

**SVENSKA CAPITAL OIL AB (publ)**

Org. Nr. 556526-3968

**Interim Report January-September 2008**

*Essential events during the third quarter*

- The quarterly net result amounted to -2 162 KSEK (-2635)
- Total net sales amounted to 0 KSEK (0)
- Net result per share amounted to -0,02 SEK (-0,03)
- Exploration licenses prolonged for 2 years
- Oil- and gas potential indicated on different levels in the third exploration well
- Drilling of the third exploration well finished
- Mobile drilling equipment for production drilling prepared in Ukraine
- Negotiations for aquisition of a gasfield have started

*Essential events after the third quarter*

- Final stage in negotiations regarding aquisition of a gasfield
- New share issue accomplished

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Svenska Capital Oil is a Swedish oil and gas exploration and production company. Its business idea is to identify and explore oil and gasfields in the Western Ukraine mainly. The strategy is to find undeveloped fields in need of capital for starting production. The company will explore the fields with modern tchnology. The produced oil and gas will than be sold locally or on the world market. Capital Oil cooperates with the public company Bogorodchanynaftogas (BNG) for refining in the two licenses, Kubash-Lukva och Maydan. The management in Capital Oil has great experience in the oil business in the Eastern Europe and in the rest of the world which includes exploration as well as production and sale of oil. Capital Oil has its residence in Gothenburg and the shares are trading on First North under the symbol COIL. For more information have a look at [www.capitaloil.se](http://www.capitaloil.se).

### **Results – the group and the parent company**

The net result for the group for the third quarter amounted to -2 162 KSEK (-2 635) and for the nine month period to -4 541 KSEK (-6 277). The net result for the parent company for the third quarter amounted to -265 KSEK (-623) och for the nine month period to -2 243 KSEK (-2 880). Total revenue for the group amounted to 0 (239). Total revenue for the parent company amounted to 554 KSEK (901) och and for the nine month period to 3 253 KSEK (1 468). The revenue for the parent company consists of invoicing of expenses according to the Joint Activity Agreement. These expenses have, like the expenses in the Ukrainian subsidiary, been capitalized as exploration licenses in the group figures. The improvement of the net result in the group for the nine month period compared to the same period 2007 is due to the fact that the company reports the expenses in Ukraine as exploration licenses in the balance sheet. This change of principle was made during the fourth quarter in 2007.

The group practice the International Reporting Standards (IFRS) as they were adopted by EU and according to Annual Accounts Act and Swedish Financial Accounting Standards Council RR 30:06.

### **Liquidity**

On the 30th of September 2008 the cash equivalents of the group amounted to KSEK 8 009 (76 745 ). Cash flow from operating activities before working capital activities amounted to -8 184 KSEK (-14 322 ) for the nine month period.

### **Investing activities**

The investing activities in Ukraine amounted to 41 855 KSEK ( 28 317 ). The investments in Ukraine are reported as exploration licenses in the group. The depreciation will take place when the exploration phase is ended.

### **Warrant program**

At an extraordinary general meeting on the 28th of May 2008 it was decided to issue 2 000 000 warrants for subscribing Capital Oil shares. A wholly owned subsidiary has been formed to subscribe the warrants and than transfer the warrants to the board and to the management of the parent company and the management of the subsidiary in Ukraine. The price for subscribing, calculated according to Black & Scholes, was 0,21 SEK per each warrant. The management in the ukrainian subsidiary does not pay anything for the warrants. Each warrant entitles to subscribe one share at a price of 2,80 SEK. The subscription of shares will take place from the 1st of March 2010 until the 31st of May 2010.

### **Financing activities**

An extraordinary general meeting the 10th of October decided to make a new share issue of a total of maximum 70 391 210 shares to a price of 0,60 SEK per share with preferential right for the company's recent shareholders and a guarantee commitment that guaranteed the whole share issue. The company's main shareholder and main guarantor, Sadkora Resources AB, that has engaged to subscribe with preference to an amount of 8,6 MSEK and guarantee an amount of 13,7 MSEK has not payed yet. Capital Oil has received guarantees consisting of shares and guarantee commitments for the amount and the commitment will be realized within 30 days. The board has made the judgement that these guarantees are satisfactory. The company will be provided with 19,9 MSEK before the payment from Sadkora Resources. The whole share issue will provide the company with the total amount of 42,2 MSEK.

#### **Essential events during the third quarter**

The exploration licenses have been prolonged and are extended until June 2010. The next step is that the company together with ukrainian authorities confirm the reserves. The exploration licenses will be converted to production licenses when the reserves are confirmed. Today the company's opinion regarding the proportion of the oilreserves is unchanged according to earlier calculations by the independant consultant Tracs Consulting.

Drilling of the third exploration well was finished in August. During the drilling continuous testing have been accomplished and oil potential have been indicated on different levels. Production tests have started and the results are expected in December.

Capital Oil has designed and constructed a mobile drilling equipment to develop production on the field down to maximum 400 meter. The equipment have arrived to Ukraine and are being finished to be put in work with production drilling during 2009.

#### **Essential events after the third quarter**

The new share issue is accomplished and the company will be provided with 42,2 MSEK in cash before issue expenses.

The company is in final negotiation about an aquisition of a producing gasfield in western Ukraine near Capital Oil's existing oilfields. The gasfield has 80 million cubik meter proven reserves and 400 million cubik meter probable reserves. The field is situated in a 189 square kilometre big license and the aquisition includes personnel, all necessary equipment and all infrastructure. The business runs in a Joint Activity similar to the agreement with BNG today. The Ukrainian partner ZUG holds the licenses and Capital Oil will run the business and offer financing of the project. The gasfield is estimated to give a positive cash flow as early as 2009.

#### **Expected future development of the company**

The company prepares for production drilling of 3 to 5 production wells during the first half of 2009 and after that one well a month. These wells shall be drilled with Capital Oil's own mobile equipment that is in Ukraine. The equipment is designed for fast movements between wellsites. This will make it possible to accomplish one well in less than a month and achieve cost efficiency.

By this aquisition of a gasfield the company will diversify the business by producing both oil and gas. The company find the gas market very interesting. The gasmarket is today regulated and subsidized within Ukraine. It is expected in the near future to be deregulated and than the prices will come close to the world market prices which will mean higher prices on gas and increased profitability for local gas production.

The company is continuously looking at aquisition of new licenses in Ukraine and also on the possibilities of buying a smaller producing company in the country. The oil and gas markets in Ukraine is underdeveloped at the moment why this type of business is favourable.



### **Environmental influence**

By the Joint Activity Agreement the company has agreed to finance the work with reaping the old wells that cause environmental influence. The company has during 2007 repaired 6 old wells and are not planning any more during 2008 and 2009.

### **Financial risks**

Capital Oil works with prospecting and extraction of hydrocarbones with focus on establishing oil production in Ukraine. In this the company works with a complex mix of branch specific risks like pricedevelopment of oil, permissions regarding investigation, processing and environment. together with the uncertainty of the result of the ongoing exploration work and the following field exploration work.

In addition to these risks more general risk factors like business trend and exchange rate fluctuation must be considered.

### **First North**

Svenska Capital Oil AB (publ) is listed on First North which is a market place operated by OMX Nordic Exchange Stockholm AB. The company which shares are traded on First North is not obliged to follow the same rules as companies on the stock exchange but a less comprehensive rules and regultaions adjusted for mainly smaller companies. The company's Certified Adviser is HQ Direct AB.

### **Future reports**

Pressrelease of unaudited annual earnings figures 27th of February 2009.

Annual general meeting 28th of May 2009 in Gothenburg

This report has not been reviewed by the company auditors.

Gothenburg the 28th of November 2008

Svenska Capital Oil AB (publ)

The board of directors

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## INCOME STATEMENT-THE GROUP

	Jul1-Sep30 2008 3 months	Jul1-Sep30 2007 3 months	Jan1-Sep30 2008 9 months	Jan1-Sep30 2007 9 months	Jan1-Sep30 2007 12 months
<i>All amounts in KSEK</i>					
<b>Sales</b>					
Net sales	0	0	0	239	237
	<b>0</b>	<b>0</b>	<b>0</b>	<b>239</b>	<b>237</b>
<b>Other expenses</b>					
Other expenses	-657	-375	-3 092	-8 564	-8 598
Personnel expenses	-1 787	-2 303	-2 317	-5 617	-1 161
Depreciation of tangible assets	-154	-247	-462	-336	-151
Write-down of financial assets	0	0	0	0	-679
Write-down of intangible assets	116	0	116	7 268	7 268
	<b>-2 482</b>	<b>-2 925</b>	<b>-5 755</b>	<b>-7 249</b>	<b>-3 321</b>
<b>Operating profit/loss</b>	<b>-2 482</b>	<b>-2 925</b>	<b>-5 755</b>	<b>-7 010</b>	<b>-3 084</b>
<b>Financial items</b>					
Interest income	145	707	919	906	1 722
Currency exchange gains/losses	235	-347	369	-81	
Interest expense	-60	-70	-74	-92	-45
	<b>320</b>	<b>290</b>	<b>1 214</b>	<b>733</b>	<b>1 677</b>
<b>Profit/loss after financial items</b>	<b>-2 162</b>	<b>-2 635</b>	<b>-4 541</b>	<b>-6 277</b>	<b>-1 407</b>
<b>Net profit/loss</b>	<b>-2 162</b>	<b>-2 635</b>	<b>-4 541</b>	<b>-6 277</b>	<b>-1 407</b>

## BALANCE SHEET-THE GROUP

<i>All amounts in KSEK</i>	Sep 30,2008	Sep 30, 2007	Dec 31,2007
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Exploration licenses	82 528	23 211	40 673
	<u>82 528</u>	<u>23 211</u>	<u>40 673</u>
<b>Tangible assets</b>			
Plant and machinery	2 667	11 898	2 893
Fixed assets under construction	24 608	0	18 262
	<u>27 275</u>	<u>11 898</u>	<u>21 155</u>
<b>Financial assets</b>			
Other long-term assets	4 057	4 057	4 057
	<u>4 057</u>	<u>4 057</u>	<u>4 057</u>
<b>Total fixed assets</b>	<b><u>113 860</u></b>	<b><u>39 166</u></b>	<b><u>65 885</u></b>
<b>Current assets</b>			
<b>Current receivables</b>			
Account receivable	0	13	180
Other receivables	3 828	7 942	4 386
Prepaid expenses and accrued income	1 415	1 175	484
	<u>5 243</u>	<u>9 130</u>	<u>5 050</u>
<b>Cash and bank balances</b>	<b>8 009</b>	<b>76 745</b>	<b>60 807</b>
<b>Total current assets</b>	<b><u>13 252</u></b>	<b><u>85 875</u></b>	<b><u>65 857</u></b>
<b>TOTAL ASSETS</b>	<b>127 112</b>	<b>125 041</b>	<b>131 742</b>

*All amounts in KSEK* Sep 30, 2008    Sep 30, 2007    Dec 31, 2007

## EQUITY AND LIABILITIES

### Equity

Share capital	14 078	14 078	14 078
Other capital provided	0	132 471	0
Other reserves	133 627	134	132 289
Profit/loss brought forward	-19 154	-17 570	-17 747
Profit/loss for the period	-4 541	-6 277	-1 407

<b>Total equity</b>	<b>124 010</b>	<b>122 836</b>	<b>127 213</b>
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### Short-term debt

Accounts payable	1 280	883	2 346
Tax liabilities	186	0	200
Other short term liabilities	793	427	397
Accrued expenses and deferred income	843	895	1 586

<b>Total short-term debt</b>	<b>3 102</b>	<b>2 205</b>	<b>4 529</b>
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<b>TOTAL EQUITY AND LIABILITIES</b>	<b>127 112</b>	<b>125 041</b>	<b>131 742</b>
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# Capital Oil

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## CHANGE IN EQUITY-THE GROUP

<i>All amounts in KSEK</i>	Share capital	Other capital provided	Other reserves	Accumulated profit/loss	Total equity
<b>Equity brought forward 2003-01-01</b>	<b>100</b>			<b>-115</b>	<b>-15</b>
Net profit for the year					
<b>Equity carried forward 2003-12-31</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>-115</b>	<b>-15</b>
<b>Equity brought forward 2004-01-01</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>-115</b>	<b>-15</b>
Shareholders contribution		18			18
New share issue in progress		2 800			2 800
Translation differences			0		0
Net profit for the year				-65	-65
<b>Equity carried forward 2004-12-31</b>	<b>100</b>	<b>2 818</b>	<b>0</b>	<b>-180</b>	<b>2 738</b>
<b>Equity brought forward 2005-01-01</b>	<b>100</b>	<b>2 818</b>	<b>0</b>	<b>-180</b>	<b>2 738</b>
New share issue	2 455	-2 455			0
New share issue in progress		1 000			1 000
Translation difference			2		2
Net profit for the year				-2 131	-2 131
<b>Equity carried forward 2005-12-31</b>	<b>2 555</b>	<b>1 363</b>	<b>2</b>	<b>-2 311</b>	<b>1 609</b>
<b>Equity brought forward 2006-01-01</b>	<b>2 555</b>	<b>1 363</b>	<b>2</b>	<b>-2 311</b>	<b>1 609</b>
Offset issue	2 756	2 244			5 000
New share issue	1 597	4 220			5 817
Issue expenses		-535			-535
New share issue in progress		5 692			5 692
Translation differences			5		5
Net profit for the year				-15 437	-15 437
<b>Equity carried forward 2006-12-31</b>	<b>6 908</b>	<b>12 984</b>	<b>7</b>	<b>-17 748</b>	<b>2 151</b>
<b>Equity brought forward 2007-01-01</b>	<b>6 908</b>	<b>12 984</b>	<b>7</b>	<b>-17 748</b>	<b>2 151</b>
New share issue	7 170	131 687			138 857
New share issue in progress					0
Issue expenses		-12 200			-12 200
Translation differences			-188		-188
Net profit for the year				-1 407	-1 407
<b>Equity carried forward 2007-12-31</b>	<b>14 078</b>	<b>132 471</b>	<b>-181</b>	<b>-19 155</b>	<b>127 213</b>
<b>Equity brought forward 2008-01-01</b>	<b>14 078</b>	<b>132 471</b>	<b>-181</b>	<b>-19 155</b>	<b>127 213</b>
Translation differences			1 338		1 338
Net profit				-4 541	-4 541
<b>Equity brought forward 2008-09-30</b>	<b>14 078</b>	<b>132 471</b>	<b>1 157</b>	<b>-23 696</b>	<b>124 010</b>



# Capital Oil

## CASH FLOW STATEMENT-THE GROUP

	Jul1-Sep30 2008 3 months	Jul1-Sep30 2007 3 months	Jan1-Sep30 2008 9 months	Jan1-Sep30 2007 9 months	Jan1-Dec31 2007 12 months
<i>All amounts in KSEK</i>					
Operating activities					
Profit/loss before financial items	-2 371	-2 925	-5 644	-7 010	-3 084
Adjustment for non-cash items	-68	37	-2 609	-7 142	-15 467
Interest received	136	13	143	13	1 532
Interest paid	-61	-172	-74	-183	0
<b>Cash flow from operating activities before working capital activities</b>	<b>-2 364</b>	<b>-3 047</b>	<b>-8 184</b>	<b>-14 322</b>	<b>-17 019</b>
Cash flow from working capital changes					
Decrease(+)/increase(-)in accounts receivable	0	33	0	-14	-193
Decrease(+)/increase(-)in receivables	-1 009	2 946	1 205	-7 402	-3 838
Decrease(-)/increase(+in accounts payable	282	-820	-1 069	-2 722	-1 243
Decrease(-)/increase(+in short-term debts	-183	-819	-663	-3 798	-3 621
<b>Cash flow from operating activities</b>	<b>-3 274</b>	<b>-1 707</b>	<b>-8 711</b>	<b>-28 258</b>	<b>-25 914</b>
Investing activities					
Purchase of plant and equipment	312	-10 911	-3 966	-12 356	-21 590
Aquisitions of exploration licenses	-10 042	-7 909	-40 111	-15 961	-25 091
Sale of equipment					
<b>Cash flow from investing activities</b>	<b>-9 730</b>	<b>-18 820</b>	<b>-44 077</b>	<b>-28 317</b>	<b>-46 681</b>
Financing activities					
New share issue	0	0	0	138 857	138 857
Expenses from share issue	0	0	0	-12 200	-12 200
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>126 657</b>	<b>126 657</b>
Cash flow for the year	-13 071	-20 527	-52 788	70 082	54 062
Cash at the beginning of the year	21 082	97 631	60 807	6 759	6 759
Exchange rate difference in cash	-2	-359	-10	-96	-14
Cash at the end of the year	8 009	76 745	8 009	76 745	60 807

## INCOME STATEMENT-THE PARENT COMPANY

	Jul1-Sep30 2008 3 months	Jul1-Sep30 2007 3 months	Jan1-Sep30 2008 9 months	Jan1-Sep30 2007 9 months	Jan1-Dec31 2007 12 months
<i>All amounts in KSEK</i>					
<b>Sales</b>					
Net sales	554	901	3 253	1 468	5 207
	<b>554</b>	<b>901</b>	<b>3 253</b>	<b>1 468</b>	<b>5 207</b>
<b>Operating expenses</b>					
Other expenses	-1 753	-341	-4 153	-7 610	-8 550
Personnel expenses	-1 132	-1 558	-4 361	-4 025	-6 368
Depreciation of tangible assets	-38	-32	-113	-95	-151
Write-down of financial assets	0	0	0	-785	-785
Write-down of intangible assets	116	0	116	7 268	7 268
	<b>-2 807</b>	<b>-1 931</b>	<b>-8 511</b>	<b>-5 247</b>	<b>-8 586</b>
<b>Operating profit/loss</b>	<b>-2 253</b>	<b>-1 030</b>	<b>-5 258</b>	<b>-3 779</b>	<b>-3 379</b>
<b>Financial items</b>					
Interest income	261	705	1 268	903	1 688
Result from fixed assets	1 376	0	1 376	0	0
Currency exchange gains/losses	411	-295	445	10	32
Interest expense	-60	-3	-74	-14	-18
	<b>1988</b>	<b>407</b>	<b>3 015</b>	<b>899</b>	<b>1 702</b>
<b>Profit/loss after financial items</b>	<b>-265</b>	<b>-623</b>	<b>-2 243</b>	<b>-2 880</b>	<b>-1 677</b>
<b>Net profit/loss</b>	<b>-265</b>	<b>-623</b>	<b>-2 243</b>	<b>-2 880</b>	<b>-1 677</b>

## BALANCE SHEET-THE PARENT COMPANY

<i>All amounts in KSEK</i>	Sep 30, 2008	Sep 30, 2007	Dec 31, 2007
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Tangible assets</b>			
Fixed assets under construction	13 206	9 401	18 076
Plant and machinery	485	536	599
	<u>13 691</u>	<u>9 937</u>	<u>18 675</u>
<b>Financial assets</b>			
Participation in group companies	14 960	3 316	3 316
Participation in associated companies	70 983	21 743	30 873
Other long-term receivables	4 057	4 057	4 057
Loans to group companies	5 342	5 108	5 188
	<u>95 342</u>	<u>34 224</u>	<u>43 434</u>
<b>Total long-term assets</b>	<b><u>109 033</u></b>	<b><u>44 161</u></b>	<b><u>62 109</u></b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	8 721	0	0
Other receivables	418	6 153	2 886
Prepaid expenses and accrued income	1 768	2 573	5 784
	<u>10 907</u>	<u>8 726</u>	<u>8 670</u>
<b>Cash and bank balances</b>	<b>7 799</b>	<b>75 338</b>	<b>60 589</b>
<b>Total current assets</b>	<b><u>18 706</u></b>	<b><u>84 064</u></b>	<b><u>69 259</u></b>
<b>TOTAL ASSETS</b>	<b><u>127 739</u></b>	<b><u>128 225</u></b>	<b><u>131 368</u></b>

<i>All amounts in KSEK</i>	Sep 30, 2008	Sep 30, 2007	Dec 31, 2007
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	14 078	14 078	14 078
Share issue in progress	0	0	0
Statutory reserve	345	345	345
	<u>14 423</u>	<u>14 423</u>	<u>14 423</u>
<b>Non-restricted equity</b>			
Loss brought forward	-18 974	-17 297	-17 297
Share premium reserve	132 107	132 107	132 107
Profit/loss for the year	-2 243	-2 880	-1 677
	<u>110 890</u>	<u>111 930</u>	<u>113 133</u>
<b>Total equity</b>	<b><u>125 313</u></b>	<b><u>126 353</u></b>	<b><u>127 556</u></b>
<b>Short-term debt</b>			
Accounts payable	1 263	754	2 018
Tax liability	186	0	186
Other liabilities	134	261	183
Accrued expenses and deferred income	843	857	1 425
<b>Total short-term debt</b>	<b><u>2 426</u></b>	<b><u>1 872</u></b>	<b><u>3 812</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>127 739</b>	<b>128 225</b>	<b>131 368</b>

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## CHANGE IN EQUITY-THE PARENT COMPANY

All amounts in KSEK	Share capital	Other capital provided	Share issue in progress	Share prem reserve	Accumulated profit/loss	Total equity
<b>Equity brought forward 2003-01-01</b>	100				-110	-10
Net profit/loss for the year					-5	-4
<b>Equity carried forward 2003-12-31</b>	100	0	0	0	-115	-15
<b>Equity brought forward 2004-01-01</b>	100	0	0	0	-115	-15
Shareholders contribution					18	18
New share issue in progress		0	2 800			2 800
Net profit for the year					-45	-45
<b>Equity carried forward 2004-12-31</b>	100	0	2 800	0	-142	2 758
<b>Equity brought forward 2005-01-01</b>	100	0	2 800	0	-142	2 758
New share issue	2 455	345	-2 800			0
New share issue in progress			1 000			1 000
Net profit for the year					-2 139	-2 139
<b>Equity carried forward 2005-12-31</b>	2 555	345	1 000	0	-2 281	1 619
<b>Equity brought forward 2006-01-01</b>	2 555	345	1 000	0	-2 281	1 619
Offset issue	2 756			2 244		5 000
New share issue	1 597		-1 000	5 220		5 817
Issue expenses				-536		-536
New share issue in progress			5 692			5 692
Net profit for the year					-15 016	-15 016
<b>Equity carried forward 2006-12-31</b>	6 908	345	5 692	6 928	-17 297	2 576
<b>Equity brought forward 2007-01-01</b>	6 908	345	5 692	6 928	-17 297	2 576
New share issue	7 170		-5 692	137 379		138 857
New share issue in progress						0
Issue expenses				-12 200		-12 200
Net profit for the year					-1 677	-1 677
<b>Equity carried forward 2007-12-31</b>	14 078	345	0	132 107	-18 974	127 556
<b>Equity brought forward 2008-01-01</b>	14 078	345	0	132 107	-18 974	127 556
Net profit for the period					-2 243	-2 243
<b>Equity carried forward 2008-09-30</b>	14 078	345	0	132 107	-21 217	125 313

## CASH FLOW STATEMENT-THE PARENT COMPANY

	Jul1-Sep30 2008 3 months	Jul1-Sep30 2007 3 months	Jan1-Sep30 2008 9 months	Jan1-Sep30 2007 9 months	Jan1-Dec31 2007 12 months
<i>All amounts in KSEK</i>					
Operating activities					
Profit/loss before financial items	-2 253	-1 030	-5 258	-3 779	-3 379
Adjustment for non-cash items	-475	-869	-3 099	-7 856	-10 848
Interest received	134	10	141	10	1 526
Interest payed	-61	-3	-74	-14	-18
<b>Cash flow from operating activities before working capital changes</b>	<b>-2 655</b>	<b>-1 892</b>	<b>-8 290</b>	<b>-11 639</b>	<b>-12 719</b>
Cash flow from working capital changes					
Decrease(+)/increase(-) in accounts receivable	-958	2 672	971	-5 464	-2 379
Decrease(+)/increase in receivables	415	-790	-756	-2 669	-1 405
Decrease(-)/increase in accounts payable	-176	-781	-630	-3 985	-4 001
Decrease(-)/increase(+) in short-term debts					
<b>Cash flow from operating activities</b>	<b>-3 374</b>	<b>-791</b>	<b>-8 705</b>	<b>-23 757</b>	<b>-20 504</b>
Investing activities					
Purchase of plant and equipment	329	-9 404	-3 949	-10 011	-18 804
Aquisition of group companies	0	-471	-100	-3 224	-3 225
New loans to Joint Activity	-10 042	-7 316	-40 111	-15 962	-25 091
New loans to group companies	0	-3225	0	-5 108	-5 188
Sale of equipment	75	0	75	0	0
<b>Cash flow from investing activities</b>	<b>-9 638</b>	<b>-20 416</b>	<b>-44 085</b>	<b>-34 305</b>	<b>-52 308</b>
Financing activities					
New share issue	0	0	0	138 857	138 857
Issue expenses	0	0	0	-12 200	-12 200
<b>Cash flow from financing activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>126 657</b>	<b>126 657</b>
Cash flow for the year	-13 012	-21 207	-52 790	68 595	53 846
Cash at the beginning of the year	20 811	96 545	60 589	6 743	6 743
Cash at the end of the year	7 799	75 338	7 799	75 338	60 589

## FINANCIAL AND OPERATIONAL KEY RATIO

	Jan1-Sep30 2008	Jan1-Sep30 2007	Jan1-Dec31 2007
<b>THE GROUP</b>			
EBITDA	neg	neg	neg
Profit/loss per share before dilution	-0,03	-0,04	-0,01
Profit/loss per share after dilution	-0,03	-0,04	-0,01
Return on equity (ROE)	neg	neg	neg
Return on capital employed (ROCE)	neg	neg	neg
Debt/equity ratio	0%	0%	0%
Equity ratio	98%	97%	97%
Share of risk bearing capital	98%	97%	97%
Weighed average number of shares for the period	140 782 420	87 723 227	112 952 778
Number of outstanding shares before dilution	140 782 420	98 782 420	140 782 420
Number of outstanding shares after dilution	142 782 420	98 782 420	140 782 420

## THE PARENT COMPANY

EBITDA	neg	neg	neg
Profit/loss per share before dilution	-0,02	-0,02	-0,01
Profit/loss per share after dilution	-0,02	-0,02	-0,01
Return on equity (ROE)	neg	neg	neg
Return on capital employed (ROCE)	neg	neg	neg
Debt/equity ratio	0	0	0
Equity ratio	98%	97%	97%
Share of risk bearing capital	98%	97%	97%
Weighed average number of shares for the period	140 782 420	87 723 227	112 952 778
Number of outstanding shares before dilution	140 782 420	98 782 420	140 782 420
Number of outstanding shares after dilution	142 782 420	98 782 420	140 782 420

### **Definition key ratios**

1. EBITDA (profit before interest, tax, depreciation, write-downs) defined as the group and the parent company's operating profit plus depreciation.
2. Profit/loss per share before dilution defined as the group and the parent company's net profit/loss after tax divided with the number of outstanding shares before dilution at the end of the period.
3. Profit/loss per share after dilution defined as the group and the parent company's net profit/loss after tax divided with the number of outstanding shares after dilution at the end of the year.
4. Return on equity defined as the group and the parent company's profit/loss divided with total equity at the end of the period.
5. Return on working capital is defined as the group and the parent company's profit after financial items plus interest expense plus/minus exchange differences on financial items divided with total capital employed (average of the two latest periods balance sheet total with reduction for non-interest bearing debt).
6. Debt/equity ratio defined as the group and the parent company's interest bearing debt divided with equity.
7. Equity ratio defined as the group and the parent company's equity including minority owner shares divided with balance sheet total.
8. Share of risk bearing capital defined as the sum of the group and the parent company's equity and deferred tax liabilities (including minority shares) divided with balance sheet total.
9. Number of outstanding shares with full dilution defined as number of outstanding shares including maximum utilized warrants.
10. Registration of a new share issue took place at the 31st of January, 20th of February and 13th of April 2006 of 4 000 000, 2 537 454 and 6 530 546 shares respectively at a price of SEK 0,25 per share.
11. Registration of a new share issue took place at the 3rd of November, 21st of November and 22nd of November 2006 of 988 563, 213 000 and 1 700 089 shares respectively at a price of SEK 1,2240 SEK per share.
12. Registration of an offset issue took place at the 30th of November.
13. Registration of a share issue took place at the 11th of January and the 22nd of February 2007 of 4 650 000 and 1 670 180 shares respectively at a price of 1,2240 SEK per share.
14. Registration of a new share issue the 15th of March 2007 of 13 200 000 shares at a price of 1,54 SEK per share.
15. Registration of a new share issue the 2nd of April 2007 of 10 185 000 shares at a price of 1,54 SEK per share.
13. Registration of a new share issue the 12th of July 2007 of 42 000 000 shares at a price of 2,40 SEK per share.