

# Year-End Report 2009

## Highlights during the fourth quarter

- > Biovitrum and Swedish Orphan announced the merger between the two companies, creating a leading specialty pharma company. The transaction was finalized on January 14, 2010, and Investor holds 41 percent in the combined listed company.
- > Strong earnings momentum continued during the fourth quarter for Mölnlycke Health Care, Gambro, CaridianBCT and 3 Scandinavia.
- > The Board of Directors proposes a dividend to shareholders of SEK 4.00 per share (4.00).

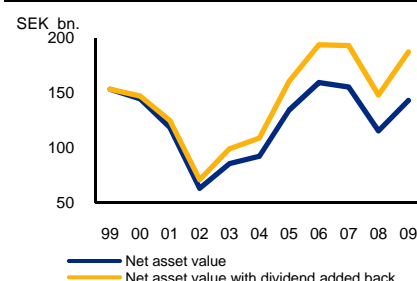
## Financial information

- > Net asset value amounted to SEK 142,673 m. (SEK 187 per share) on December 31, 2009, compared to SEK 115,233 m. (SEK 150 per share) at year-end 2008, corresponding to a change, with dividend added back, of 26 percent for 2009 (-23).
- > Consolidated net profit for the year, including unrealized change in value, was SEK 31,368 m. (SEK 41.12 per share), compared to SEK -36,726 m. (SEK -47.98 per share) for 2008.
- > Core Investments contributed SEK 31,851 m. to growth in net asset value in 2009 (-31,546). All Core Investments had a positive impact, of which SEB had the largest, SEK 8,724 m.
- > Operating Investments contributed SEK -1,380 m. to net asset value during 2009 (-144).
- > Private Equity Investments contributed SEK 664 m. to growth in net asset value during 2009 (-3,463).
- > The total return on the Investor share was 18 percent in 2009 (-18). The total annual return averaged 13 percent over the past 5-year period.

### Investor's key figures

	12/31 2009	12/31 2008		
Assets, SEK m.	143 261	105 496		
Net cash (+)/debt (-), SEK m.	-588	9 737		
Net asset value, SEK m.	142 673	115 233		
Net asset value, SEK/share	187	150		
<b>Development during the period</b>	<b>1/1-12/31 2009</b>	<b>1/1-12/31 2008</b>	<b>10/1-12/31 2009</b>	<b>10/1-12/31 2008</b>
Profit (+)/Loss (-), SEK m.	31 368	-36 726	5 015	-15 552
Basic earnings per share, SEK	41.12	-47.98	6.59	-20.32

### Trend of net asset value



## Exiting 2009 feels better than entering

Our total return was just 18 percent during 2009. While we delivered a return in excess of our long-term goal, we underperformed the general market in 2009. All shareholders have the right to be disappointed. We have, however, outperformed the general market since the start of the turbulent market in early 2008.

### Stabilizing macro situation

The economic map was redrawn in the first decade of this new millennium. Countries such as China, India and Brazil are no longer emerging economies; they are established global growth engines. "It's the end of the world as we know it (and I feel fine)". Towards the end of the decade, the world economy almost fell into the Great Depression II. With governments and central banks going, as poker players say, "all in", the downturn "only" ended up as the Great Recession.

Most economic measures now indicate that we are - and have been for a few months - in a global recovery. Trading conditions have increasingly stabilized with some emerging pockets of improvement. My Madison Avenue indicator supports this view; 31 empty store fronts currently, compared to 41 in early October.

Longer term I am optimistic about the world economy, as we reap the benefits of investments in new technology. However, I think there are risks for pot holes along the road of recovery. In the U.S. and in many European countries, the budget deficits and personal balance sheets need to be brought into balance. Like we have done following several bursting bubbles in the past decades, we may yet again dope the world economy with artificially low interest rates, which may create inflated asset prices. At some point in time we will learn if this is an unfounded worry.

No matter how skillfully the monetary and fiscal stimulus packages are withdrawn, their removal will hamper growth. Although I do not see inflationary pressures today, at some point in time, the super-lax monetary policies will trigger inflationary expectations and higher interest rates. There are also other potent risks. The market may find out that not only Greece and Dubai carry sovereign risk. But as always, it is the unknown unknowns that are the deadliest – imagine for example a major setback in China. I do not think this can be fully ruled out given how stimulated the Chinese economy is. In short, I think it is prudent to plan for a long and slow recovery.

This marks the last of my regular macro comments as I think we are in a more stable recovery. After all, I am not a macro economist.

### Industrial innovation for future value creation

Many companies in Europe and the US will face competition from "new companies". The mobile system market is an interesting example. A few years ago, Ericsson's major competitors were only European and North American. Today, the fiercest competitors are the Chinese vendors. Actually, only Ericsson has been able to

maintain solid margins while the other European and U.S. vendors are struggling. This is due to the strategic decision to build its service business and invest heavily in R&D to maintain technological leadership.

The objective of industrial innovation is to satisfy a customer need. It does not have to be on the bleeding edge of technology. It also includes innovation in business models. For example, Atlas Copco's successful growth of its aftermarket business is a good example of industrial innovation that provides stability over a business cycle.

Industrial innovation is often associated with up-front costs, but is vital for long-term value creation. Innovation requires risk taking that will cause failures – Clarke's second law: the only way of discovering the limits of the possible is to venture a little way past them into the impossible.

Many of the jobs lost in the current recession will not come back even as the economies recover. Clearly, this requires a renewal of our national industrial base by encouraging investments in early stage and mid-sized growth companies. Hopefully, this will be high up on the agenda.

### Core Investments performing throughout the downturn

Core Investments had a total return of 44 percent. Its return has been positively impacted by our investments in SEB and Husqvarna and a strong return in Electrolux, Saab and Atlas Copco, while three of our larger holdings, ABB, AstraZeneca, and Ericsson underperformed the market.

In early 2009, SEB and Husqvarna cancelled dividends in combination with completing new issues. SEB thereby managed to rapidly strengthen its balance sheet and now has a very strong core equity position. Husqvarna strengthened its balance sheet not only to manage the demand uncertainty but also to capture new business opportunities. We think both cases illustrate the advantage of having a financially strong main owner in turbulent times. Atlas Copco's acquisition of Quincy during the fourth quarter is also a good example of value creating opportunities available for companies with strong financials.

When we see attractive fundamental value, we may make additional investments in select holdings. With Investor representatives on the boards, we often become insiders, for example in conjunction with quarterly reports, M&A transactions and so on. As a consequence, while our financial flexibility is strong, the window to make investments is not always open.

### Improvements in Operating Investments

It is encouraging to see that during the second part of the year, Mölnlycke started to grow operating profits as a result of investments in "feet in the street" and R&D, and that the Procedure Pak business reached breakeven. Importantly, cash flow generation is very strong, which allowed Mölnlycke to prematurely retire debt of EUR 90 m. Gambro has also seen increasing profits as a result of investments in quality, R&D and operational excellence programs. The turnaround is now starting to take hold. CaridianBCT has reviewed its cost structure resulting in significant up-tick in profits in Q4. However, a non-cash charge was taken,

relating to Atreus not living up to the company's high expectations.

Lindorff had a strong inflow of collection cases, which hurts profits short-term due to front-loaded costs, but builds a strong business longer term. Also, the recession hurt performance in acquired portfolios. The lack of portfolios for sale was maybe more surprising – financial institutions did not want to sell, but recently, sellers have gradually returned to the market. All in all, these developments led to pressure on Lindorff's profitability. However, we believe the company is well positioned for the future.

3 Scandinavia increased its subscriber base by 338,000 in 2009. The operating leverage in the business is strong, i.e. additional subscribers require disproportionately smaller increase in OPEX, resulting in strong earnings growth.

In November, Biovitrum announced that it would merge with Swedish Orphan International. Swedish Orphan has a long record of strong and profitable growth and Biovitrum has several products in the market and a strong pipeline of products in late development stages. The merger creates substantial cost synergies and allows acceleration of sales. We own 41 percent of the new company.

#### **Continued rebound of Private Equity**

Investor Growth Capital had a value appreciation of 12 percent in local currencies for 2009. A key contributor was the exit of Swedish Orphan. Since our initial investment in 2004, Swedish Orphan has continued to deliver profitable growth, despite a change of business model when several large partners terminated their product licensing agreements – truly remarkable performance by an outstanding management team. During the fourth quarter, FOI was listed in Japan, with proceeds used to strengthen the balance sheet. Yet again, we see firsthand that it takes some time to build a company. The venture capital market looks promising for 2010 and Investor Growth Capital's position continues to strengthen.

EQT was up 14 percent in local currencies in 2009, explained by stabilizing operational parameters and increasing market multiples. Also, the financial situation of the holdings has generally strengthened. The deal flow is improving and EQT was involved in several transactions during the fourth quarter.

#### **Board fees**

The central body in our governance model is the Board in the companies we own. The Board should protect the interest of all shareholders and its responsibilities include setting the overall strategy for the company, appointing the right management team, setting the compensation level and monitoring operational performance - issues requiring judgment, often based on long operating experience. We rely on Board members' integrity, business judgment and passion for the business. Sitting on a Board is not an honorary position and just showing up at Board meetings is simply not enough. It requires considerable time and commitment.

To be able to demand, and receive in return this commitment, we as owners must pay Board members appropriately. The current fee levels may actually result in

an inclination to take on too many Board assignments in order to receive fair total compensation. I do not think this is good for the companies. Attracting top performers with strong track records are increasingly difficult with current fees. Given the current economic situation, it is probably not appropriate to make large adjustments this year, but longer term we must make the changes.

To ensure a strong alignment of interest between the owners and the Board members, we prefer that Board members have a substantial ownership in the companies they are involved in. This is the reason for paying a portion of the Board fee in shares.

#### **War chest by extending debt profile**

During the fall, we extended the maturity profile of our outstanding debt. The average maturity of our debt is now over 13 years. We start 2010 with more than SEK 20 bn. in cash available. We will use this capacity to increase our ownership in select Core Investments, grow Operating Investments and expand our activity within Private Equity.

Our strategy is to have strategic control of sound companies with strong market positions. During 2009, we saw few – if any – opportunities to invest in such companies. Good companies are rarely sold at depressed valuations. I am convinced 2010 will offer many attractive opportunities for us as long-term owner and developer of companies.

I believe we did quite well in predicting the attractiveness of 2009 as an investment year. During the year, we have invested more than SEK 7 bn., in line with our strategy. To take advantage of short-term opportunities in the market, we increased the mandate of our Active Portfolio Management.

I would like to acknowledge the remarkable job the Boards, the management teams and the employees of our holdings have done in combating the difficult economic environment. They rapidly took action to adjust cost levels and trimmed working capital. Those steps, in combination with a focus on creating flexible business models have allowed them to remain profitable throughout the recession. We depend on their devotion and hard work, and we are grateful for their contributions to all shareholders.

At the end of the day, it is the daily grind within our existing holdings that will yield the excess return to our shareholders over time. However, this never makes the headlines. For 2010 and onwards, we are truly committed to continue our path of generating attractive shareholder returns through the careful execution of our strategy. We will work hard to develop our existing holdings and find the value creating investments that will rejuvenate our portfolio. Or as Michael Jordan put it: "I'm not out there sweating for three hours every day just to find out what it feels like to sweat".

I believe 2010 will be a good year with lots of interesting opportunities, in new as well as our existing companies. Investor is well positioned to capture them.



Börje Ekholm

# Development of the Group

In 2009, the net asset value increased from SEK 115.2 bn. to SEK 142.7 bn. The profit for the period, including unrealized change in value, was SEK 31.4 bn. (-36.7). The corresponding figure for the fourth quarter was SEK 5.0 bn. (-15.6). Investor's net debt position amounted to SEK 0.6 bn. at year-end (net cash of SEK 9.7 bn.)

Read more at [investorab.com](http://investorab.com) under "Investor in Figures" >>

## Net asset value

The net asset value amounted to SEK 142,673 m. (SEK 187 per share) on December 31, 2009, compared to SEK 115,233<sup>1)</sup> m. (SEK 150 per share) at the beginning of the year, an increase of SEK 27,440 m. (-39,924). In the fourth quarter, net asset value increased by SEK 4,611 m. (-14,888).

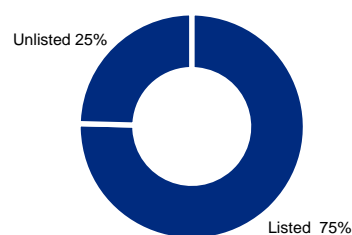
The change in net asset value, with dividend added back, was 26 percent during the year (-23) and 3 percent during the fourth quarter (-11). During these periods, the total return index of the Stockholm Stock Exchange (SIXRX) increased by 53 percent and 7 percent, respectively.

1) For balance sheet items, figures in parentheses refer to year-end 2008 figures. For income items, the figures in parentheses refer to the same period last year.

## Investor's net asset value

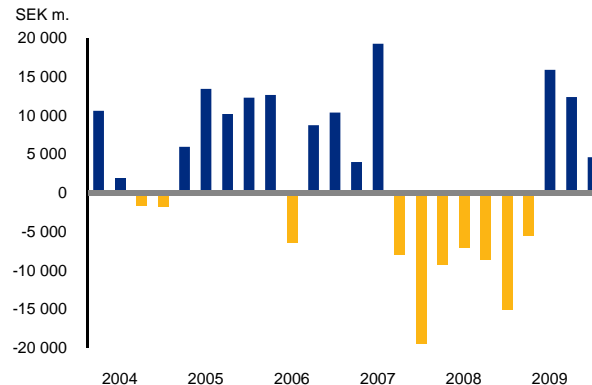
	12/31 2009		12/31 2008	
	SEK/share	SEK m.	SEK/share	SEK m.
Core Investments	139	106 231	96	73 272
Operating Investments	21	15 931	21	16 092
Private Equity Investments	24	18 333	20	15 295
Financial Investments	4	3 283	1	1 269
Other assets and liabilities	0	-517	-1	-432
<b>Total assets</b>	<b>188</b>	<b>143 261</b>	<b>137</b>	<b>105 496</b>
Net cash (+)/debt (-)	-1	-588	13	9 737
<b>Net asset value</b>	<b>187</b>	<b>142 673</b>	<b>150</b>	<b>115 233</b>

## Percentage of listed and unlisted investments, 12/31 2009



Unlisted assets as a share of total assets amounted to 25 percent at the end of the year (30).

## Net asset value, quarterly change



## Investor's Business Area Structure

	Type of company/operation	Type of ownership	Valuation principle
Core Investments	Well established, global companies that are listed. Long ownership horizon.	Leading minority ownership.	Stock price (bid).
Operating Investments	Medium-size to large companies, long ownership horizon, listed and unlisted holdings.	Majority ownership or significant minority position.	Share of shareholders' equity for unlisted holdings. Stock price (bid) for listed holdings.
Private Equity Investments	Growth companies and buyouts, primarily unlisted companies. Ownership horizon: ~3-7 years.	Leading minority ownership in Investor Growth Capital holdings, the largest investor in EQT funds.	Stock price (bid), multiple or third-party valuation.
Financial Investments	Financial holdings/operations with a shorter ownership horizon.	Minority ownership.	Stock price (bid) or third-party valuation.

## Development of earnings

The consolidated profit, including unrealized changes in value, was SEK 31,368 m. in 2009 (-36,726) of which SEK 5,015 m. was in the fourth quarter (-15,552).

Core Investments' contribution to net asset value in 2009 was SEK 31,851 m. (-31,546), Operating Investments SEK -1,380 m. (-144), Private Equity Investments SEK 664 m. (-3,463) and Financial Investments SEK 1,276 m. (-622).

In the fourth quarter, Core Investments' contribution to net asset value was SEK 3,591 m. (-13,521), Operating Investments SEK -378 m. (58), Private Equity Investments SEK 1,815 m. (-1,047) and Financial Investments SEK 218 m. (-375).

### Change in net asset value, Investor Group

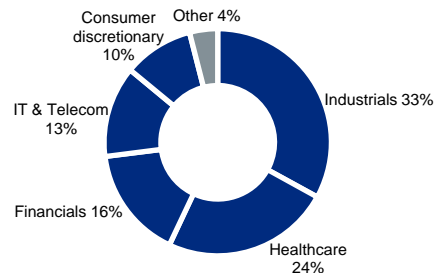
SEK m.	10/1-12/31 2009	1/1-12/31 2009	1/1-12/31 2008
Change in value	5 682	31 327	-39 492
Dividends	20	2 866	4 147
Other operating income	296	1 113	756
Operating costs <sup>1)</sup>	-155	-634	-566
Other items <sup>2)</sup>	-828	-3 304	-1 571
<b>Profit (+)/Loss (-)</b>	<b>5 015</b>	<b>31 368</b>	<b>-36 726</b>
Dividend	-	-3 059	-3 637
Other	-404	-869	439
<b>Change in net asset value</b>	<b>4 611</b>	<b>27 440</b>	<b>-39 924</b>

1) Includes costs for long-term variable remuneration programs. For the period 1/1-12/31, 2009 the total cost was SEK 39 m. (21).

2) Other items include shares of results of associated companies.

See Segment Reporting, page 26, for a detailed presentation of each business area's development.

### Total assets by sector, 12/31 2009



### Total assets by sector and business area on 12/31, 2009

SEK m.	Industrials	Healthcare	Financials	IT & Telecom	Consumer discretionary	Other	Total
Core Investments	46 852	17 292	20 227	10 721	11 139	-	106 231
Operating Investments	-	9 400	3 125	1 350	1 065	991	15 931
Private Equity Investments	409	7 035	-	7 272	1 906	1 711	18 333
Financial Investments and Other	-	-	-	-	-	2 766	2 766
<b>Total</b>	<b>47 261</b>	<b>33 727</b>	<b>23 352</b>	<b>19 343</b>	<b>14 110</b>	<b>5 468</b>	<b>143 261</b>

## Overview of Net Asset Value

	Number of shares 12/31 2009 <sup>1)</sup>	Ownership, 12/31 2009 (%) Capital <sup>2)</sup>	Votes <sup>2)</sup>	Share of total assets, 12/31 2009 (%)	Value, SEK/share, 12/31 2009	Value, SEK m. 12/31 2009	Value, SEK m. 12/31 2008
<i>Core Investments<sup>3)</sup></i>							
ABB	166 330 142	7.3 <sup>4)</sup>	7.3 <sup>4)</sup>	16	30	22 904	19 170
Atlas Copco	204 384 326	16.6	22.3	15	28	21 408	13 557
SEB <sup>5)</sup>	456 089 264	20.8	20.9	14	26	20 227	8 608
AstraZeneca	51 587 810	3.6 <sup>6)</sup>	3.6 <sup>6)</sup>	12	23	17 292	15 837
Ericsson	164 078 702	5.0	19.3	7	14	10 721	9 611
Electrolux	39 165 071	12.7	28.8	5	9	6 560	2 614
Husqvarna <sup>5)</sup>	89 667 692	15.6	28.9	3	6	4 579	2 330
Saab AB	21 611 925	19.8	38.0	2	3	2 540	1 545
				<b>74</b>	<b>139</b>	<b>106 231</b>	<b>73 272</b>
<i>Operating Investments</i>							
Mölnlycke Health Care		62 <sup>7)</sup>	47	4	8	6 371	6 166
Lindorff		57 <sup>7)</sup>	50	2	4	3 125	3 284
Gambro Holding (Gambro & CaridianBCT)		49	49	2	3	2 058	3 386
3 Scandinavia		40	40	1	2	1 350	1 301
The Grand Group <sup>8)</sup>		100	100	1	1	1 065	1 169
Biovitrum <sup>9)</sup>	34 941 921	23	23	1	1	971	-
Land and real estate		100	100	0	1	384	408
Other <sup>10)</sup>		-	-	0	1	607	378
				<b>11</b>	<b>21</b>	<b>15 931</b>	<b>16 092</b>
<i>Private Equity Investments</i>							
Investor Growth Capital		100	100	7	12 <sup>11)</sup>	9 197 <sup>11)</sup>	7 968
EQT		n/a <sup>12)</sup>	n/a <sup>12)</sup>	6	12	9 136	7 327
				<b>13</b>	<b>24</b>	<b>18 333</b>	<b>15 295</b>
<i>Financial Investments</i>		-	-	<b>2</b>	<b>4</b>	<b>3 283</b>	<b>1 269</b>
<i>Other Assets and Liabilities</i>		-	-	<b>0</b>	<b>0</b>	<b>-517</b>	<b>-432</b>
<b>Total Assets</b>		-	-	<b>100</b>	<b>188</b>	<b>143 261</b>	<b>105 496</b>
<b>Net cash (+)/net debt (-)</b>		-	-		<b>-1</b>	<b>-588</b>	<b>9 737</b>
<b>Net Asset Value</b>		-	-		<b>187</b>	<b>142 673</b>	<b>115 233</b>

1) Holdings, including any shares on loan.

2) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF), unless otherwise specified.

3) Valued according to the class of share held by Investor, with the exception of Saab and Electrolux, for which the most actively traded class of share is used.

4) Calculated in accordance with Swiss disclosure regulations.

5) Number of shares and value of holding increased through participation in new rights issues earlier in the year.

6) Calculated in accordance with British disclosure regulations.

7) Capital after full conversion.

8) From 2009, the Grand Group is presented in net asset value according to the equity method. Comparative figures have been adjusted accordingly.

9) Includes the shares received in Biovitrum's new issue, finalized during the fourth quarter 2009.

10) Includes the holdings in Kunskaapsskolan, Novare, Lindorff mezzanine loan, as well as acquired debt in other Operating Investments holdings.

11) Includes the holding in Swedish Orphan International valued at the number of Biovitrum shares received in kind (51,133,411) at the share price on December 31, 2009, of SEK 27.80.

12) Investor's share of capital in the 13 EQT funds varies from 10 to 64 percent.

# Core Investments

Core Investments contributed to the growth in net asset value by SEK 31.9 bn. in 2009 (-31.5), of which SEK 3.6 bn. was in the fourth quarter (-13.5). The total return for the business area was 44 percent during the year, of which 4 percent during the fourth quarter.

Read more at [investorab.com](http://investorab.com) under "Our Investments" >>

During the fourth quarter, the general stock markets as well as the Core Investments portfolio continued to appreciate. For the full year, Core Investments' total shareholder return was 44 percent, supported by our investments in SEB and Husqvarna during the first quarter.

Our holdings continue to focus on efficiency improvements and ensuring that they have the flexibility to handle changing demand levels. At the same time, they are actively evaluating value-creating growth opportunities, both organic and through acquisitions. For example, Atlas Copco announced the acquisition of Quincy Compressor in the U.S., Ericsson acquired Nortel's CDMA business and AstraZeneca announced the acquisition of Novoxel.

## Investments and divestments

No investments or divestments were made during the fourth quarter.

### Events occurring earlier in the year

In Atlas Copco, 140,000 shares were purchased. In SEB and Husqvarna, 313,561,369 and 29,600,629 shares, respectively, were purchased, representing our pro-rata share of the respective new rights issues. In SEB, additional shares were purchased as part of the capital raising and then divested. In Husqvarna, an additional 865,805 shares were acquired.

## Dividends

Dividends from Core Investments totaled SEK 2,358 m. in 2009 (3,803), of which SEK - m. in the fourth quarter (-).

## Net asset value

Core Investments contributed to the net asset value by SEK 31,851 m. in 2009 (-31,546), of which SEK 3,591 m. was in the fourth quarter (-13,521). SEB had the largest positive impact during the year of SEK 8,724 m., followed by Atlas Copco of SEK 8,456 m.

The change in reported portfolio value as of December 31, 2009, compared to December 31, 2008, is explained by the change in value (see table to the right) and net investments during the year.

## Total returns, Core Investments

	Total market return <sup>1)</sup> 2009 (%)	Adjusted total return <sup>2)</sup> for Investor 2009 (%)	Average total market return <sup>1)</sup> 5 years (%)
ABB	+22	+22	+31
AstraZeneca	+15	+15	+11
Atlas Copco	+64	+64	+25
Electrolux	+151	+151	+24 <sup>3)</sup>
Ericsson	+15	+15	-7
Husqvarna	+51	+76	+2 <sup>4)</sup>
Saab AB	+70	+70	+3
SEB	+41	+101	-5

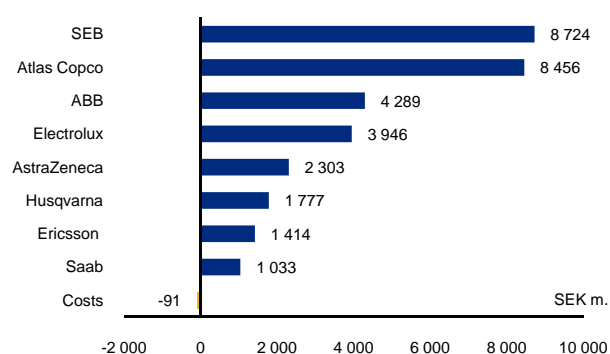
1) Calculated as the sum of share price changes and reinvested dividends.

2) Total return adjusted in holdings where transactions have been made.

3) Figure includes Husqvarna up until spin out of the company on June 13, 2006.

4) Average total return since the listing on June 13, 2006.

## Core Investments impact on net asset value 2009



## Earnings, Core Investments

SEK m.	10/1-12/31 2009	1/1-12/31 2009	1/1-12/31 2008
Change in value	3 623	29 584	-35 269
Dividends	-	2 358	3 803
Operating costs	-32	-91	-80
<b>Contribution to net asset value</b>	<b>3 591</b>	<b>31 851</b>	<b>-31 546</b>



# Operating Investments

Operating Investments contributed to net asset value by SEK -1,380 m. in 2009 (-144), of which SEK -378 m. in the fourth quarter (58). The reported value of Gambro Holding was negatively affected by a SEK 340 m. impairment of intangible assets in CaridianBCT in the fourth quarter. Mölnlycke Health Care, Gambro Holding (Gambro and CaridianBCT), Lindorff, 3 Scandinavia and Kunskapsskolan are reported with one month's delay.

Read more at [investorab.com](http://investorab.com) under "Our Investments" >>

During 2009, most of our Operating Investments holdings showed good progress in terms of revenue growth and profitability. Several companies started to gain from continuing investments in sales, R&D and quality improvement. Mölnlycke Health Care continued to grow strongly with high margins. Gambro reported increased operating earnings, and CaridianBCT's core business developed ahead of schedule. 3 Scandinavia had a strong year, reaching monthly EBIT breakeven and refinanced its debt, while Lindorff had a challenging year. We invested in listed Biovitrum, and were later actively supporting its merger with Swedish Orphan International.

While maintaining focus on further developing our existing holdings, we continue to look for attractive new investments.

## Net asset value

Operating Investments contributed to net asset value by SEK -1,380 m. during the year (-144), of which SEK 214 m. was attributable to Mölnlycke (281), SEK -161 m. to Lindorff (-87), SEK -1,328 m. to Gambro Holding (169), SEK -120 m. to 3 Scandinavia (-476) and SEK 13 m. to Biovitrum (-).

In the fourth quarter, Operating Investments contributed to net asset value by SEK -378 m. (58), of which SEK 68 m. was attributable to Mölnlycke (-46), SEK 43 m. to Lindorff (-108), SEK -551 m. to Gambro Holding (235), SEK 75 m. to 3 Scandinavia (-14) and SEK -69 m. to Biovitrum (-).

Gambro Holding's impact on net asset value of SEK -1,328 m. in 2009 stems from depreciation and amortization, financial expenses and the impairment relating to CaridianBCT's product Atreus.

## Impairments

In CaridianBCT, sales of the whole blood processing system Atreus have not developed according to original expectations. As a result, a revised business plan was implemented. In conjunction with this, an impairment of the

intangible assets related to Atreus was made during the fourth quarter. The impairment negatively affected Investor's value by SEK 340 m., while having no effect on cash flow.

Net asset value of The Grand Group was impacted by an impairment of SEK 126 m. relating to the real estate.

## Debt financing

Debt financings for all Operating Investments (except for 3 Scandinavia) are ring fenced and without guarantees from Investor. The next material loan maturities for these companies are in 2013. At the time of investment, the debt financing for each company was structured to take into account the projected growth and stability of earnings and the level of cash conversion. Consequently, the level of debt financing for holdings within Operating Investments varies.

The SEK 10.5 bn. external debt of 3 Scandinavia, which is guaranteed by the owners, was refinanced in December 2009, and the maturity extended to late 2012.

### Operating Investments

	12/31 2009		12/31 2008	
	SEK/share	SEK m.	SEK/share	SEK m.
Mölnlycke Health Care <sup>1)</sup>	8	6 371	8	6 166
Lindorff <sup>2)</sup>	4	3 125	4	3 284
Gambro Holding <sup>3)</sup>	3	2 058	4	3 386
3 Scandinavia <sup>1)</sup>	2	1 350	2	1 301
The Grand Group	1	1 065	2	1 169
Biovitrum <sup>4, 5)</sup>	1	971	-	-
Land and real estate	1	384	1	408
Other <sup>6)</sup>	1	607	0	378
<b>Total</b>	<b>21</b>	<b>15 931</b>	<b>21</b>	<b>16 092</b>

1) Refers to Investor's share of equity and shareholders' loans.

2) Refers to Investor's share of equity and convertible debt.

3) Refers to Investor's share of equity.

4) Valued at the official stock price on the NASDAQ OMX Nordic Exchange.

5) Includes shares received in Biovitrum's new issue, finalized in the fourth quarter 2009.

6) Includes the holdings in Kunskapsskolan, Novare, Lindorff mezzanine loan, as well as acquired debt in Operating Investments.

### Development of net asset value, Operating Investments

SEK m.	1/1-12/31 2009
Net asset value on January 1, 2009	16 092
Investments	1 520
Divestments	-143
Contribution to net asset value	
Effect on income	-1 337
Effect on equity	-43
	-1 380
Effects from holdings on Investor Group level	-158
<b>Net asset value on December 31, 2009</b>	<b>15 931</b>

### Valuation methodology within Operating Investments

In Operating Investments, Investor normally has a large stake with significant influence in the underlying investment. Non-listed Investments classified as associated companies are reported according to the equity method. Investor's share of the holding's equity constitutes the valuation of the holding when the equity method is applied and Investor's share of the holding's net result is included in the income statement. Thus, for companies incurring large costs that impact short-term profits negatively, the value of the holding declines in Investor's net asset value. In order to facilitate the market's valuation of these investments, Investor provides comments about their development as well as key operating figures, such as net sales, EBITDA, normalized EBITDA and net debt. In normalized EBITDA, material one-off items, such as restructuring costs, certain amortization items and write-downs, and specific investments, are excluded to better reflect the underlying result. For listed holdings, such as Swedish Orphan Biovitrum International, the official stock price (bid) on the stock market is used for valuing the holding.



## Activities during the quarter

Mölnlycke Health Care continued to generate good revenue and profit growth during the quarter. Growth was robust in Europe and North America and very high in Asia-Pacific.

In Wound Care, Advanced Wound Care continued to grow significantly faster than the market thanks to new product launches and the effects of continuing investments in building out sales and marketing. Conventional Wound Care also continued to grow.

Growth for the Surgical Division is driven by Procedure Pak®. Procedure Pak is a newly established business, and as such it has operated with low margins. In the fourth quarter, the business broke even and is now contributing to earnings. Other areas like Staff Clothing and Antiseptics also developed well. Positive effects are seen from the many initiatives to reduce supply chain costs in the Division.

Overall, the company continues its growth-oriented investments in product and business development and in sales and marketing.

Strong cash flow generation has allowed Mölnlycke Health Care to make a prepayment of debt of EUR 90 m. in December.

## Financial performance 2009

Net sales grew by 8 percent or 11 percent in constant currencies for the year. Mölnlycke Health Care reported an EBITDA margin of 27 percent (27).

### Key figures, Mölnlycke Health Care<sup>1)</sup>

Income statement items	2009		2008	
	Q4	YTD	Q4	YTD
Net sales (EUR m.)	224	856	209	791
EBITDA (EUR m.)	64	230	55	214
EBITDA (%)	29	27	26	27

Balance sheet items	Q4 2009	Q4 2008
Net debt (EUR m.)	1 705	1 795

1) Income statement items and balance sheet items are reported with one month's delay.

### Brief facts, Mölnlycke Health Care

Investment year	2007
Investor's ownership (capital after full conversion) %	62

A world-leading manufacturer and provider of single-use surgical and wound care products and services, primarily for the professional healthcare sector.

	Q4 2009	Q4 2008
Number of employees, end of period	6 610	6 395

## Activities during the quarter

During the fourth quarter, Lindorff stabilized its performance both in the Collection and Capital business areas.

Within Collection, the growth in the number of collection cases slowed compared to the previous quarters. The company continues to work with efficiency and cost savings to mitigate the new fee legislation in Norway which was implemented at year-end 2009. The negative effects will gradually impact Lindorff in 2010, with the full effect being felt during the second half of the year.

Capital is still down compared to the previous year as the negative impact from the weak economy continues to negatively impact the business. The number of debt portfolios for sale was limited during the year, but has recently started to increase, and several acquisitions were made during the quarter. However, activity is still low compared to previous years.

In January 2010, Endre Rangnes was appointed new CEO. Endre Rangnes is currently CEO of EDB Business Partners.

## Financial performance 2009

Net sales decreased by 3 percent but were flat in constant currencies during the year. EBITdA<sup>3)</sup> decreased by 18 percent, primarily due to the weaker portfolio performance within the Capital business area and the increased volumes in new cases within the Collection business area. This volume increase results in an immediate cost build up, while revenue recognition is expected to materialize more gradually.

### Key figures, Lindorff<sup>1)</sup>

Income statement items	2009		2008	
	Q4	YTD	Q4 <sup>2)</sup>	YTD <sup>2)</sup>
Net sales (EUR m.)	73	283 <sup>4)</sup>	73	291 <sup>4)</sup>
EBITdA <sup>3)</sup> (EUR m.)	13	59	10	72
EBITdA <sup>3)</sup> (%)	18	21	14	25

Balance sheet items	Q4 2009	Q4 2008
Net debt (EUR m.)	502	577

1) Income statement items and balance sheet items are reported with one month's delay.

2) Pro forma, since Investor owned the company for only part of the year.

3) EBITDA after portfolio depreciation.

4) Including amortization of surplus value of EUR 27 m. for 2009 and EUR 24 m. for 2008.

### Brief facts, Lindorff

Investment year	2008
Investor's ownership (capital after full conversion) %	57

A leading credit management company in the Nordic region with a growing European presence. Lindorff has offices in Denmark, Estonia, Finland, Germany, Latvia, Lithuania, the Netherlands, Norway, Russia, Spain and Sweden.

	Q4 2009	Q4 2008
Number of employees, end of period	2 270	2 210

## Gambro Holding

Gambro Holding owns Gambro and CaridianBCT. Since net debt of the companies has not been formally distributed, net asset value, the effect on Investor's net asset value, and net debt are reported as a total for the two companies.

### Combined key figures, Gambro Holding<sup>1)</sup>

Balance sheet items	Q4 2009	Q4 2008
Net debt (SEK m.)	25 559	25 483

1) Items are reported with one month's delay.



Read more on the web: [www.gambro.com](http://www.gambro.com) >>

### Activities during the quarter

Gambro continued to show good sales development during the fourth quarter, especially from new products. The continued ramp up of the Revaclear filter was strong and Gambro's new monitor platforms – AK 96 in particular – saw increased customer traction. The cost rationalization measures implemented during the year took full effect during the fourth quarter.

Final preparations were made to operationalize the new global business unit organization, separating responsibilities and focus for Chronic, Acute and Ventures (New therapies), as of January 1, 2010.

Quality work continued during the quarter and additional procedures were put in place to further improve Gambro's standards.

After the closing of the period, Gambro acquired CHF Solutions. CHF Solutions manufactures and distributes a device that uses a simplified approach to ultrafiltration for the removal of salt and water in patients with fluid overload. This acquisition will enable Gambro to expand its Acute business into adjacent patient populations.

### Financial performance 2009

Sales grew 12 percent during the year, or by 1 percent in constant currencies. Normalized EBITDA increased by 40 percent, driven by a favorable product mix, cost reductions and a positive currency impact.

#### Key figures, Gambro<sup>1)</sup>

Income statement items	2009		2008	
	Q4	YTD	Q4	YTD
Net sales (SEK m.)	3 019	12 484	2 930	11 172
Normalized EBITDA (SEK m.)	654	2 384	553	1 707
Normalized EBITDA (%)	22	19	19	15

1) Income statement items are reported with one month's delay.

#### Brief facts, Gambro

Investment year	2006
Investor's ownership (capital) %	49

A global med tech company and a leader in developing, manufacturing and supplying products, therapies and services for in-centre care and self care hemodialysis, peritoneal dialysis, renal intensive care and hepatic care.

	Q4 2009	Q4 2008
Number of employees, end of period	8 040	8 415



Read more on the web: [www.caridianbct.com](http://www.caridianbct.com) >>

### Activities during the quarter

CaridianBCT continued its good growth in both revenues and profit during the fourth quarter. The cost reduction program implemented earlier in the year yielded full effect.

The Automated Collections and Therapeutic Systems business areas continued to perform well. Good disposables volume growth, a favorable mix and solid cost management have contributed to strong margins.

Sales for Atreus, the whole blood processing system, have not developed according to plan. As a result, a revised business plan has been implemented, and the value creation potential for CaridianBCT from this product is now assessed to be more limited. Consequently, an impairment of the intangible assets related to Atreus was made in the quarter. The charge had a negative impact of USD 100 m., but has no effect on cash flow.

During the quarter CaridianBCT signed a global distribution partnership contract with a leading life sciences company for the new Quantum Cell Expansion System product for stem cells. The product will be launched during the second half of 2010.

The Japanese Red Cross has recommended moving forward with clinical evaluations of the Mirasol platform for pathogen reduction in Japan. This has been supported by the Japanese Ministry of Health, Welfare and Labor. Further testing and clinical work with Mirasol will take place in 2010.

### Financial performance 2009

Net sales increased 7 percent, 11 percent in constant currencies, during the year. Normalized EBITDA increased by 25 percent, thanks to volume growth, good price management and restructuring of the cost base.

#### Key figures, CaridianBCT<sup>1)</sup>

Income statement items	2009		2008	
	Q4	YTD	Q4	YTD
Net sales (USD m.)	125	486	111	455
Normalized EBITDA (USD m.)	38	140	25	112
Normalized EBITDA (%)	30	29	23	25

1) Income statement items are reported with one month's delay.

#### Brief facts, CaridianBCT

Investment year	2006
Investor's ownership (capital) %	49

A leading global provider of technology innovations and services focused on enhancing blood quality, safety, supply and efficiency in the blood banking and transfusion medicine industry.

	Q4 2009	Q4 2008
Number of employees, end of period	2 160	2 455



Read more on the web: [www.tre.se](http://www.tre.se) >>

## Activities during the quarter

2009 was a strong year for 3 Scandinavia with continued growth and improved profitability. During the fourth quarter, the subscriber base grew by 87,000, including both voice and mobile broadband subscribers.

The launch of Apple's iPhone 3GS in Sweden and Denmark in July continued to support growth, as did the campaign to replace fixed line subscriptions with mobile telephony and broadband. 3 Scandinavia's Average Revenue Per User (ARPU) remained at a market-leading level.

In December, the SEK 10.5 bn. external debt of 3 Scandinavia, which was due in mid-2010, was refinanced. The existing credit was replaced in full by a new credit maturing in late 2012. Investor AB continues to guarantee SEK 4.2 bn., representing 40 percent of the total debt in 3 Scandinavia.

## Financial performance 2009

Net sales rose by 13 percent during the year. 3 Scandinavia recorded an EBITDA of SEK 434 m. (-106).

During the year, Investor invested a total of SEK 245 m. in 3 Scandinavia (931), of which SEK 69 m. in the fourth quarter (212). As of December 31, 2009, Investor had invested a total of SEK 6,226 m. in the company since its inception.

### Key figures, 3 Scandinavia<sup>1)</sup>

Income statement items	2009		2008	
	Q4	YTD	Q4	YTD
Net sales (SEK m.)	1 603	5 840	1 356	5 147
EBITDA <sup>2)</sup> (SEK m.)	161	434	5	-106
EBITDA (%)	10	7	0	-

Balance sheet items	Q4 2009	Q4 2008
Net debt (SEK m.)	10 230	10 235

Other key figures <sup>3)</sup>	12/31 2009	12/31 2008
Subscribers	1 569 000	1 231 000
ARPU <sup>4)</sup> (SEK)	348	379
Non-voice ARPU <sup>4)</sup> (%)	42	36
Postpaid/prepaid ratio	90/10	90/10

1) Income statement items and balance sheet items are reported with one month's delay.

2) EBITDA for 3 Scandinavia is defined as EBITDA after deducting all customer acquisition and retention costs.

3) Other key figures are reported without any delay.

4) Average monthly revenue per user (ARPU) refers to the past 12-month period.

### Brief facts, 3 Scandinavia

Investment year	1999
Investor's ownership (capital) %	40
Mobile operator providing mobile voice and broadband services in Sweden and Denmark. The company also holds a license for the Norwegian market.	
	Q4 2009    Q4 2008
Number of employees, end of period	2 095    1 950



Read more on the web: [www.biovitrum.com](http://www.biovitrum.com) >>

## Activities during the quarter

Biovitrum is a listed company and consequently valued at the official stock price.

In November, Biovitrum announced its merger with Swedish Orphan International, creating a new niche specialty pharmaceutical company focused on rare diseases. The combined company had estimated pro forma revenues of SEK 2 bn. in 2009.

In the new rights issue conducted by Biovitrum during the fourth quarter, Investor invested SEK 349 m., corresponding to our pro rata share. The merger of the companies was finalized on January 14, 2010, after which Investor holds 86.075.332 shares, representing 41 percent of the capital and votes in Swedish Orphan Biovitrum International. The post-merger position in Swedish Orphan Biovitrum includes the shares received by Investor Growth Capital as payment for their 42 percent holding in Swedish Orphan. After January 20, 2010, the total holding is reported under Operating Investments.

The closing price of the share was SEK 30.50 on January 20, implying a market value for Investor's shares of SEK 2,625 m.

## Financial performance

The key figures presented below are the most recently published.

Biovitrum will publish its Year-End Report 2009 on February 18, 2010.

### Key figures, Biovitrum

Value of Investors shares, 12/31 2009					
Biovitrum (listed), SEK m.					971
Income statement items as reported by the company	2009 Q3	YTD	2008 Q3	YTD	Full year 2008
Net sales (SEK m.)	274	949	294	826	1 141
EBIT (SEK m.)	-34	-35	10	-96 <sup>1)</sup>	-386 <sup>1)</sup>
EBIT (%)	-	-	3	-	-

1) Including restructuring charges of SEK 120 m. for the first nine months 2008 and SEK 346 m. for 2008.

### Brief facts, Biovitrum

Investment year	2009
Investor's ownership (capital) %	23
Investor's ownership (capital) % as of January 14, 2010, when the merger between Biovitrum and Swedish Orphan International was finalized.	41

A Swedish pharmaceutical company listed on the NASDAQ OMX Nordic Exchange. The company markets a range of specialist pharmaceuticals internationally. Research expertise and capabilities are focused on development and production of biotechnology therapeutics within prioritized areas of hemophilia, inflammation/autoimmune diseases and malabsorption.

	Q3 2009	Q3 2008
Number of employees, end of period	409	476

## Activities during the quarter

The hotel market continued to be affected by the economic slowdown in the quarter. However, the Hotel operation in Grand Hôtel stabilized, with higher occupancy rates at the expense of somewhat lower prices compared to the same period last year.

Within Food & Beverage, Restaurants continued to show solid performance, and Conferences and Banqueting also reported a good quarter.

Grand Hôtel continues to take advantage of the weaker market to renovate and refurbish certain rooms and facilities.

In November, the new spa facilities were opened. Since the opening, the facilities have been well received by both guests of the hotel and external customers.

The restaurant Mathias Dahlgren, Matsalen, was awarded Dagens Nyheter's (the largest Swedish daily newspaper) Gulddraken in the luxury category for the second year in a row. It was also appointed "Restaurant of the Year" by the trade association Restauranger och Storkök.

## Financial performance 2009

Grand Hôtel's net sales in 2009 were down 9 percent compared to 2008.

The EBITDA margin decreased from 26 percent to 21 percent during the year.

### Key figures, Grand Hôtel

Income statement items	2009		2008	
	Q4	YTD	Q4	YTD
Net sales (SEK m.)	109	368	100	404
EBITDA (SEK m.)	25	76	17	107
EBITDA (%)	23	21	17	26

Balance sheet items	Q4 2009	Q4 2008
Net debt (SEK m.)	524	452

### Brief facts, Grand Hôtel

Investment year	1968
Investor's ownership (capital), %	100

Scandinavia's leading hotel with 368 guest rooms and 24 conference and banquet facilities, three restaurants, bar and a newly opened spa.

	Q4 2009	Q4 2008
Number of employees, end of period	280	325

# Private Equity Investments

The Private Equity Investments business area contributed to the growth in net asset value by SEK 664 m. in 2009 (-3,463), of which SEK 1,815 m. in the fourth quarter (-1,047). Both Investor Growth Capital and EQT contributed positively to net asset value, both during the fourth quarter and during the full year.

Read more at [investorab.com](http://investorab.com) under "Our Investments" >>

## Investments and divestments

Cash flow (divestments less investments) from the Private Equity business was SEK -2,358 m. for the year (-792), of which SEK -560 m. in the fourth quarter (-887).

A total of SEK 2,921 m. was invested in 2009 (3,729), of which SEK 860 m. in the fourth quarter (1,111). Investments during the year comprised of SEK 1,087 m. in new investments (2,792) and SEK 1,834 m. in add-on investments (937).

Investments were sold for SEK 563 m. during the year (2,937), of which SEK 300 m. during the fourth quarter (224).

## Purchases and sales, Private Equity Investments

SEK m.	1/1-12/31 2009	
	Purchases	Sales
Investor Growth Capital	1 235	348
EQT	1 686	215
<b>Total</b>	<b>2 921</b>	<b>563</b>

## Net asset value

The impact on net asset value for the year was SEK 664 m. (-3,463), of which SEK 1,815 m. was in the fourth quarter (-1,047).

In local currencies, the change in value of Investor Growth Capital was 12 percent during 2009. The main contributor to the positive value development was Swedish Orphan, valued at SEK 1,422 m. using the market price of Biovitrum shares on December 31, 2009.

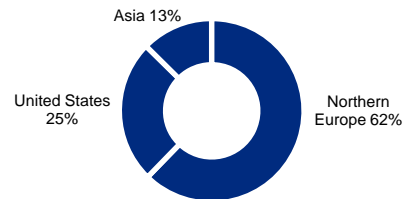
Within EQT, the change in value was 14 percent in local currencies during the year. The value appreciation was driven both by rising multiples on peers and a stabilization of operating results in several holdings.

Investor's total outstanding commitments to EQT funds amounted to SEK 5.8 bn. at year-end (8.5).

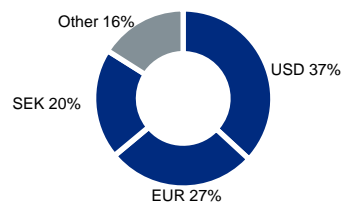
## Earnings, Private Equity Investments

SEK m.	10/1-12/31 2009	1/1-12/31 2009	1/1-12/31 2008
Change in value (incl. dividends)			
Investor Growth Capital	466	457	-377
EQT	1 401	433	-2 886
Operating costs	-52	-226	-200
<b>Contribution to net asset value</b>	<b>1 815</b>	<b>664</b>	<b>-3 463</b>

## Private Equity Investments by geography



## Private Equity Investments by currency



## Private Equity Investments by unit

	12/31 2009		12/31 2008	
	SEK/share	SEK m.	SEK/share	SEK m.
Investor Growth Capital	12	9 197	10	7 968
EQT	12	9 136	10	7 327
<b>Total</b>	<b>24</b>	<b>18 333</b>	<b>20</b>	<b>15 295</b>

## Private Equity Investments valuation multiples

	Average EV/EBITDA multiple 2009	Average EV/EBITDA multiple 2008	Percentage of portfolio valued with multiples 2009
Investor Growth Capital	8.2x	8.9x	4.3% <sup>1)</sup>
EQT	9.6x	8.3x	68.7%

1) The low percentage (4.3%) of investments in Investor Growth Capital that are valued with EV/EBITDA multiples reflects the general development stage of the companies. In many cases, the holdings are in a growth stage and have not yet reached profitability. Thus, a change in any one company valued on multiples has a big impact on the average multiple reported.

## Investor Growth Capital

Read more on the web: [>>](http://www.investorgrowthcapital.com)

The venture capital industry entered 2010 with encouraging signs after a solid finish to 2009. New investment activity finally showed a meaningful pick-up from very depressed levels seen in prior quarters as many companies addressed their financing needs in order to support future growth. Additionally, the environment for exits continued to strengthen as strategic acquirers are bringing a renewed focus to building their business through M&A. These trends are supporting an expanding universe of potential new investments for Investor Growth Capital and have enabled several portfolio companies to take further steps towards a successful exit.

### Activities during the quarter

Two new investments were made during the quarter;

**Constant Contact:** (U.S.) helps small- to medium-size organizations develop and manage customer relationships using on-demand email marketing and survey tools.

**ExaGrid:** (U.S.) a provider of disk-based backup data storage systems for the enterprise market.

Add-on investments were made in Axiomed Spine, Chelsio Communications, ChinaCache, Greenway Medical Technologies, Intuity Medical (formerly Rosedale Medical), ReCellular and Sirion Therapeutics.

In conjunction with the privatization of Swedish pharmacies, Investor Growth Capital Europe entered into an agreement to invest in Vårdapoteket i Norden AB, with the purpose to operate 24 pharmacies located in hospitals in certain regions.

The divestment of Swedish Orphan International to Biovitrum was announced and the holding in Achillion was partially divested. The holdings in United Pacific Industries and DPG Holdings Inc. were divested in full.

Within Investor Growth Capital Asia, the Japanese semiconductor company FOI Corporation was listed in one of the largest IPOs in Japan during 2009. A refinancing of Japanese Shoei released capital to the owners.

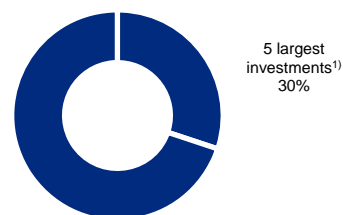
After the end of the period, the holding in CHF Solutions was divested to Gambro.

#### Activities occurring earlier during the year

New investments were made in China ITS and Mpex Pharmaceuticals.

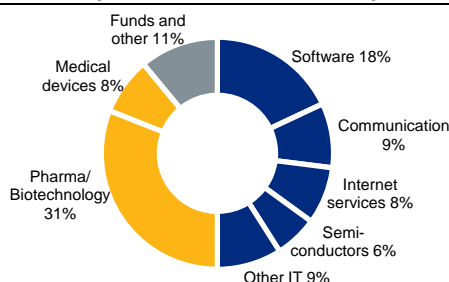
Add-on investments and secondary purchases were made in Air Plus TV, Biolex, Chelsio Communications, FOI Corporation, Heartscap, Mindjet, Neuronetics, OnePhone, Projectplace, Sirion Therapeutics, Synosia and Tobii.

### Value distribution Investor Growth Capital, 12/31 2009



1) As of December 31, 2009, the five largest investments were (in alphabetical order) Air Plus TV (Sweden), FOI Corporation (Japan), Greenway Medical Technologies (U.S.), Mindjet Corporation (U.S.) and Swedish Orphan International (Sweden).

### Sector exposure Investor Growth Capital, 12/31 2009



### New Investments within Investor Growth Capital in 2009

Company	IT/Technology	Country
China ITS	Provider of integrated ground transportation technology infrastructure systems.	China
Constant Contact	Helps small- to medium-size organizations develop and manage customer relationships online.	U.S.
ExaGrid	Provider of disk-based backup data storage systems for the enterprise market.	U.S.
<b>Healthcare</b>		
Mpex Pharmaceutical	Biopharmaceutical company developing new antibiotic therapies to combat lung infections.	U.S.
Vårdapoteket i Norden (agreed but not closed)	Operates hospital-based pharmacies in certain regions in Sweden.	Sweden

### Exits within Investor Growth Capital in 2009

Company	IT/Technology	Country
United Pacific Industries	Manufacturing and design services for electronic appliances, tools, batteries and components	China
<b>Healthcare</b>		
Swedish Orphan International (signed but not closed)	Specializes in the development, marketing and distribution of pharmaceutical products, focusing on orphan drugs (niche products)	Sweden



## EQT's funds

Read more on the web: [www.eqt.se](http://www.eqt.se) >>

### Activities during the quarter

- EQT V announced the acquisition of 82 percent of German Springer Science+Business Media.
- EQT V completed the public tender for Polish medtech company HTL-Strefa.
- EQT V acquired Cable TV (Eurocom and CableTel) – Bulgaria's two leading cable TV operators.
- EQT Asia made an add-on investment in Global Beauty.
- EQT Expansion II made an investment in Danish wind energy component supplier Skykon.
- EQT Infrastructure announced the acquisitions of Swedish Swedegas and Danish Kommunekemi.

### Activities occurring earlier during the year

- EQT III made an add-on investment in Leybold.
- EQT Infrastructure acquired Midland Cogeneration Venture and EQT V's acquisition of KMD was finalized.
- EQT Opportunity portfolio company Bodilsen A/S filed for bankruptcy.
- A capital injection was made in Aleris. Regarding Munksjö, Sanitec and SSP, capital injections were made in conjunction with their capital restructurings.

### Overview of EQT's funds

SEK m.	Year started	Investor's share of fund	Total capital commitments	Investor's share of capital commitments	Investor's share of invested capital <sup>1)</sup>	Market value of Investor's remaining holdings	Holdings <sup>2)</sup>
EQT I*	1995	18%	3 260	587	503	-	-
EQT II*	1998	18%	6 193	1 100	970	13	-
EQT III*	2001	32%	20 667	6 625	6 285	1 528	Aleris, Carl Zeiss, ISS, Leybold, Munksjö, VTI Technologies
EQT IV*	2004	19%	25 834	4 818	4 402	2 917	BTX, Gambro <sup>3)</sup> , ISS, Kabel BW, Sanitec, SSP
EQT V	2006	12%	43 917	5 244	3 088	3 245	Kabel BW, CBR, Scandic, Dako, SAG, Securitas Direct, Cable TV, HTL-Strefa, KMD
EQT Opportunity	2005	25%	3 840	960	431	93	Granngården, Bodilsen, Norwin, Cimbria, Strauss Innovation, Titan X
EQT Denmark*	1998	18%	1 412	248	202	2	-
EQT Finland*	1999	32%	679	215	134	2	-
EQT Expansion Capital I	2003	16%	1 954	315	272	81	Aleris, Munksjö, SSP, Pharmazell, CandyKing
EQT Expansion Capital II	2007	15%	4 898	736	269	257	Sausalitos, Cinterion, KVT, Skykon
EQT Asia*	2000	64%	2 276	1 444	1 444	494	Global Beauty
EQT Greater China II	2006	38%	3 853	1 443	545	344	Yin Rong, PSM, LBX
EQT Infrastructure	2008	10%	12 058	1 206	233	160	MCV
<b>Total<sup>4)</sup></b>		<b>-</b>	<b>130 841</b>	<b>24 941</b>	<b>18 778</b>	<b>9 136</b>	

\* Fully invested

1) Also includes capital invested in holdings that have already been sold.

2) Holdings can be jointly owned by two EQT funds.

3) Gambro is valued in the same way as Investor's share of the company in Operating Investments.

4) The following rates were used to translate to SEK: DKK = 1.39 (EQT Denmark), EUR = 10.33 (EQT Finland, EQT III, IV, V, EQT Expansion Capital I, II, EQT Opportunity, EQT Infrastructure), USD = 7.20 (EQT Asia, EQT Greater China II).

### Investor's Private Equity Investments

Private equity investments have been made since Investor was established in 1916 but were given their current shape and structure in the mid-1990s. The private equity activities generate high returns when exits are realized, and allow for increased diversification of the portfolio, synergies with the Core Investments and the possibility to discover important new technologies and new business trends early.

Investor conducts two different types of private equity investments: venture capital investments in young growth-oriented companies and loan-financed investments (buyouts) in medium to large-sized companies that are more mature and have development potential. Venture capital activities are conducted by Investor Growth Capital, a wholly owned subsidiary. Buyout activities are conducted through EQT's funds, in which Investor is the largest investor. Investor Growth Capital is active in the U.S., Northern Europe and Asia. EQT, in which Investor is both a partial owner and a sponsor, has 13 funds focused on companies in the U.S., Northern Europe and Greater China.

Investments in private equity, which involve more risk by nature, are made with the objective of realizing an average annualized return (IRR) of 20 percent.



# Financial Investments

The business area's contribution to net asset value of SEK 1,276 m. during the year (-622), of which SEK 218 m. was in the fourth quarter (-375).

[Read more at investorab.com under "Our Investments">>](#)

The single largest positive value contributor was Investor's Active Portfolio Management, which contributed with an operating income (dividends and value changes before operating costs) of SEK 464 m. for the year (-86), of which SEK 0 m. in the fourth quarter (-122). Earlier in the year, Active Portfolio Management's VaR mandate was increased, which enabled the activity to take further advantage of the strong performance of equity markets.

## Financial Investments

	12/31 2009		12/31 2008	
	SEK/share	SEK m.	SEK/share	SEK m.
Financial Investments	4	3 283	1	1 269

# Group

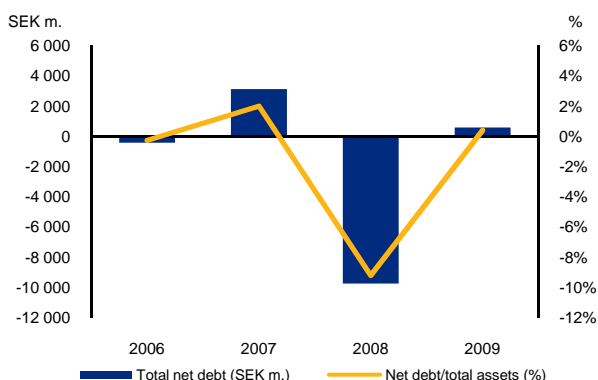
## Net debt/cash

The consolidated net debt position totaled SEK 588 m. on December 31, 2009 (net cash of SEK 9,737 m.). Net investments and distribution of dividends to shareholders, which amounted to SEK 3,059 m. (3,637), totaled SEK -9,732 m. (13,417) during the year. Dividends received from Core Investments amounted to SEK 2,358 m. (3,803) during 2009.

The net debt of holdings within the Operating Investments business area, such as Mölnlycke Health Care, Gambro Holding, Lindorff and The Grand Group that are financed in ring-fenced, stand-alone structures, are not included in Investor's net debt. 3 Scandinavia's debt, of which Investor's share is SEK 4.2 bn. (excluding interest), is guaranteed by the owners but is not included in consolidated net debt.

Net financial items for the reporting period amounted to SEK -597 m. (-290). Net financial items include interest income of SEK 446 m. (935) and interest expenses totaling SEK -877 m. (-1,082). The remaining portion consists primarily of revaluations of loans, currency effects and effects of swaps.

## Consolidated net debt



Funds available for investments amounted to SEK 20,938 m.<sup>1)</sup> on December 31, 2009 compared to SEK 27,833 m. at year-end 2008. The Group's short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt<sup>2)</sup> for the group amounted to SEK 21,526 m. (18,096) at year-end.

The average maturity of the debt portfolio was 13.5 years on December 31, 2009 (12.6).

1) Other financial instruments SEK 9,062 m. (-) and cash, bank and short-term investments SEK 11,934 m. (27,972) have been adjusted by SEK -58 m. (-139) relating to Operating Investments.

2) Items included in gross debt are loans, receivables included in net debt and pensions and similar obligations. The amounts have been adjusted by items relating to Operating Investments; loans and hedges SEK 1,429 m. (2,038) and pensions and similar obligations SEK 32 m. (31).

## Operating costs

Operating costs totaled SEK 595 m. during 2009 (545), representing 0.4 percent of our year-end total assets. The increase of SEK 50 m. is mainly explained by adverse currency effects and expansion of Operating Investments. Costs per business area are shown in the segment reporting section on page 26.

The calculation of commitments within the framework for employee stock option programs and share programs resulted in additional costs of SEK 39 m. during the year (21). Investor uses hedges to minimize effects on equity from the programs that arise in connection with changes in Investor's share price.

## Parent Company

### Share capital

Investor's share capital amounted to SEK 4,795 m. on December 31, 2009 (4,795).

### Share structure

Class of share	Number of shares	Number of votes	% of capital	% of votes
A 1 vote	311 690 844	311 690 844	40.6	87.2
B 1/10 vote	455 484 186	45 548 418	59.4	12.8
<b>Total</b>	<b>767 175 030</b>	<b>357 239 262</b>	<b>100.0</b>	<b>100.0</b>

During the quarter, Investor did not repurchase any of its own shares. On December 31, 2009, Investor owned a total of 4,683,800 of its own shares (2,483,800).

## Results and investments

The Parent Company's result after financial items was SEK 16,789 m. (-4,828). Value changes of equity-related holdings reported at fair value, such as ABB and AstraZeneca, amounted to SEK 5,172 m. (3,361). The majority of the Core Investments are associated companies and therefore are reported at the lower of acquisition cost or fair value in the Parent Company. In the Group, the holdings are reported at fair value. This explains the difference in the value change between the Group and the Parent Company for these holdings in 2009. Reversals of write-downs of participations in associated companies totaled SEK 8,814 m. and were mainly attributable to SEB (-11,369). Reversals of write-downs of participations in Group companies had an effect of SEK 20 m. (-12) on net financial items.

During the year, the Parent Company invested SEK 12,520 m. in financial assets (7,018), of which SEK 7,607 m. was in Group companies (4,157) and purchases in Core Investments of SEK 3,825 m. (2,151). Sales of financial assets amounted to SEK 3,522 m. (21,381), of which SEK 3,004 m. was in Group companies (0).

Total debt increased by SEK 3,062 m. since the beginning of the year. Shareholders' equity totaled SEK 106,363 m. on December 31, 2009, compared to SEK 92,914 m. on December 31, 2008.

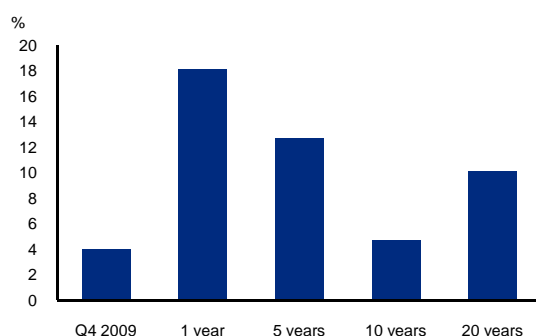
# The Investor share

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The total return (sum of share price changes and dividends added back) was 18 percent in 2009 (-18) and 4 percent during the fourth quarter (-8).

The average annualized total return on Investor shares was 13 percent over the past five-year period, 5 percent over the past 10-year period and 10 percent over the past 20-year period.

## Average Total Return



The price of the Investor B-share was SEK 132,90 on December 31, 2009, compared to SEK 117 on December 31, 2008.

## Risks and Risk management

Besides operational risks in the business, significant risks and factors of uncertainty for the Group and Parent Company include commercial risks in the form of high exposure to a certain holding or sector, of which some, such as the industrial sector, are characterized by cyclical demand. There is also a general risk of value depreciation of holdings linked to the development of the global economy. In addition, there are financial risks mainly in the form of price risks – the risk that the value of a financial instrument, such as shares and debt instruments, might change because of fluctuations in prices, exchange rates or interest rates.

There are also risks towards counterparties, such as financial institutions. Compared to earlier in 2009, we now judge these risks to be less elevated.

## Other

### Proposed dividends

The Board of Directors and the President propose a dividend to shareholders of SEK 4.00 per share for fiscal 2009 (4.00). The dividend level proposed is based on the stated dividend policy. Investor AB's dividend policy is to declare dividends attributable to a high percentage of dividends received from Core Investments, as well as to make a distribution from other net assets corresponding to a yield in line with the equity market. Investor AB's goal is also to generate a steadily rising annual dividend.

## Repurchase of own shares

As it has during the past ten years, Investor's Board of Directors has decided to propose to the 2010 Annual General Meeting that it should extend the authorization of the Board to decide on the repurchase of the company's shares. Under such a mandate, the Board would be given the opportunity until the next Annual General Meeting – provided it deems it appropriate – to decide on the repurchase of the company's shares. In accordance with current legislation, repurchases can total up to 10 percent of the total shares outstanding in Investor. Any repurchases may be effected over the stock exchange or through offerings to shareholders. It is also proposed that the Board's mandate include the possibility to transfer repurchased shares including transfers to participants in Investor's Long-term variable remuneration program. See also "Long-term variable remuneration program" below.

## Annual General Meeting

Investor AB's Annual General Meeting will be held at 3:00 p.m. on Wednesday, April 14, 2010, at the City Conference Centre in Stockholm. Investor's audited Annual Report in Swedish will be made available at the company's headquarters, at Arsenalsgatan 8C in Stockholm, no later than March 31, 2010.

Notification of participation in the Annual General Meeting can be given starting Monday, February 22, 2010 until Thursday, April 8, 2010. Notification can be given on Investor AB's website, ([www.investorab.com](http://www.investorab.com)), by completing and mailing the invitation, or by phoning +46 8 611 2910.

Additional information about Investor's Annual General Meeting is available on Investor AB's website.

## Long-term variable remuneration program

As in the previous four years, the Board of Directors will propose a share-based, long-term variable remuneration program for Investor's employees at the 2010 Annual General Meeting. The program will in all material respects be identical to the program for 2009. It is proposed that the long-term variable remuneration program be hedged as before through the repurchase of the company's shares, or through total return swaps. The Board's final proposal will be announced in the Notice of the 2010 Annual General Meeting.

## Accounting policies

For the Group, this interim report was prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act, and for the Parent Company in accordance with Sweden's Annual Accounts Act and Recommendation RFR 2.2 – Accounting for Legal Entities, issued by the Swedish Financial Reporting Board. Unless otherwise specified below, the accounting policies that have been applied for

the Group and Parent Company are in agreement with the accounting policies used in the preparation of the company's most recent annual report.

### **New and changed accounting policies in 2009**

Amendments to IAS 1 Presentation of Financial Statements are applied from 2009. In particular the presentation of the financial statements has been changed in some respects and new non-mandatory changes are proposed to the titles of financial statements. Items of income and expense that were previously recognized directly in equity are now reported in a separate statement that discloses these items as "other comprehensive income". This statement is called statement of comprehensive income and follows the income statement. Investor has decided to retain the old titles for the other statements. The changes have been applied retrospectively.

Up until December 31, 2008, the defined benefit pension plan was recognized as a defined contribution plan due to lack of sufficient information available from the Insurance Company. As of January 1, 2009, the necessary information was made available and the Group and Parent Company recognized the plan as a defined benefit plan. This change was applied retrospectively starting December 31, 2007. A change in the accounting of actuarial gains and losses was also made for the same period. These items are now recognized as other comprehensive income for the Group.

The change has reduced the Group's opening balance on equity for the fiscal year 2008 by SEK 47 m. and negatively affected comprehensive income for the same period by SEK 60 m. Corresponding effects for the Parent Company include a reduction of the opening balance on equity 2008 by SEK 42 m., and a negative effect of SEK 43 m. on income during the fiscal year 2008.

Listed investments in the Operating Investments business area are reported as financial instruments with changes in fair value reported through profit or loss.

Other new or revised IFRS standards had no material effect on profit or loss, financial position or disclosures for the Group or Parent Company.

### **Significant accounting and valuation policies**

The following is a brief description of the accounting policies that are of central importance to the preparation of Investor's financial reports.

#### ***Accounting and valuation of holdings***

##### ***Subsidiaries***

Companies defined as subsidiaries are consolidated in the Group in accordance with the purchase method, IAS 27 and IFRS 3. In the Parent Company, subsidiaries are reported in accordance with the cost method.

##### ***Associated companies***

For the Group, Investor's main rule is that associated companies are reported as financial instruments, at fair value, in accordance with IAS 39 and IAS 28, paragraph 1. Unlisted associated companies in the Operating Investments business area are reported in accordance with the equity method since Investor is involved in the companies' business activities to a larger extent than in holdings in other business areas. In the Parent Company, associated companies are reported in accordance with the cost method.

##### ***Holdings reported within several business areas***

In cases where a holding is reported in several business areas, and the measurement and accounting principles differ, the valuation method applied to the relatively largest share of the holding is also used in the other business areas.

##### ***Other holdings***

All other holdings are reported and valued as financial instruments in accordance with IAS 39. See details below.

#### ***Financial instruments***

##### ***Equity-related investments***

In accordance with IAS 39, equity-related investments are reported at fair value through profit and loss. Equity-related investments are valued as follows:

##### ***Listed holdings***

Listed holdings are valued on the basis of their share price (bid price, if there is one quoted) on the closing date.

##### ***Unlisted holdings***

Unlisted holdings are valued on the basis of the "International Private Equity and Venture Capital Valuation Guidelines". However, holdings in the Operating Investments business area are valued either as associated companies or subsidiaries (see above).

For directly owned holdings (i.e. those owned directly by a company in the Investor Group), an overall evaluation is made to determine the valuation method that is appropriate for each specific holding. It is first taken into account whether a recent financing round or "arms length" transaction has been made, after which a valuation is made by applying relevant multiples to the holding's key ratios (for example, EBITDA), that are derived from a relevant sample of comparable companies, with deductions for individually determined adjustments as a consequence of, for example, the size difference between the company being valued and the sample of comparable companies. An assessment is then made of the above-mentioned methods to determine which method best reflects the market value of the holding, and the holding is then valued according to that method. In cases where other valuation methods better reflect the fair value of a holding, this value is used, which means that certain

holdings are valued with methods other than the ones described above.

#### *Fund holdings*

Holdings in funds are valued at Investor AB's share of the value that the fund manager reports for all holdings in the fund and are normally updated when a new valuation is received. If Investor AB's assessment is that the fund manager's valuation does not sufficiently take into account factors that affect the value of the underlying holdings, or if the valuation is considered to deviate considerably from IFRS principles, the value is adjusted.

#### *Liabilities*

Investor AB uses derivatives to control the exposure of the debt portfolio against fluctuations in exchange rates and interest rates. Hedge accounting is applied to reflect this in the consolidated accounts in cases where a derivative and the underlying loan qualify for this in accordance with IAS 39. When loans and derivatives do not qualify for hedge accounting, loans are valued at the amortized cost and derivatives are reported at fair value through profit and loss.

#### *Other financial instruments*

Derivatives and short-term investments are reported at fair value through profit and loss.

Financial instruments other than those noted above are reported at the amortized cost.

#### ***Property, plant and equipment***

In accordance with the alternatives in IAS 16, Investor AB's real estate properties are reported at fair value.

#### ***Share-based payment***

Investor's stock option programs and share programs are recognized as an expense in profit or loss over their respective vesting periods. The majority of the programs are equity-settled. The expense for these is based on a fair value of the instruments determined at the grant date. Synthetic shares issued to members of the board are cash-settled. The expense for these is based on a fair value that is re-measured at each reporting date. Provisions for social security costs are recognized according to the same principles as the cash-settled payments; i.e. recognized over the vesting period based on the instruments' fair value at each reporting date.

#### ***Taxes***

The valuation of assets and liabilities at fair value results in temporary differences when the fair value differs from the tax value. In accordance with IAS 12, a deferred tax liability, or deferred tax receivable, is recognized for temporary differences.

Deferred tax receivables resulting from temporary differences, or due to loss carry-forwards, are recognized only to the extent to which it is probable that they can be realized against taxable profits within the near future.

The Parent Company is taxed in accordance with the regulations for investments companies in Sweden. Capital gains on shares are not taxable and corresponding capital losses are non-deductible. The company instead declares a standard income of 1.5 percent on the market value of listed shares carrying voting rights of less than 10 percent at the beginning of the year, or in excess of 10 percent but which were held for less than 12 months at the beginning of the year.

#### ***Other***

##### *Changes in value*

For items held on the balance sheet at the beginning and closing of the period, the value change consists of the difference in value between these two dates. For items in the balance sheet realized during the period, the value change consists of the difference between the proceeds received and the value at the beginning of the period. For items in the balance sheet acquired during the period, the value change consists of the difference between the value at the closing of the period and the acquisition cost.

**Financial calendar 2010**

April 14, 2010 Interim Report January-March  
April 14, 2010 Annual General Meeting  
July 13, 2010 Interim Report January-June  
Oct. 13, 2010 Interim Report January-September  
Jan. 20, 2011 Year-End Report 2010

Stockholm, January 21, 2010



Börje Ekholm

*President and Chief Executive Officer Director*

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Ticker codes:  
INVEB SS in Bloomberg  
INVEb.ST in Reuters  
W:ISBF in Datastream

The information in this interim report is such that Investor is required to disclose under Sweden's Securities Market Act.

The report was released for publication at 8:15 a.m. CET on January 21, 2010.

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This Year-end report and other information are available on [www.investorab.com](http://www.investorab.com)

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## Review Report

### *Introduction*

We have reviewed the Year-End Report (interim report) of Investor AB as per December 31, 2009 and the 12-month reporting period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### *Focus and scope of the review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

### *Conclusion*

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

Stockholm, January 21, 2010

KPMG AB



Carl Lindgren

Authorized Public Accountant

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This review report is a translation of the original review report in Swedish

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## Consolidated Income Statement

SEK m.	(Restated)		(Restated)	
	2009 1/1-12/31	2008 1/1-12/31	2009 10/1-12/31	2008 10/1-12/31
Dividends	2 866	4 147	20	0
Other operating income	1 113	756	296	286
Changes in value	31 327	-39 492	5 682	-14 879
Net sales	381	407	111	94
Cost of services sold	-376	-379	-108	-99
Operating costs	-595	-545 <sup>1)</sup>	-145	-142 <sup>1)</sup>
Cost of long-term share-based remuneration	-39	-21	-10	-2
Share of results of associated companies	-2 380	-1 382	-635	-794
<b>Operating profit/loss</b>	<b>32 297</b>	<b>-36 509</b>	<b>5 211</b>	<b>-15 536</b>
Net financial items	-597	-290 <sup>1)</sup>	-147	-107 <sup>1)</sup>
<b>Profit/loss before tax</b>	<b>31 700</b>	<b>-36 799</b>	<b>5 064</b>	<b>-15 643</b>
Tax	-332	73	-49	91
<b>Profit/loss for the period</b>	<b>31 368</b>	<b>-36 726</b>	<b>5 015</b>	<b>-15 552</b>
<b>Attributable to:</b>				
Owners of the Parent	31 379	-36 708	5 015	-15 544
Minority interest	-11	-18	0	-8
<b>Profit/loss for the period</b>	<b>31 368</b>	<b>-36 726</b>	<b>5 015</b>	<b>-15 552</b>
<b>Basic earnings per share, SEK</b>	<b>41.12</b>	<b>-47.98</b>	<b>6.59</b>	<b>-20.32</b>
<b>Diluted earnings per share, SEK</b>	<b>41.08</b>	<b>-47.98</b>	<b>6.57</b>	<b>-20.32</b>
Basic average number of shares, million	763.2	765.0	762.5	764.7
Diluted average number of shares, million	763.9	765.0	763.2	764.7

## Consolidated Statement of Comprehensive Income

SEK m.	2009		2008	
	1/1-12/31	1/1-12/31	10/1-12/31	10/1-12/31
Profit/loss for the period	31 368	-36 726	5 015	-15 552
Other comprehensive income for the period				
Revaluation of non-current assets for the year, net of taxes	-156	13	-30	13
Change in fair value of cash flow hedges for the year	-357	41	-278	31
Foreign currency translation adjustment	24	68	-18	44
Actuarial gains and losses on defined benefit pension plans	22	-70	22	-18
Share of other comprehensive income of associates	-43	581	-4	602
Total other comprehensive income for the period	-510	633	-308	672
<b>Total comprehensive income for the period</b>	<b>30 858</b>	<b>-36 093</b>	<b>4 707</b>	<b>-14 880</b>
<b>Attributable to:</b>				
Owners of the Parent	30 886	-36 091	4 718	-14 885
Minority interest	-28	-2	-11	5
<b>Total comprehensive income for the period</b>	<b>30 858</b>	<b>-36 093</b>	<b>4 707</b>	<b>-14 880</b>

<sup>1)</sup> Restated, see New and changed accounting policies in 2009 under the section Accounting policies for further information. See below the effect of new accounting policies.

	2009 1/1-12/31	2008 1/1-12/31	2009 10/1-12/31	2008 10/1-12/31
Operating costs	-	12	-	13
Other financial items	-	-2	-	5
Total effect on Consolidated Income Statement	-	10	-	18

## Consolidated Balance Sheet

(Restated)

SEK m.	2009 12/31	2008 12/31
<b>Assets</b>		
Property, plant, equipment and intangible assets	2 184	2 376
Shares and participations	134 728	97 628
Other financial instruments	9 062	-
Receivables included in net debt	1 158	2 571
Other receivables	11 158	10 112
Cash, bank and short-term investments	11 934	27 972
<b>Total assets</b>	<b>170 224</b>	<b>140 659</b>
<b>Equity and liabilities</b>		
Equity	142 673	115 233
Pensions and similar obligations	297	327 <sup>2)</sup>
Loans	23 848	22 409
Other liabilities	3 406	2 690
<b>Total Equity and liabilities</b>	<b>170 224</b>	<b>140 659</b>
<b>NET DEBT / NET CASH</b>		
	<b>2009 12/31</b>	<b>2008 12/31</b>
Other financial instruments	9 062	-
Cash, bank and short-term investments	11 934	27 972
Receivables included in net debt	1 158	2 571
Loans	-23 848	-22 409
Pensions and similar obligations	-297	-327 <sup>2)</sup>
Adjustment related to Operating Investments	1 403 <sup>1)</sup>	1 930 <sup>1)</sup>
<b>Total net debt / net cash</b>	<b>-588</b>	<b>9 737</b>
<b>ASSETS PLEDGED AS SECURITIES AND CONTINGENT LIABILITIES</b>	<b>2009 12/31</b>	<b>2008 12/31</b>
Assets pledged as securities	2 165	1 361
Contingent liabilities	4 403	4 416

## Consolidated Statement of Changes in Equity

(Restated)

SEK m.	2009 1/1-12/31	2008 1/1-12/31
<b>Opening balance</b>	<b>115 233</b>	<b>155 204</b>
<b>Changes in Accounting policies, benefit pension plans</b>	<b>-</b>	<b>-47</b>
<b>Opening balance, restated</b>	<b>115 233</b>	<b>155 157</b>
Dividends to own shareholders	-3 059	-3 637
Changes in Minority interest	-81	-39
Repurchases of own shares	-262	-153
Effect of long-term share-based remuneration	-16	-2
Total comprehensive income for the period	30 858	-36 093 <sup>2)</sup>
<b>Closing balance</b>	<b>142 673</b>	<b>115 233</b>
<b>Attributable to:</b>		
Owners of the Parent	142 669	115 131
Minority interest	4	102
<b>Total equity</b>	<b>142 673</b>	<b>115 233</b>

1) Excluding items such as non-secured loans in Grand Hôtel of SEK 550 m. (560) and unrealized effects from hedges in Operating Investments of SEK 879 m. (1,478).

2) Restated, see New and changed accounting policies in 2009 under the section Accounting policies for further information. See below the effect of new accounting policies.

	2009 1/1-12/31	2008 1/1-12/31
Shareholders' equity	-	-107
Pensions and similar obligations	-	107
Total effect on Consolidated Balance Sheet	-	-

# Consolidated Statement of Cash Flows

SEK m.	2009 1/1-12/31	2008 1/1-12/31
<b>Operating activities</b>		
Core Investments		
Dividends received	2 358	3 803
Operating Investments		
Dividends received	21	19
Cash receipts	465	549
Cash payments	-313	-313
Private Equity Investments		
Dividends received	489	330
Financial Investments and operating costs		
Dividends received	14	26
Cash receipts	18 687	22 815
Cash payments	-20 430	-23 116
<b>Cash flows from operating activities before net interest and income tax</b>	<b>1 291</b>	<b>4 113</b>
Interest received/paid	-491	-248
Income tax paid	-44	-261
<b>Cash flows from operating activities</b>	<b>756</b>	<b>3 604</b>
<b>Investing activities</b>		
Core Investments		
Acquisitions	-3 825	-2 150
Divestments	450	20 902
Operating Investments		
Acquisitions, etc.	-1 040	-997
Divestments	5	-2
Increase in long-term receivables	-501	-3 652
Decrease in long-term receivables	5	-
Private Equity Investments		
Acquisitions, etc.	-3 327	-4 008
Divestments	611	2 937
Financial Investments		
Acquisitions, etc.	-68	-53
Divestments	521	425
Acquisitions of subsidiaries, net effect on cash flow	-79	-
Sale of subsidiaries, net effect on cash flow	2	-
Increase in other financial instruments	-9 102	-
Net changes, short-term investments	12 617	-8 782
Acquisitions of property, plant and equipment	-92	-64
<b>Cash flows from investing activities</b>	<b>-3 823</b>	<b>4 556</b>
<b>Financing activities</b>		
Loans raised	6 735	-
Repayment of borrowings	-3 679	-269
Repurchases of own shares	-262	-153
Dividends paid	-3 059	-3 637
<b>Cash flows from financing activities</b>	<b>-265</b>	<b>-4 059</b>
<b>Cash flows for the period</b>	<b>-3 332</b>	<b>4 101</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>9 151</b>	<b>5 010</b>
Exchange difference in cash	-15	40
<b>Cash and cash equivalents at end of the period</b>	<b>5 804</b>	<b>9 151</b>
<b>Short-term investments</b>	<b>6 130</b>	<b>18 821</b>
<b>Cash, bank and short-term investments</b>	<b>11 934</b>	<b>27 972</b>

## Segment Reporting

### PERFORMANCE BY BUSINESS AREA 1/1-12/31 2009

SEK m.	Core Investments	Operating <sup>1)</sup> Investments	Private Equity Investments	Financial Investments	Investor group- wide	Total
Dividends	2 358		494	14		2 866
Other operating income <sup>2)</sup>		1 113				1 113
Changes in value	29 584	50	396	1 297 <sup>3)</sup>		31 327
Other revenues and expenses		5 <sup>4)</sup>				5
Operating costs	-91	-124	-226	-36	-118	-595
Cost of long-term share-based remuneration					-39	-39
Shares of results of associated companies		-2 381		1		-2 380
<b>Operating profit/loss</b>	<b>31 851</b>	<b>-1 337</b>	<b>664</b>	<b>1 276</b>	<b>-157</b>	<b>32 297</b>
Net financial items					-597	-597
Tax					-332	-332
<b>Net profit/loss for the period</b>	<b>31 851</b>	<b>-1 337</b>	<b>664</b>	<b>1 276</b>	<b>-1 086</b>	<b>31 368</b>
Dividends paid					-3 059	-3 059
Repurchase of own shares					-262	-262
Other effect on equity		-43			-564	-607
<b>Effect on net asset value</b>	<b>31 851</b>	<b>-1 380</b>	<b>664</b>	<b>1 276</b>	<b>-4 971</b>	<b>27 440</b>
<b>Net asset value by business area 12/31 2009</b>						
Carrying amount	106 231	15 931	18 333	3 283	-517	143 261
Net cash					-588	-588
<b>Total net asset value</b>	<b>106 231</b>	<b>15 931</b>	<b>18 333</b>	<b>3 283</b>	<b>-1 105</b>	<b>142 673</b>

### PERFORMANCE BY BUSINESS AREA 1/1-12/31 2008

SEK m.	Core Investments	Operating <sup>1)</sup> Investments	Private Equity Investments	Financial Investments	Investor group- wide	Total
Dividends	3 803		319	25		4 147
Other operating income <sup>2)</sup>		756				756
Changes in value	-35 269	-8	-3 582	-633 <sup>3)</sup>		-39 492
Other revenues and expenses		28 <sup>4)</sup>				28
Operating costs	-80	-102	-200	-31	-132	-545
Cost of long-term share-based remuneration					-21	-21
Shares of results of associated companies		-1 399		17		-1 382
<b>Operating profit/loss</b>	<b>-31 546</b>	<b>-725</b>	<b>-3 463</b>	<b>-622</b>	<b>-153</b>	<b>-36 509</b>
Net financial items					-290	-290
Tax					73	73
<b>Net profit/loss for the period</b>	<b>-31 546</b>	<b>-725</b>	<b>-3 463</b>	<b>-622</b>	<b>-370</b>	<b>-36 726</b>
Dividends paid					-3 637	-3 637
Repurchase of own shares					-153	-153
Other effect on equity		581			11	592
<b>Effect on net asset value</b>	<b>-31 546</b>	<b>-144</b>	<b>-3 463</b>	<b>-622</b>	<b>-4 149</b>	<b>-39 924</b>
<b>Net asset value by business area 12/31 2008</b>						
Carrying amount	73 272	16 092	15 295	1 269	-432	105 496
Net cash					9 737	9 737
<b>Total net asset value</b>	<b>73 272</b>	<b>16 092</b>	<b>15 295</b>	<b>1 269</b>	<b>9 305</b>	<b>115 233</b>

1) Hedge accounting has been applied for Lindorff and Mölnlycke Health Care from July 1, 2008.

2) Interest related to shareholder loans, etc.

3) Changes in value include sales referring to Active Portfolio Management amounting to SEK 20,705 m. (23,653).

4) Other revenues and expenses include net sales in the amount of SEK 381 m. (407) which refer primarily to The Grand Group.

## Parent Company Income Statement

SEK m.	(Restated)		(Restated)	
	2009 1/1-12/31	2008 1/1-12/31	2009 10/1-12/31	2008 10/1-12/31
Dividends	2 358	3 923	-	-
Changes in value	5 172	3 361	845	-2 520
Net sales	9	8	4	3
Operating costs	-456	-465 <sup>1)</sup>	-156	-181 <sup>1)</sup>
Write-downs / reversals of write-downs related to associated companies	8 814	-11 369	-443	-8 004
<b>Operating profit/loss</b>	<b>15 897</b>	<b>-4 542</b>	<b>250</b>	<b>-10 702</b>
<b>Net financial items</b>				
Result from participations in Group companies	20	-12	0	25
Other financial items	872	-274 <sup>1)</sup>	190	-130 <sup>1)</sup>
<b>Profit/loss before tax</b>	<b>16 789</b>	<b>-4 828</b>	<b>440</b>	<b>-10 807</b>
Tax	-	-	-	-
<b>Profit/loss for the period</b>	<b>16 789</b>	<b>-4 828</b>	<b>440</b>	<b>-10 807</b>

## Parent Company Balance Sheet

SEK m.	(Restated)	
	2009 12/31	2008 12/31
<b>Assets</b>		
Property, plant and equipment and intangible assets	36	31
Financial assets	138 522	116 939
Current receivables	1 372	6 488
Cash and cash equivalents	0	0
<b>Total assets</b>	<b>139 930</b>	<b>123 458</b>
<b>Equity and liabilities</b>		
Equity	106 363	92 914 <sup>1)</sup>
Provisions	305	344 <sup>1)</sup>
Non-current liabilities	30 584	28 433
Current liabilities	2 678	1 767
<b>Total Equity and liabilities</b>	<b>139 930</b>	<b>123 458</b>
<b>ASSETS PLEDGED AS SECURITIES AND CONTINGENT LIABILITIES</b>	<b>2009 12/31</b>	<b>2008 12/31</b>
Assets pledged as securities	1 286	601
Contingent liabilities	10 334	10 365

1) Restated, see New and changed accounting policies in 2009 under the section Accounting policies for further information. See below the effect of new accounting policies.

	2009 1/1-12/31	2008 1/1-12/31	2009 10/1-12/31	2008 10/1-12/31
Operating costs	-	-42	-	-41
Other financial items	-	-1	-	5
Total effect Parent Company Income Statement	-	-43	-	-36
	2009 12/31	2008 12/31		
Shareholders' equity	-	-85		
Provisions	-	85		
Total effect Parent Company Balance Sheet	-	-		