



LEDSTIERNAN

INTERIM REPORT JANUARY-MARCH 2001

- Profit after net financial items MSEK -5 (proforma -3)
- Investments in current portfolio amounted to MSEK 56
- Equity per share 7:10; equity ratio 99 per cent
- Co-operation agreement with the Japanese risk capital company MIC, owners of which include NTT DoCoMo

Ledstiernan is building Europe's leading seed and venture capital company with a special focus on Mobile Communication.

FINANCIAL DEVELOPMENTS

No write-downs or loss-making divestments have been taken against the result for the period, and no divestments have been made that have generated capital gains. Since Ledstiernan is no longer a group, interest in the profits of associate companies can and may not be stated, which means that the operating profit only comprises any capital gains made from divestments, any possibly write-downs and operating costs. Ledstiernan's operating costs consist mainly of personnel costs and rent, costs which have increased compared with the same period last year, according to plan as the organisation and business has expanded. The profit after financial items and before tax for the period was MSEK -5 (pro forma, -3).

PORTFOLIO DEVELOPMENTS

Portfolio holdings developed according to expectations during the period, which means that in most cases Ledstiernan has opted to exercise the warrants that it has held in the companies. The flow of new business proposals has remained strong. The number of new investments has, however, been limited for the period, with the focus being on the development of the existing portfolio. No write-downs or other measures, such as restructuring, were made during the period. In the year-end release, it was stated that an increasing number of portfolio companies were considered not in need of additional capital from Ledstiernan, and that there was considerable excess value in the portfolio. This opinion remains. Since Ledstiernan is involved in risk capital, it can mean, however, that are under performing can be discontinued.

Ledstiernan states its portfolio at acquisition value as invested capital, and, in the event of share issues or if the company is listed on a stock market, with the latest traded share prices as of March 31, 2001. An assessment has been made of each portfolio company in connection with the quarterly statements to ascertain if there is any premium or discount in relation to the company's acquisition value.

At the end of the period there were 35 portfolio companies, 15 of which are in the focus area of mobile communication. These companies account for 58 per cent of invested capital (on the exercise of existing options, 62 per cent).

Many of the portfolio companies showed substantial commercial development during the period. Some interesting examples include:

Digital Mobility has launched the world's first wireless java-service at midletcentral.com, and established a partnership with Thomson Financial, the leading supplier of financial information for the secure, wireless, real-time management of information on European shares.

Fondmarknaden currently has 35,000 customers (B2C) and a new order has been received from a Dutch insurance company (B2B).

Hot Vision achieved break-even point during the period and is now showing profitability.

Infomakers have signed an agreement with SEB on supplying a service for improved customer service for SEB through on-site internet terminals at the bank's branches. Other customers are ICA and Nordea.

MGON is one of the leading on-line game portals and has attracted a total of 1,4 million unique visitors per month and 50 million hits during the period (Source: DoubleClick), which represents a growth in traffic during the period of over 100 per cent.

Mint – the company that makes it possible to shop via a mobile phone – has signed an agreement with Stockholm Parkering on the payment of car park fees via the mobile phone, and with GEAB The Phone House, the mobile telecom chain. The GEAB agreement makes it possible to pay through the Mint system in its chain of shops and customers can register as Mint users on site.

Nordic Circle has signed a co-operation agreement with Mainspring, the American strategy consultants, on more in-depth strategic advice and consultation for their customers.

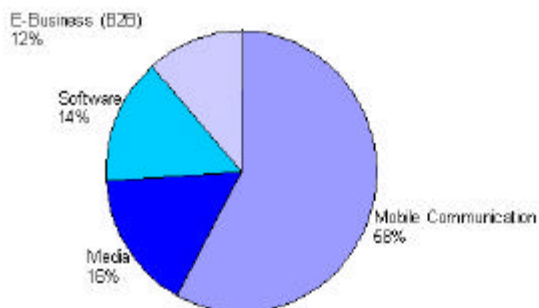
DIVESTMENTS AND EXITS

In January, the portfolio company **e-respect** was sold to the company's founders for a symbolic sum. The total investment amounted to MSEK 15.1 and the loss was taken against the result for the year ending December 31, 2000. No other divestments were made during the period.

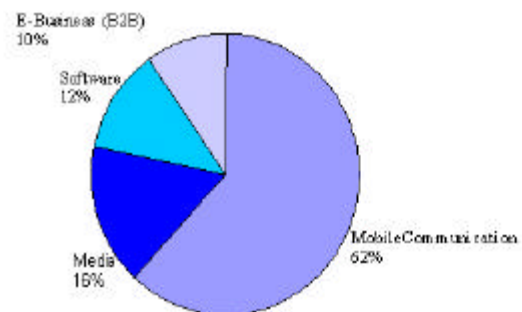
INVESTMENTS AND CONSECUTIVE INVESTMENTS

At the end of the period, Ledstiernan had 35 portfolio companies representing total invested capital of MSEK 493 (193), of which the second round investments for the period totalled MSEK 56, excluding MSEK 19 associated with subscribed but not paid up capital in the portfolio companies as of December 31, 2000. Of the invested capital in existing companies, provisions have been made of MSEK 105 as of December 31, 2000. The book value of the portfolio as of March 31, 2001 is thus MSEK 388.

Breakdown of acquisition value of portfolio companies (including options), by investment sector at March 31, 2001



Breakdown of acquisition value of portfolio companies, by investment sector at March 31, 2001



MARKET OUTLOOK

The flow of high-quality business ideas in the risk capital sector remains strong. Demands on a carefully prepared strategy and investment policy have, however, never been as high as today. The turbulent stock market has meant a downturn in prices of new investments in the early risk capital phases as well, in which, however, the technology-heavy projects have survived the best.

At the same time, the conditions for external financing in the latter part of the projects' development phase have worsened, the result of a decreasing risk-propensity amongst risk capital companies combined with rising demands on quality. The market for company flotations has also worsened substantially. The most important "exit market" being industrially-driven acquisitions.

All in all, the market development poses a challenge for Ledstiernan, although it has also provided a strategically advantageous positioning for Ledstiernan by virtue of our focus on mobile communication and our limited investments in for example e-commerce projects. Today's more uncompromising risk capital climate benefits players like Ledstiernan, which has a developed organisation, an unpledged portfolio and a strong cash base.

The valuation of a risk capital company in the prevailing market climate means that we must gradually show value in the portfolio by divestments or larger transactions in order to provide grounds for a revaluation. As Ledstiernan's portfolio is young, 2001 will be the first year in which we can report a profit through sales. The years 2002 and 2003 are expected to be years with a higher level of exit activity with interesting returns.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

In May, Ledstiernan signed a co-operation agreement with the Japanese venture capital company **Mobile Internet Capital (MIC)**. The purpose of this is to support the companies in Ledstiernan's portfolio that intend to become established on the Japanese and Asian markets, joint investments in Japan and the Nordic region, and the exchange of knowledge and experience. NTT Docomo, Japan's biggest mobile operator, owns 30 per cent of MIC.

Ledstiernan, Danish 2M Invest and Norwegian Telenor Venture, each invested MSEK 2, to a total of MSEK 6, in 30% of **Voice Provider**, a company that develops voice control solutions for the retail trade, information and different kinds of booking services.

Ledstiernan has made a consecutive investment of MSEK 6 with Telia Mobile in **Ticket Anywhere**. Ledstiernan is investing MSEK 3, giving the company 17.2 per cent of the votes and capital. Ticket Anywhere provides a platform for the management of mobile securities.

Together with Purpose and Next Gear, Ledstiernan has made an investment of MSEK 2 in **Ekonomi24**. The parties have also guaranteed MSEK 8 in a new stock issue of a maximum of MSEK 10, planned for the summer of 2001. Ledstiernan has a 50 per cent interest in the consortium.

LIQUID FUNDS AND FINANCIAL POSITION

Closing liquid funds amounted to MSEK 386. Ledstiernan has no interest-bearing debts. By exercising its warrants and call options, Ledstiernan is able to increase its holdings in its portfolio companies to MSEK 186.

TAX

The Swedish Supreme Administrative Court will decide on Ledstiernan's application for a preliminary ruling regarding investment company status during the autumn of 2001. Should the proposal by the committee on corporate income tax concerning new corporate taxation be approved, a taxation situation will arise that is effectively the same as for an investment company, in which case the outcome in the Supreme Administrative Court is of no consequence.

PERSONNEL

The number of employees at the close of the period was 16 (5), 3 of whom are located abroad.

Stockholm May 10, 2001
Ledstiernan AB (publ)

Johan Wachtmeister
President

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

Forthcoming reports

Interim report January – June 2001
Interim report January – September 2001
Year-end release 2001

August 22, 2001
November 12, 2001
February 2002

PORTFOLIO AT MARCH 31 2001

(ThSEK)

Listed portfolio companies

Company	Lista	Date of investment	Current equity stake		Investment to date	Market value
Mobile Communication						
Cellpoint	Nasdaq	dec-99	0,2%	0,2%	294	1 190

Unlisted portfolio companies

Company		Date of investment	Current equity stake	Equity stake using all options 1)	Investment to date	Value at external transaction
Mobile Communication						
Digital Mobility Ltd	2)	okt-99	54,3%	39,0%	64 708	
Mint		maj-00	45,4%	45,8%	45 280	
Nordic Circle		jul-99	31,5%	28,8%	41 399	65 719
ipUnplugged		jan-00	42,0%	47,0%	30 091	
Incomit		aug-00	24,9%	34,9%	25 050	
the Phone Pages of Sweden		mar-00	38,7%	42,0%	20 856	
Roaminfo		dec-99	43,2%	40,7%	13 569	
Mobile Garden		mar-00	48,0%	48,0%	11 000	
Columbitech		maj-00	8,1%	8,0%	9 000	
Grupo Rodania		okt-00	49,0%	49,0%	7 650	
Ambio Tech i Sverige		sep-00	25,0%	34,0%	6 000	
Repeat -It	3)	mar-00	27,5%	25,9%	5 500	
TicketAnywhere		dec-00	12,9%	27,8%	4 085	
Voice Provider	4)	nov-00	20,0%	30,8%	2 000	
Media						
Avisator		jul-99	40,0%	40,0%	26 003	
Millennium Media Group		dec-99	18,0%	32,4%	15 487	
Ekonomi24		apr-00	11,4%	10,1%	10 000	
MGON International		feb-00	47,0%	47,0%	10 000	
Hotvision		apr-00	32,5%	36,4%	7 800	
Infomakers		jul-99	25,0%	45,9%	5 401	
LinkPool		jul-00	49,9%	47,7%	3 978	
Software						
GoPro Landsteinar Group		apr-00	4,2%	4,1%	25 217	
Infonation		mar-00	12,5%	12,0%	15 000	
Iquity Systems		jan-00	2,0%	1,9%	10 980	
Start & Run		jan-00	33,3%	30,0%	9 000	
CCNOX	5)	sep-00	44,0%	44,0%	7 530	
Ten Four		mar-00	3,9%	3,9%	7 432	
InfoAccelerator		jun-00	30,0%	21,3%	3 000	
VsMarket		jun-00	4,6%	4,6%	1 578	

Company	Date of investment	Current equity stake	Equity stake using all options 1)	Investment to date	Value at external transaction
E-Business					
B2C/B2B					
FM Fondmarknaden	okt-99	24,5%	22,9%	17 460	
B2B					
Travis	feb-00	22,2%	19,1%	14 840	
Euroflower.net	mar-00	15,0%	18,4%	10 000	
Tools4use	5) nov-00	33,3%	31,6%	4 000	
Chinsay	apr-00	1,5%	1,4%	1 485	
Total Investment				492 673	

1) After the exercise by Ledstiernan of all its outstanding options and options to personnel.

2) The reclassification of "A" shares as "B" shares as one stage in arranging external financing has resulted in Ledstiernan's voting interest exceeding 50%. However, since after the planned financing, Ledstiernan's interest will fall below 50%, the holding is stated as an associate company.

3) Direct interest of 27.5%, indirect interest through Mobile Garden of 9.0%.

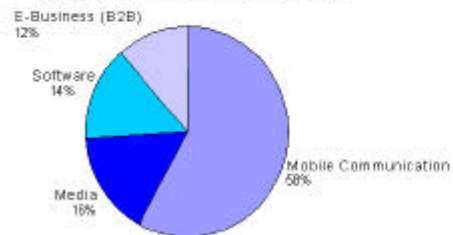
4) Direct interest of 20.0%, indirect interest through Mobile Garden of 7.32%.

5) Ledstiernan has issued call options on 1,505 shares in CCNOX AB to the Partners. Ledstiernan has issued call options on 2,000 shares in Tool4use to the Partners.

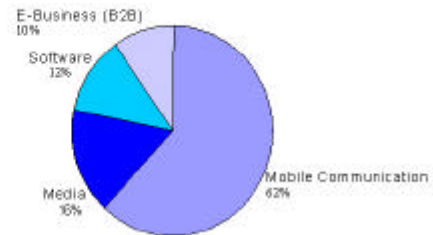
PORTFOLIO HOLDINGS BY INVESTMENT SECTOR

Mobile Communication	Media	Software	E-Business
Ambio Tech	Avisator	CCNOX	B2C/B2B Fondmarknaden
CellPoint	Ekonomi24	InfoAccelerator	B2B EuroFlower.net
Columbitech	Hotvision	Infonation	B2B Chinsay
Digital Mobility	Infomakers	Iquity Systems	B2B Tools4use
Grupo Rodania	Linkpool	GoPro Landsteinar Group	B2B Travis
Incomit	Millenium Media Group	Start & Run	
ipUnplugged	MGON International	TenFour	
Mint		AB VsMarket	
Mobile Garden			
Nordic Circle			
the Phone Pages			
Ticket Anywhere			
Repeat-IT			
RoamInfo			
Voice Provider			

Breakdown of acquisition value of portfolio companies (including options), by investment sector at March 31, 2001



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INCOME STATEMENT

	Q1 2001	Proforma Q1 2000	Year 2000
<u>Income from portfolio holdings</u>			
Exit profits	-	669	5,120
Write-downs	-	0	-120,000
Total profit/loss from portfolio holding	-	669	-114,880
<u>Other expense</u>			
Administration expense	-11,876	-3,291	-38,679
Operating loss	-11,876	-2,622	-153,559
Financial items	7,290	6	-18,798 1)
Loss before tax	-4,586	-2,616	-172,357
Tax	0	0	0
Net loss for the period	-4,586	-2,616	-172,357

1) MSEK 30.4 concerns the loss on sales of subsidiaries.

Loss per share before dilution	SKr -0.04	SKr -0.03	SKr -1.75
Loss per share after dilution	SKr -0.04	SKr -0.03	SKr -1.75
Average number of shares before and after dilution			
	108,954,383	88,167,833	98,561,107
Number of shares at the end of the period before and after dilution	108,954,383	88.167,833	108,954,383

BALANCE SHEET

Amounts in SEK thousand	Proforma		
	Mar 2001	Mar 2000	Dec 2000
ASSETS			
Tangible fixed assets	2,745	797	2,360
Interests in associate companies 1)	313,886	110,651	244,854
Other shares and interests 1)	73,887	82,516	86,951
Total financial fixed assets	387,773	193,167	331,805
Total fixed assets	390,518	193,964	334,165
Current receivables	5,829	7,328	15,315
Short-term placements –commercial paper	298,403	-	199,486
Cash and bank	87,365	93,938	260,878
Total current assets	391,597	101,266	475,679
TOTAL ASSETS	782,115	295,230	809,844
EQUITY AND LIABILITIES			
Equity	773,595	273,842	778,094
Interest-bearing liabilities	-	-	-
Interest-free liabilities	8,520	21,388	31,750
TOTAL EQUITY AND LIABILITIES	782,115	295,230	809,844

1) Interests and receivables in portfolio companies

Change in equity

	Proforma		
	Jan–Mar 2001	Jan–Mar 2000	Jan–Dec 2000
Opening amount	778,094	136,957	35,193
Dividend from former operations	-	-	-33,193
Non-cash issue	-	-	230,000
Profit from merger	-	-	64,110
Rights issue	-	-	649,956
Liquid options	-	-	4,385
Stockholders' contribution	-	139,501	-
Translation differences	87	-	-
Loss for the period	-4,586	-2,616	-172,357
Closing amount	773,595	273,842	778,094

CASH FLOW ANALYSIS

Amounts in SEK thousands	Jan-Mar 2001	Proforma Jan - Mar 2000	Jan - Dec 2000
Current operations			
Cash flow from operations	-5,569	-3,231	-25,201
Adjustment for working capital	<u>5,776</u>	<u>18,711</u>	<u>-7,885</u>
Cash flow from current operations	207	5,480	-33,086
Cash flow from investment activities	-74,803	-106,505	-368,693
Financing activities			
Stockholders' contribution	-	136,902	162,420
Rights issues and issue of options	-	-	651,662
Cash flow from financing activities	-	136,902	814,082
Cash flow for the period	-74,596	45,877	412,303
Opening liquid funds	460,364	48,061	48,061
Closing liquid funds	385,768	93,938	460,364

FINANCIAL RATIOS

	2001-03-31	2000-12-31	2000-03-31
Equity, MSEK	774	778	274
Equity per share, SEK	7,10	7,14	3,11
Equity ratio, %	99	96	93
Totalt investerat kapital, SEK	493	452	193
Invested capital per share, SEK	4,52	4,14	2,19
Cash/share SEK	3,54	4,23	1,07
Market capitalisation, Msek	850	828	-
Closing listed price, SEK	7,80	7,60	-

Accounting principles

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 20: Interim Reports. The accounting principles applied are the same as those used in the annual report for 2000. Comparative figures for January – March 2000 and the balance sheet at March 2000 are pro forma and refer to the operations that were taken up by Ledstiernan following the non-cash issue in April 2000.

Earnings per share before and after dilution have been calculated on the income stated in the consolidated income statement. Warrants in issue have not caused a dilution effect for any of the periods. In the event of full exercise of all warrants, 1,150,000 shares will be added at March 31, 2001.