58
Other income	14	24	31
Net sales	118	221	433

Note 3 – Effects of changed estimates and assumptions

Key accounting estimates and assumptions are presented in Note 1 of the annual report for 2017. 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

The Group's financial assets and liabilities are classified according to IFRS 13 under the following three categories.

Level 1: Listed prices on an active market for identical assets or liabilities.

Level 2: Other observable data for the asset or liability other than listed prices included in Level 1, either directly or indirectly.

Level 3: Data for the asset or liability that is not entirely based on observable market data.

Bure reports listed holdings at fair value with changes in value in the income statement (Level 1).

For investments in unlisted holdings (Level 3), in the first auditing instance Bure has made an active choice to use the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures. Thus, holdings in the unlisted associated companies BioLamina AB, Fondbolaget Fondita AB, Idevall & Partners Holding AB, Life Genomics AB and My Driving Academy Sweden AB have not been re-evaluated according to IFRS 9. The introduction of IFRS 9 requires other financial assets to be assessed on an ongoing basis.

In Bure's net asset value table, (see page 2), Bure has chosen to revalue all financial assets based on International Private Equity and Venture Capital Valuation (IPEV) guidelines. These guidelines outline various methods for the determination of the fair value of respective holdings. Considerable emphasis is placed on recent market transactions in the company, for example new share issues or the acquisition of existing shares. Transactions in comparable companies may also be used. Other valuation methods include discounting forecasted cash flow with relevant discount rates, and by applying valuation multiples such as EV/Sales, EV/EBITDA, EV/EBITA, EV/EBIT and PER adjusted for different market, operational and risk profiles. In general, an illiquidity discount for unlisted assets is also applied.

Valuation of unlisted assets at 30 June 2018.

SEK M	Market value, valuation model	Book value in the Group, valuation model
Bure Financial Services	70.1	54.2
Fondbolaget Fondita	EV/EBIT multiples	Equity method
Idevall & Partners Holding	DCF	Equity method
Bure Growth	474.9	465.9
BioLamina	Latest transaction, DCF	Equity method
Life Genomics	DCF	Equity method
My Driving Academy Sweden	DCF	Equity method
Yubico	Latest transaction	Latest transaction

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			
	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Cash and cash equivalents	500.5	690.0	704.1	685.3	284.0	455.0	512.4	588.0
+ Interest-bearing investments	0.0	3.2	0.0	3.8	0.0	3.2	0.0	3.8
+ Current interest-bearing receivables	0.0	1.4	0.0	3.7	165.8	157.2	165.8	201.1
+ Non-current interest-bearing receivables	5.5	0.5	1.8	5.4	5.5	0.0	1.5	4.6
Interest-bearing assets	506.0	695.2	705.9	698.1	455.3	615.4	679.7	797.6
- Current interest-bearing liabilities	1.9	5.7	1.1	4.3	–	–	–	–
- Non-current interest-bearing liabilities	27.2	24.7	26.9	25.4	–	–	–	–
Interest-bearing liabilities	29.1	30.4	28.0	29.6	–	–	–	–
Net loan receivable at end of period	476.9	664.8	677.8	668.5	455.3	615.4	679.7	797.6

Note 6 – Pledged assets

	Group				Parent company			
	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016	30 Jun 2018	30 Jun 2017	31 Dec 2017	31 Dec 2016
Shares in subsidiaries and associates	22.5	72.9	80.1	73.0	–	–	–	–
Blocked bank accounts	0.4	0.3	0.4	0.4	–	–	–	–
Total pledged assets	22.9	73.3	80.6	73.4	–	–	–	–

Contingent liabilities in the Group amounted to SEK 0.5M (0.4) at 30 June 2018, 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.

Five-year overview

	30 June				
Data per share ¹⁾	2018	2017	2016	2015	2014
Net asset value, SEK ²⁾	127.1	111.7	101.7	87.4	46.1
Share price, SEK	101.2	98.3	103.5	68.8	35.9
Share price as a percentage of net asset value	80%	88%	102%	79%	78%
Parent Company basic equity per share, SEK	119.7	108.4	98.4	82.9	42.3
Parent Company equity per share excl. buybacks, SEK	119.9	108.4	98.4	84.7	45.0
Consolidated basic equity per share, SEK	126.9	112.5	102.4	85.6	43.4
Consolidated equity per share excl. buybacks, SEK	127.1	112.5	102.4	87.5	46.2
Parent Company basic earnings per share, SEK ³⁾	13.5	12.0	15.7	40.4	12.7
Consolidated earnings per share, SEK ³⁾	16.3	12.0	16.9	42.0	12.8
Number of shares, thousands	69,333	69,333	69,333	70,834	76,082
Number of outstanding options/warrants, thousands	–	–	–	–	–
Total number of shares incl. outstanding options/warrants, thousands	69,333	69,333	69,333	70,834	76 082
Number of shares excluding share buybacks, thousands	69,200	69,333	69,333	69,333	71 397
Average basic number of shares, thousands	69,306	69,333	69,333	70,042	74 947

Key figures

Dividend, SEK per share	2.0	2.0	2.0	1.0	1.0
Of which, extraordinary dividend, SEK per share	0.5	0.5	1.0	–	0.5
Direct return	2.0%	2.0%	1.9%	1.5%	2.8%
Total return	5.2%	-3.3%	54.7%	95.4%	43.0%
Market capitalisation, SEK M	7,016	6,812	7,176	4,870	2 731
Net asset value, SEK M	8,792	7,743	7,054	6,060	3 291
Return on equity	11.8%	11.6%	17.1%	62.2%	33.5%
Administrative expenses/Net asset value	0.59%	0.55%	0.66%	0.68%	1.23%

Parent Company profit and financial position

Exit gains/losses, SEK M	45	117	0	417	132
Profit/loss after tax, SEK M	932	834	1,086	2,829	953
Total assets, SEK M	8,315	7,528	6,835	5,895	3,233
Equity, SEK M	8,297	7,517	6,822	5,874	3,216
Equity/assets ratio	100%	100%	100%	100%	99%
Cash and cash equivalents and short-term investments, SEK M	554	799	873	1,040	473

Consolidated profit and financial position

Net sales, SEK M	221	443	455	486	537
Exit gains/losses, SEK M	45	228	0	416	132
Profit/loss after tax, SEK M	1,132	834	1,173	2,940	961
Total assets, SEK M	8,946	7,971	7,271	6,281	3,545
Equity, SEK M	8,797	7,802	7,101	6,065	3,302
Equity/assets ratio	98%	98%	98%	97%	93%
Net loan debt (-)/receivable (+), SEK M	477	678	669	986	626
Average number of employees	259	272	262	280	336

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 assessed market value of unlisted holdings or net assets in subsidiaries, short-term and financial investments and cash equivalents.

3) No dilutive effect at 30 June 2018.

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 16 August 2018, 08:30 a.m. CEST.

Definitions

Administrative expenses/net asset value	Administrative expenses divided by net asset value at period end.
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, the estimated market values of unlisted holdings or alternatively net 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.
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 June 2018 the portfolio consisted of ten companies, of which six 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