

Interim period January–September 2019

- Net asset value was SEK 159.2 per share compared to SEK 137.1 at the beginning of the year, which corresponds to an increase of 16.1 per cent.
- Bure's net asset value was SEK 10,978M compared to SEK 9,454M at the start of the year.
- Total return on the Bure share was 34.4 per cent compared to the SIX Return Index that increased 23.0 per cent.
- Consolidated profit after tax amounted to SEK 1,641M (997). Earnings per share amounted SEK 23.80 (14.39).

Third quarter 2019

- Net asset value per share was SEK 159.2 compared to SEK 153.5 at the start of the quarter, which corresponds to an increase of 3.7 per cent.
- Yubico conducted a directed share issue during the third quarter. In conjunction with this Bure Growth acquired 140,000 shares from existing shareholders in Yubico for SEK 50.2M.
- Bure Growth concluded the acquisition of 24.4 per cent of shares in ScandiNova Systems for SEK 70.9M.

Subsequent events

- Net asset value amounted to SEK 186.1 per share on 6 November 2019, which corresponds to an increase of 35.7 per cent since the beginning of the year.



Henrik Blomquist
CEO

Bure's net asset value increased during the third quarter by 3.7 per cent, outperforming the 2.0 per cent increase of the SIX Return Index. During the first nine months of the year, net asset value per share increased 16.1 per cent.

At the end of August, portfolio business Yubico carried out a USD 25 million directed share issue to US investment company Meritech Capital Partners. This transaction involved Bure acquiring shares from existing shareholders valued at some SEK 50M. As a result of this transaction and in accordance with IFRS 9, Bure adjusted upwards the value of its total holding in Yubico by SEK 507M. Following the transaction, the book value of Bure's total holding in Yubico amounted to SEK 989M, making this Bure's third largest holding. Yubico continues to grow strongly. During the year, we have focused on broadening the company's customer base away from leading internet giants such as Google, Facebook, Amazon etc., as well as increasing market share in Europe.

The stock market continues to be surprisingly resilient. So far this year, the SIX Return Index is up 30 per cent despite flagging economic activity, various sources of uncertainty around the world and generally weaker growth in corporate earnings. However, Swedish industry has been buoyed by the weakness of the Swedish krona. It is interesting to note the so-called rotation that has occurred on the capital markets from smaller to larger companies. In the past three months, the OMX Stockholm 30 has risen some 12.5 per cent, while the OMX Small Cap has only edged about 0.4 per cent higher in the same period.

Out of the portfolio companies that have reported results for the third quarter, Mycronic, Vitrolife and Xvivo stand out. Orders for both Mycronic's business units remain very robust, which has pushed its share price to new record highs. Both Vitrolife and Xvivo continued to deliver double-digit growth and excellent gross margins, which is also impressive.

Bure's net asset value and holdings

		2018-12-31				2019-09-30			
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 ³⁾	27.1%	264	-7	76	-2	330	3.0%	4.8
	MedCap ⁴⁾	22.3%	245	176	–	-3	418	3.8%	6.1
	Mentice ⁵⁾	10.1%	0	89	120	–	209	1.9%	3.0
	Mycronic ⁶⁾	27.9%	3,462	130	8	-270	3,330	30.3%	48.3
	Ovzon ⁷⁾	14.3%	75	130	113	–	317	2.9%	4.6
	Vitrolife ⁸⁾	19.0%	3,321	375	–	-384	3,312	30.2%	48.0
	Xvivo Perfusion ⁹⁾	15.8%	566	161	–	–	728	6.6%	10.5
Total listed holdings			7,933	1,053	316	-659	8,643	78.7%	125.3
UNLISTED	Atle Investment Management ¹⁰⁾	100.0%	89	-2	7	–	94	0.9%	1.4
	Bure Growth ¹¹⁾	100.0%	490	507	125	–	1,123	10.2%	16.3
	Investment AB Bure ¹²⁾	100.0%	178	5	–	–	183	1.7%	2.7
	Mercuri International Group ¹³⁾	99.1%	135	–	–	–	135	1.2%	2.0
	Total unlisted holdings			892	511	132	0	1,534	14.0%
Total holdings			8,824	1,564	448	-659	10,177	92.7%	147.6
TREASURY	Cash and cash equivalents, short-term investments and other assets ¹⁴⁾		630		171		801	7.3%	11.6
	Total treasury		630		171		801	7.3%	11.6
Total net asset value			9,454	1,564	619	-659	10,978	100.0%	159.2

1) Change in value including exit gains/losses.

2) Bures number of shares at 30 September 2019: Cavotec 25,579,935, MedCap 3,006,017, Mentice 2,448,000, Mycronic 27,317,163, Ovzon 4,799,698, Vitrolife 20,573,285 and Xvivo Perfusion 4,205,504.

3) Cavotec conducted a rights issue valued at SEK 204M in January 2019. Bure's net acquisition of shares was SEK 74M.

4) Bure divested 75,000 shares for SEK 3M in connection with the exercise of options, which generated an exit result of SEK 2M.

5) Bure acquired 2.45 million shares for SEK 120M in June 2019.

6) Bure's net divestment of 2 million shares in Mycronic for SEK 270M generated an exit result of SEK 245M during 2019.

7) Ovzon conducted a rights issue of SEK 748M in January 2019. Bure subscribed for shares valued at SEK 113M.

8) Bure divested 2 million shares in Vitrolife for SEK 384M which generated an exit result of SEK 370M in March 2019.

9) Bure divested 85,979 shares in connection with the exercise of options, which generated an exit result of SEK -2M.

10) Atle Investment Managements (formerly Bure Financial Services) net asset value increased SEK 5M to SEK 94M following an additional investment in Atle Investment Services and Teknik Innovation Norden Fonder. The company's consolidated balance sheet includes valuations of associated companies Alcur Fonder, Fondbolaget Fondita, Idevall & Partners Holding and Teknik Innovation Norden Fonder in Atle amounting to SEK 67.8M according to the equity method.

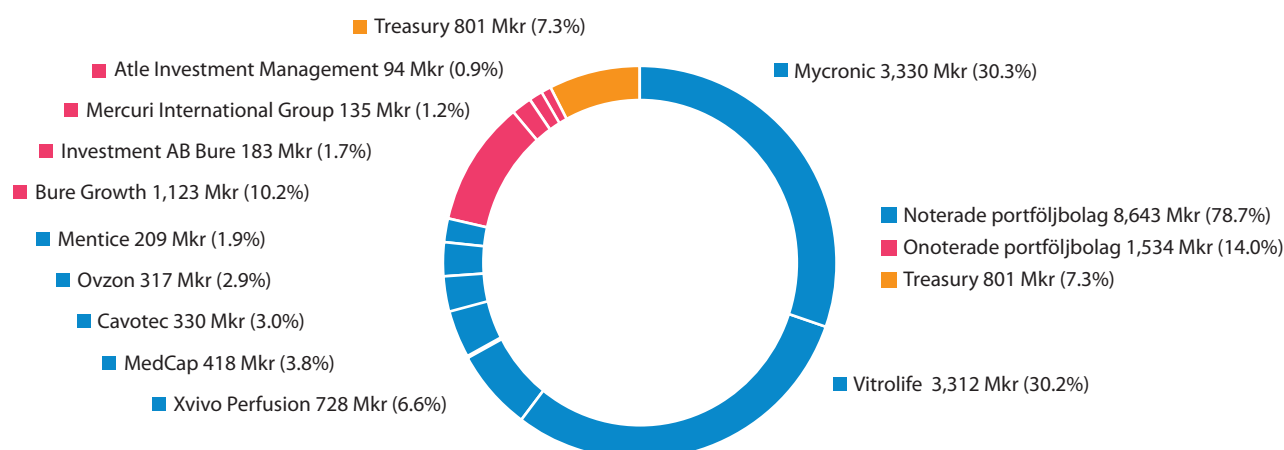
11) Bure Growth's net asset value increased SEK 632M to SEK 1,123M following the acquisition of shares in ScandiNova Systems and Yubico and a revaluation of the holding in Yubico in line with IFRS 9. The company's consolidated balance sheet includes valuations of associated companies BioLamina, Life Genomics, My Driving Academy and ScandiNova Systems in Bure Growth amounting to SEK 124.8M according to the equity method.

12) Refers to net assets.

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

14) 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 September 2019

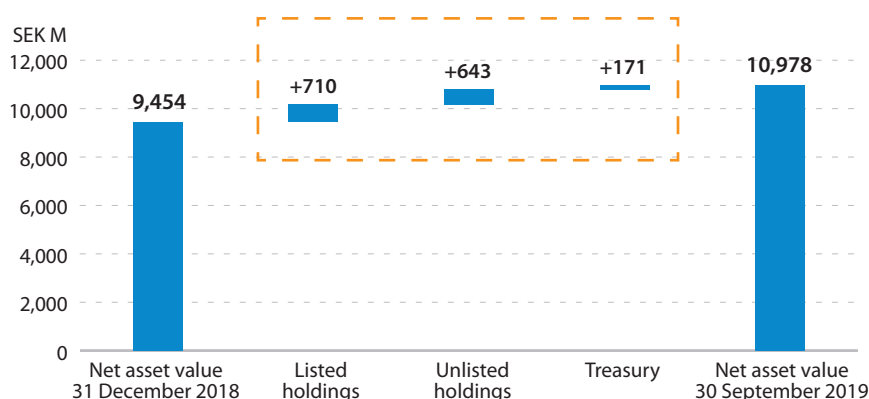


Net asset value, 9 months 2019

Net asset value was SEK 10,978M, an increase of SEK 1,524M since the beginning of the year.

Net asset value per share amounted to SEK 159.2 which corresponds to an increase of 16.1 per cent since the beginning of the year.

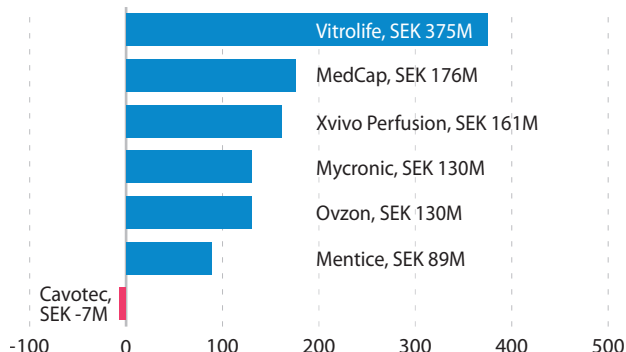
Net asset value per share increased by 17.6 per cent adjusted for paid dividends.



Listed portfolio companies, 9 months 2019

The value of listed portfolio companies increased during the period by SEK 710M to SEK 8,643M. Of this value increase, value changes and exit gains accounted for SEK 1,053M, acquisitions for SEK 316M and disposals for SEK 659M.

Listed portfolio companies' value change and exit gains, 9 months 2019



The value of the holding in Vitrolife decreased by SEK 8M to stand at SEK 3,312M at the end of the period. Value increases and exit results amounted to SEK 375M. During the period, 2.0 million shares were divested for SEK 384M with an exit result of SEK 370M. The share price increased 9.5 per cent during the period.

The value of the holding in Xvivo Perfusion increased by SEK 161M to SEK 728M at the end of the quarter. During the period 85,979 shares were divested in connection with the exercise of options. The share price increased 31.1 per cent during the period.

The value of the holding in MedCap increased by SEK 173M to SEK 418M. During the period, 75,000 shares were divested for SEK 3M in connection with the exercise of options. The share price increased 75.1 per cent during the period.

The value of the holding in Mycronic decreased by SEK 132M to stand at SEK 3,330M at the end of the period. A net divestment of 2.0 million shares were divested for SEK 270M during the period, generating an exit result of

SEK 245M. The share price increased 3.2 per cent during the period.

The value of the holding in Ovzon increased by SEK 242M to SEK 317M. Shares in Ovzon were acquired for SEK 113M during the period. The share price fell by 10.9 per cent during the period.

The value of the holding in Mentice amounted to SEK 209M at the end of the period. Bure acquired shares in Mentice for SEK 120M following the company's stock market flotation. The share price has increased 73.9 per cent since the company listed in June 2019.

The value of the holding in Cavotec increased by SEK 66M to SEK 330M. The net acquisition of shares in Cavotec was SEK 74M during the period. The share price decreased 2.6 per cent during the period.

Listed portfolio companies accounted for 78.7 per cent of net asset value compared to 83.9 per cent at the end of 2018.

Unlisted portfolio companies, 9 months 2019

The value of unlisted portfolio companies increased by SEK 643M to SEK 1,534M compared to SEK 892M at the end of 2018.

Atle Investment Management's net asset value increased by SEK 5M to SEK 94M following additional investments in Atle Investment Services and Teknik Innovation Norden Fonder. Atle Investment Management received share dividends of SEK 10M from Fondita as well as SEK 3M in dividends from Alcur Fonder.

Bure Growth's net asset value increased by SEK 632M to SEK 1,123M following the revaluation of financial assets at a market value assessment of SEK 507M and acquisitions of shares in Yubico for SEK 54M and shares in ScandiNova Systems for SEK 71M. The value of the holding in Yubico was adjusted upwards to correspond with the price used in the most recent major transaction in the share made in the summer of 2019.

Investment AB Bure's net asset value increased by SEK 5M to SEK 183M.

Mercuri's book value of SEK 135M was unchanged from the beginning of the year.

Unlisted portfolio companies accounted for 14.0 per cent of net asset value compared to 9.4 per cent 2018.

Treasury, 9 months 2019

The value of assets in Treasury increased by SEK 171M to SEK 801M. Bure divested financial assets of SEK 660M and acquired financial assets for SEK 454M, during the period. Bure received dividends from listed portfolio companies and associated companies amounting to SEK 109M and paid out dividends totalling SEK 138M. Other changes of SEK -6M resulted from guarantee commissions, value changes in short-term investments and administrative costs.

Assets in Treasury amounted to 7.3 per cent of net asset value compared to 6.7 per cent at the end of 2018.

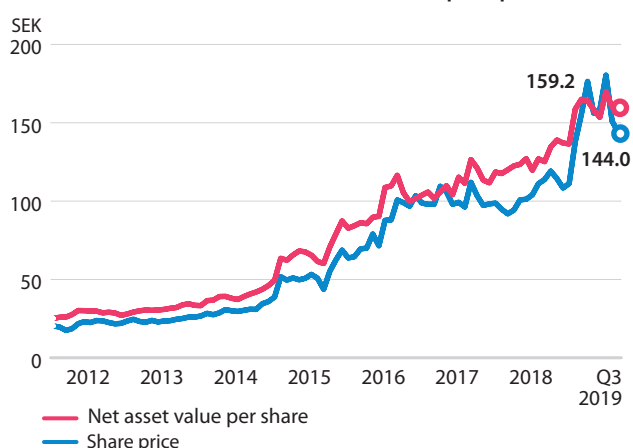
The Bure share

The total number of shares in Bure is 68,971,921. The 2019 Annual General Meeting authorised the Bure board of directors to decide on the buyback of up to 10 per cent of the total number of outstanding shares. As of 30 September 2019, no shares had been repurchased. Bure's share price on 30 September 2019 was SEK 144.0, which corresponds to a total return of 34.4 per cent since the beginning of the year.

	6 Nov 2019	30 Sep 2019	31 Dec 2018	31 Dec 2017
Share price, SEK	169.4	144.0	108.4	98.3
Dividend per share, SEK	2.0	2.0	2.0	2.0
Total return since year-end ¹⁾	58.2%	34.4%	12.7%	-3.3%
Net asset value per share, SEK	186.1	159.2	137.1	111.7
Development of NAV per share	35.7%	16.1%	22.7%	9.8%
SIX Return Index	30.1%	23.0%	-4.4%	9.5%

1) Including dividends of SEK 2.00 per share for 2019, 2018 and 2017.

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



Portfolio companies Jan – Sep 2019 and 2018

Listed, SEK M	2019	2018
CAVOTEC		
Net sales	n/a	1 541
EBIT	n/a	-29
EBIT margin	n/a	-1.9%
Holding	27.1%	25.4%
MEDCAP		
Net sales	546	521
EBIT	62	36
EBIT margin	11.4%	6.8%
Holding	22.3%	23.0%
mentice		
Net sales	n/a	n/a
EBIT	n/a	n/a
EBIT margin	n/a	n/a
Holding	10.1%	–
MYCRONIC		
Net sales	3 125	2 729
EBIT	921	869
EBIT margin	29.5%	31.9%
Holding	27.9%	29.9%
Ovzon		
Net sales	n/a	155
EBIT	n/a	-21
EBIT margin	n/a	-13.3%
Holding	14.3%	12.0%
Vitrolife		
Net sales	1,071	831
EBIT	357	292
EBIT margin	33.3%	35.2%
Holding	19.0%	20.8%
xvivo PERFUSION		
Net sales	158	129
EBIT	2	8
EBIT margin	1.5%	6.1%
Holding	15.8%	16.3%
Unlisted, SEK M ¹⁾	2019	2018
Atle		
Net sales	21	13
EBIT	11	12
EBIT margin	53.1%	87.3%
Holding	100.0%	100.0%
BURE		
Net sales	487	236
EBIT	487	236
EBIT margin	100.0%	100.0%
Holding	100.0%	100.0%
Investment AB Bure		
Net sales	17	8
EBIT	5	-5
EBIT margin	31.0%	n/m
Holding	100.0%	100.0%
MERCURI		
Net sales	241	302
EBIT	-1	12
EBIT margin	-0.4	3.9%
Holding	99.1%	99.1%

1) See page 9 and 10 for additional information.

Listed portfolio companies



Share of Bure's
net asset value

3.0%

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	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	n/a	49	n/a	148	197
Operating expenses	n/a	-46	n/a	-151	-211
EBIT	n/a	2.8	n/a	-2.8	-13.9
EBIT margin	n/a	5.7%	n/a	-1.9%	-7.1%
Net financial items	n/a	-0.4	n/a	0.1	-1.4
Profit/loss before tax	n/a	2.4	n/a	-2.7	-15.3
Income tax expense	n/a	-1.2	n/a	-2.4	-3.1
Profit/loss for the period	n/a	1.2	n/a	-5.1	-18.5
Net loan debt (-)/receivable (+)			n/a	-31	-32
Total assets			n/a	217	230
Equity			n/a	95	100
Cash flow from operating activities			n/a	-1	1
Average no. of employees			n/a	942	896

Facts at 30 September 2019

Largest shareholders

Book value: SEK 330M	Bure Equity	27.1%
Acquisition date: 2014	Fjärde AP-fonden	9.8%
Board member from Bure: Patrik Tigerschiöld, chairman	Others	63.1%

1) Cavotec will publish the interim report on 8 November 2019.

The quarter in brief

- The share price increased 1.2 per cent during the third quarter 2019.



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

3.8%

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	160	166	546	521	709
Operating expenses	-148	-154	-484	-486	-665
EBIT	12.4	11.4	62.0	35.7	44.4
EBIT margin	7.8%	6.9%	11.4%	6.8%	6.3%
Net financial items	-1.6	-0.9	-9.5	-4.8	-4.2
Profit/loss before tax	10.8	10.5	52.5	30.9	40.2
Income tax expense	0.6	-1.1	-8.3	-5.7	-13.8
Profit/loss for the period continuing operations	11.4	9.4	44.2	25.2	26.4
Profit/loss for the period discontinued operations	-0.4	-7.5	-1.5	-14.4	-23.8
Profit/loss for the period	11.0	1.9	42.7	10.8	2.7
Net loan debt (-)/receivable (+)			-278	-162	145
Total assets			782	666	669
Equity			325	284	274
Cash flow from operating activities			63	67	90
Average no. of employees			248	289	270

Facts at 30 September 2019

Largest shareholders

Book value: SEK 418M	Bengt Julander	23.0%
Acquisition date: 2012	Bure Equity	22.3%
Board member from Bure: Henrik Blomquist, board member	Karl Tobieson	4.9%
	Others	49.8%

The quarter in brief

- Net sales decreased by 3.5 per cent to SEK 160M compared to SEK 166M in the same period last year.
- Operating profit increased to SEK 12.4M (11.4) corresponding to an operating margin of 7.8 per cent (6.9).
- The share price increased 24.1 per cent during the third quarter 2019.



www.mentice.com

Mentice develops and sells turn-key simulation solutions targeting the fast-growing market for endovascular procedures.

Share of Bure's
net asset value

1.9%

MYCRONIC

Share of Bure's
net asset value

30.3%

www.mycronic.com

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

Key figures ¹⁾ SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	n/a	n/a	n/a	n/a	166
Operating expenses	n/a	n/a	n/a	n/a	-150
EBIT	n/a	n/a	n/a	n/a	16.1
EBIT margin	n/a	n/a	n/a	n/a	9.7%
Net financial items	n/a	n/a	n/a	n/a	-2.3
Profit/loss before tax	n/a	n/a	n/a	n/a	13.8
Income tax expense	n/a	n/a	n/a	n/a	6.3
Profit/loss for the period	n/a	n/a	n/a	n/a	20.1
Net loan debt (-)/receivable (+)			n/a	n/a	18
Total assets			n/a	n/a	131
Equity			n/a	n/a	67
Cash flow from operating activities			n/a	n/a	16
Average no. of employees			n/a	n/a	69

Facts at 30 September 2019	Largest shareholders
Book value: SEK 209M	Karin Howell-Bidermann 36.0%
Acquisition date: 2019	Bure Equity 10.1%
	Priveq Investment Fund 5.0%
Board member from Bure: Gösta Johannesson, board member	Others 48.9%

1) Mentice will publish the interim report on 25 November 2019.

The quarter in brief

- Mentice was listed on the Nasdaq First North Premier on 18 June 2019.
- The share price increased 21.0 per cent during the third quarter.

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	901	1,096	3,125	2,729	3,781
Operating expenses	-703	-661	-2,205	-1,860	-2,761
EBIT	197.5	435.6	920.5	869.3	1,020.0
EBIT margin	21.9%	39.7%	29.5%	31.9%	27.0%
Net financial items	0.0	-0.3	-1.6	-6.5	-8.9
Profit/loss before tax	197.4	435.3	918.9	862.8	1,011.1
Income tax expense	-48.3	-88.0	-211.9	-200.4	-218.6
Profit/loss for the period	149.1	347.3	706.9	662.4	792.5
Net loan debt (-)/receivable (+)			616	215	827
Total assets			4,784	3,763	4,199
Equity			2,883	2,229	2,379
Cash flow from operating activities			326	70	702
Average no. of employees			1,327	1,140	1,175

Facts at 30 September 2019	Largest shareholders
Book value: SEK 3,330M	Bure Equity 27.9%
Acquisition date: 2010 via Skanditek	Fjärde AP-fonden 9.1%
	SEB fonder 6.7%
Board member from Bure: Patrik Tigerschiöld, chairman	Others 56.3%

The quarter in brief

- Order intake during the third quarter 2019 increased by 52 per cent to SEK 1,238M (813).
- Order intake in the Assembly Solutions business unit increased to SEK 809M (508). Order intake in Pattern Generators was SEK 430M (304). Combined order book at the end of the period was SEK 1,639M (1,651).
- Net sales during the third quarter 2019 were SEK 901M (1,096), which corresponds to a fall of 18 per cent.
- Operating profit amounted to SEK 197.5M (435.6) corresponding to an operating margin of 21.9 per cent (39.7).
- Mycronic launched Evo – a new control platform for mask writers.
- The share price increased 8.1 per cent during the third quarter 2019.
- After the period, Mycronic launched its SLX product, a new mask writer for the semiconductor market.

Ovzon

www.ovzon.com

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

Share of Bure's
net asset value

2.9%

Vitrolife 

www.vitrolife.com

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

Share of Bure's
net asset value

30.2%

Key figures ¹⁾ Mkr	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	n/a	52	n/a	155	208
Operating expenses	n/a	-49	n/a	-176	-225
EBIT	n/a	3.0	n/a	-20.6	-17.5
EBIT margin	n/a	5.7%	n/a	-13.3%	-8.4%
Net financial items	n/a	-2.6	n/a	-9.0	-7.1
Profit/loss before tax	n/a	0.4	n/a	-29.6	-24.6
Income tax expense	n/a	0.0	n/a	0.0	-1.0
Profit/loss for the period	n/a	0.4	n/a	-29.6	-25.6
Net loan debt (-)/receivable (+)			n/a	33	40
Total assets			n/a	172	131
Equity			n/a	70	73
Cash flow from operating activities			n/a	-36	-60
Average no. of employees			n/a	18	19

Facts at 30 September 2019	Largest shareholders
Book value: SEK 317M	Investment AB Öresund 14.9%
Acquisition date: 2018	Bure Equity 14.3%
	AFA Försäkring 11.6%
Board member from Bure: Patrik Tigerschiöld, board member	Others 59.2%

1) Ovzon will publish the interim report on 15 November 2019.

The quarter in brief

- During the third quarter, Ovzon entered into a loan financing agreement that ensures financing for the company's first satellite, Ovzon 3.
- The share price increased 15.0 per cent during the third quarter 2019.

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	378	284	1,071	831	1 151
Operating expenses	-248	-180	-714	-539	-757
EBIT	130.5	104.0	356.9	292.2	393.9
EBIT margin	34.5%	36.6%	33.3%	35.2%	34.2%
Net financial items	6.4	-7.8	12.6	-1.1	4.7
Profit/loss before tax	136.9	96.2	369.6	291.1	398.6
Income tax expense	-30.1	-21.1	82.2	-64.5	-87.9
Profit/loss for the period	106.8	75.1	287.4	226.5	310.7
Net loan debt (-)/receivable (+)			599	496	491
Total assets			2,092	1,619	1,697
Equity			1,728	1,411	1,496
Cash flow from operating activities			285	233	349
Average no. of employees			396	361	363

Facts at 30 September 2019	Largest shareholders
Book value: SEK 3,312M	William Demant Invest A/S 25.0%
Acquisition date: 2010 via Skanditek	Bure Equity 19.0%
Board member from Bure: Henrik Blomquist, board member	Capital Group 4.6%
	Others 51.4%

The quarter in brief

- Net sales during the third quarter 2019 increased by 33 per cent to SEK 378M (284). In local currencies, net sales increased by 27 per cent, of which 15 per cent was organic growth.
- Operating profit before depreciation (EBITDA) amounted to SEK 155M (121), corresponding to a margin of 41 per cent (43). Currency changes affected operating profit before depreciation (EBITDA) positively by SEK 9M.
- Operating profit amounted to SEK 130.5M (104.0), corresponding to an operating margin of 34.5 per cent (36.6).
- The share price fell by 11.0 per cent during the third quarter 2019.



Share of Bure's
net asset value

6.6%

www.xvivoperfusion.com

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

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	54	41	158	129	188
Operating expenses	-52	-40	-156	-122	-174
EBIT	2.3	0.7	2.3	7.9	14.0
EBIT margin	4.2%	1.8%	1.5%	6.1%	7.5%
Net financial items	3.2	-0.8	5.2	2.3	3.5
Profit/loss before tax	5.5	-0.1	7.5	10.2	17.5
Income tax expense	-0.6	0.2	-0.7	-2.4	-4.8
Profit/loss for the period	4.9	0.1	6.8	7.8	12.7
Net loan debt (-)/receivable (+)			191	201	187
Total assets			657	579	587
Equity			583	535	540
Cash flow from operating activities			37	26	24
Average no. of employees			51	37	37

Facts at 30 September 2019

Book value: SEK 728M
Acquisition date: Lex Asea
distribution from Vitrolife in 2012
Board member from Bure:
Gösta Johannesson,
chairman

Largest shareholders

Bure Equity	15.8%
Swedbank Robur Fonder	6.1%
Eccenovo AB	5.6%
Others	72.5%

The quarter in brief

- Net sales in the third quarter 2019 increased by 33 per cent to SEK 54M (41). This increase corresponds to 26 per cent in local currencies.
- Operating profit amounted to SEK 2.3M (0.7), corresponding to an operating margin of 4.2 per cent (1.8).
- Perfadex Plus was granted patent approval for European markets.
- The share price fell 12.9 per cent during the third quarter 2019.

Unlisted portfolio companies

Atle

www.atle.se

Share of Bure's
net asset value

0.9%

Atle Investment Management is a wholly owned subsidiary that invests in financial operations and assets. The company owns 32.5 per cent of Alcur Fonder AB, 100 per cent of Atle Investment Services, 20.1 per cent of Fondbolaget Fondita and 37.4 per cent of Teknik Innovation Norden Fonder.

Atle Investment Management Group

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Revenue/value adjustments	8.8	7.4	21.4	13.2	14.3
Operating expenses	-3.3	-1.2	-10.1	-1.7	-4.7
EBIT	5.6	6.2	11.4	11.6	9.7
EBIT margin	63.1%	83.5%	53.1%	87.3%	67.6%
Net financial items	0.0	0.0	0.0	0.0	0.0
Profit/loss before tax	5.6	6.2	11.4	11.6	9.7
Income tax expense	0.0	0.0	0.0	0.0	-0.1
Profit/loss for the period	5.6	6.2	11.4	11.6	9.6
Net loan debt (-)/receivable (+)			35	134	133
Total assets			107	213	201
Equity			107	200	199
Cash flow from operating activities			10	12	12
Average no. of employees			4	1	4

Facts at 30 September 2019

Largest shareholders
Book value: SEK 94M
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

- Revenue/value adjustments during the third quarter 2019 of SEK 8.8M relate to participations in Alcur Fonder, Fondbolaget Fondita and Idevall & Partners Holding and revenues from the Atle Investment Services subsidiary.

BURE

www.bure.se

Share of Bure's
net asset value

10.2%

Bure Growth is a wholly owned company that invests in development companies. The company owns 28.9 per cent in BioLamina, 23.7 per cent in Life Genomics, 32.0 per cent in My Driving Academy Sweden, 24.4 per cent in ScandiNova Systems and 18.8 per cent in Yubico.

Bure Growth Group

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Revenue/value adjustments	489.4	-1.7	487.2	235.8	235.4
Operating expenses	0.0	0.0	0.0	0.0	0.0
EBIT	489.4	-1.7	487.2	235.8	235.4
EBIT margin	100.0%	n/m	100.0%	100.0%	100.0%
Net financial items	0.0	0.0	0.0	0.0	0.0
Profit/loss before tax	489.4	-1.7	487.2	235.8	235.4
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	489.4	-1.7	487.2	235.8	235.4
Net loan debt (-)/receivable (+)			-343	-212	-218
Total assets			1,114	480	482
Equity			751	268	264
Cash flow from operating activities			0	0	0
Average no. of employees			0	0	0

1) Of which, SEK 344.0M is liable to the Parent Company as at 30 September 2019.

Facts at 30 September 2019

Largest shareholders
Book value: SEK 1,123M
Bure Equity 100.0%
Acquisition date: Established 2015
Board member from Bure: Henrik Blomquist, chairman Max Jonson, board member

The quarter in brief

- Revenue/value adjustments during the third quarter 2019 of SEK 489.4M relate to participations in BioLamina, Life Genomics, My Driving Academy and ScandiNova Systems, revaluation of financial assets to a market value assessment of SEK 507.2M and reservations for options granted amounting to SEK 19.0M. The revaluation relating to the holding in Yubico that was adjusted upwards was based on the most recent transaction in line with IFRS 9.
- Yubico conducted a directed share issue during the third quarter. In conjunction with this Bure Growth acquired 140,000 shares from existing shareholders in Yubico for SEK 50.2M.
- Bure Growth concluded the acquisition of 24.4 per cent of shares in ScandiNova Systems for SEK 70.9M.

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

1.7%



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

1.2%

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	5.2	4.6	16.6	8.3	16.2
Operating expenses	-3.7	-3.1	-11.4	-13.3	-17.5
EBIT	1.4	1.5	5.1	-5.0	-1.3
EBIT margin	27.5%	32.5%	31.0%	n/m	-8.1%
Net financial items	-0.9	-0.7	-2.6	-2.2	-2.9
Profit/loss before tax	0.6	0.8	2.6	-7.1	-4.2
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period	0.6	0.8	2.6	-7.1	-4.2
Net loan debt (-)/receivable (+)			-87	-103	-103
Total assets			193	180	183
Equity			66	61	63
Cash flow from operating activities			20	-1	1
Average no. of employees			0	0	0

1) Of which, SEK 113.9M is liable to the Parent Company as at 30 September 2019.

Facts at 30 September 2019	Largest shareholders
Book value: SEK 183M 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 during the third quarter 2019 were SEK 5.2M (4.6).
- Operating profit before depreciation was SEK 3.2M (3.2).
- Operating profit was SEK 1.4M (1.5).

Key figures SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	2018
Net sales	70	81	241	302	402
Operating expenses	-75	-84	-242	-291	-376
EBIT	-4.9	-2.7	-0.9	11.7	26.5
EBIT margin	-7.0%	-3.3%	-0.4%	3.9%	6.6%
Net financial items	0.5	-1.3	0.7	-0.5	-1.4
Profit/loss before tax	-4.4	-4.0	-0.2	11.2	25.1
Income tax expense	0.1	0.3	-0.6	-0.5	-4.1
Profit/loss for the period	-4.3	-3.7	-0.8	10.7	21.0
Net loan debt (-)/receivable (+)			-39	-17	-2
Total assets			325	305	315
Equity			163	146	156
Cash flow from operating activities			-5	3	20
Average no. of employees			202	235	225

1) Of which, SEK 29.8M is liable to the Parent Company as at 30 September 2019.

Facts at 30 September 2019	Largest shareholders
Book value: SEK 135M 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 during the third quarter 2019 were SEK 70M (81).
- Operating profit was SEK -4.9M (-2.7) and operating margin amounted to -7.0 per cent (-3.3).
- The increase in net debt relates to the introduction of IFRS 16.

Interim report January – September 2019

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 5–10.

GROUP

Results for the third quarter 2019

Consolidated income from operating and investment activities was SEK 461M (-33).

Subsidiaries' net sales amounted to SEK 80M (86).

Dividends amounted to SEK 0M (4).

Exit gains were SEK 8M (0).

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

Fair value changes amounted to SEK 367M (-129), of which listed portfolio companies accounted for SEK -115M: Cavotec SEK 4M, MedCap SEK 81M, Mentice SEK 36M, Mycronic SEK 241M, Ovzon SEK 41M, Vitrolife SEK -411M and Xvivo Perfusion SEK -108M, revaluation of Yubico amounting to SEK 507M and value changes of short-term investments of SEK -25M.

Shares in profits of associated companies amounted to SEK 6M (4).

Consolidated operating profit for the period amounted to SEK 367M (-134).

Net financial items amounted to SEK 0M (-1).

Consolidated profit after financial items amounted to SEK 368M (-135).

Profit after tax amounted to SEK 368M (-134).

Other comprehensive income included translation differences of SEK 4M (-2).

Results for January – September 2019

Consolidated income from operating and investment activities amounted to SEK 1,933M (1,344).

Subsidiaries' net sales amounted to SEK 265M (307).

Dividends amounted to SEK 99M (94), of which Mycronic accounted for SEK 82M and Vitrolife SEK 17M.

Exit gains amounted to SEK 613M (45), of which SEK 245M derived from the divestiture of shares in Mycronic, SEK 370M from the divestiture of shares in Vitrolife and SEK -1M from other divestments.

Capital gains/losses from short-term investments were SEK -43M (-40).

Fair value changes amounted to SEK 983M (920), of which listed portfolio companies accounted for SEK 440M: Cavotec SEK -6M, MedCap SEK 175M, Mentice SEK 89M, Mycronic SEK -115M, Ovzon SEK 130M, Vitrolife SEK 6M and Xvivo Perfusion SEK 163M, revaluation of Yubico amounting to SEK 507M and value changes in short-term investments of SEK 35M.

Shares in profits of associated companies amounted to SEK 13M (9).

Consolidated operating profit for the period amounted to SEK 1,636M (998).

Net financial items amounted to SEK 6M (0).

Consolidated profit after financial items amounted to SEK 1,642M (998).

Profit after tax amounted to SEK 1,641M (997).

Other comprehensive income included translation differences of SEK 9M (14).

Financial position

Consolidated equity at the end of the period amounted to SEK 10,975M (8,661) and the equity/assets ratio stood at 98 per cent (98). At the end of the period, the Group had reported net loan receivables of SEK 702M (456), which consisted of interest-bearing assets of SEK 755M (486) and interest-bearing liabilities of SEK 53M (30). Consolidated equity per share at the end of the period amounted to SEK 159.12, compared to SEK 136.48 per share on 31 December 2018.

PARENT COMPANY

Results for the third quarter 2019

Profit after tax was SEK -122M (-136).

Dividends amounted to SEK 0M (4).

Exit gains amounted to SEK 8M (0).

Capital gains/losses from short-term investments amounted to SEK 0M (0).

Fair value changes amounted to SEK -121M (-129), of which listed portfolio companies accounted for SEK -115M: Cavotec SEK 4M, MedCap SEK 81M, Mentice SEK 36M, Mycronic SEK 241M, Ovzon SEK 41M, Vitrolife SEK -411M and Xvivo Perfusion SEK -108M and value changes in short-term investments of SEK -6M.

Administrative costs amounted to SEK 10M (12). Net financial items totalled SEK 1M (1).

Results for January – September 2019

Profit after tax amounted to SEK 1,246M (796).

Dividends amounted to SEK 204M (94), of which Atle Investment Management accounted for SEK 105M, Mycronic SEK 82M and Vitrolife SEK 17M.

Exit gains amounted to SEK 613 (46), of which SEK 245M derived from the divestiture of shares in Mycronic, SEK 370M from the divestiture of shares in Vitrolife and SEK -1M from other divestments.

Capital losses from short-term investments amounted to SEK -43M (-40).

Fair value changes amounted to SEK 494M (731), of which listed portfolio companies accounted for SEK 440M: Cavotec SEK -6M, MedCap SEK 175M, Mentice SEK 89M, Mycronic SEK -115M, Ovzon SEK 130M, Vitrolife SEK 6M and Xvivo Perfusion SEK 163M and value changes in short-term investments of SEK 54M.

Administrative costs amounted to SEK 31M (38). Net financial items totalled SEK 8M (3).

Financial position

Equity in the Parent Company at the end of the period amounted to SEK 10,058M (8,161) 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 789M (427), which consisted of interest-bearing assets of SEK 792M (427) and interest-bearing liabilities of SEK 4M (0). External interest-bearing receivables amounted to SEK 5M (5). Receivables from subsidiaries amounted to SEK 488M (367).

Group acquisitions and divestitures

Bure made net acquisitions in Cavotec amounting to 5.7 million shares for SEK 74M, increasing its holding to 27.1 per cent.

Bure acquired an additional 3.8 million shares in Ovzon for SEK 113M, increasing its holding to 14.3 per cent.

Bure Growth acquired 0.2 million shares in Yubico for SEK 54M.

Bure acquired 2.45 million shares in Mentice for SEK 120M in conjunction the company's stock market listing, equating to a holding of 10.1 per cent.

Bure Growth acquired 24.4 per cent of shares in ScandiNova Systems for SEK 71M.

Bure made net divestments of 2.0 million shares in Mycronic for SEK 270M, resulting in an exit gain of SEK 245M.

Bure divested 2.0 million shares in Vitrolife for SEK 384M, resulting in an exit gain of SEK 370M.

Bure divested 75,000 shares in MedCap for SEK 3M relating to an exercise of options, resulting in an exit gain of SEK 2M.

Bure divested 85,979 shares in Xvivo Perfusion relating to an exercise of options, resulting in an exit loss of SEK -2M.

Group loss carryforwards

At the beginning of the year, consolidated loss carry forwards amounted to SEK 953M, of which SEK 642M related to the Parent Company. Losses attributable to Sweden amounted to SEK 878M, and are perpetual. Deferred tax assets based on loss carry forwards in the Group have been valued at SEK 7M (9).

Currency exposure

The majority of consolidated revenue is denominated in SEK and EUR. Underlying costs are generally incurred in the same currency as revenues, thereby limiting transaction exposure. Since the Group has investments outside Sweden via its subsidiaries, the consolidated balance sheets and income statements are subject to translation differences arising from the translation of foreign subsidiaries' accounts. Listed portfolio companies that generate a substantial proportion of their sales outside Sweden are subject to currency exposure primarily in EUR and USD.

Related party transactions

No related party transactions were conducted during the period.

Ownership structure

Bure's largest shareholders on 30 September 2019 were Patrik Tigerschiöld with 11.2 per cent, the Björkman family including foundations with 9.0 per cent and Nordea Investment Funds with 8.0 per cent. According to Euroclear, the number of shareholders on 30 September 2019 was 31,762.

Subsequent events

There have been no subsequent events that would have a material impact on the interpretation of the financial information presented in this report.

Significant risks and uncertainty

In view of the rapid on the financial markets, special emphasis is placed on monitoring the effects of Bure's investments and their valuations. Bure has a number of basic principles regarding the management of risk. Bure's financial 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 portfolio companies' obligations, and that portfolio companies are responsible for their own financing. Financing of respective portfolio companies shall be appropriate to each company's specific circumstances, such that overall risk is managed through a balance between operational and financial risk. Bure's 2018 annual report 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.

Stockholm 7 November 2019

Bure Equity AB (publ)

Henrik Blomquist
(CEO)

Financial calendar	Year-end report 2019	20 February	2020
	Interim report January – March 2020	28 April	2020
For additional information contact	Henrik Blomquist, CEO	+46 (0)8-614 00 20	
	Max Jonson, CFO	+46 (0)8-614 00 20	

Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Bure Equity AB and the Group as of 30 September 2019 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Stockholm, 7th of November 2019

Öhrlings PricewaterhouseCoopers AB

Magnus Svensson Henryson
Auktoriserad revisor

Statement of financial position, Group

SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	Full year 2018
Operating income					
Net sales	79.9	86.0	265.3	307.3	415.5
Other operating income	0.1	1.8	3.0	8.9	10.7
Dividends:					
Portfolio companies	–	3.5	99.4	93.5	93.5
Other companies	–	–	–	–	–
Short-term investments	–	–	–	–	–
Exit gains/losses	7.6	0.2	613.3	45.3	45.4
Capital gains/losses on short-term investments	0.0	-0.1	-43.3	-40.4	-49.3
Fair value:					
Portfolio companies	-115.2	-125.1	440.1	901.6	1,737.6
Other companies	507.2	0.0	507.2	0.0	–
Short-term investments	-24.8	-3.5	35.2	18.1	16.9
Shares in profit/loss of associates	6.1	4.4	12.9	9.7	10.7
Total operating income	461.0	-32.7	1,933.2	1,344.1	2,281.0
Operating expenses					
Other external expenses	-31.2	-36.8	-101.4	-127.6	-172.2
Personnel costs	-55.7	-60.2	-175.1	-207.5	-266.8
Depreciation and impairment of property, plant and equipment	-6.1	-2.9	-18.4	-9.1	-10.5
Depreciation and impairment of Intangible assets	-0.3	0.0	-1.0	0.0	-1.3
Other operating expenses	-0.5	-0.9	-1.4	-2.3	-4.0
Total operating expenses	-93.7	-100.9	-297.3	-346.5	-454.8
Operating profit/loss	367.3	-133.6	1,635.9	997.7	1,826.2
Interest income and similar profit/loss items	2.0	-0.6	12.9	2.8	1.5
Interest expenses and similar profit/loss items	-1.5	-0.6	-6.9	-2.8	-3.0
Profit/loss after financial items	367.8	-134.8	1,641.9	997.7	1,824.8
Tax on income for the period	0.1	0.3	-0.6	-0.5	-4.2
Income for the period	367.8	-134.5	1,641.2	997.1	1,820.6
Other comprehensive income					
Items that can be subsequently re-entered onto the income statement					
Translation differences	3.6	-1.6	9.3	14.3	16.6
Other comprehensive income for the period, after tax	3.6	-1.6	9.3	14.3	16.6
Total income for the period	371.4	-136.1	1,650.5	1,011.4	1,837.2
Profit/loss attributable to non-controlling interests	0.0	0.0	0.0	0.1	0.2
Profit/loss attributable to owners of the Parent Company	367.8	-134.5	1,641.3	997.0	1,820.4
Comprehensive income attributable to non-controlling interests	0.0	0.0	0.0	0.1	0.2
Comprehensive income attributable to owners of the Parent Company	371.4	-136.1	1,650.5	1,011.3	1,837.0
Average number of shares outstanding, thousands ¹⁾	68,972	69,200	68,972	69,271	69,245
Attributable to owners of the Parent Company, SEK	5.33	-1.94	23.80	14.39	26.29
Earnings per share, SEK¹⁾	5.33	-1.94	23.80	14.39	26.29

1) No dilutive effect at 30 September 2019 and 2018 or at 31 December 2018.

Statement of financial position, Group

SEK M	30 September 2019	30 September 2018	31 December 2018
Assets			
Intangible assets	102.3	95.8	97.6
<i>of which goodwill</i>	99.3	93.0	95.0
Property, plant and equipment	195.4	179.7	177.5
Financial assets	9,858.5	7,672.2	8,512.5
Inventories	0.1	0.5	0.1
Current receivables	74.2	80.2	143.9
Prepaid expenses and accrued income	43.8	38.8	29.7
Short-term investments	135.6	271.2	265.0
Cash and cash equivalents	750.4	480.9	397.2
Total assets	11,160.2	8,819.2	9,623.5
<i>of which, interest-bearing assets¹⁾</i>	754.9	486.3	402.7
Equity and liabilities			
Equity attributable to owners of the Parent Company	10,973.6	8,659.9	9,461.1
Equity attributable to non-controlling interests	1.3	1.2	1.3
Total equity	10,975.0	8,661.0	9,462.4
Non-current liabilities	75.1	45.5	39.6
Current liabilities	110.1	112.7	121.5
Total liabilities	185.2	158.2	161.1
Total equity and liabilities	11,160.2	8,819.2	9,623.5
<i>of which, interest-bearing liabilities¹⁾</i>	53.1	30.0	29.5

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 2018	535.5	714.6	6,550.4	1.1	7,801.5
Profit/loss for the year	–	–	1,820.4	0.2	1,820.6
Other comprehensive income	–	–	16.6	–	16.6
Cash dividend	–	–	-138.7	–	-138.7
Capital buy-back	–	–	-37.7	–	-37.7
Closing balance equity at 31 December 2018	535.5	714.6	8,211.0	1.3	9,462.4
Opening balance equity at 1 January 2019	535.5	714.6	8,211.0	1.3	9,462.4
Profit/loss for the period	–	–	1,641.3	0.0	1,641.2
Other comprehensive income	–	–	9.3	–	9.3
Cash dividend	–	–	-137.9	–	-137.9
Cancellation of shares	-2.8	–	–	–	-2.8
Bonus issue	2.8	–	–	–	2.8
Closing balance equity at 30 September 2019	535.5	714.6	9,723.6	1.3	10,975.0

Statement of cash flows, Group

SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	Full year 2018
Cash flow from operating activities before change in working capital	-4.5	-5.9	670.0	79.2	73.9
Cash flow from change in working capital	18.2	5.3	38.9	0.6	-43.2
Cash flow from operating activities	13.7	-0.5	708.9	79.8	30.7
Cash flow from investing activities	-130.5	-11.9	-217.7	-168.2	-180.0
Cash flow from financing activities	-1.8	-5.7	-147.4	-149.2	-174.2
Cash flow for the period	-118.6	-18.0	343.9	-237.6	-323.5
Cash and cash equivalents at beginning of period	865.4	500.5	397.2	704.1	704.1
Cash flow for the period	-118.6	-18.0	343.9	-237.6	-323.5
Translation differences	3.6	-1.6	9.3	14.3	16.6
Cash and cash equivalents at end of period	750.4	480.9	750.4	480.9	397.2

Income statement, Parent Company

SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	Full year 2018
OPERATING INCOME					
Investing activities					
Dividends:					
Portfolio companies	–	3.5	99.4	93.5	93.5
Other companies	–	–	105.0	–	–
Short-term investments	–	–	–	–	–
Exit gains/losses	7.6	0.2	613.3	45.6	45.6
Capital gains/losses on short-term investments	–	-0.1	-43.3	-40.4	-49.3
Fair value:					
Portfolio companies	-115.2	-125.1	440.1	663.2	1,499.2
Other companies	0.0	0.0	0.0	50.1	50.1
Short-term investments	-5.8	-3.5	54.1	18.1	16.9
Other income	0.1	0.5	0.7	1.8	2.3
Total operating income	-113.3	-124.5	1,269.4	831.9	1,658.3
Operating expenses					
Personnel costs	-6.3	-7.2	-18.5	-20.1	-27.4
Other external expenses	-2.9	-5.1	-10.9	-17.7	-24.2
Depreciation of property, plant and equipment	-0.6	-0.2	-1.9	-0.5	-0.7
Total operating expenses	-9.7	-12.5	-31.3	-38.3	-52.3
Operating profit/loss	-123.0	-136.9	1,238.1	793.6	1,606.0
Financial income and expenses					
Interest income and similar profit/loss items	1.1	1.7	8.9	3.9	4.9
Interest expenses and similar profit/loss items	-0.3	-0.8	-1.0	-1.2	-1.6
Total financial income and expenses	0.8	0.9	7.9	2.7	3.3
Profit/loss before tax	-122.2	-136.1	1,245.9	796.3	1,609.3
Income tax expense	0.0	0.0	0.0	0.0	0.0
Profit/loss for the period¹⁾	-122.2	-136.1	1,245.9	796.3	1,609.3
Average basic number of shares, thousands ²⁾	68,972	69,200	68,972	69,271	69,245
Basic earnings per share, SEK ²⁾	-1.77	-1.97	18.06	11.5	23.24
Average number of employees	7	6	6	6	7

1) Corresponds to comprehensive income.

2) No dilutive effect at 30 September 2019 and 2018 or at 31 December 2018.

Statement of financial position, Parent Company

SEK M	30 September 2019	30 September 2018	31 December 2018
Assets			
Property, plant and equipment	6.0	3.0	2.8
Financial assets	8,800.5	7,257.4	8,090.9
Current receivables	492.4	368.8	418.9
Prepaid expenses and accrued income	4.2	4.2	2.0
Short-term investments	135.6	271.1	265.0
Cash and cash equivalents	643.9	280.8	195.9
Total assets	10,082.5	8,185.3	8,975.4
<i>of which, interest-bearing assets¹⁾</i>	<i>792.1</i>	<i>427.1</i>	<i>345.1</i>
Equity and liabilities			
Equity	10,057.8	8,161.2	8,949.8
Non-current liabilities	13.0	13.3	8.5
Current liabilities	11.7	10.8	17.2
Total equity and liabilities	10,082.5	8,185.3	8,975.4
<i>of which, interest-bearing liabilities¹⁾</i>	<i>3.6</i>	<i>–</i>	<i>–</i>

1) See note 5.

Statement of cash flows, Parent Company

SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	Full year 2018
Cash flow from operating activities before change in working capital	-0.9	-7.6	753.6	64.5	43.1
Cash flow from change in working capital	4.1	1.6	42.0	0.6	-42.7
Cash flow from operating activities	3.2	-6.0	795.6	65.2	0.4
Cash flow from investing activities	-54.6	10.0	-209.6	-144.9	-140.6
Cash flow from financing activities	-2.5	-7.2	-138.0	-151.9	-176.3
Cash flow for the period	-53.9	-3.2	448.0	-231.6	-316.5
Cash and cash equivalents at beginning of period	697.8	284.0	195.9	512.4	512.4
Cash flow for the period	-53.9	-3.2	448.0	-231.6	-316.5
Cash and cash equivalents at end of period	643.9	280.8	643.9	280.8	195.9

Statement of changes in equity, Parent Company

SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	Full year 2018
Opening balance, equity	10,179.9	8,297.3	8,949.8	7,516.8	7,516.8
Cancellation of shares	–	–	-2.8	–	–
Bonus issue	–	–	2.8	–	–
Cash dividend	–	–	-137.9	-138.7	-138.7
Capital buy-back	–	–	–	-13.2	-37.7
Profit/loss for the period	-122.2	-136.1	1,245.9	796.3	1,609.3
Closing balance, equity	10,057.8	8,161.2	10,057.8	8,161.2	8,949.8

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 2018.

New accounting principles were introduced on 1 January 2019; the Group has applied IFRS 16 from 1 January 2019. The Group applies the simplified transition method and has not recalculated comparative figures. New issue rights are valued at amounts that correspond to leasing liabilities adjusted for prepaid and accrued leasing fees. When the standard came into effect, new rights issue assets amounted to SEK 33M and leasing liabilities of SEK 33M.

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		Atle Investment Management		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
	9mth 2019	9mth 2018	9mth 2019	9mth 2018	9mth 2019	9mth 2018	9mth 2019	9mth 2018	9mth 2019	9mth 2018	9mth 2019	9mth 2018	9mth 2019	9mth 2018	9mth 2019	9mth 2018
Operating income																
Total operating income	241	302	17	3	8	2	0	0	0	0	–	–	0	0	265	307
Profit/loss																
Shares in profit/loss	0	1	–	–	14	12	-1	-3	–	–	–	–	–	–	13	10
Profit/loss by segment	-1	11	5	-5	-2	0	–	–	–	–	–	–	1	2	2	8
Administrative expenses	–	–	–	–	–	–	–	–	–	–	–	–	-31	-38	-31	-38
Fair value/impairment losses	–	–	–	–	–	–	488	238	–	–	–	-50	494	731	983	920
Dividends	–	–	–	–	–	12	–	–	–	–	-105	-12	204	94	99	94
Exit gains/losses/capital gains/losses on short-term investments	–	–	–	–	–	–	–	–	–	–	–	0	570	5	570	5
Operating profit/loss	-1	12	5	-5	11	24	487	236	0	0	-105	-62	1,238	794	1,636	998
Net financial items															6	0
The period's income tax expense															-1	-1
Profit/loss for the period															1,641	997

SEK M	Mercuri		Investment AB Bure		Atle Investment Management		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018	30 Sep 2019	30 Sep 2018
Assets																
Assets	187	169	165	152	40	149	968	400	0	0	-491	-370	10,082	8,185	10,950	8,686
Equity in associates	17	15	–	–	68	64	125	54	–	–	–	–	–	–	210	134
Total assets	204	184	165	152	107	213	1,093	454	0	0	-491	-370	10,082	8,185	11,160	8,819
Liabilities																
Unallocated liabilities	161	159	127	119	1	14	363	212	0	0	-491	-370	25	24	185	158
Total liabilities	161	159	127	119	1	14	363	212	0	0	-491	-370	25	24	185	158
Investments	7	2	0	0	0	0	0	0	–	–	–	–	1	0	8	2
Amortisation/depreciation	12	3	5	5	0	0	0	0	–	–	–	–	2	1	19	9

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 classify revenue as: consultancy income, licensee income, and other income.

SEK M	Q3 2019	Q3 2018	9 mth 2019	9 mth 2018	Full year 2018
Consultancy income	46	69	194	247	345
Licensing revenue	4	3	7	22	26
Other income	30	15	64	39	46
Net sales	80	86	265	307	416

Note 3 – Effects of changed estimates and assumptions

Key accounting estimates and assumptions are presented in Note 1 of the annual report for 2018. 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 equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures. Thus, holdings in unlisted associated companies Alcur Fonder AB, BioLamina AB, Fondbolaget Fondita AB, Idevall & Partners Holding AB, Life Genomics AB, My Driving Academy Sweden AB, ScandiNova Systems AB and Teknik Innovation Norden Fonder AB have not been revaluated according to IFRS 9. The introduction of IFRS 9 requires other financial assets to be assessed on an ongoing basis. Atle Investment Services AB is a wholly-owned subsidiary of Atle Investment Management and is valued at book value.

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 September 2019

SEK M	Net asset value	Valuation model	Group book value	Valuation model
Atle Investment Management	93.7		78.8	
Alcur Fonder		DCF		Equity method
Fondbolaget Fondita		EV/EBIT multipel		Equity method
Idevall & Partners Holding		Book value		Equity method
Atle Investment Services		Book value		Book value
Teknik Innovation Norden Fonder		Book value		Equity method
Bure Growth	1,122.6		1,113.4	
BioLamina		Latest transaction. DCF		Equity method
Life Genomics		DCF		Equity method
My Driving Academy Sweden		DCF		Equity method
ScandiNova Systems		Latest transaction		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.

SEK M	Group				Parent company			
	30 Sep 2019	30 Sep 2018	31 Dec 2018	31 Dec 2017	30 Sep 2019	30 Sep 2018	31 Dec 2018	31 Dec 2017
Cash and cash equivalents	750.4	480.9	397.2	704.1	643.9	280.8	195.9	512.4
+ Interest-bearing investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
+ Current interest-bearing receivables	2.3	0.0	2.5	0.0	146.0	140.8	146.2	165.8
+ Non-current interest-bearing receivables	2.3	5.5	3.0	1.8	2.3	5.5	3.0	1.5
Interest-bearing assets	754.9	486.3	402.7	705.9	792.1	427.1	345.1	679.7
- Current interest-bearing liabilities	1.0	3.2	2.1	1.1	–	–	–	–
- Current interest-bearing leasing liabilities	11.8	–	–	–	2.1	–	–	–
- Non-current interest-bearing liabilities	26.4	26.9	27.4	26.9	–	–	–	–
- Non-current interest-bearing leasing liabilities	14.0	–	–	–	1.5	–	–	–
Interest-bearing liabilities	53.1	30.0	29.5	28.0	3.6	–	–	–
Net loan receivable at end of period	701.7	456.3	373.2	677.8	788.5	427.1	345.1	679.7

Bure Equity finances subsidiaries' operations with its own capital and intra-group loans. The table below shows intra-group loans.

	Intra-group receivables			
	30 Sep 2019	30 Sep 2018	31 Dec 2018	31 Dec 2017
Atle Investment Management	–	13.7	0.2	0.0
Bure Growth	344.0	212.0	218.4	176.8
Investment AB Bure	113.9	111.0	113.9	107.0
Mercuri International Group	29.8	29.8	29.8	58.8
Total	487.7	366.5	362.3	342.7

Note 6 – Pledged assets

	Group				Parent company			
	30 Sep 2019	30 Sep 2018	31 Dec 2018	31 Dec 2017	30 Sep 2019	30 Sep 2018	31 Dec 2018	31 Dec 2017
Shares in subsidiaries and associates	86.3	82.7	84.8	80.1	–	–	–	–
Blocked bank accounts	0.5	0.4	0.4	0.4	–	–	–	–
Total pledged assets	86.8	83.1	85.3	80.6	–	–	–	–

Contingent liabilities in the Group amounted to SEK 0.5M (0.5) at 30 September 2019, and refer to sureties and guarantee commitments furnished by subsidiaries. There is no contingent consideration in the Group that is not reflected in the consolidated accounts.

Five-year overview

Data per share¹⁾	30 Sep 2019	2018	2017	2016	2015
Net asset value, SEK ²⁾	159.2	137.1	111.7	101.7	87.4
Share price, SEK	144.0	108.4	98.3	103.5	68.8
Share price as a percentage of net asset value	90%	79%	88%	102%	79%
Parent Company basic equity per share, SEK	145.8	129.1	108.4	98.4	82.9
Parent Company equity per share excl. buybacks, SEK	145.8	129.8	108.4	98.4	84.7
Consolidated basic equity per share, SEK	159.1	136.5	112.5	102.4	85.6
Consolidated equity per share excl. buybacks, SEK	159.1	137.2	112.5	102.4	87.5
Parent Company basic earnings per share, SEK ³⁾	18.1	23.2	12.0	15.7	40.4
Consolidated earnings per share, SEK ³⁾	23.8	26.3	12.0	16.9	42.0
Number of shares, thousands	68,972	69,333	69,333	69,333	70,834
Number of shares excluding share buy-backs, thousands	68,972	68,972	69,333	69,333	69,333
Average basic number of shares, thousands	68,972	69,245	69,333	69,333	70,042

Key figures

Dividend, SEK per share	2.0	2.0	2.0	2.0	1.0
Of which, extraordinary dividend, SEK per share	–	0.5	0.5	1.0	–
Dividend yield	1.4%	1.8%	2.0%	1.9%	1.5%
Total return	34.4%	12.7%	-3.3%	54.7%	95.4%
Market capitalisation, SEK M	9,932	7,516	6,812	7,176	4,870
Net asset value, SEK M	10,978	9,454	7,743	7,054	6,060
Return on equity	13.1%	19.5%	11.6%	17.1%	62.2%
Administrative expenses/Net asset value	0.38%	0.55%	0.55%	0.66%	0.68%

Parent Company profit and financial position

Exit gains/losses, SEK M	613	46	117	0	417
Profit/loss after tax, SEK M	1,246	1,609	834	1,086	2,829
Total assets, SEK M	10,082	8,976	7,528	6,835	5,895
Equity, SEK M	10,058	8,950	7,517	6,822	5,874
Equity/assets ratio	100%	100%	100%	100%	100%
Cash and cash equivalents and short-term investments, SEK M	779	461	799	873	1,040

Consolidated profit and financial position

Net sales, SEK M	265	416	443	455	486
Exit gains/losses, SEK M	613	45	228	0	416
Profit/loss after tax, SEK M	1,641	1,821	834	1,173	2,940
Total assets, SEK M	11,160	9,624	7,971	7,271	6,281
Equity, SEK M	10,975	9,462	7,802	7,101	6,065
Equity/assets ratio	98%	98%	98%	98%	97%
Net loan debt (-)/receivable (+), SEK M	702	373	678	669	986
Average number of employees	213	234	272	262	280

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 September 2019.

Definitions

Administrative expenses /net asset value	Administrative expenses divided by net asset value at the end of the period.
Earnings per share	Profit after tax divided by the average number of shares outstanding during the period.
Diluted earnings per share	The Group uses net profit less the non-controlling interests' share of profit for the period.
Dividend yield	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 IFRS, IAS 33 Earnings per Share.
EBIT	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.
Equity/assets ratio	Operating profit after depreciation of tangible and intangible fixed assets.
Equity per share	Equity in relation to total assets.
Growth	Equity divided by the number of shares outstanding.
IRR	Increase in net sales in relation to net sales for the previous period. The key figure thus includes both organic and acquisition-driven growth.
Market capitalisation	Internal Rate of Return, (average annual return).
Net asset value	Share price multiplied by the total number of shares outstanding.
Net loan liability	The market value of Bure's listed holdings, the estimated market values of unlisted holdings or alternatively net asset values of subsidiaries, short-term investments and cash and cash equivalents.
Net loan receivable	Same definition as net loan receivable but used when interest-bearing liabilities exceed interest-bearing assets.
Return on equity	Financial interest-bearing assets minus interest-bearing liabilities.
Total return	Profit/loss after tax divided by average equity. The sum 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 2019 the portfolio consisted of eleven companies, of which seven 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