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INTERIM REPORT
1 JANUARY-30 JUNE 2013

Highlights for the second quarter

- Kinnevik received SEK 3.8bln as a result of the share redemption program in Tele2.
- Kinnevik exercised the option to acquire an additional 3.5% of the shares in Zalando for a total consideration of EUR 100m. The transaction will be closed in July.
- Kinnevik subscribed to its pro-rata share in CDON Group's rights issue with a total investment of SEK 129m.

Revised dividend policy

- The Kinnevik Board of Directors has revised Kinnevik's dividend policy. According to the updated policy, Kinnevik aims to pay a steadily increasing annual dividend. When adopting the policy, the current level of SEK 6.50 per share has been used as a starting point.

Financial results for the second quarter

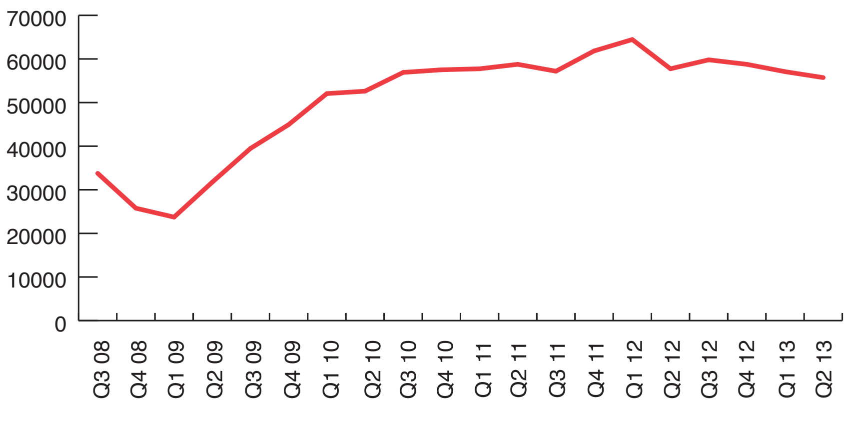
- The net asset value decreased during the quarter by SEK 1,553m, after a paid dividend of SEK 1,803m, and amounted to SEK 55,535m at the end of June corresponding to SEK 200.26 per share.
- The Group's total revenue amounted to SEK 410m (549) and the net profit per share was SEK 0.62 (loss of 22.58).
- The assessed change in fair value of unlisted holdings amounted to a profit of SEK 791m in the quarter, including a positive revaluation of Zalando of SEK 1,342m.
- New investments amounted to SEK 1,055m in the second quarter, of which SEK 1,031m within Online.

Financial results for the first half year

- The net asset value decreased during the first half year by 6% to SEK 55,535m at the end of June.
- The Group's total revenue amounted to SEK 780m (651) and the net loss per share was SEK 5.21 (loss of 12.54).
- New investments amounted to SEK 1,454m during the first half year, of which SEK 1,415m within Online including the SEK 876m invested in Zalando.

Kinnevik's net asset value 2008-2013

Pro forma adjusted for the acquisition of Emesco during Q3 2009.
Figures in SEK m.



The figures in this report refer to the second quarter and first half year 2013 excluding discontinued operations unless otherwise stated. For companies that have not yet reported the results for the second quarter 2013, the figures are included with one quarter's delay. The figures shown within brackets refer to the comparable periods in 2012.

Chief executive's review

"In the second quarter, Kinnevik and the group companies continued to focus on innovation to create the best services for the digital consumer. Growth in Kinnevik is driven by market leading positions in growth sectors including mobile telephony, media and online, as well as a focus on the next generation of growth markets in Central- & South America, Eastern Europe & Russia and Africa.

It is our conviction that the rapid digitalisation will have a continued fundamental impact on all Kinnevik companies and we expect the convergence between the telecom & financial services, online and media to continue. With Kinnevik as the main shareholder, our companies will benefit from our thorough sector knowledge and our ability to cross-promote services across our companies.

We increased our ownership in Zalando by 3.5% in June by exercising the option from October last year as we see continued strong momentum in the company. In total, investments including the Zalando option amounted to SEK 1,055m in the quarter with a continued focus on online.

Millicom successfully bid for a 4G license in Colombia which will allow the company to continue offering even more innovation and choice to consumers in Colombia.

MTG launched MTGx as the enabling hub for the company's digital planning and execution, focusing on increasing the speed of development in the digital entertainment products and services.

The online companies continued to grow strongly with more than 70% year-on year sales growth in Zalando in the first quarter, and good progress in the more recently started e-retailers in emerging markets such as Lamoda in Russia and Dafiti in Latin America. In July, Kinnevik invested a further EUR 67m in Rocket Internet as a part of their new share issue. Rocket Internet has been instrumental in building Kinnevik's e-commerce investments in companies like Zalando, Lamoda, Dafiti and an additional 75 businesses. With our latest investment in Rocket Internet, Kinnevik further strengthens its partnership with the founders of Rocket Internet and with Access Industries as a strategic partner.

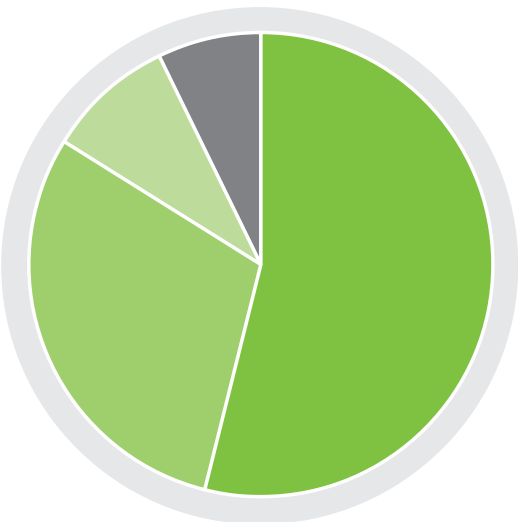
In June, Kinnevik received SEK 3.8 bln as a result of the redemption program in Tele2 following the divestment of their Russian business. The Kinnevik Board of Directors has revised Kinnevik's dividend policy to the effect that Kinnevik aims to deliver a steadily rising annual dividend from the current level of SEK 6.50 per share.

I am confident that our portfolio of growth investments coupled with a strong balance sheet and a competitive dividend is a good base for continued strong shareholder returns for the Kinnevik shareholders."

Mia Brunell Livfors
President and Chief Executive Officer

Kinnevik's holdings

30 June 2013, the figures shown within brackets refer to comparable period previous year.



Telecom & Financial Services
54% (64%)

Online
30% (17%)

Media
9% (9%)

Industry and other investments
7% (10%)

Total return

The Kinnevik share's average annual total return	
Past 30 years [1]	20%
Past 10 years	26%
Past 5 years	9%
Past 12 months	29%

[1] Based on the assumption that shareholders have retained their allotment of shares in Tele2, MTG, Transcom and CDON Group.

Dividend and capital structure

Kinnevik has in the second quarter received dividends from its holdings and paid dividend to the Kinnevik shareholders according to the following:

Dividends received		Amount (SEK m)
Millicom	USD 2.64 per share	665
Tele2	SEK 7.10 per share	962
MTG	SEK 10.00 per share	135
BillerudKorsnäs	SEK 2.00 per share	104
Total dividends received		**1 866**
Redemption of shares in Tele2	SEK 28.00 per share	3 794
Dividend paid to Kinnevik's shareholders	SEK 6.50 per share	**1 803**

As previously announced, financial investments are expected to be SEK 2-3bln in 2013. The parent company leverage after dividends, the redemption programme in Tele2 and with the above assumptions regarding investments is expected to be approximately SEK 2bln.

Events after the end of the reporting period

On 16 July, Kinnevik announced that it invests EUR 67m into Rocket Internet as part of Rocket Internet's directed new share issue. After the investment, Kinnevik's share of Rocket Internet will remain at approximately 24%. The funds will be used to further expand Rocket's network of start-up companies which is already one of the world's largest, with around 75 ventures in over 50 countries and more than 20,000 employees around the globe.

Kinnevik's proportional part of revenue and operating result in its holdings

Jan-June 2013 (SEK m)	Proportional part of revenue	Proportional part of EBIT	Change compared to Jan-Jun 2012 revenue	Change compared to Jan-Jun 2012 EBIT
Telecom & Financial Services	11 638	1 523	3%	-13%
Online	4 077	-771	74%	N/A
Media	2 029	201	-9%	-31%
Industry and other investments	2 815	154	15%	-8%
Total sum of Kinnevik's proportional part of revenue and operating result	**20 558**	**1 107**	**13%**	**-30%**

The table above is a compilation of the holdings' revenues and operating result reported for the first half year 2013 multiplied by Kinnevik's ownership share at the end of the reporting period, thereby showing Kinnevik's proportional share of the companies' revenues and operating result. The numbers in the table includes discontinued operations.

Revenues and operating result reported by the companies have been translated at constant exchange rates (average rate for 2013) from each company's reporting currency into Swedish kronor. For companies that have not yet reported the results for the first half year 2013, the figures are included with one quarter's or one month's delay. The proportional share of revenues and operating result has no connection with Kinnevik's accounting and is only additional information.

Book and fair value of assets

SEK million	Book value 2013 30 June	Fair value 2013 30 June	Fair value 2012 30 June	Fair value 2012 31 Dec	Total return 2013
Millicom	18 278	18 278	24 631	21 283	-11%
Tele2	10 664	10 664	14 471	15 867	-3%
Transcom	296	296	222	230	29%
Bayport	650	650	472	586	
Milvik/BIMA	49	49	12	18	
Other	142	142	78	135	
Total Telecom & Financial Services	**30 079**	**30 079**	**39 886**	**38 119**	
Zalando (directly and indirectly through Rocket)	10 343	10 343	3 568	8 526	
Rocket Internet with other portfolio companies [1]	4 182	4 182	5 284	4 776	
Avito (directly and through Vosvik)	1 235	1 235	754	923	
CDON Group	594	594	682	664	-30%
Other	207	306	214	229	
Total Online	**16 561**	**16 660**	**10 502**	**15 118**	
MTG	3 859	3 859	4 310	3 042	31%
Metro	836	836	1 047	993	
Interest bearing net cash, Metro	243	243	339	187	
Total Media	**4 938**	**4 938**	**5 696**	**4 222**	
BillerudKorsnäs [2] [3]	3 286	3 286	5 274	3 161	7%
Black Earth Farming	363	363	278	456	-20%
Rolnyvik	180	250	250	250	
Vireo	118	150	97	134	
Other	4	4	0	4	
Total Industry and other investments	**3 952**	**4 053**	**5 899**	**4 005**	
Other interest bearing net cash/net debt	409	409	-4 317	-3 008	
Debt unpaid investments	-876	-876	-131	-110	
Other assets and liabilities	272	272	214	423	
Total equity/net asset value	**55 334**	**55 535**	**57 749**	**58 769**	
Net asset value per share		**200.26**	**208.34**	**212.00**	
Closing price, class B share		171.90	138.50	135.30	32%

[1] For split, please see page 7.

[2] As per 30 June 2012 referring to Korsnäs equity value (i.e. after deduction for net debt in Kinnevik's consolidated balance sheet related to Korsnäs) and Latgran.

[3] As per December 2012, including subscribed and paid but not yet received shares.

Telecom & Financial services

Investment (SEK m)	Capital/Votes %	Estimated fair value
Millicom	38.0/38.0	18 278
Tele2	30.5/47.7	10 664
Transcom	33.0/39.7	296
Bayport	42/42	650
Milvik/BIMA	44/44	49
Other		142
Total		**30 079**

Return Telecom & Financial services	1 year	5 years
Average yearly internal rate of return (IRR)	-11%	4%

Kinneviks mobile companies Millicom and Tele2 have in total 63 million subscribers in 23 countries.

Millicom offers digital lifestyle products and services to emerging markets in Latin America and Africa. Through its service brand Tigo Millicom help tens of millions of people to stay connected, primarily through their mobile devices.

Tele2 is one of Europe's leading telecom operators, offering mobile services, fixed broadband and telephony, data network services, cable TV and content services.

Both Millicom and Tele2 are focusing on providing superior services as customers increasingly use their phones to access various data services. In Millicom, these services include mobile financial services such as cash transfers through your mobile, as well as various information services and entertainment and online-services in e-commerce, lead generation and payments.

In Tele2, where the markets are more developed, the company is focusing its strategy to become a value champion, ie to offer its customers the combination of low price, superior customer experience and a challenger culture.

Transcom is active within outsourcing of Customer Relationship Management (CRM) and Credit Management Services. Today the company has more than 30,000 employees and conducts a global operation in 27 countries.

Similar to the manner in which Kinnevik developed telecom services in emerging markets through innovative products and distribution networks, Kinnevik is actively looking for investment opportunities in the financial services sector. Bayport is Kinnevik's largest investment in the financial services sector.

Millicom

	April-June		Jan-June	
Key data (USD m)	**2013**	**2012**	**2012**	**2013**
Revenue	1 258	1 181	2 504	2 349
EBITDA	463	513	957	1 030
Operating profit, EBIT	200	279	438	574
Net profit	54	209	197	318
Number of mobile subscribers (million)	47.5	44.6		

Millicom's revenues increased by 6.2% during the second quarter compared to the same period last year. Reported growth was led by a 14% increase in South America.

Millicom generated 35% of the company's growth from mobile, 35% from Online, 17% from Mobile Financial Services (MFS) and 13% from the Cable and Digital Media division.

During the period, Millicom experienced the fastest-ever growth in new mobile data customers with 1.5m new customers.

MFS, the mobile financial service network, now penetrates 13.1% of the total mobile customer base.

Millicom entered into an agreement to share spectrum and jointly roll out a 4G network in Colombia.

Tele2

	April-June		Jan-June	
Key data (SEK m)	**2013**	**2012**	**2012**	**2013**
Revenue	7 476	7 787	14 774	15 220
EBITDA	1 518	1 519	3 006	3 025
Operating profit, EBIT	711	512	1 381	1 058
Net profit	327	213	680	477
Number of subscribers (million)	15.1	14.6		

The figures for Tele2 refer to continued operations.

Mobile net sales grew by 1% during the second quarter compared to corresponding period last year, with the underlying mobile service revenues increasing by 4%.

The growth in mobile services was strong also in the Netherlands, where Tele2 was the fastest growing mobile mobile operator for the sixth quarter in a row. In Khazakhstan, the customer base now amounts to 3.2m customers after a net intake of 309,000 customers during the second quarter.

Net sales decreased by 4% for Tele2 while EBITDA remained stable at SEK 1,518m. Net sales in Kazakhstan increased by 46% compared to the corresponding period last year, while the EBITDA loss was cut in half as it decreased to SEK -52m (105).

Bayport

Bayport is offering micro credits and financial services in six African countries (Botswana, Ghana, Mozambique, Tanzania, Uganda and Zambia) as well as in Colombia. The Company was founded in 2002 and has grown with profitability into a leading micro credit company.

Bayport focuses on providing unsecured consumer credit to employees in the formal sector, predominantly within the public sector and civil service, but also with employees of large multinational companies. The success of its business model centres on payroll based credit extension and collection, whereby instalments are directly collected from payroll prior to payment of salaries. This business model mitigates credit risk and adds greater certainty to cash flows.

Loans are used primarily for financing larger non-recurring expenses, such as school fees, investment in farming or for small business purposes. The loan amount varies by market with the average loan amount being USD 1,425 and the average loan term 48 months. Bayport has around 261,000 customers served by a network of 218 branches and over 2,700 employees. Balance sheet assets amount to around USD 440m and the loan book to around USD 355m.

Milvik/BIMA

Milvik provides, under the brand name BIMA, the technology, distribution and insurance solutions which enable mobile telephone operators in emerging markets to provide microinsurance products to their customer base. The company was launched in 2011 to capitalise on the potential in micro insurance in emerging markets where few viable risk management solutions for the mass market exist and the level of insurance penetration is low.

BIMA offers affordable and uniquely designed life and health insurance products to people via their mobile phone. The company is operating in Ghana, Tanzania, Senegal, Mauritius, Bangladesh, Sri Lanka and Indonesia, and insures more than four million lives.

Online

Investment (SEK m)	Direct equity interest	Indirect equity interest [1]	Total [4]	Accumulated invested amount	Fair value as per 30 June 2013: Direct ownership	Indirectly held [1]	Total	Change in fair value: Q2 2013	First half year 2013
Zalando GmbH	29%	9%	38%	5 561	7 971	2 372	10 343	1 342	1 066
Bigfoot I (Dafiti, Lamoda, Jabong, partly Namshi)	28%	8%	36%	1 536	1 503	84	1 587	1	35
Dafiti			*29%*				*536*		
Lamoda			*30%*				*530*		
Jabong, Namshi and Central cash			*mixed*				*521*		
Bigfoot II (The Iconic, Zalora, partly Zando and Jumia)	30%	10%	40%	930	438	-	438	-291	-445
Home24	24%	12%	36%	791	487	5	492	-273	-280
Wimdu	20%	14%	34%	275	263	37	300	16	7
BigCommerce (Lazada, Linio, partly Namshi)	15%	13%	28%	427	334	6	340	-100	-100
Other Rocket portfolio companies [2]	mixed	mixed	mixed	659	610	415	1 025	-132	-174
Total Rocket Internet with portfolio companies				**10 179**	**11 606**	**2 919**	**14 525**	**563**	**109**
Avito	18%	14%	32%	336	696	539	1 235	184	311
Other portfolio companies	mixed	mixed	mixed	477	306	-	306	1	11
Total unlisted online investments				**10 992**	**12 608**	**3 458**	**16 066**	**748**	**431**
CDON Group	25.1%	-	25.1%	646 [3]	594	-	594	-151	-198
Total online investments				**11 638**	**13 202**	**3 458**	**16 660**	**597**	**233**

[1] Held via Rocket Internet GmbH and Vosvik AB (Avito).

[2] Invested amount includes net invested amount in Rocket Internet GmbH. Fair value includes cash balance in Rocket Internet GmbH.

[3] The value of dividends received from MTG when shares distributed and share purchases and new issues made thereafter.

[4] The shareholdings in Rocket Internet with portfolio companies has not been adjusted for employee stock option plans.

Return Online	1 year	5 years
Average yearly internal rate of return (IRR)	26%	29%

The Kinnevik online investments are mainly focused around e-commerce and market places. E-commerce is one of the strongest global growth trends in the world economy, and it is based on a shift in consumer behaviour which is not a short term trend but which we believe represent a permanent change in consumer behaviour.

Within e-commerce, Kinnevik has focused its investments in the shoes and fashion segment through companies such as Zalando with geographical presence in Europe and companies such as Lamoda, Dafiti, Jabong and Zalora focused on emerging markets. This particular segment of the e-commerce industry is attractive for several reasons; it is a relatively large part of a household budget, it is a sector with high gross margins and the products offered are easy to package and ship - enabling efficient logistics with free deliveries and returns.

In order to be competitive and become a profitable online retailer it is important to build size and scale to be the number one choice as the customer goes online. It is also a key competitive advantage to be fully integrated and to control the entire value chain from website to logistics to check out, payment and shipping in order to control the total customer experience.

Investments and valuation

Kinnevik invested SEK 1,415m within Online during the first half of the year, of which SEK 876m in Zalando, SEK 169m in Bigfoot II, SEK 138m in BigCommerce, SEK 129m in CDON Group and SEK 32m in Saltside Technologies.

At the end of June, investments in Online were valued at a total of SEK 16,660m. The assessed change in fair value recognized in the consolidated income statement for the second quarter amounted to a profit of SEK 597m (loss of 424) as specified in the table above. Exchange rate effects when translating investments in EUR to SEK had a positive effect of SEK 664m on the result. The positive change in fair value of Zalando relates to a continued strong revenue growth and an increased sales multiple (from 1.8 to 2.0) in line with increasing market multiples, resulting in an assessed fair value of EUR 3.2bln at the end of June, compared to EUR 2.8bln at the end of March and at year end 2012. The negative change in fair value of Bigfoot II, Home24 and BigCommerce is mainly related to changes in the liquidation preference structure during the second quarter when new investments have been made by other owners than Kinnevik, and lower sales multiples due to discounts applied when valuing the companies. The companies have continued to develop positively with a strong sales growth.

For the first half of the year, the assessed change in fair value recognized in the consolidated income statement amounted to a profit of SEK 233m (loss of 589). Exchange rate effects when translating investments in EUR to SEK had a positive effect of SEK 233m on the result.

For further information about valuation principles and assumptions, please see Note 5.

During 2012 and first half of 2013, a number of Rocket's portfolio companies and Avito have issued new shares to external investors at price levels that exceed Kinnevik's recognized assessed fair values. Since the newly issued shares have better preference over the portfolio companies' assets in the event of liquidation or sale than Kinnevik's shares have, Kinnevik do not consider these price levels as a relevant base for assessing the fair values in the accounts. The latest transactions that have been made with better preference than Kinnevik's shareholdings, have been made at levels that, applied on Kinnevik's shareholdings, is approximately SEK 5bln higher than Kinnevik's book value as per 30 June 2013.

Proportional part of revenue, EBIT and cash balances in unlisted online holdings

Kinnevik's proportional part of the unlisted companies' revenue grew by 86% year-on-year and reached SEK 1,947m (1,045) for the second quarter. Revenue growth is strongest in the second and fourth quarter which is explained by the seasonal variations within the shoes- and fashion industry. Due to the strong growth, short operating history and the fact that all start-up costs are taken to the P&L, the unlisted companies within Kinnevik's online portfolio are still unprofitable. However, the larger companies in the portfolio are well capitalised and can afford continued investments until they reach break-even. Kinnevik's proportional part of the companies' cash position amounted to SEK 3,113m at 30 June 2013.

Rocket Internet

Rocket Internet is a company that incubates and develops e-commerce and other consumer-oriented online companies. Kinnevik owned 24.2% of the parent company Rocket Internet GmbH as per 30 June (23.9% following transaction in July) and works closely with the management of Rocket Internet in order to foster companies and develop them into leading Internet players.

Besides the investment into Rocket Internet, Kinnevik has also invested directly into a number of companies supported by Rocket Internet in the following segments:

- E-commerce of shoes and fashion, with Zalando in Europe, Dafiti in Latin America, Lamoda in Russia and the CIS, Jabong in India, Namshi in Middle East, Zalora in Southeast Asia, The Iconic in Australia, Zando in South Africa as well as other newly incubated companies in other emerging markets.
- E-commerce of furniture and home décor, with Home24 in Europe, Mobly in Brazil, Westwing in ten different countries, and a number of other companies that are active in emerging markets.
- E-commerce of general merchandise, with Lazada in

Kinnevik's proportional part of revenue, EBIT and cash balance within its unlisted online holdings

										2013	
SEK million	**Q2**	**Q3**	**Q4**	**FY2011**	**Q1**	**Q2**	**Q3**	**Q4**	**FY2012**	**Q1**	**Q2**
Revenue	386	446	654	**1 770**	819	1 045	1 184	1 676	**4 723**	1 623	1 947
Q on Q growth	36%	16%	47%		25%	28%	13%	42%		-3%	20%
Y on Y growth					189%	171%	165%	156%	**167%**	98%	86%
EBIT				**-379**	-250	-369	-414	-292	**-1 324**	-407	-351
Accumulated invested amount (net of dividends received)											**10 992**
Fair value as per 30 June 2013											**16 066**
Net proportional part of cash balance 30 June 2013											**3 113**

The table above is a compilation of the unlisted online holdings' revenues and operating result reported multiplied by Kinnevik's ownership share at the end of the reporting period, thereby showing Kinnevik's proportional share of the companies' revenues and operating result. Revenues and operating result reported by the companies have been translated at constant exchange rates (average rate for 2013) from each company's reporting currency into Swedish kronor. For companies that have not yet reported the results for June 2013, the figures are included with one month's delay. The proportional share of revenues and operating result has no connection with Kinnevik's accounting and is only additional information.

- Southeast Asia, Linio in Latin America, Jumia in Africa and Kanui and Tricae in Brazil.
- Marketplace for brokering short-term housing through Wimdu, and online food ordering service through Foodpanda.
- Subscription-based services, with Glossybox offering beauty and style products, and HelloFresh delivering weekly food baskets for home cooking.

Zalando

Zalando started its operations in Germany in 2008 and today operates online shops also in the Netherlands, Belgium, France, the United Kingdom, Austria, Switzerland, Italy, Spain, Sweden, Finland, Norway, Denmark and Poland. Zalando has grown rapidly and is today the largest online player by net revenues in the fashion sector in Europe.

The key drivers for becoming successful within shoes and fashion include technology, product sourcing, logistics and marketing. Zalando has over the past five years focused on becoming the industry leader in all these fields in the online sector in the operating markets.

Zalando has developed strong relationships with most of the leading suppliers in the shoes and fashion industry. The company is today a well-established player in the European market which makes it possible to further improve delivery and payment terms with key suppliers. In addition, Zalando has focused on establishing its in-house design labels.

Convenience is one of the most important factors for customers moving online which is why free deliveries and returns for customers are a very important part of the Zalando customer offering. In addition, Zalando has a generous return policy resulting in an average return rate of around 50%. This makes it very important to have a cost efficient and best in class logistic set up. Zalando has therefore, as part of the company's strategy, decided to operate most of its logistics in-house. The first warehouse operated by the company was opened in 2011 and a second warehouse built in the city of Erfurt in Germany did successfully start to operate during the second half of 2012. Due to its strong growth, Zalando is constructing a third warehouse in the city of Mönchengladbach in Germany which will open during the second half of 2013.

Zalando reported net sales of EUR 372m in the first quarter of 2013 compared to EUR 214m in the first quarter of 2012. The first quarter numbers are not audited. For the full year 2012, net sales amounted to 1,159m. Sales growth and margins in the first quarter were impacted by the long winter in Europe, delaying the start of the spring season.

With the addition of seven new markets during 2012, Zalando's focus for 2013 is on operational excellence in key areas including logistics and marketing within its current geographical footprint.

Dafiti

Dafiti was founded in early 2011 and offers a broad assortment of women and men's fashion online. The company started in Brazil, but has since expanded to Argentina, Chile, Colombia and Mexico, thus targeting one of the largest emerging markets with a total population of 400 million. Latin America shows strong consumption growth, and Dafiti has established itself as one of the key retailers of online fashion in the region. Dafiti reported net revenue of SEK 796m (149) in 2012.

Lamoda

Lamoda was started in early 2011 with its core offering being shoes and fashion in Russia and the CIS. The region has an Internet population of more than 60 million and the company is growing rapidly. Lamoda reported net revenue of SEK 445m (62) in 2012.

Jabong

Jabong is the leading online fashion shop in India and was launched in 2012. There are more than a billion people living in the country with the third largest Internet population in the world, despite an Internet penetration of only 10%. Reported net revenue was SEK 156m in 2012.

Namshi

Namshi is active within shoes and fashion in six markets in the Middle East, namely United Arab Emirates, Saudi Arabia, Bahrain, Kuwait, Oman and Qatar. All markets exhibit high purchase power, high levels of disposable income and high Internet penetration. Namshi reported net revenue of SEK 32m in 2012.

The Iconic

The Iconic is an online store offering shoes and fashion in Australia and New Zealand covering a population of around 30 million. The company was founded in late 2011 and has grown rapidly and already captured a leading position in the region. Reported net revenue for 2012 was SEK 218m.

Zalora

Zalora started its operations in 2012 and serves eight emerging markets within shoes and fashion in Southeast Asia, namely Singapore, Malaysia, Indonesia, Thailand, Philippines, Vietnam, Taiwan and Hong Kong. Reported net revenue for 2012 was SEK 84m.

Jumia

Jumia, founded in 2012, is an online retailer of general merchandise active in Nigeria, Egypt, Morocco, Kenya and Ivory Coast. The company offers products such as mobile phones, video and audio devices, games and consoles, books, toys and beauty products. Jumia reported net revenue of SEK 21m in 2012.

Zando

Zando was founded in 2012 and offers shoes and fashion to the South African market with a population of 50 million. The company reported net revenue of SEK 26m in 2012.

Lazada

Lazada was founded in early 2012 and is active in offering general merchandise in five of the most attractive markets in Southeast Asia – Indonesia, Vietnam, Thailand, Philippines and Malaysia. Lazada reported net revenue of SEK 88m in 2012.

Linio

Linio was founded during the first half of 2012 and is the leading general e-commerce platform in Mexico, Colombia, Peru and Venezuela, that boasts a total population of more than 200 million. Reported net revenue was SEK 61m in 2012.

Home24

Home24 is an online retailer of furniture and home products. The company is active under the brand Home24 in Germany, Austria, France and Netherlands, and under the brand Mobly in Brazil. Net revenue for the group amounted to SEK 550m (227) in 2012.

Westwing

Westwing Home & Living was founded in late 2011 and offers flash sales of home décor, furniture and lifestyle products online. The company is today present in ten countries including Germany, Russia and Brazil, and is market leader in each, targeting a EUR 400 bln industry that is rapidly shifting online. Westwing exhibits strong revenue growth and has a particularly active and loyal customer base, with the average customer making three to four purchases per year and 70% of the purchases are from returning customers. Westwing reported net revenues of SEK 363m in 2012.

Wimdu

Wimdu is a marketplace for brokering short-term vacation housing and was founded in 2011. The company addresses the growing market of rentals of secondary homes and has a worldwide presence, with efforts mainly focused on Western Europe, and around 150,000 available properties. Revenue is derived from commission as intermediary in the rental process. Net revenues for Wimdu amounted to SEK 55m in 2012.

Avito

Avito is the leading online service for classified advertising in Russia. Revenue primarily derive from from value-added services, display advertising and third-party shops. In the second quarter, the company had an average of 10.7 million new listings per month (4.7 million for the corresponding period last year) and 37 (22) million unique monthly visitors. Avito reported total revenue of SEK 84m for the first quarter of 2013 (34) and an operating loss of SEK 7m (loss 82). At the end of the second quarter, Avito had a cash position of more than USD 100m, which will be used to further strengthen Avito.ru's position in the key Auto and Real Estate categories, and for continued expansion in new markets.

Saltside Technologies

Saltside is a company that since 2012 operates a number of online marketplaces in emerging markets. Some of the key markets are Bangladesh and Sri Lanka, in which Saltside has already seized a prominent position.

CDON Group

CDON Group is a leading e-commerce company with some of the most well-known and appreciated brands in the Nordic area.

	April-June		Jan-June	
Key data (SEK m)	**2013**	**2012**	**2012**	**2013**
Revenue	969	952	2 020	1 906
Operating profit/loss, EBIT	-49	-44	-57	-56
Net profit/loss	-45	-37	-62	-50

Net Sales for CDON Group increased by 4.2% during the second quarter compared to the corresponding period last year. The increase was mainly driven by the segment Sports & Health, which grew its sales by 34%.

CDON Group's gross margin improved by 0.9 percentage points to 15.7% due to larger share of sales from the high margin segments Sports & Health, and Fashion.

The operating result was negatively affected by a one-off cost of SEK 32m.

Media

Investment (SEK m)	Capital/Votes %	Estimated fair value
Modern Times Group MTG	20.3/49.8	3 859
Metro	99/99[1]	1 079
Total		**4 938**

[1] Fully diluted.

Return Media	1 year	5 years
Average yearly internal rate of return (IRR)	-8%	-3%

The media sector is changing fast as both TV and newspaper consumers move their mediaconsumption online. Consumers can now choose between the TV set, the computer, the smartphone, the tablet and the games console. Kinnevik's media companies are focusing on meeting the consumers changing habits. For example, MTG has launched a new initiative, MTGx, to provide world class video on demand experiences, building a portfolio of new entertainment services and providing centralized digital skills and platforms.

Modern Times Group MTG

	April-June		Jan-June	
Key data (SEK m)	**2013**	**2012**	**2012**	**2013**
Revenue	3 619	3 517	6 842	6 776
Operating profit/loss, EBIT	578	684	1 032	1 226
Net profit/loss	376	454	710	908

MTG reported net sales of SEK 3,619m for the second quarter, a 6% year-on-year growth at constant exchange rates. The performance reflected a strong growth for both free-TV and pay-TV operations in emerging markets, and for the Nordic pay-TV business.

The Czech operations in particular reported high growth and were now the largest media house by advertising market share for the second quarter in a row. Another milestone was the Ghanaian operation's first quarterly profit since its launch.

Nordic Pay-TV continued to develop positively, much due to the growth in Viaplay subscribers and increased revenues per customer in the premium satellite segment.

Metro

Metro's strategy is to invest in emerging markets while at the same time focus on cost savings in existing operations in more mature markets.

Readership and Advertising Market

Metro is published in over 150 major cities in 23 countries across Europe, Asia, North and South America. Metro's global readership is approximately 18.3 million daily readers.

In 2013, newspaper advertising expenditure is expected to decline in Western Europe, whereas the newspaper advertising market is expeced to increase in Latin America.

Operations

The table below gives the details on operational results:

	April-June		Jan-June	
EUR m	**2013**	**2012**	**2012**	**2013**
Revenue				
Europe	17	31	34	61
Emerging Markets	21	20	39	36
Head Quarters	2	2	3	4
Total	**40**	**53**	**76**	**100**
Operating profit, EBIT				
Europe	1	4	0	6
Emerging Markets	2	2	1	3
Share of Associates Income	0	0	1	0
Head Quarters	-1	-3	-3	-4
Total	**1**	**4**	**-1**	**5**

Revenue for the second quarter of 2013 decreased by EUR 13m compared to the same period previous year. The decrease is mainly the result of Metro's sale of the newspaper operations in Denmark and Holland. Sales in Metro Sweden is down 8% compared to the same quarter last year. The decline in Sweden is mainly the result of a weaker advertising market. Sales in all markets in Latin America has continued to increase.

EBIT for the quarter was a loss of EUR 1m. The decline in EBIT is explained by a decline in the profitability of the Swedish newspaper as a result of lower sales and expenses related to the recent launch of a newspaper in Puerto Rico.

Industry and other investments

Investment (SEK m)	Capital/ Votes%	Estimated fair value
BillerudKorsnäs	25.1	3 286
Black Earth Farming	24.9	363
Rolnyvik	100	250
Vireo Energy	78	150
Other		4
Total		**4 053**

Return Industry and other investments	1 year	5 years
Average yearly internal rate of return (IRR)	42%	18%

BillerudKorsnäs

	April-June		Jan-June	
Key data (SEK m)[1]	2013	2012	2012	2013
Revenue	4 973	2 440	10 105	4 731
Operating profit/loss, EBIT	256	161	613	303
Net profit/loss	169	119	397	215

Numbers 2012 excluding Korsnäs.

BillerudKorsnäs offers primary fibre-based packaging materials and packaging solutions. The company holds a prominent position in several attractive product segments, both in primary fibre-based materials for consumer packaging and for industrial purposes.

The decrease in volume and the increase of fixed costs during the second quarter were mainly attributable to the periodic maintenance shutdown in Frövi where a major rebuild of KM5 was made. Including additional complications and disruption, the downtime caused an overall negative impact of SEK 115m compared to the previous quarter.

Realized synergies, accumulated from time of acquisition, now amounts to SEK 121m as per 30 June, of which SEK 44m were realized during the second quarter.

Black Earth Farming

Black Earth Farming, with shares listed on NASDAQ OMX Stockholm, is a leading agricultural company with operations in Russia. The company acquires and cultivates agricultural land in the fertile Black Earth region in South-west Russia.

Black Earth Farming reported its first full-year profit in 2102. Focus remains on continued operational improvements to lower the cost per ton of production in order to be competitive and profitable also at lower price levels than the current level.

Financial overview

The figures in this report refer to the second quarter and first half year 2013. The figures shown within brackets refer to the comparable periods in 2012 excluding discontinued operations. Metro is included in the Group's revenue and earnings from the second quarter 2012.

Consolidated earnings for the second quarter

The Group's total revenue during the second quarter amounted to SEK 410m, compared with SEK 549m in the second quarter 2012. The decrease in revenue refer mainly to Metro, see further on page 11.

The change in fair value of financial assets, including dividends received, amounted to SEK 258m (loss of 6,155), of which a loss of SEK 533m (loss of 6,425) was related to listed holdings and a profit of SEK 791m (profit of 270) to unlisted financial assets, see Note 5 for further details.

Net profit amounted to SEK 170m (loss of 6,259), corresponding to a profit of SEK 0.62 (loss of 22.58) per share.

Consolidated earnings for the first half year

The Group's total revenue during the first half year amounted to SEK 780m, compared with SEK 651m in the first half year 2012. The increase is explained by that Metro was not included in the consolidated accounts for the first quarter last year.

Other operating income includes a revaluation of SEK 44m of the shares in Milvik due to a reclassification from subsidiary to financial asset.

The change in fair value of financial assets, including dividends received, amounted to a loss of SEK 1,322m (loss of 3,304), of which a loss of SEK 1,824m (loss of 3,337) was related to listed holdings and a profit of SEK 502m (profit of 33) to unlisted financial assets, see Note 5 for further details.

Net loss amounted to SEK 1,451m (loss of 3,475), corresponding to a loss of SEK 5.21 (loss of 12.54) per share.

The Group's cash flow and investments

The Group's cash flow from operations amounted to SEK 64m (negative 44) during the period.

During the period, Kinnevik signed agreements to invest SEK 1,405m in other shares and securities, while cash paid for investments in other shares and securities amounted to SEK 517m, see further Note 5.

In January the divestment of Metro Denmark was finalized resulting in a positive cash flow effect of SEK 53m.

The Group's liquidity and financing

The Group's net debt including debt for unpaid investments amounted to SEK 276m at 30 June 2013 (SEK 2.950m at 31 December 2012).

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 8,077m as at 30 June 2013 whereof SEK 6,500m related to a revolving credit facility and SEK 1,200m related to a bond.

The Group's available liquidity, including short-term investments and available credit facilities, totalled SEK 8,636m at 30 June 2013 and SEK 5,029m at 31 December 2012. For further information regarding the Group's interest-bearing loans, see Note 7.

Financial reports

Reporting dates for 2013:

23 October	Interim Report January-October
February 2014	Year end release 2013

This Interim report has not been subject to specific review by the Company's auditors.

Kinnevik discloses the information provided herein pursuant to the Securities Market Act (Sw. lagen om värdepappersmarknaden (2007:528)). The information was submitted for publication at 8.00 CET on 19 July 2013.

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Kinnevik was founded in 1936 and thus embodies more than seventy-five years of entrepreneurship under the same group of principal owners. Kinnevik's objective is to increase shareholder value, primarily through net asset value growth. The company's holdings of growth companies are focused around the following business sectors; Telecom & Financial Services, Online, Media and Industry and other investments.

Kinnevik has a long history of investing in emerging markets which has resulted in a considerable exposure to consumer sectors in these markets. Kinnevik plays an active role on the Boards of its holdings.

The Kinnevik class A and class B shares are listed on NASDAQ OMX Stockholm's list for Large Cap companies within the financial and real estate sector. The ticker codes are KINV A and KINV B.

The Board of Directors and the CEO certify that this undersigned six month interim report provides a true and fair overview of the Parent Company and Group's operations, financial position and performance for the period, and describes the material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, 19 July 2013

Cristina Stenbeck Chairman of the Board	Tom Boardman Member of the Board	Vigo Carlund Member of the Board
Dame Amelia Fawcett Member of the Board	Lorenzo Grabau Member of the Board	Wilhelm Klingspor Member of the Board
Erik Mitteregger Member of the Board	Allen Sangines-Krause Member of the Board	Mia Brunell Livfors CEO

CONDENSED CONSOLIDATED INCOME STATEMENT (SEK m)

	Note	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
CONTINUING OPERATIONS						
Revenue		410	549	780	651	1 591
Cost of goods sold and services		-228	-317	-450	-384	-957
Gross profit/loss		**182**	**232**	**330**	**267**	**634**
Selling and administration costs		-235	-243	-440	-295	-771
Other operating income		14	16	72	20	92
Other operating expenses		-9	-10	-16	-14	-53
Operating profit/loss	**3**	**-48**	**-5**	**-54**	**-22**	**-98**
Share of profit/loss of associates accounted for using the equity method		4	-	7	-	10
Dividends received	6	5 660	2 539	5 660	2 539	4 264
Change in fair value of financial assets	5	-5 402	-8 694	-6 982	-5 843	-6 910
Interest income and other financial income		8	10	11	27	55
Interest expenses and other financial expenses		-42	-76	-73	-136	-255
Profit/loss after financial items		**180**	**-6 226**	**-1 431**	**-3 435**	**-2 935**
Taxes		-10	-33	-20	-40	-56
NET PROFIT/LOSS FROM CONTINUING OPERATIONS		**170**	**-6 259**	**-1 451**	**-3 475**	**-2 991**
Net profit from discontinued operations		-	137	-	315	3 473
NET PROFIT/LOSS FOR THE PERIOD		**170**	**-6 122**	**-1 451**	**-3 160**	**482**
Of which attributable to:						
Equity holders of the Parent Company						
Net profit/loss from continuing operations		173	-6 261	-1 443	-3 475	-2 984
Net profit/loss from discontinued operations		-	134	-	308	3 462
Non-controlling interest						
Net profit/loss from continuing operations		-3	2	-8	0	-7
Net profit/loss from discontinued operations		-	3	-	7	11
Earnings per share						
Earnings per share before dilution, SEK		0.62	-22.10	-5.21	-11.42	1.72
Earnings per share after dilution, SEK		0.62	-22.10	-5.21	-11.42	1.72
From continuing operations:						
Earnings per share before dilution, SEK		0.62	-22.58	-5.21	-12.54	-10.77
Earnings per share after dilution, SEK		0.62	-22.58	-5.21	-12.54	-10.77
Average number of shares before dilution		277 250 787	277 183 276	277 228 283	277 183 276	277 183 276
Average number of shares after dilution		277 584 800	277 481 967	277 563 215	277 483 975	277 483 454

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK m)

	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Net profit/loss for the period	170	-6 122	-1 451	-3 160	482
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit and loss	-	-	-	-	-
Items that may be reclassified to profit and loss					
Translation differences	50	-7	-22	-13	-31
Cash flow hedging					
- profit/loss during the year	22	3	22	1	-
- reclassification of amounts accounted for through profit and loss	-	-	-	-	5
Tax attributable to items that will be reclassified to profit and loss	0	0	0	0	-1
Total items that will be reclassified to profit and loss	**72**	**-4**	**0**	**-12**	**-27**
Total other comprehensive income for the period	**72**	**-4**	**0**	**-12**	**-27**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**242**	**-6 126**	**-1 451**	**-3 172**	**455**
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company	241	-6 128	-1 441	-3 176	453
Non-controlling interest	1	2	-10	4	2

CONDENSED CONSOLIDATED CASH-FLOW STATEMENT (SEK m)

	Note	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
CONTINUING OPERATIONS						
Operating profit/loss		-48	-5	-54	-22	-98
Adjustment for non-cash items		5	4	-36	30	114
Taxes paid		-29	-2	-29	-43	-88
Cash flow from operations before change in working capital		**-72**	**-3**	**-119**	**-35**	**-72**
Change in working capital		103	41	183	-9	-150
Cash flow from operations		**31**	**38**	**64**	**-44**	**-222**
Acquisition of subsidiaries	5	-	-132	-	-474	-532
Sale of subsidiaries		-	-	53	-	106
Investments in tangible and biological fixed assets		-49	-22	-60	-32	-92
Investments in intangible fixed assets		-2	0	-3	0	-13
Investments in shares and other securities	5	-463	-3 669	-517	-4 297	-7 462
Sales of shares and other securities		0	569	10	569	572
Dividends received	6	5 660	2 539	5 660	2 539	4 264
Changes in loan receivables		0	66	-1	66	219
Interest received		2	3	5	3	55
Cash flow from investing activities		**5 148**	**-646**	**5 147**	**-1 626**	**-2 883**
Change in interest-bearing liabilities		-1 366	2 061	-1 410	3 356	1 093
Interest paid		-22	-55	-43	-103	-255
Contribution from holders of non-controlling interest		3	0	9	0	32
Dividend paid to equity holders of the Parent company		-1 803	-1 524	-1 803	-1 524	-1 524
Dividend paid to holders of non-controlling interest		-23	0	-23	0	-4
Cash flow from financing activities		**-3 211**	**482**	**-3 270**	**1 729**	**-658**
CASH FLOW FOR THE PERIOD FROM CONTINUING OPERATIONS		**1 968**	**-126**	**1 941**	**59**	**-3 763**
Cash flow for the period from discontinued operations		-	462	-	824	4 035
CASH FLOW FOR THE PERIOD		**1 968**	**336**	**1 941**	**883**	**272**
Exchange rate differences in liquid funds		0	0	0	0	0
Cash and short-term investments, opening balance		**427**	**729**	**454**	**182**	**182**
Cash and short-term investments, closing balance		**2 395**	**1 065**	**2 395**	**1 065**	**454**

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CONDENSED CONSOLIDATED BALANCE SHEET (SEK m)

ASSETS	Note	2013 30 June	2012 30 June	2012 31 Dec
Fixed assets				
Intangible fixed assets		957	1 275	1 044
Tangible and biological fixed assets		316	260	281
Financial assets accounted to fair value through profit and loss	5	54 296	55 233	59 953
- whereof interest-bearing		*37*	*145*	*28*
Investments in companies accounted for using the equity method		93	11	79
Deferred tax assets		10	0	18
		55 672	**56 779**	**61 375**
Current assets				
Inventories		57	49	64
Trade receivables		334	350	372
Tax receivables		0	0	36
Other current assets		184	290	331
Short-term investments		1 813	3	1
Cash and cash equivalents		582	982	453
		2 970	**1 674**	**1 257**
Assets classified as held for sale		-	10 954	-
TOTAL ASSETS		**58 642**	**69 407**	**62 632**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Equity attributable to equity holders of the Parent Company		55 334	54 942	58 573
Equity attributable to non-controlling interest		71	93	67
		55 405	**55 035**	**58 640**
Long-term liabilities				
Interest-bearing loans	7	1 227	5 011	1 174
Provisions for pensions		37	39	37
Other provisions		4	4	4
Deferred tax liability		0	98	0
Other liabilities		13	23	14
		1 281	**5 175**	**1 229**
Short-term liabilities				
Interest-bearing loans	7	590	59	2 111
Provisions		26	1	28
Trade payables		144	166	156
Income tax payable		6	51	59
Other payables		1 190	596	409
		1 956	**873**	**2 763**
Liabilities directly associated with assets classified as held for sale		-	8 324	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**58 642**	**69 407**	**62 632**

CONDENSED REPORT OF CHANGES IN EQUITY FOR THE GROUP (SEK m)

	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Equity, opening balance	**56 983**	**62 705**	**58 640**	**59 687**	**59 687**
Total comprehensive income for the period	242	-6 126	-1 451	-3 172	455
Acquisitions from non-controlling interest	-1	-20	-1	-20	-25
Business combination, non-controlling interest	-	-	-	56	59
Contribution from non-controlling interest	3	-	9	5	32
Dividend paid to owners of non-controlling interest	-23	-	-23	-	-4
Sale of shares, non-controlling interest	-	-	28	-	-47
Discontinued operations	-	-	0	-	-2
Dividend paid to shareholders of the Parent company	-1 803	-1 524	-1 803	-1 524	-1 524
Effect of employee share saving programme	4	0	6	3	9
Equity, closing amount	**55 405**	**55 035**	**55 405**	**55 035**	**58 640**
Equity attributable to the shareholders of the Parent Company	55 334	54 942	55 334	54 942	58 573
Equity attributable to non-controlling interest	71	93	71	93	67

KEY RATIOS	2013 30 June	2012 30 June	2012 31 Dec
Debt/equity ratio	0.03	0.09	0.06
Equity ratio	94%	79%	94%
Net debt (including debt unpaid investments)	276	4 110	2 950

DEFINITIONS OF KEY RATIOS

Debt/equity ratio	Interest-bearing liabilities including interest-bearing provisions divided by shareholders' equity.
Equity ratio	Shareholders' equity including non-controlling interest as percentage of total assets.
Net debt	Interest-bearing liabilities including interest-bearing provisions and debt unpaid investments less interest bearing receivables, short-term investments and cash and cash equivalents
Operating margin	Operating profit after depreciation divided by revenue.

NOTES

Note 1 Accounting principles

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU. This report was prepared in accordance with the Annual Accounts Act and IAS 34, Interim Financial Reporting.

Kinnevik apply from 2013 IFRS 13, ”Fair Value Measurement”. IFRS 13 is a framework for fair value measurement, but does not change which items that should be measured at fair value. The new standard includes more extensive disclosure requirements on fair value measurement. The new standard has not had any effect on Kinnevik’s financial statements. The standard has, however, had effect on the disclosures in note 5, Financial assets.

Other accounting principles and calculation methods applied in this report are the same as those described in the 2012 Annual Report.

Note 2 Risk Management

The Group’s financing and management of financial risks is centralized within Kinnevik’s finance function and is conducted on the basis of a finance policy established by the Board of Directors. The Group’s operational risks are primarily evaluated and managed within the particular business area and then reported to the Kinnevik Board.

The Group has established a model for risk management, the aims of which are to identify, control and reduce risks. The identified risks and how they are managed are reported to the Kinnevik Board on a quarterly basis.

Kinnevik is exposed to financial risks mainly in respect of changes in the value of the stock portfolio, changes in market interest rates, exchange rate risks and liquidity and refinancing risks.

The Group is also exposed to political risks since the companies Kinnevik has invested in have a substantial part of their operations in emerging markets such as Latin America, Sub-Saharan Africa, Russia and Eastern Europe.

For a more detailed description of the Company’s risks and risk management, refer to the Board of Directors’ report and Note 31 of the 2012 Annual Report.

Note 3 Related party transactions

Related party transactions for the interim period are of the same character as the transactions described in the 2012 Annual Report.

During 2013 Kinnevik has acquired shares in Zalando from Rocket Internet and management in Zalando for 72 MEUR which will be paid during July.

Note 4 Condensed segment reporting

Kinnevik is a diversified company whose business consists of managing a portfolio of investments and to conduct operations through subsidiaries. The Kinnevik Group’s accounting is distributed on the following three accounting segments:
Metro - following the acquisition of Metro on 29 March 2012, Metro is an accounting segment from the second quarter 2012.
Other operating subsidiaries - Rolnyvik, Vireo Energy, Duego Technologies, Saltside and G3 Good Governance Group. The figures for 2012 also include Relevant Traffic, disposed during the fourth quarter and Milvik, that is accounted to fair value through profit and loss from 2013.
Parent Company & other - all other companies and financial assets (including change in fair value of financial assets).
This distribution coincides with the internal structure for controlling and monitoring used by Kinnevik’s management.

1 Apr-30 June 2013	Metro	Other operating subsidiaries	Parent Company & other	Total Group
Revenue	344	63	3	410
Operating costs	-333	-75	-44	-452
Depreciation	-5	-5	-1	-11
Other operating income and expenses	0	2	3	5
Operating profit/loss	**6**	**-15**	**-39**	**-48**
Share of profit/loss of associates accounted for using the equity method	4	-	-	4
Dividends received	-	-	5 660	5 660
Change in fair value of financial assets	-	-	-5 402	-5 402
Financial net	4	-4	-34	-34
Profit/loss after financial items	**14**	**-19**	**185**	**180**
Investments in financial fixed assets	12	0	1 032	1 044
Investments in tangible, biological and intangible fixed assets	7	39	4	50

1 Apr-30 June 2012	Metro	Other operating subsidiaries	Parent Company & other	Total Group
Revenue	459	88	2	549
Operating costs	-416	-101	-33	-550
Depreciation	-7	-3	0	-10
Other operating income and expenses	0	6	0	6
Operating profit/loss	**36**	**-10**	**-31**	**-5**
Dividends received			2 539	2 539
Change in fair value of financial assets	2		-8 696	-8 694
Financial net	-50	1	-17	-66
Profit/loss after financial items	**-12**	**-9**	**-6 205**	**-6 226**
Investments in subsidiaries and financial fixed assets	40	88	1 242	1 370
Investments in tangible, biological and intangible fixed assets	2	19	1	22

1 Jan-30 June 2013	Metro	Other operating subsidiaries	Parent company & other	Total Group
Revenue	647	129	4	780
Operating costs	-651	-140	-80	-871
Depreciation	-9	-8	-2	-19
Other operating income and expenses	0	51	5	56
Operating profit/loss	**-13**	**32**	**-73**	**-54**
Share of profit/loss of associates accounted for using the equity method	7	-	-	7
Dividends received	0	0	5 660	5 660
Change in fair value of financial assets	0	0	-6 982	-6 982
Financial net	2	-4	-60	-62
Profit/loss after financial items	**-4**	**28**	**-1 455**	**-1 431**
Investments in subsidiaries and financial fixed assets	12		1 393	1 405
Investments in tangible, biological and intangible fixed assets	13	46	4	63
Impairment of goodwill				

1 Jan-30 June 2012	Metro	Other operating subsidiaries	Parent Company & other	Total Group
Revenue	459	189	3	651
Operating costs	-416	-193	-58	-667
Depreciation	-7	-4	-1	-12
Other operating income and expenses	0	6		6
Operating profit/loss	**36**	**-2**	**-56**	**-22**
Dividends received			2 539	2 539
Change in fair value of financial assets	2		-5 845	-5 843
Financial net	-50		-59	-109
Profit/loss after financial items	**-12**	**-2**	**-3 421**	**-3 435**
Investments in subsidiaries and financial fixed assets	812	88	3 938	4 838
Investments in tangible, biological and intangible fixed assets	2	29	1	32

1 Jan-31 Dec 2012	Metro	Other operating subsidiaries	Parent company & other	Total Group
Revenue	1 234	349	8	1 591
Operating costs	-1 151	-418	-127	-1 696
Depreciation	-18	-11	-3	-32
Other operating income and expenses	4	35		39
Operating profit/loss	**69**	**-45**	**-122**	**-98**
Share of profit/loss of associates accounted for using the equity method	10			10
Dividends received			4 264	4 264
Change in fair value of financial assets			-6 910	-6 910
Financial net	-55	-8	-137	-200
Profit/loss after financial items	**24**	**-53**	**-2 906**	**-2 935**
Investments in subsidiaries and financial fixed assets	845	110	7 063	8 018
Investments in tangible, biological and intangible fixed assets	17	82	6	105
Impairment of goodwill		-22		-22

Note 5 Financial assets

Kinnevik's unlisted holdings are valued using the International Private Equity and Venture Capital Valuation Guidelines, whereby a collective assessment is made to establish the valuation method that is most suitable for each individual holding. Firstly, it is considered whether any recent transactions have been made at arm's length in the companies. For new share issues, consideration is taken to if the newly issued shares have better preference to the company's assets than earlier issued shares if the company is being liquidated or sold. For companies where no or few recent arm's length transactions have been performed, a valuation is conducted by applying relevant multiples to the company's historical and forecast key figures, such as sales, profit, equity, or a valuation based on future cash flows. When performing a valuation based on multiples, consideration is given to potential adjustments due to, for example, difference in size, historic growth and geographic market between the current company and the group of comparable companies.

Work to measure Kinnevik's unlisted holdings at fair value is performed by the financial department and based on financial information reported from each holding. The correctness of the financial information received is ensured through continuous contacts with management of each holding, monthly reviews of the accounts, as well as internal audits performed by auditors engaged by Kinnevik. Prior to decisions being made about the valuation method to be applied for each holding, and the most suitable peers with which to compare the holding, the financial department obtains information and views from the investment team, as well as external sources of information. Information and opinions on applicable methods and groups of comparable companies are also obtained periodically from well-renowned, valuation companies in the market. The results from the valuation is discussed firstly with the CEO and the Chairman of the Audit Committee, following which a draft is sent to all members of the Audit Committee, who analyze and discuss the outcome before it is approved at a meeting attended by the company's external auditors.

Below is a summary of the valuation methods applied in the accounts as per 30 June 2013.

Company	Valuation method	Valuation assumptions
Rocket Internet GmbH	Portfolio companies valued as per below, cash balance and other assets as per Rocket financial statements.	N/A
Zalando	Valuation based on sales multiples for a group of comparable companies. The peer group includes, among others, Amazon, Asos, CDON and Yoox. The average sales multiple for the peer group has been reduced to reflect factors such as lower profitability.	Last 12 months historical sales has been multiplied with a sales multiple of 2.0. The entire company has been valued at EUR 3.2 bln.
Bigfoot I, Bigfoot II, BigCommerce, Home24, Wimdu, Avito	Valuation based on sales multiples for a group of comparable companies. The peer group includes, among others: - for Bigfoot I, Bigfoot II and BigCommerce: Amazon, Asos, CDON and Yoox; - for Home24: Amazon, CDON, Williams-Sanoma and Bed, Bath & Beyond; - for Wimdu: HomeAway, Priceline, Expedia and Tripadvisor; and - for Avito: HomeAway, Rightmove and Trade Me Group. The average sales multiple for the peer group has been reduced to reflect factors such as lack of profitability and early e-commerce market. For the holding companies Bigfoot I, Bigfoot II and BigCommerce, the underlying operating businesses (e.g. Dafiti and Lamoda) have been valued separately. The valuations also consider what preference the owned shares have in case of liquidation or sale of the entire company.	Applied sales multiples for last 9-12 months historical sales: - Bigfoot I: 1.3-1.8 - Bigfoot II: 1.3 - BigCommerce: 0.8-1.2 - Home24: 0.8 - Wimdu: 2.2 - Avito: 9.9
Bayport	Valuation based on net profit, book value and growth compared to peers.	Price/Earnings 10 Price/Book value 2.5 Return on equity 27.5% Terminal growth 8% Cost of equity 15%
Milvik/BIMA	Latest transaction value.	USD 17m for entire company.
Other portfolio companies	Fair value corresponds to cost.	N/A

For the companies in the table above that are valued based on sales multiples (i.e. direct and indirect ownership in Zalando, Bigfoot I, Bigfoot II, Home24, BigCommerce, Wimdu and Avito), an increase in the multiple by 10% would have increased estimated fair value by SEK 1,309m. Similarly, a decrease in the multiple by 10% would have decreased estimated fair value by SEK 1,192m.

When establishing the fair value of other financial instruments, methods that in every individual case are assumed to provide the best estimation of fair value have been used. For assets and liabilities maturing within one year, a nominal value adjusted for interest payments and premiums is assumed to provide a good approximation to fair value.

Information is provided in this note per class of financial instruments that are valued at fair value in the balance sheet, distributed in the three levels stated below:

Level 1: Fair value established based on listed prices in an active market for the same instrument.

Level 2: Fair value established based on valuation techniques with observable market data, either directly (as a price) or indirectly (derived from a price) and not included in Level 1.

Level 3: Fair value established using valuation techniques, with significant input from data that is not observable in the market.

Change in fair value of financial assets

	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Millicom	-1 396	-3 726	-3 004	-1 456	-4 805
Tele2	-4 702	-3 807	-5 203	-3 658	-2 263
Transcom	-62	-33	66	33	41
Bayport Management	44	45	69	46	65
Seamless	-17	-14	8	15	30
Other	0	2	3	2	-
Telecom & Financial Services	**-6 133**	**-7 533**	**-8 061**	**-5 018**	**-6 932**
Zalando[1]	1 020	14	817	-43	1 563
Bigfoot I[1]	72	-19	24	-22	-48
Bigfoot II[1]	-288	-9	-440	-9	-53
Home 24[1]	-243	-15	-267	-15	-37
Wimdu[1]	15	-3	4	-3	-16
BigCommerce[1]	-81	-3	-90	-3	-3
Groupon[1]	0	-390	0	-628	-628
Rocket Internet and other portfolio companies	68	-111	61	-286	-165
Avito[2]	184	368	311	368	538
CDON Group	-150	-258	-198	53	35
Other	0	2	11	-1	1
Online	**597**	**-424**	**233**	**-589**	**1 187**
Metro[3]	0	0	0	39	39
Modern Times Group MTG	362	-611	817	-126	-1 394
Media	**362**	**-611**	**817**	**-87**	**-1 355**
BillerudKorsnäs	36	0	124	0	294
Black Earth Farming	-264	-126	-93	-149	-104
Industry and other investments	**-228**	**-126**	**31**	**-149**	**190**
Total	**-5 402**	**-8 694**	**-6 982**	**-5 843**	**-6 910**
-of which traded in an active market, level 1	-6 193	-8 965	-7 484	-5 877	-8 755
-of which fair value established using valuation techniques, level 3	791	271	502	34	1 845

[1] Direct shareholding only.

[2] Direct shareholding and indirect shareholding via Vosvik.

[3] Metro became a subsidiary to Kinnevik on 29 March 2012. The change in fair value for 2012 relates to the period from 1 January until the bid was published on 6 February.

Financial assets accounted at fair value through profit and loss

	30 June 2013 listed companies Class A shares	Class B shares	2013 30 June	2012 30 June	2012 31 Dec
Millicom	37 835 438		18 278	24 631	21 283
Tele2	18 507 492	116 988 645	10 664	14 471	15 867
Transcom	247 164 416	163 806 836	296	222	230
Bayport Management			650	472	586
Milvik/BIMA			49	-	-
Seamless	3 898 371		73	31	65
Other			69	46	71
Telecom & Financial services			**30 079**	**39 873**	**38 102**
Zalando[1]			7 972	2 156	6 279
Bigfoot I[1]			1 503	1 504	1 479
Bigfoot II[1]			438	573	708
Home 24[1]			487	767	754
Wimdu[1]			263	351	345
BigCommerce[1]			334	146	286
Groupon[1]			0	0	-
Rocket Internet and other portfolio companies			3 528	3 335	3 451
Avito[2]			1 235	754	923
CDON Group	24 959 410		594	682	664
Other			224	161	179
Online			**16 578**	**10 429**	**15 068**
Modern Times Group MTG	5 119 491	8 384 365	3 859	4 310	3 042
Other			85	86	84
Media			**3 944**	**4 396**	**3 126**
BillerudKorsnäs	51 827 388		3 286	0	3 161
Black Earth Farming	51 811 828		363	278	456
Other			4	3	3
Industry and other investments			**3 653**	**281**	**3 620**
Parent Company and other			42	234	37
Total			**54 296**	**55 233**	**59 953**
-of which traded in an active market, level 1			37 413	44 625	44 768
-of which fair value established using valuation techniques, level 3			16 883	10 608	15 185

[1] Direct shareholding only.
[2] Direct shareholding and indirect shareholding via Vosvik.

Investments in shares and securities

SEKm	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Subsidiaries					
Metro (net of acquired cash balance)	-	43	-	385	438
G3 Group (net of acquired cash balance)	-	89	-	89	89
Other	-		-	-	5
Cash flow from investments in subsidiaries	**-**	**132**	**-**	**474**	**532**
Other shares and securities					
Bayport	-	20	-	20	116
Seamless	-	-	-	16	35
Other	1	32	10	32	36
Total Telecom & Financial services	**1**	**52**	**10**	**68**	**187**
Zalando	876	35	876	1 140	3 658
Bigfoot I	-	6	-	1 003	1 003
Bigfoot II	-	361	169	361	532
Home24	-	428	-	428	428
Wimdu	-	88	-	88	86
BigCommerce	-	149	138	149	289
Rocket Internet with other portfolio companies	14	34	38	611	631
Avito	-	50	-	50	50
CDON	129	-	129	-	-
Other	12	40	33	41	67
Total Online	**1 031**	**1 191**	**1 383**	**3 871**	**6 744**
Metro	12	-	12	-	19
Total Media	**12**	**-**	**12**	**-**	**19**
Black Earth Farming	-	-	-	-	132
Total Industry and other investments	**-**	**-**	**-**	**-**	**132**
Total investments other shares and securities	**1 044**	**1 243**	**1 405**	**3 939**	**7 082**
-of which traded in an active market, level 1	129	-	129	16	167
-of which fair value established using valuation techniques, level 3	915	1 243	1 276	3 923	6 915
- of which paid during the period	156	1 112	517	3 808	6 972
Paid on investments made in earlier periods	307	2 538	-	461	490
Cash flow from investments in other shares and securities	**463**	**3 650**	**517**	**4 269**	**7 462**

Financial assets valued accounted to fair value, level 3

	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Opening balance, book value	15 296	9 804	15 185	7 243	7 243
Acquisitions	915	1 243	1 276	3 923	6 981
Reclassification	0	0	49	128	-
Disposals	-113	-656	-120	-656	-656
Amortization on loan receivables	-	-66	-	-66	-210
Change in value through the income statement	791	271	502	34	1 804
Fx gain/losses and other	-6	12	-9	2	23
Closing balance, book value	**16 883**	**10 608**	**16 883**	**10 608**	**15 185**

Note 6 Dividends received

	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Millicom	665	656	665	656	1 407
Tele2	4 756	1 761	4 756	1 761	1 761
MTG	135	122	135	122	122
Rocket Internet	-	-	-	-	974
BillerudKorsnäs	104	-	104	-	
Total dividends received	**5 660**	**2 539**	**5 660**	**2 539**	**4 264**
Of which ordinary dividends	1 866	1 659	1 866	1 659	1 659

Note 7 Interest-bearing loans

	2013 30 June	2012 30 June	2012 31 Dec
Interest-bearing long-term loans			
Liabilities to credit institutions	47	4 244	-
Capital markets issues	1 200	790	1 199
Accrued borrowing cost	-20	-23	-25
	1 227	**5 011**	**1 174**
Interest-bearing short-term loans			
Liabilities to credit institutions	1	59	1 268
Capital markets issues	589	0	843
	590	**59**	**2 111**
Total long and short-term interest-bearing loans	**1 817**	**5 070**	**3 285**

Kinnevik's total credit facilities (including issued bonds) amounted to SEK 8,077m as at 30 June 2013 whereof SEK 6,500m related to a revolving credit facility and SEK 1,200m related to a bond.

Out of the total amount of outstanding loans as per 30 June 2013, SEK 589m related to short-term funding under a commercial paper program. The refinancing risk of these short term loans is minimized by always keeping the same amount available under Kinnevik's revolving credit facility.

At 30 June 2013 the Group had not provided any security for any of its outstanding loans.

The outstanding loans carry an interest rate of Stibor or similar base rate with an average margin of 1.4% (1.3%). All bank loans have variable interest rates (up to 3 months) while financing from the capital markets vary between 1 to 12 months for the loans under the commercial paper program and 5 years for the outstanding bond. As per 30 June 2013, the average remaining duration was 2.7 years for all credit facilities including the bond (but excluding the unutilized one year extension option related to the Group's SEK 6.500m credit facility).

Of the Group's interest expenses and other financial costs of SEK 73m (136), interest expenses amounted to SEK 43m (108). The average interest rate for the first half year was 2.9 % (4.2 %) (calculated as interest expense in relation to average interest-bearing liabilities).

CONDENSED PARENT COMPANY INCOME STATEMENT (SEK m)

	2013 1 Apr-30 June	2012 1 Apr-30 June	2013 1 Jan-30 June	2012 1 Jan-30 June	2012 Full year
Revenue	3	6	4	10	20
Administration costs	-50	-31	-84	-55	-121
Other operating income	2	0	6	0	0
Operating loss	**-45**	**-25**	**-74**	**-45**	**-101**
Dividends received	10 626	3 756	10 626	3 756	3 900
Result from financial assets	-5 488	78	-5 488	111	-10
Net interest income/expense	106	76	195	167	327
Profit/loss after financial items	**5 199**	**3 885**	**5 259**	**3 989**	**4 116**
Group contributions	0	0	0	0	-300
Profit/loss before taxes	**5 199**	**3 885**	**5 259**	**3 989**	**3 816**
Taxes	0	1	0	-18	-24
Net profit/loss for the period	**5 199**	**3 886**	**5 259**	**3 971**	**3 792**

CONDENSED PARENT COMPANY BALANCE SHEET (SEK m)

	2013 30 June	2012 30 June	2012 31 Dec
ASSETS			
Tangible fixed assets	4	3	3
Financial fixed assets	46 251	47 875	51 704
Short-term receivables	738	49	290
Cash and cash equivalents	1 802	1	12
TOTAL ASSETS	**48 795**	**47 928**	**52 009**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity	44 448	41163	40 986
Provisions	31	31	30
Long-term liabilities	3 327	6 621	3 177
Short-term liabilities	989	113	7 816
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**48 795**	**47 928**	**52 009**

The Parent Company's liquidity, including short-term investments and unutilized credit facilities, totalled SEK 8,043m at 30 June 2013 and SEK 4,587m at 31 December 2012. The Parent Company's interest bearing external liabilities amounted to SEK 1,815m (3,257) on the same dates.

Investments in tangible fixed assets amounted to SEK 2m (1) during the period.

Distribution by class of shares on 30 June 2013 was as follows

	Number of shares	Number of votes	Par value (SEK 000s)
Outstanding Class A shares, 10 votes each	48 665 324	486 653 240	4 867
Outstanding Class B shares, 1 vote each	228 652 974	228 652 974	22 865
Class B shares in own custody	449 892	449 892	45
Registered number of shares	277 768 190	715 756 106	27 777

The total number of votes for outstanding shares in the Company amounted at 30 June 2013 to 715,306,214 excluding 449,892 class B treasury shares. During June, following approval at the AGM in May, 185,000 class C shares held in treasury have been newly issued to ensure future delivery to participants in incentive programs. Thereafter all 449,892 class C shares held in treasury have been converted to class B shares held in treasury in accordance with the provision in the Articles of Association regarding conversion of class C shares.

In accordance with the proposal on reclassification, approved by an Extraordinary General Meeting held on 18 June this year, owners of 6,296,012 Class A shares in Investment AB Kinnevik (publ) have required reclassification of Class A shares to Class B shares.

After reclassification, which was registered at the Swedish Company Registration Office in July, the distribution by class of shares is as follows:

	Number of shares	Number of votes	Par value (SEK 000s)
Outstanding Class A shares, 10 votes each	42 369 312	423 693 120	4 237
Outstanding Class B shares, 1 vote each	234 948 986	234 948 986	23 495
Class B shares in own custody	449 892	449 892	45
Registered number of shares	277 768 190	659 091 998	27 777

The new total number of votes for outstanding shares in Kinnevik will amount to 658,642,106, excluding the 449,892 Class B treasury shares which may not be represented at general meetings.

The company has been informed that the agreement between Verdere S.à r.l., SMS Sapere Aude Trust, Sophie Stenbeck and HS Sapere Aude Trust regarding coordinated voting of their shares has expired. After reclassification, Verdere S.à r.l control 44.8% of the votes and 10.6% of the capital in Kinnevik.

The Board has authorization to repurchase a maximum of 10% of all shares in the Company. The Board has not used the authorization during 2013. There are no convertibles or warrants in issue.