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## INTERIM REPORT January – September 2000

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- Profit before tax SEK 1,775m (1,166)
- Earnings per share up 54% to SEK 21.37 (13.85)
- Current profits from active holdings SEK 231m (81)
- NAV increases 17% to SEK 127 per share
- SEK 190m is invested in Q-Labs

### Good value growth

The value growth in Ratos's holdings was good in the first nine months of 2000. In the active holdings portfolio, the share price trend for three of the four listed companies was very good.

In most cases, the unlisted holdings report good development in line with set targets. The assets managed within the framework of Ratos's asset management performed well and the return on the portfolio amounted to 4% during the period.

Ratos's net asset value rose 17% in the first nine months of the year and the total return on Ratos's B shares amounted to 17%. The SIX Return Index (formerly Findata's Total Return Index) rose 1% in the same period.

### Several new and follow-on investments

New and follow-on investments in active holdings were made during the period for a total amount of SEK 1,069m (588). Exits from active holdings corresponding to SEK 688m (1,439) were carried out. Within asset management, the re-investments made in spring 2000 in order to increase risk diversification and liquidity resulted, among other things, in the divestment of shares for SEK 3,680m (1,370) and share purchases for SEK 3,315m (1,030).

In the spring, Ratos invested in the Sundsvall-based IT consultant DataVis. In June, DataVis announced the acquisition of the Gothenburg-based IT consultant Systemintegration.

Ratos's investment in the mobile telephony company Telia Overseas was increased by SEK 184m. The ownership stake remains unchanged at 9%.

Ratos's wholly owned air and sea freight company, ACE, acquired the Conmel Group's logistics division. ACE has thus taken a key step in its strategy to become a leading player in the Nordic air and sea freight sector.

In the spring Ratos invested in the air filter manufacturing company Camfil. One effect of Ratos's investment was to make it possible for Camfil to merge with its US competitor Farr. It is the joint intention of Camfil's principal owner and Ratos to further strengthen Camfil's market position, among other things through continued acquisitions. Ratos's stake in Camfil is 30%.

Follow-on investments totalling just over SEK 53m were also made in Esselte.

Together with the network operator Tera-com and the international investment bank Nomura, Ratos has formed the company Tenora which applied for one of the four Swedish UMTS licences. The Swedish National Post and Telecom Agency, which issues the

licenses, is expected to announce its decision at the end of November 2000.

### Q-Labs

At the beginning of October, Ratos concluded an agreement to invest SEK 190m in Q-Labs. The company, which was founded within Ericsson in 1989, is a world-leading consultant for services relating to quality assurance of software development. Dependence on software is rising in industry's manufacturing processes as well as in product development in a growing number of sectors. This increases investments in and the need for effective risk management in software engineering. Q-Labs' major customers include international companies such as Ericsson, ABB and Robert Bosch. The company holds a strong position in Europe and has started penetrating the US market. Ratos's holding is expected to amount to 40% after subscription for the new issue. Det Norske Veritas and Ericsson own the remaining 40% and 20% respectively.

Q-Labs has experienced strong growth over the past year, mainly due to acquisition of its French competitor Objectif Technologies and the takeover of a former Ericsson-owned operation in the UK. In the first nine months of the year sales therefore

rose 237% compared with the same period in 1999. Profit before depreciation and business development costs of SEK 16m (14) amounts to SEK 8m for the period (0). This corresponds to an operating profit margin (EBITDA) of 5.9%. The loss after net financial items and business development costs amounted to SEK -15m (-17). The full-year result is also expected to be negative. The business development costs are attributable to the breakthrough in the German and British markets. Historically, the company has shown good profitability and the goal is to re-establish a good profitability level within 2-3 years with an operating profit margin of at least 10%.

Ratos's investment in Q-Labs is still subject to approval from the relevant competition authorities.

### Profit before tax SEK 1,775m

The Group's profit before tax amounted to SEK 1,775m (1,166). This result includes profit from active holdings of SEK 920m (565) and profit from asset management of SEK 897m (664). The Group's profit, including share of profits of associated companies, includes a bonus from SPP totalling SEK 77m.

<b>RATOS'S RESULTS</b>	Ratos's ownership, %	Profit/share of profits 2000, Q1-3	Of which Ratos's goodwill amortisation 2000, Q1-3
SEKm			
<b>Active holdings <sup>1)</sup></b>			
ACE	100	25	-5
Camfil	30	2	-2
Capona	47	43	-1
Dahl	44	75	-
DataVis	49	-7	-3
Esselte	17	22	-
Scandic Hotels	24	74	-7
Superfos	33	-3	-1
Telelogic	8	-	-
Telia Overseas	9	-	-
Total profit/share of profits		231	
Exit gain, Telelogic		602	
Exit result, exercise of option Scandic Hotels		-7	
Exit result, DataVis <sup>2)</sup>		-1	
Exit gain, Scandic Hotels <sup>2)</sup>		39	
Exit gain, Industri Kapital		56	
Total exit result		689	
Profit from active holdings		920	
Profit from asset management		897	
Net expenses		-42	
Consolidated profit before tax		1.775	

<sup>1)</sup> Camfil is reported in the Ratos Group according to the equity method as from 1 July 2000.

<sup>2)</sup> Earnings impact of completed new issue.

Excluding the bonus from SPP, which for Ratos centrally amounts to SEK 11m, the Ratos's organisation's costs amounted to SEK 55m (57) and net financial items amounted to SEK 2m (-6). The Group's cash flow from operating activities and investing activities was positive.

Total consolidated goodwill amortisation in the Ratos Group and associated companies amounted to SEK 84m in the first nine months of the year.

### Active holdings

Current profit and share of profits from the active holdings rose to SEK 231m (81). These earnings amounted to SEK 315m (141) before goodwill amortisation.

Ratos's subsidiary ACE contributed SEK 25m (-7) to this result. The associated companies Dahl, Scandic Hotels, Capona and Esselte reported improved earnings while DataVis's loss was included in Ratos's result with SEK 7m. Camfil, which has been included in the result since 1 July 2000, contributed SEK 2m. Both Camfil and Superfos report slightly lower earnings in 2000 than in 1999. Ratos's share of profits of associated companies includes goodwill amortisation for the holdings concerned.

The active holdings Telelogic and Telia Overseas are not reported as associated companies. Both companies performed well but report an operating loss due to growth-oriented investments.

The exit result from active holdings amounted to SEK 689m (484). No divestments were made in the third quarter of 2000. In the third quarter of 1999, the loss-generating subsidiary TV8 was sold for a capital loss of SEK 35m which explains the exit loss that arose during that period.

### Re-investments generate capital gains

Asset management's profit for the period amounted to SEK 897m (664). In total, capital gains of SEK 797m (564) were generated while dividends received amounted to SEK 100m (100). Among other things as a consequence of reinvestments carried out in the spring, shares were purchased for SEK 3,315m and sold for SEK 3,680m. Asset management's return during the period, measured as the portfolio's change in value including dividends expressed as a ratio of average invested capital, amounted to 4%. Up until 31 October, return amounted to -1%. The SIX Return Index amounted to 1% and -2% respectively during the same periods.

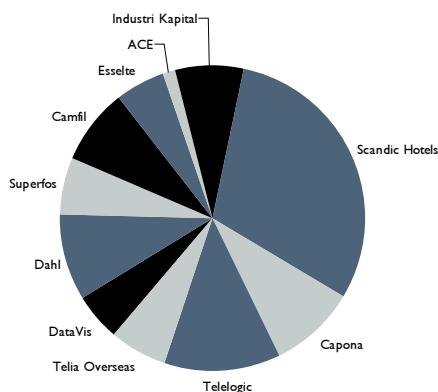
In the third quarter major divestments were made of Industrivärden and Swedish Match. Skandia is strongly over-represented in the portfolio while exposure to Ericsson is lower than that of the stock exchange as a whole. Asset management's total value amounted to SEK 4,796m or SEK 60 per share on 30 September. The value of the portfolio on 31 October was SEK 4,554m or SEK 57 per share.

### Low management costs

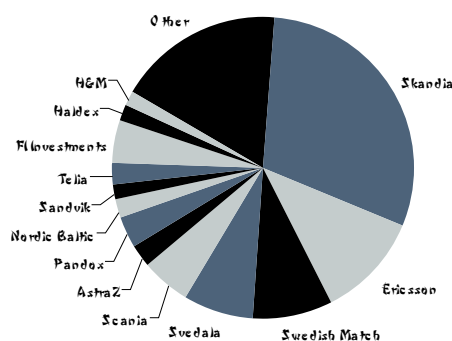
The organisation's costs amounted to SEK 55m (57) excluding income from SPP's surplus funds of SEK 11m. Staff costs amounted to SEK 19m (15). External costs incurred in connection with acquisition and exit processes amounted to SEK 5m. Central expenses recomputed on a full-year basis, excluding the bonus from SPP and transaction costs, thus amounted to 0.6% of net asset value at the end of the period.

Net financial items amounted to SEK 2m (-6). Cash flow from operating activities and investing activities for the period was SEK 301m (1,123) and the Group's liquid assets amounted to SEK 67m (206) at the end of the period.

ACTIVE HOLDINGS  
Market values and book values resp. 31/10 2000



ASSET MANAGEMENT  
Market values 31/10 2000



### Net asset value up 17%

At the end of September, Ratos's net asset value amounted to SEK 10,128m, corresponding to SEK 127 per share – an increase in value of 17% since year-end 1999 including the dividend payment of SEK 4.50 per share.

Net asset value on 31 October amounted to SEK 9,807m or SEK 123 per share which represents a 13% rise in net asset value since year-end 1999. Active holdings accounted for 55% of net asset value and asset management accounted for 45%.

### Share buy-back

The Board was authorised by the Annual General Meeting to acquire up to 10% of the company's shares on the stock market in order to improve the company's capital structure and thus raise shareholder value. This authorisation applies until the next Annual General Meeting. The

AGM's authorisation does not include the right to sell the repurchased shares.

Up until today, Ratos had acquired 1,838,400 of its B shares, corresponding to approximately 2.3% of shareholders' equity. The buy-backs has been effected at an average price of SEK 81.18 per share.

## ACTIVE HOLDINGS

SEKm	Net sales			Profit after depreciation			Profit before tax			Of which good-	Of which other depre-	Invest-	Cash	Share-	Interest-	Goodwill
	00	99	1999	00	99	1999	00	99	1999	will amorti-	ciation	ments	flow <sup>1)</sup>	holders'	bearing	
	Q1-3	Q1-3		Q1-3	Q1-3		Q1-3	Q1-3		sation	ciation	00	00	equity	net debt	00
										00	00	Q1-3	Q1-3	Q1-3	Q1-3	Q1-3
ACE	793	356	492	29	-3	-5	30	-3	-4	1	4	61	-64	101	-18	53
Camfil	1 593	1 104	1 526	106	95	103	67	84	90	18	54	23	42	947	999	918
Capona	190	172	251	140	116	160	95	75	104	0	16	53	59	825	1 083	0
Dahl	7 738	7 698	10 531	273	161	270	168	63	135	60	84	144	-39	1 462	2 293	1 513
DataVis	146	146	186	-12	2	-4	-9	2	-4	3	3	95	-109	191	-67	102
Esselte	8 131	8 291	11 192	261	53	-131	153	-8	-228	70	275	103	291	2 520	3 130	1 282
Scandic Hotels	4 256	3 858	5 253	332	236	354	342	247	372	47	231	738	-378	1 842	723	991
Superfos <sup>2)</sup>	2 038	n/a	3 648	84	n/a	199	-6	n/a	2 502	20	152	n/a	n/a	725	1 515	508
Telelogic	444	184	318	-104	-24	2	-98	-24	2	25	10	1 346	-1 410	1 851	-322	1 479
Telia Overseas	330	229	340	-480	-431	-617	-518	-427	-606	8	69	781	n/a	2 232	900	19

<sup>1)</sup> Cash flow pertains to cash flow from operating activities and investing activities.

<sup>2)</sup> DKKm.

### Active holdings

Two new active holdings were acquired during the period – the IT consultant DataVis and the air filter manufacturer Camfil. Ratos's investments in Esselte, ACE and Telia Overseas were increased. At the beginning of October 2000, Ratos announced an investment of SEK 190m in the consulting company Q-Labs.

#### Scandic Hotels

Ratos's holding in the hotel operator Scandic Hotels corresponds to ownership of

approximately 24%. The Scandic share price has risen by more than 30% in 2000 and the market value of Ratos's holding today is approximately SEK 1.6 billion.

Scandic continues to show strong growth. Room capacity was expanded by 19% in 2000 partly due to the acquisition of Provobis. In the first nine months of the year, sales increased by 10% to SEK 4,256m (3,858) and operating profit (excluding a bonus from SPP's surplus funds of SEK 61m) rose 15% to SEK 271m (142). The profit margin (excluding

funds from SPP) continued to increase and amounted to 6.4% (6.1) during the period.

Scandic's goal is to continue to grow by at least 10% annually through a continued strengthening of its position in the Nordic market and a focus on setting up operations in markets outside the Nordic region.

The positive demand trend reported earlier in 2000 continues. All markets performed well except Norway where demand for hotel rooms has weakened. The occupancy level in Scandic's hotels continued to rise as did revenue per available room.

At 25 October 2000, approximately 4.9% of outstanding shares had been repurchased. The buy-back, combined with the acquisition of Provobis, resulted in an increase in consolidated interest-bearing net debt to SEK 723m (125). The Group's equity ratio amounted to 47% (56) on 30 September.

#### Telelogic

Ratos's holding of approximately 8% in the software development company Telelogic today has a market value of approximately SEK 660m. The Telelogic share price has risen by almost 50% in 2000.

Telelogic's high growth continues and sales rose a full 141% to SEK 444m (184) during the period. Sales for the full-year 2000 are expected to exceed SEK 800m, representing a growth rate of 160%. On a full year basis, including acquisitions made this year, the Group's sales should amount to more than SEK 1 billion.

Licence revenues accounted for approximately 65% of sales and consulting revenues for the remainder. The company's gross profit amounted to SEK 310m (134) while the operating loss rose to SEK 104m (-24).

The American company QSS, the world's leading supplier of requirements management solutions in software development, was acquired in August. The purchase price amounted to just over SEK 1 billion and was financed through a new issue. The acquisition more than doubles Telelogic's sales force in North America.

At the end of October, Telelogic announced a public offer for another American player, the Nasdaq-listed software company Continuous whose 1999 sales amounted to USD 37.3m. The intention is to finance this acquisition through a new issue with a dilution effect of approximately 5%.

#### Capona

Ratos's stake in the hotel property company Capona amounts to 47%. In the first ten months of the year Capona's share price has risen 41% and by 99% since the listing in December 1998. The value of Ratos's holding has therefore risen from SEK 244m to SEK 485m. Since more than 90% of Capona's rental agreements are sales-based, the company is favourably affected by the strong Nordic hotel market.

Rental income rose 10% to SEK 190m (172) during the period. The profit from the Group's property operations amounted to SEK 131m (114) and its own hotel operator activities (comprising three hotels under own management) provided SEK 18m (15).

The operating surplus amounted to SEK 147m (130) and the yield rose to 10.2% (9.3). The Group's profit after net financial items, excluding a SEK 5m bonus from SPP, was SEK 90m, an increase of 20% over the same period a year ago.

#### Camfil

Ratos's 30% holding in Camfil has been reported according to the equity method since 1 July 2000. The holding is included in Ratos's net asset value at its consolidated book value of SEK 443m. The American company Farr has been consolidated in the Camfil Group since 30 June 2000.

The Camfil Group's sales in the first nine months of the year amounted to SEK 1,593m (1,104) and gross profit was SEK 494m (397). Profit before tax (including a SEK 17m bonus from SPP) amounted to SEK 67m (84). This less favourable result is mainly due to increased financing costs and goodwill amortisation which arose as a result of the acquisition of Farr. The Group's net financial items amounted to SEK -39m (-11) in the report period. Goodwill in the Group at the end of the period was SEK 918m, of which the Farr acquisition accounted for SEK 839m. The integration between Farr and Camfil is proceeding as planned.

The company's operations in Europe noted strong development. Camfil's build-up in Asia is continuing as planned. Significant sales successes were achieved for gas cleaning applications for clean rooms. In the North American market, performance was weaker than expected in the third quarter. Farr is retaining its market share but suffered from a

decline in demand in some of the industrial segments in which it operates.

#### Dahl

Ratos owns 44% of the heating and sanitation wholesaler Dahl. The consolidated book value of this holding rose to SEK 470m due to the positive earnings trend.

Sales after nine months rose slightly to SEK 7,738m (7,698). Operating profit in the operating part of the Group improved by SEK 131m to SEK 304m including items affecting comparability totalling SEK 36m. These comprised a bonus from SPP in Sweden, capital gains from the sale of subsidiaries and provisions for an action programme in Norway. The profit margin for the first nine months of the year improved by 1.7 percentage points to 3.9%.

Third-quarter earnings amounted to SEK 147m which corresponds to an increase of nearly 20% compared with the same quarter in 1999.

The earnings trend was strong in Sweden, Norway and Finland. In Denmark, earnings were at the previous year's level while earnings in Poland were lower than in 1999 due to the weak market. In the Group as a whole, including the leveraged parent company, profit before tax amounted to SEK 168m (63).

#### Telia Overseas

At the end of the period Ratos owned 9% of the capital and 12% of the voting rights in Telia Overseas. The investment in Telia Overseas was increased by SEK 184m during the year and the book value of this holding now amounts to SEK 328m.

Telia Overseas' sales amounted to SEK 330m (229) during the period. The loss after depreciation was SEK 480m (-431). Growth in the number of subscribers and market penetration are good in all seven markets where the company has licences today. The total number of subscribers rose by 580,000 during the period to 1,480,000, of whom 640,000 are in the Brazilian associated company TESS. Development is going according to plan in all Telia Overseas' holdings. The operations in Namibia and Uganda are showing good profitability and subscriber growth.

#### Esselte

Ratos's ownership in Esselte amounts to 17% of the share capital and 27% of the voting rights. Esselte's share price development during the year did not reflect the company's favourable earnings trend. The company's B share fell 20% in the first ten months of the year and the A share fell by 23%. Despite follow-on purchases of Esselte shares at the beginning of the year, the market value of Ratos's holding has therefore decreased to SEK 285m.

During the period Esselte's management has made active efforts to restore the Group's profitability. In line with this strategy, non-priority and unprofitable operations were sold during the period which in turn led to slightly lower sales combined with a significant improvement in earnings.

In the first nine months of the year, sales amounted to SEK 8,131m (8,291). The gross margin for the period rose to 27.5% (26.2). Operating profit quintupled to SEK 261m (53). Profit after financial items (excluding a SEK 168m bonus from SPP and provisions for restructuring of SEK 168m) also improved and amounted to SEK 153m (-8).

Esselte's management earlier announced a future need of provisions of SEK 300-500m for continued restructuring as soon as earnings permitted. Within this framework, the SEK 168m provision was made in the second quarter.

#### Superfos

Ratos owns 33% of the Danish industrial group Superfos. The consolidated value of Ratos's holding amounts to SEK 296m. The Superfos Group's core business is now packaging manufacture where the company holds a market leading position in Europe in injection-moulded plastic packaging.

In the operating sections of the Group sales amounted to DKK 2,038m (1,818 for comparable units) in the first nine months of the year. Profit before depreciation amounted to DKK 272m (276 for comparable units) and operating profit was DKK 104m (150 for comparable units). The lower operating profit is explained by higher depreciation due to aggressive investments and certain non-recurring costs connected, among other things, to factory closures.

The operating profit in Superfos Industries Group, which also includes the parent company Superfos Industries A/S, amounted

to DKK 84m and the loss before tax was DKK 6.

Following divestments, consolidated goodwill decreased from DKK 872m at the beginning of the year to the present DKK 508m. The Group's goodwill amortisation recognised as income in the first nine months of the year amounted to DKK 20m. Interest-bearing net debt amounted to DKK 1,515m which is a decrease of DKK 431m compared with year-end 1999.

Superfos Packaging's sales totalled DKK 1,684m (1,466) during the period. Profit before depreciation amounted to DKK 236m (250) and operating profit to DKK 98m (143). Pressure on margins was mainly caused by high raw material prices as well as problems in some of the European plants. The Group also includes Superfos Aerosol with sales of DKK 354m (354) during the period. Operating profit amounted to DKK 37m (37).

#### DataVis

Ratos owns 49% of the IT consulting company DataVis. The consolidated book value of the holding is SEK 245m. In the second quarter of 2000, DataVis acquired Systemintegration which has been consolidated since mid-June 2000.

DataVis's sales amounted to SEK 146m (146) in the first nine months of 2000. The loss before tax was SEK 9m (2). The negative earnings trend mainly stems from the first six months of the year. A positive trend reversal occurred in the third quarter. Recently acquired Systemintegration is performing well and making a positive contribution to the Group's result.

The decline in earnings in the first six months of the year is explained by reduced hardware sales, lower capacity utilisation in parts of the operations and costs related to acquisitions. The hardware sales have now

been adapted to the lower business volume. A review of the Group's organisation and future operational focus has been completed. Johan Örtenblad, formerly president of Systemintegration, was appointed as the company's new CEO on 1 November.

The chances of achieving an operating profit in the fourth quarter are regarded as good since most of the Group's operating areas are experiencing favourable demand. For the full year, however, the Group is expected to show a small loss.

#### ACE

The air freight company ACE is 100% owned by Ratos, making it the only subsidiary among the active holdings. This holding is included in Ratos's net asset value with SEK 127m. The SEK 63m increase in book value compared with year-end 1999 is due to a capital contribution in conjunction with acquisition of the Conmel Group's logistics division and the good earnings trend.

ACE's earnings improvement continues. Sales amounted to SEK 793m (356). The sales increase for comparable units was 23%. Profit after net financial items, excluding funds from SPP of SEK 15m, amounted to SEK 15m (-3). This result includes all the effects of the acquisition of operations from the Conmel Group from the beginning of May. Development is positive throughout the ACE Group. The improved earnings during the year are due to internal measures which, among other things, had a positive impact on costs in the company, a favourable market situation and well-conducted integration of acquired units.

ACE's strategy is based on creating a leading position in sea and air freight in the Nordic region. Opportunities for follow-on Nordic acquisitions are therefore evaluated continuously.

## **Investments through Industri Kapital**

Ratos has been investing in Industri Kapital's private equity funds since 1989. The total acquisition value in the funds currently amounts to SEK 281m and the market value

of the holding as estimated by Industri Kapital is SEK 377m. Through Industri Kapital's funds IK 1989, IK 1994, IK 1997 and IK 2000, Ratos currently has investments in 25 unlisted companies.

Stockholm, 9 November 2000  
RATOS AB (publ)

Arne Karlsson  
CEO

This interim report has not been the subject of a special review by the auditors of Ratos AB (publ).

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Financial calendar 2001

22 February	Year-end Report
March	Annual Report
5 April	Annual General Meeting
9 May	Interim Report Jan-March
24 August	Interim Report Jan-June
13 November	Interim Report Jan-Sept

*Ratos, one of Sweden's oldest and largest private equity companies, is listed on the OM Stockholm Exchange. Ratos's business concept is to maximise shareholder value through the professional and responsible management of its investments, including an active involvement in the governance of its portfolio companies. The net asset value of Ratos's investments exceeds SEK 10 billion. The company's current holdings include ACE, Camfil, Capona, Dahl, DataVis, Esselte, Scandic Hotels, Superfos, Telelogic and Telia Overseas.*



**Consolidated Profit and Loss Account**

SEKm	2000 Q 1-3	1999 Q 1-3	1999 full year
<b>Active holdings</b>			
Profit/loss from subsidiaries	25	-46	-49
Exit results, subsidiaries	-	-37	-37
Share of profits of associated companies	206	127	177
Exit results, associated companies	633	521	733
Exit results, other active holdings	56	-	-
Profit from active holdings	920	565	824
<b>Asset management</b>			
Dividends	100	100	102
Capital gains	797	564	921
Profit from asset management	897	664	1 023
<b>Central income and expenses</b>			
Management costs	-44	-57	-81
Financial income and expenses	2	-6	-5
Net expenses	-42	-63	-86
Profit before tax	1 775	1 166	1 761
Tax	-51	-40	-57
Profit after tax	1 724	1 126	1 704

**Consolidated Balance Sheet**

SEKm	30 Sept 2000	30 Sept 1999	31 Dec 1999
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible	79	33	31
Tangible	28	20	19
Financial	6 518	4 775	5 257
Total fixed assets	6 625	4 828	5 307
<b>Current assets</b>			
Inventories	-	0	-
Current receivables	201	88	120
Short-term investments	92	197	195
Cash and bank balances	52	88	109
Total current assets	345	373	424
Total assets	6 970	5 201	5 731
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	6 571	4 888	5 437
Provisions	54	83	81
Long-term liabilities			
- non-interest-bearing	3	2	3
- interest-bearing	34	-	-
Current liabilities			
- non-interest-bearing	228	164	151
- interest-bearing	80	64	59
Total shareholders' equity and liabilities	6 970	5 201	5 731

**Consolidated Cash Flow Statement**

SEKm	2000 Q 1-3	1999 Q 1-3	1999 full year
<b>Operating activities</b>			
Consolidated profit before tax	1 775	1 166	1 761
Adjustment for items not included in cash flow	-1 633	-1 074	-1 694
	142	92	67
Paid tax	-2	-4	-4
Cash flow from operating activities before change in working capital	140	88	63
Cash flow from change in working capital			
Decrease (+) in inventories	-	17	4
Increase (-) in operating receivables	212	-139	-195
Decrease (-) in operating liabilities	-35	-34	-
Cash flow from operating activities	317	-68	-128
<b>Investing activities</b>			
Sales of shares, active holdings	688	1 439	1 722
Investments, active holdings	-1 069	-588	-1 021
Sales of shares, asset management	3 680	1 370	2 022
Investments, asset management	-3 315	-1 030	-1 446
Cash flow from investing activities	-16	1 191	1 277
<b>Financing activities</b>			
Share buy-back	-150	-	-
Redemption of shares	-	-115	-115
Decrease (-) in interest-bearing liabilities	55	-553	-558
Dividends paid	-366	-285	-285
Cash flow from financing activities	-461	-953	-958
Cash flow for the period	-160	170	191
Liquid assets, opening balance	227	36	36
Liquid assets, closing balance	67	206	227

**Consolidated Key Figures**

	2000 Q 1-3	1999 Q 1-3	1999 full year
Return on equity, %	-	-	35
Return on capital employed, %	-	-	35
Equity ratio, %			
- visible	94	94	95
- including hidden reserves	96	96	97
Net receivable (+), SEKm	-60	128	155
<b>Key figures per share</b>			
Total return, %	17	13	34
Earnings, SEK	21.37	13.85	20.95
Dividend paid, SEK	-	-	4.50
Market price, SEK	79.50	60.50	72.00
Yield, %	-	-	6.25
Net asset value <sup>1)</sup> , SEK	127	101	113
Average number of shares <sup>2)</sup>	80 682 185	81 320 426	81 320 426
Number of shares outstanding <sup>2)</sup>	79 482 026	81 320 426	81 320 426

<sup>1)</sup> Unlisted associated companies are included in net asset value at consolidated book values.

<sup>2)</sup> Taking share buy-back into account. At 30 Sept 2000, Ratos had repurchased 1,838,400 shares.

**Net asset value**

31 October, 2000		Number	Market value, SEKm	SEK per Ratos share
<b>ACTIVE HOLDINGS</b>				
Wholesale	Dahl	3 324 314	470 <sup>1)</sup>	6
Office products	Esselte A	5 163 207	285	4
	Esselte B	611 600		
Property	Capona	9 334 452	485	6
Service	Scandic Hotels	15 685 964	1 598	20
Transport	Air Cargo Express	150 000	127 <sup>1)</sup>	2
Manufacturing	Camfil	3 379 310	443 <sup>1)</sup>	5
	Superfos	2 805 000	296 <sup>1)</sup>	4
IT	Telelogic	10 000 000	660	8
	DataVis	1 601 850	245 <sup>1)</sup>	3
Telecom	Telia Overseas	3 276 577	328 <sup>1)</sup>	4
Private Equity Funds	Industri Kapital	-	377 <sup>2)</sup>	5
Total Active holdings			5 314	67
<b>ASSET MANAGEMENT</b>				
	Skandia	8 062 035	1 367	17
	Ericsson	3 866 500	514	6
	Swedish Match	11 129 587	379	5
	Svedala	2 300 000	343	4
	Scania	1 037 500	234	3
	Pandox	1 499 500	146	2
	Astra Zeneca	254 400	120	1
	Telia	1 464 785	91	1
	Nordic Baltic Holding	1 163 100	87	1
	Sandvik	387 556	85	1
	Haldex	820 000	76	1
	H & M	388 200	73	1
	Handelsbanken	360 500	57	1
	Nokia	137 800	57	1
	S E B	358 500	42	1
	Investor	310 804	41	1
	Fixed-income investments		222	3
	Other shareholdings		620	7
Asset management's portfolio			4 554	57
Liquid assets, etc			-61	-1
NAV			9 807	123

<sup>1)</sup> Consolidated book value per 30 September 2000.

<sup>2)</sup> According to external valuation in autumn 1999.