

# Year-End Report 2011

## Highlights during the fourth quarter

- > Net asset value amounted to SEK 156.1 bn., or SEK 205 per share on December 31, 2011, an increase by SEK 12.0 bn., or SEK 16 per share during the quarter.
- > Investments of SEK 2.1 bn. were made in ABB, Ericsson and Electrolux.
- > Mölnlycke Health Care surpassed the EUR 1 bn. annual sales mark.
- > Investor Growth Capital distributed SEK 229 m. to Investor.
- > The cost savings, reducing annual management cost by SEK 140 m. with full run-rate effect by year-end 2012, progressed according to plan.
- > The Board of Directors proposes a dividend to shareholders of SEK 6.00 per share (5.00).

## Financial information

- > Net asset value amounted to SEK 156,070 m. (SEK 205 per share) on December 31, 2011, compared to SEK 169,386 m. (SEK 223 per share) at year-end 2010, corresponding to a change, with dividend added back, of -6 percent for 2011 (21). Over the past 5, 10 and 20 years, annual net asset value growth has been 2, 6 and 12 percent respectively.
- > Consolidated net profit for the year, including unrealized change in value, was SEK -9,288 m. (SEK -12.14 per share), compared to SEK 30,611 m. for 2010 (SEK 40.24 per share).
- > Core Investments contributed negatively by SEK -17,939 m. to net asset value 2011 (29,340), of which Listed SEK -17,889 m. (27,098).
- > Financial Investments contributed positively by SEK 9,687 m. to net asset value 2011 (1,664).
- > Leverage (net debt/total assets) was 9.8 percent at year-end (6.3).
- > The total return on the Investor share was -8 percent for 2011 (11). The Stockholm Stock Exchange's Total Return Index (SIXRX) was -14 percent (27).



# Net Asset Value Overview

	Number of shares 12/31 2011 <sup>1)</sup>	Ownership 12/31 2011 (%) Capital <sup>2)</sup>	Votes <sup>2)</sup>	Share of total assets, 12/31 2011 (%)	Value, SEK/share, 12/31 2011	Value, SEK m. 12/31 2011	Value, SEK m. 12/31 2010
<b>Core Investments<sup>3)</sup></b>							
Listed							
Atlas Copco	206 895 611	16.8	22.3	18	40	30 365 <sup>4)</sup>	34 671
ABB	179 030 142	7.8	7.8	13	31	23 188 <sup>4)</sup>	25 082
SEB	456 089 264	20.8	20.9	11	24	18 282	25 579
AstraZeneca	51 587 810	4.0	4.0	9	21	16 302	15 956
Ericsson	173 728 702	5.3	21.5	7	16	12 112	12 396
Electrolux	47 866 133	15.5	29.9	3	7	5 237	8 054
Saab	32 778 098	30.0	39.5	3	6	4 638	4 032
NASDAQ OMX	18 954 142	10.7	10.7	2	4	3 216	-
Husqvarna	97 052 157	16.8	30.1	2	4	3 062	5 058
Sobi	107 594 165	40.3	40.5	1	2	1 614	3 486
				<b>69</b>	<b>155</b>	<b>118 016</b>	<b>134 314</b>
Subsidiaries							
Mölnlycke Health Care		96	93	8	18	13 436	13 555
Aleris		98	99	2	4	3 342	2 465
Grand Hôtel		100	100	0	2	1 208	1 091
				<b>10</b>	<b>24</b>	<b>17 986</b>	<b>17 111</b>
				<b>79</b>	<b>179</b>	<b>136 002</b>	<b>151 425</b>
<b>Financial Investments</b>							
EQT		n/a	n/a	8	17	13 214	10 858
Investor Growth Capital		100	100	6	13	10 188 <sup>5)</sup>	8 468
<b>Partner-owned investments</b>							
Gambro Holding		49	49	3	7	5 239	1 740
Lindorff		58	50	2	6	4 337	4 054 <sup>6)</sup>
3 Scandinavia		40	40	1	3	2 395 <sup>7)</sup>	720 <sup>8)</sup>
Other Partner-owned investments <sup>9)</sup>		n/a	n/a	0	0	180	128
Other Investments <sup>10)</sup>				1	3	2 070	4 068 <sup>11)</sup>
				<b>21</b>	<b>49</b>	<b>37 623</b>	<b>30 036</b>
<b>Other Assets and Liabilities</b>							
				0	-1	-645	-603
<b>Total Assets</b>				<b>100</b>	<b>227</b>	<b>172 980</b>	<b>180 858</b>
<b>Net debt</b>					<b>-22</b>	<b>-16 910</b>	<b>-11 472</b>
<b>Net Asset Value</b>					<b>205</b>	<b>156 070</b>	<b>169 386</b>

1) Holdings, including any shares on loan.

2) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF). ABB, AstraZeneca and NASDAQ OMX in accordance with Swiss, British and U.S. regulations.

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) Includes market value related to derivatives.

5) Including net cash of SEK 1,453 m.

6) Includes Lindorff mezzanine which has been transferred from Other Investments to Lindorff.

7) The increase in reported value for 2011 is mainly related to the positive impact, SEK 1,273 m., from the capitalization of tax-loss carry-forwards during the fourth quarter.

8) Due to a change in accounting policy, the reported value has been restated by SEK -561 m. as of December 31, 2010.

9) Includes holdings in Kunskapsskolan, Novare and Samsari.

10) Includes among others trading, other holdings and land & real estate.

11) Includes holding in NASDAQ OMX which has been transferred to Core Investments during 2011.

## Total assets by sector and business area on 12/31, 2011

SEK m.	Industrials	Healthcare	Financials	IT & Telecom	Consumer discretionary	Other	Total
Core Investments							
Listed	58 191	17 916	21 498	12 112	8 299	-	118 016
Subsidiaries	-	16 778	-	-	1 208	-	17 986
Financial Investments	947	11 340	4 337	12 456	3 513	5 030	37 623
Other	-	-	-	-	-	-645	-645
<b>Total</b>	<b>59 138</b>	<b>46 034</b>	<b>25 835</b>	<b>24 568</b>	<b>13 020</b>	<b>4 385</b>	<b>172 980</b>

## President's comments

The equity markets were weak in 2011 with the Swedish return index (SIXRX) recording a decline of 14 percent. Our net asset value, including reinvested dividends, was down 6 percent. The Investor total return for 2011 was -8 percent.

### Further investments in Core Investments

One part of our strategy is to increase ownership in selected Core Investments in times of attractive valuation levels. During the volatile fourth quarter, we invested a total of SEK 2.1 bn. in ABB, Electrolux and Ericsson. During the last six months we have invested a total of 3.4 bn.

Our focus is on investing in and supporting our existing investments. We also follow other companies, unlisted and listed, that have the potential of becoming Core Investments. In order to add a new Core Investment we must, on a friendly basis, become a lead owner with significant influence.

### Quality focus in Aleris, Mölnlycke performing strongly

Private initiatives play an important role to bring innovation, more choices and an efficient use of public resources to the health care sector. A private operator can only have a sustainable business if it delivers a quality level meeting expectations. We hope the current discussions in Sweden will lead to stronger emphasis on quality and a continued transition from tenders to free choice. Our ownership horizon for Aleris is long-term and our focus, working with the skilled staff of Aleris, is to continuously improve quality of service.

Mölnlycke Health Care continues to grow profitably despite tighter budgets within the health care system. The company's strong cash flow generation allowed it to reduce net debt by EUR 96 m. in 2011. Mölnlycke is a highly profitable and capital light business, making growth very value accretive.

### Cash-flow generation from IGC and EQT

EQT made several good exits resulting in a net cash flow to Investor of SEK 1 bn. during 2011. We committed EUR 300 m. to EQT VI and as a sponsor we will get part of the carried interest and surplus management fees. The combination of EQT's top-tier industry performance and our sponsor economics makes investing in EQT funds financially very attractive for us.

IGC performed well in 2011 and delivered a money multiple on all realized investments (including write-offs) of 2.2x. Since we implemented the new structure by July 1, IGC has realized proceeds from divestitures of USD 209 m. resulting in a distribution to Investor of SEK 674 m. In July, we committed our first capital to the new structure and the final installment, SEK 750 m., was paid early January 2012.

Our value of 3 Scandinavia has increased by SEK 1.4 bn. during the quarter primarily due to the capitalization of accumulated tax-loss carry-forwards. It is likely that past losses will be utilized given 3 Scandinavia's performance. We have included the positive impact in our net asset value as our view of the business's intrinsic value well defends this.

### Objectives and value creation

Our vision is to be recognized as a premier investor, supporting the development of our portfolio companies to become best-in-class and thereby creating long-term value for our shareholders.

We own high quality companies, through significant minority interests or as subsidiaries. Through our participation on the boards of directors, we work for continuous improvement of the performance of the companies. With our industrial experience, network and financial strength we strive to make our companies best-in-class. Our cash flow allows us to support our companies in their strategic initiatives, capture investment opportunities and provide our shareholders with a dividend.

Our objective is to build the net asset value, operate efficiently and pay out a steadily rising dividend. Over time, this should allow us to generate an attractive total return to our shareholders. We always require a positive net present value to commit to any investments. Our long-term return requirement (given normal financial gearing) is the risk-free interest rate plus an equity risk premium, i.e. 8-9 percent. However, we believe evaluating our return against this requirement is only appropriate over longer time periods. Benchmarking how we perform in building net asset value with dividend added back is important, and we believe the Swedish stock market as reflected by the total return index SIXRX is the most relevant benchmark considering the overall risk profile of our portfolio.

A healthy and over time rising dividend is important for our shareholders. We believe our dividend policy of distributing a high percentage of dividends received from listed Core Investments and making a distribution in line with the yield on other net assets captures the underlying performance of our holdings. The board proposes a dividend for 2011 of SEK 6.00 per share.

Speculators commonly focus on what the price of an asset will do short term, while investors focus on what cash flow the asset will generate. An important driver of our share price is the development of the discount. Our discount to net asset value has fluctuated between 20 and 40 percent over the past 35 years. Clearly, getting the timing right on the discount greatly enhances performance, but unfortunately, the opposite also holds true. Our focus is on growing the intrinsic value of our holdings, i.e. our net asset value. The market will set the discount. We believe that our simplified structure, with its lower operating costs, increases our expected net asset value growth and gives a strong platform for future cash flow and thus good prospects for a steadily rising dividend. In combination, this may well result in a structurally lower discount longer term.

### Costs reductions materializing

The internal restructuring initiated during the spring 2011 allows us to lower our costs by SEK 140 m. with full run-rate effect by the end of 2012. By year-end 2012, our yearly run rate costs should approach SEK 350 m, as IGC, like our other operating subsidiaries, is carrying its own costs.

### Staying true to our convictions

We continue to support our holdings in making value creating investments in R&D, product launches and deeper penetration into growth markets. We are dedicated to holding our Core Investments for a long time. Our diversified portfolios of iconic companies in combination with our financial strength provide stability and allow us act on opportunities in a volatile world. We continue to believe luck never gives – it only lends.

We depend on having the right people in our companies. I would like to take the opportunity to praise the boards and staff in our companies and at Investor for their relentless work during 2011. It was not an easy year, but we are well prepared to capture opportunities during 2012, as well as to carefully execute the daily grind of being an active owner. Successfully executed, this will result in our net asset value, with dividend added back, outgrowing the general market over time.



Börje Ekholm

## Net asset value

In 2011, the net asset value decreased from SEK 169.4 bn. at year end 2010 to SEK 156.1 bn. The change in net asset value, with dividend added back, was -6 percent during 2011 (21)<sup>1)</sup>. During the fourth quarter, the corresponding change was 8 percent (12). During the same periods, the total returns of the Stockholm Stock Exchange (SIXRX) were -14 percent and 8 percent respectively.

1) For balance sheet items, figures in parentheses refer to year-end 2010 figures. For income items, the figures in parentheses refer to the same period last year.

### Change in Net asset value, Investor Group

SEK m.	10/1-12/31 2011	1/1-12/31 2011	1/1-12/31 2010
Changes in value	11 513	-17 586	28 492
Dividends	31	4 330	3 622
Other operating income <sup>1)</sup>	128	480	994
Management costs	-101	-656 <sup>2,3)</sup>	-646
Other items <sup>4)</sup>	696	4 144	-1 851
<b>Profit (+)/Loss (-)</b>	<b>12 267</b>	<b>-9 288</b>	<b>30 611</b>
Non-controlling interest	-12	59	20
Dividend	-	-3 802	-3 050
Other effects on equity	-209	-285	-381
<b>Total</b>	<b>12 046</b>	<b>-13 316</b>	<b>27 200</b>

1) Includes interest received on loans to associates.

2) Includes SEK 72 m. in direct costs related to Investor Growth Capital up until June 30, 2011.

3) Includes a restructuring charge of SEK 150 m. during the first quarter of 2011.

4) Other items include, among other share of results of associates.

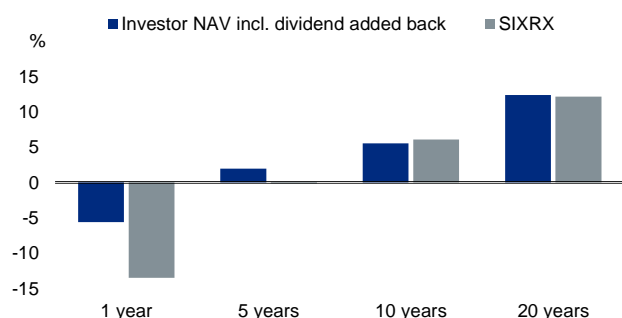
### Contribution to Net asset value, Investor Group

SEK m	10/1-12/31 2011	1/1-12/31 2011	1/1-12/31 2010
Core Investments	10 748	-17 939	29 340
Financial Investments	1 302	9 687	1 664
Investor group wide	-4	-1 262	-754
Dividend	-	-3 802	-3 050
<b>Total</b>	<b>12 046</b>	<b>-13 316</b>	<b>27 200</b>

## Net debt

Net debt totaled SEK 16,910 m. on December 31, 2011 (11,472), corresponding to leverage of 9.8 percent (6.3). The average maturity of the debt financing is 11.2 years. (12.1) Except for maturities of SEK 2 bn. in 2012, there are no maturities before 2016. Debt financing of the subsidiaries within Core Investments and the partner-owned holdings within Financial Investments, except for 3 Scandinavia which Investor guarantees with its pro-rata share, is arranged on an independent ring-fenced basis and hence not included in Investor's net debt.

### Annual net asset value performance, with dividend added back



### Business Area Overview

	Type of investment	Type of ownership	Valuation methodology	Goal
Core Investments – <i>Listed</i>	Well-established, global companies. Long ownership horizon.	Significant minority ownership for strategic influence.	Share price (bid).	8-9 percent long term annual return.
Core Investments – <i>Subsidiaries</i>	Medium- to large-size companies with international operations. Long ownership horizon.	Majority ownership for strategic influence.	Subsidiaries are valued according to the acquisition method.	8-9 percent long term annual return.
Financial Investments	EQT	Largest investor in EQT's funds.	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid).	15 percent annual return on average for the business area.
	Investor Growth Capital	Leading minority ownership in expansion stage companies.	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid).	
	Partner-owned investments	Significant minority ownership for strategic influence.	Equity method. Income and balance sheet items reported with one month's delay.	

# Core Investments

Core Investments contributed to the net asset value by SEK -17,939 m. in 2011 (29,340), of which SEK 10,748 m. in the fourth quarter (15,271). The listed holdings contributed with SEK -17,889 m. (27,098), of which SEK 11,127 m. in the fourth quarter (12,797). The subsidiaries contributed with SEK 87 m. (2,346) of which SEK -343 m. in the fourth quarter (2,499).

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

Core Investments comprises of the listed holdings and the subsidiaries Mölnlycke Health Care, Aleris and Grand Hôtel.

## Investments and divestments

### Fourth quarter

SEK 2,075 m. was invested, of which SEK 2,075 m. in listed Core Investments and SEK 0 m. in the subsidiaries.

### Earlier in the year

During the first nine months of 2011, SEK 4,048 m. was invested, of which SEK 3,029 m. in listed Core Investments and SEK 1,019 m. in the subsidiaries.

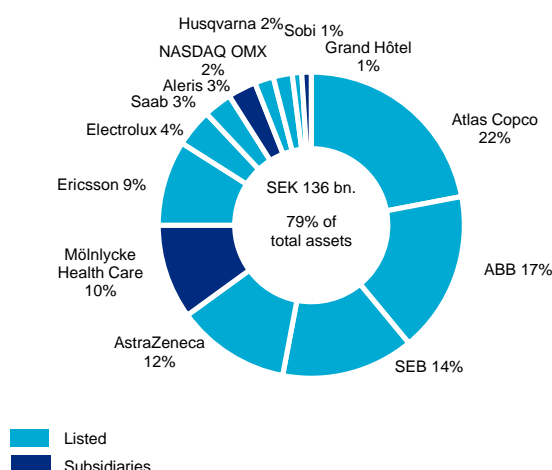
Mandatory redemption shares in Atlas Copco were sold for SEK 1,027 m.

## Net asset value

### Contribution to net asset value, Core Investments

SEK m.	10/1-12/31 2011	1/1-12/31 2011	1/1-12/31 2010
Changes in value, listed	11 127	-21 887	23 895
Dividends, listed	-	3 998	3 203
Change in reported value, subsidiaries	-343	87	2 346
Management cost	-36	-137	-104
<b>Total</b>	<b>10 748</b>	<b>-17 939</b>	<b>29 340</b>

### Split of Core Investments, 12/31, 2011



# Core Investments

## Listed

Listed Core Investments contributed to net asset value with SEK -17,889 m. in 2011 (27,098) of which SEK 11,127 m. in the fourth quarter (12,797). The combined total return for the listed holdings amounted to -13 percent during the year, of which 10 percent during the fourth quarter.

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

In line with our strategy of increasing positions in selected Core Investments, when we find valuations fundamentally attractive and timing compelling, we added to several of our investments during the quarter. In total, we invested SEK 2,075 m.

## Investments and divestments

### Fourth quarter

11,200,000 shares were purchased in ABB.

In Electrolux 550,000 B-shares were acquired and 100,000 A-shares were divested.

In Ericsson 12,354,669 B-shares were swapped for A-shares and 9,650,000 B-shares were acquired.

### Earlier in the year

1,500,000 shares were purchased in ABB and 1,424,285 B-shares were purchased in Atlas Copco.

In Electrolux, 5,500,000 B-shares were acquired, 250,000 A-shares were divested and 500,000 A-shares were converted to B-shares.

10,084,465 B-shares were purchased and 3,700,000 A-shares were divested in Husqvarna.

1,950,000 shares in NASDAQ OMX were purchased in addition to the shares purchased through a forward agreement from Borse Dubai in December 2010.

In Sobi, 21,518,833 shares were purchased, representing Investor's pro rata-share of the company's rights issue.

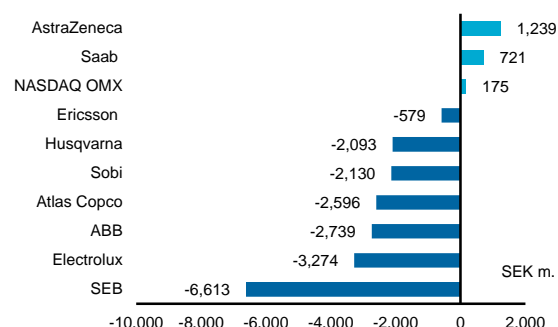
## Dividends

Dividends from listed Core Investments totaled SEK 3,998 m. in 2011 (3,203), of which SEK – m. in the fourth quarter (–).

## Redemptions

During the second quarter, a redemption program was carried out in Atlas Copco. Investor sold 205,471,326 redemption shares for a total of SEK 1,027 m.

## Listed Core Investments impact on net asset value 1/1-12/31 2011



## Total return, Listed Core Investments

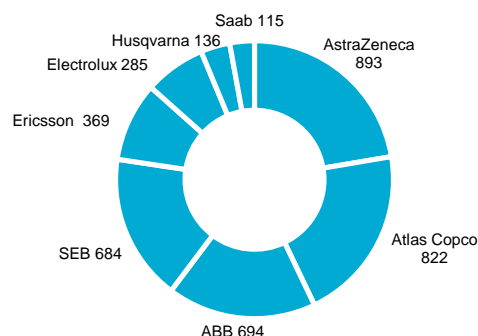
	Total return for Investor <sup>1)</sup> 2011 (%)	Total market return 2011 (%)	Average total market return <sup>2)</sup> 5 years (%)
ABB	-10.9	-11.4	3.2
AstraZeneca	7.8	7.8	1.3
Atlas Copco	-7.5	-7.6	12.2
Electrolux	-40.7	-39.3	1.3
Ericsson	-4.7	-4.7	-10.2
Husqvarna	-41.4	-40.8	-12.7
NASDAQ OMX	6.1 <sup>3)</sup>	5.3	-
Saab	17.9	17.9	-5.2
SEB	-25.9	-25.9	-16.7
Sobi	-61.1	-61.1	-

1) Calculated as the sum of share price changes and dividends added back, including add-on investments and/or divestments.

2) Calculated as the sum of share price changes and reinvested dividends (source AlertIR/Millistream).

3) The corresponding return in USD terms was 3.3 percent for the year.

## Dividends received, 1/1-12/31, 2011. SEK m.







Read more at [www.atlascopco.com](http://www.atlascopco.com) >>

Atlas Copco is a global leader in compressors, construction and mining equipment, power tools and assembly systems. The Group operates in more than 170 countries.

#### Activities during the quarter

- Five acquisitions were announced, adding sales of approximately SEK 600 m.
- Atlas Copco began construction of a new compressor factory in Wuxi, China to meet the growing demand from the Chinese and other Asian markets.

#### Brief facts, Atlas Copco

Market value, Investor's holding, SEK m.	30 365
Investor's ownership (capital), %	16.8
Share of Investor's total assets, %	18

**Investor's view:** Atlas Copco has world leading market positions and a strong corporate culture. The company has for a long time had best-in-class operational performance and has generated a total return significantly above its peers. Over the last years, Atlas Copco has focused on building strong positions in key growth markets such as China, India and Brazil, and on building a world class aftermarket operation. These initiatives have been instrumental to the strong performance. Going forward, the strong market positions, a flexible business model and a strong focus on innovation give the company an excellent platform to capture business opportunities and to continue to outperform its peers. Due to its strong cash flow, the company can distribute significant capital to shareholders, while simultaneously retaining flexibility to act on its growth strategy.



Read more at [www.abb.com](http://www.abb.com) >>

ABB is a global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact. The Group operates in around 100 countries.

#### Activities during the quarter

- Investor acquired 11,200,000 shares during the quarter, increasing its capital share to 7.8 percent from 7.3 percent.
- ABB presented new financial targets for the 2011-2015 period. The company targets an EBITDA margin of 13-19 percent and organic revenue growth (CAGR) of 7-10 percent.
- ABB continues to execute on small to medium sized bolt-on acquisitions and announced three acquisitions in the quarter.

#### Brief facts, ABB

Market value, Investor's holding, SEK m.	23 188
Investor's ownership (capital), %	7.8
Share of Investor's total assets, %	13

**Investor's view:** ABB has a strong brand and market leading positions in attractive industries. The Power and Automation industries have large emerging market exposure and structural growth drivers in terms of electricity build out and an increased focus on energy efficiency. Over the last few years, ABB has made significant operational improvements which have resulted in good profitability, even in a Power market with price pressure. ABB was early to establish presence in China and India with strong local product offerings, a prerequisite to succeed long-term. In recent years the company has further strengthened its positions through several acquisitions and it will be important to successfully integrate these. ABB's balance sheet remains strong, supporting further growth and/or continued distribution to shareholders.



Read more at [www.seb.se](http://www.seb.se) >>

SEB is a leading Nordic financial services group. The international nature of SEB's business is reflected in its presence in 20 countries, with main focus on the Nordic countries, Germany and the Baltics.

#### Activities during the quarter

- Standard & Poor has upgraded SEB's long-term rating to A+ (stable) from A, highlighting SEB's position as the Nordic market leader in capital markets and investment banking, and its strong position in other areas.
- Throughout the year SEB has proactively strengthened long-term funding and liquidity positions, and customer driven income has been robust despite a volatile environment. SEB's capitalization has also improved further and the core tier 1 ratio stood at 13.9 percent by the end of Q3.

#### Brief facts, SEB

Market value, Investor's holding, SEK m.	18 282
Investor's ownership (capital), %	20.8
Share of Investor's total assets, %	11

**Investor's view:** With the sale of the German retail operation and some improvement in the Baltic economies, we believe that SEB is well positioned to handle both challenges and capture opportunities. The SEB franchise and customer relationships have remained strong throughout the crisis, which should support SEB's business model as a leading relationship bank going forward. Swedish regulators have announced new capital requirements that are higher than the proposed Basel III rules. While some uncertainty remains regarding the final regulatory outcome, our view is that SEB is well capitalized and well prepared to meet the new requirements and should be able to focus on growth in the small and medium-sized enterprises segment in Sweden, as well as on the corporate segments outside of Sweden.



Read more at [www.astrazeneca.com](http://www.astrazeneca.com) >>

AstraZeneca is a global, innovation-driven biopharmaceutical business with a primary focus on the discovery, development and commercialization of prescription medicines for six important areas of healthcare.

#### Activities during the quarter

- AstraZeneca announced additional investments in the Chinese market, including a USD 200 m. investment in a new manufacturing facility and an agreement to acquire Chinese generics manufacturer Guangdong BeiKang Pharmaceutical.
- AstraZeneca announced that it will reduce its U.S. sales force by approximately 1,150 positions or some 24 percent of the company's sales organization in the U.S.

#### Brief facts, AstraZeneca

Market value, Investor's holding, SEK m.	16 302
Investor's ownership (capital), %	4.0
Share of Investor's total assets, %	9

**Investor's view:** As market conditions continue to be challenging and as AstraZeneca faces patent expirations for some of its key products in the coming years, it is important that the company handles this transition and further strengthens its research pipeline. Improved R&D productivity remains the most important driver of long-term value for AstraZeneca and the pharmaceutical industry. It is also important that AstraZeneca continues to expand in emerging markets and strives for operational excellence.



Read more at [www.ericsson.com](http://www.ericsson.com) >>

Ericsson is the world's leading provider of technology and services for telecom operators. Ericsson is the leader in 2G, 3G and 4G mobile technologies.

#### Activities during the quarter

- Investor swapped 12,354,669 B-shares for A-shares during the quarter and also acquired 9,650,000 B-shares. After the transactions, Investor increased its share of votes to 21.5 percent from 19.3 percent, and its share of capital to 5.3 percent from 5.0 percent.
- Ericsson announced that Sony will acquire its 50 percent stake in Sony Ericsson for a EUR 1.05 bn. cash payment. As part of the transaction, Ericsson is providing Sony with a broad cross-licensing agreement covering all product and services of Sony as well as transferring to Sony ownership of five essential patent families relating to wireless handset technology.

#### Brief facts, Ericsson

Market value, Investor's holding, SEK m.	12 112
Investor's ownership (capital), %	5.3
Share of Investor's total assets, %	7

**Investor's view:** As the global leader, Ericsson is well positioned to benefit from the secular growth of mobile data traffic. In the short and medium term, a key priority is to manage the ongoing modernization of customers' networks into newer data enabling technologies. Sustaining technological leadership and continuously improving cost and capital efficiency is fundamental to Ericsson's long-term competitiveness. Continuing growth in the services business and gaining a strategic position in other growth segments are also important to Ericsson's future value creation, as is improving the performance of the ST Ericsson joint venture.



Read more at [www.electrolux.com](http://www.electrolux.com) >>

Electrolux is a global leader in household appliances and appliances for professional use, selling more than 40 million products to customers in more than 150 markets every year.

#### Activities during the quarter

- Investor acquired 550,000 B-shares and divested 100,000 A-shares during the quarter, increasing its capital share to 15.5 percent from 15.3 percent.
- Electrolux announced restructuring measures to adjust manufacturing capacity in mature markets and further improve its cost position.

#### Brief facts, Electrolux

Market value, Investor's holding, SEK m.	5 237
Investor's ownership (capital), %	15.5
Share of Investor's total assets, %	3

**Investor's view:** The appliances industry is competitive with low growth in mature markets and the historic operating profit margin has been below the company's targeted level. Successful execution of Electrolux's strategy focusing on innovative products, a strong global brand and an improved cost position through globalization and modularization, has good potential to structurally improve the long-term operating margin. Recently, Electrolux has made several acquisitions in growth markets to improve future growth prospects. Successful integration of these will be important.



Read more at [www.saabgroup.com](http://www.saabgroup.com) >>

Saab serves the global market with world leading products, services and solutions ranging from military defense to civil security. Saab constantly develops, adopts and improves new technology.

#### Activities during the quarter

- The Swiss government selected Saab's Gripen as its preferred choice of future multirole fighter aircraft for the Swiss Air Force. The finalized contract for the 22 aircraft is pending, as details are being negotiated and expected to be ratified by the Swiss parliament during the second half of 2012.
- The Swedish Defense Materiel Administration continued to invest in the Gripen system, with orders totaling SEK 1 bn., including investments in system maintenance and development studies related to version C/D of the Gripen aircraft.
- A contract was signed with the U.S. Army for the company's Carl-Gustaf man-portable weapon system. This marks the first time the U.S. Army has bought the 84mm recoilless rifle system.

#### Brief facts, Saab

Market value, Investor's holding, SEK m.	4 638
Investor's ownership (capital), %	30.0
Share of Investor's total assets, %	3

**Investor's view:** Saab is well positioned in many niche markets. However, it is still highly dependent on binary outcomes in large defense contract tenders. As Swedish defense spending has decreased over the last decade, Saab has developed cost efficient products, which in the current environment of political pressure and fiscal austerity can be a competitive advantage. With top-quality products, continued focus on operational efficiency and with a solid balance sheet, Saab has a strong platform for the future. Going forward, growth outside of Sweden continues to be imperative, as well as the ability to generate a good gross margin to support internal R&D and marketing efforts.



Read more at [www.nasdaqomx.com](http://www.nasdaqomx.com) >>

NASDAQ OMX is one of the world's largest exchange operators. It offers listings, trading exchange technology and public company services across six continents, with approximately 3,600 listed companies.

#### Activities during the quarter

- NASDAQ OMX continued to expand its non-transaction businesses through small bolt-on acquisitions. During the quarter, the company acquired Glide Technologies, a software provider specializing in corporate communications, and RapiData, a provider of economic news for trading firms and financial institutions.

#### Brief facts, NASDAQ OMX

Market value, Investor's holding, SEK m.	3 216
Investor's ownership (capital), %	10.7
Share of Investor's total assets, %	2

**Investor's view:** NASDAQ OMX has very strong market positions and a unique brand in an industry that we know well. An exchange is at the core of the financial system's infrastructure and we believe that over time more products will be standardized and thus traded on exchanges. Our view is that continued focus on capturing growth opportunities, such as expanding into adjacent businesses and into new markets, should be value creative. The company's strong cash flow gives support to continued cash distribution to its shareholders.



Husqvarna is a global leader in chainsaws, trimmers, lawn mowers, garden tractors, cutting equipment and diamond tools and a European leader in consumer irrigation equipment under the Gardena brand.

#### Activities during the quarter

- Hans Linnarson was appointed CEO and President of Husqvarna following six months as acting CEO and President. He previously held the position of Executive Vice President, Head of Sales Europe & Asia/Pacific.

#### Brief facts, Husqvarna

Market value, Investor's holding, SEK m.	3 062
Investor's ownership (capital), %	16.8
Share of Investor's total assets, %	2

**Investor's view:** Husqvarna has world-leading market positions, strong brands and a global sales organization. In recent years, however, the company has struggled with both weak market development and operational performance. As a consequence, the total return has been below both peers and our return requirement. We believe in Husqvarna's long-term potential based on its world-leading position in the global market for outdoor equipment. To improve performance, Husqvarna has invested in new innovative products and streamlined its brand portfolio. This, in combination with a strong focus on operational performance is important for performance going forward.

Sobi is a Swedish specialty pharmaceutical company with international market presence, focusing on providing and developing specialist pharmaceuticals for rare disease patients.

#### Activities during the quarter

- After the end of the quarter, Sobi announced a new distribution agreement in the Nordic and Baltic regions with the Italian company Gentium regarding Defibrotide. Defibrotide has the potential to become the first drug approved for the prevention and treatment of hepatic veno-occlusive disease (VOD) a serious and potentially fatal complication of hematopoietic stem-cell transplantation (HSCT).
- Also after the end of the quarter, Sobi announced a global licensing agreement with the French company Only for Children Pharmaceuticals (O4CP) regarding bumetanide reformulated for treatment of diuresis and seizures in neonates.

#### Brief facts, Sobi

Market value, Investor's holding, SEK m.	1 614
Investor's ownership (capital), %	40.3
Share of Investor's total assets, %	1

**Investor's view:** Sobi is well positioned to benefit from opportunities in attractive segments of the pharmaceutical market. However, improving operational performance and successfully completing the post-merger integration of Biovitrum and Swedish Orphan International, which should result in improved cost and capital efficiency, is important. Sobi should also continue to focus on business development and securing the full commercial potential of its late stage development pipeline.

# Core Investments

## Subsidiaries

The subsidiaries contributed to the net asset value with SEK 87 m. in 2011 (2,346), of which SEK -343 m. during the fourth quarter (2,499).

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

The subsidiaries are Mölnlycke Health Care, Aleris and Grand Hôtel.

## Investments and divestments

### Fourth quarter

No investments or divestments were made.

### Earlier in the year

Investor contributed SEK 769 m. in equity financing relating to Aleris' acquisition of Proxima and SEK 250 m. relating to the acquisition of Hamlet.

## Net asset value

The subsidiaries' reported values and contribution to net asset value are shown in the tables below.

### Net asset value, subsidiaries

	12/31 2011		12/31 2010	
	SEK/share	SEK m.	SEK/share	SEK m.
Mölnlycke Health Care				
Care	18	13 436	18	13 555
Aleris	4	3 342 <sup>1)</sup>	3	2 465
Grand Hôtel	2	1 208	2	1 091
<b>Total</b>	<b>24</b>	<b>17 986</b>	<b>23</b>	<b>17 111</b>

1) The increase in reported value during 2011 is mainly related to equity-financed acquisitions.

### Contribution to net asset value, subsidiaries

SEK m.	2011		2010	
	Q4	YTD	Q4	YTD
Mölnlycke Health Care	-259	110	2 487	2 376
Aleris	-82	-140	-2	-56
Grand Hôtel	-2	117	14	26
<b>Total</b>	<b>-343</b>	<b>87</b>	<b>2 499</b>	<b>2 346</b>

The subsidiaries contributed SEK 87 m. to net asset value during 2011 (2,346), of which SEK -343 m. during the fourth quarter (2,499). Mölnlycke Health Care's negative contribution during the fourth quarter was mainly related to foreign exchange rate effects.



Read more at [www.molnlycke.com](http://www.molnlycke.com) >>

## Activities during the quarter

- With a strong quarter, Mölnlycke Health Care finished a good 2011, surpassing the EUR 1 bn. annual sales mark. The company continued to outperform most of its competition in a challenging market environment with pressure on health care spending in many countries.
- In the Surgical Division, progress was in line with previous quarters in the year, but with somewhat higher revenue growth, primarily driven by the ProcedurePak® trays

business and Antiseptics. Margins increased somewhat during the quarter reflecting lower costs in several areas.

- Within the Wound Care Division, Advanced Wound Care continued its excellent performance. The Negative Pressure Wound Therapy (NPWT) business increased its revenues during the quarter, albeit from a low level.
- Revenue growth was higher than earlier in the year and EBITDA margins continued to increase, with mix (higher revenues for the higher margin Wound Care Division) and operating leverage driving the expansion.
- Mölnlycke Health Care's strong cash flow generation continued, allowing for an additional reduction in net debt.

### Key figures, Mölnlycke Health Care

Income statement items	2011		2010	
	Q4	YTD	Q4	YTD
Sales, EUR m.	267	1 014	246	949
Sales growth, %	9	7	9	10
Sales growth, constant currency, %	8	7	4	6
EBITDA, adj. <sup>1)</sup> , EUR m.	82	296	74	269
EBITDA, adj. %	31	29	30	28
EBITDA, EUR m.	82	251	70	265
EBITDA %	31	25	28	28

Balance sheet items	Q4 2011	Q4 2010
Net debt, EUR m.	1 482	1 578
Number of employees	6 755	6 985

Cash flow items	2011		2010	
	Q4	YTD	Q4	YTD
EBITDA, adj. <sup>1)</sup> , EUR m.	82	296	74	269
Change in working capital	6	-31	42	7
Capital expenditures	-13	-35	-14	-30
<b>Operating cash flow</b>	<b>75</b>	<b>230</b>	<b>102</b>	<b>246</b>
Acquisitions/divestments	0	0	-4	-19
Shareholder contribution/distribution	0	0	-4	2
Other <sup>2)</sup>	-51	-134	-34	-134
<b>Increase(-)/decrease (+) in net debt</b>	<b>24</b>	<b>96</b>	<b>60</b>	<b>95</b>

### Key ratios

Working capital/sales, %	11
Capital expenditures/sales, %	3

1) Excluding the purchase price allocation, performed in conjunction with the acquisition of the majority in Mölnlycke Health Care, allocating EUR 49 m. to inventory. The consumption of this market value impacted EBITDA negatively by EUR 4 m. during the fourth quarter 2010 and EUR 45 m. during the first quarter of 2011.

2) Other mainly includes effects of exchange rate changes, interest, tax, value change of derivatives and other non-cash items.

### Brief facts, Mölnlycke Health Care

Investment year	2007/2010
Capital invested, SEK m.	10 663 <sup>1)</sup>
Investor's ownership (capital) %	96
Reported value, Investor's share, December 31, 2011, SEK m.	13 436 <sup>1)</sup>

1) Including mezzanine loans. In Investor's share of reported value as of December 31, 2011, the amount included was SEK 249 m.

Mölnlycke Health Care is a world-leading manufacturer of single-use surgical and wound care products and services for the professional health care sector.

**Investor's view:** Mölnlycke Health Care is a strongly performing company and a true leader in its industry segments. Since our acquisition, the company has outperformed most of its key competitors in terms of growth, profitability and cash conversion. Its highly competitive product offering, strong market positions, exciting product pipeline and the expansion of its sales force, both in existing and new markets, create a robust platform for continued growth. It is important that the company continues to bring forward new innovative products and capture the growth available in growth regions such as Asia.

## Activities during the quarter

- Investments in quality, internal processes, infrastructure, and integration of recently made acquisitions continued, putting pressure on short-term profitability. The recently made acquisitions are expected to generate synergies of SEK 60 m.
- The Diagnostics and Care Divisions in Sweden both showed stable and good performance. Within the Care Division, two senior care tenders in Linköping were won.
- Health Care in Sweden was focused on the integration of Proxima and Mitt Hjärta (primary care in Bollnäs) as well as the preparations for the take-over of the Bollnäs Hospital in April 2012.
- In Norway, the health care and care for youth markets have been challenging, resulting in weaker performance than last year. Interaktiv Barnevern, a care for youth company, was acquired during the quarter.
- In Denmark, the health care market continued to be challenging, but the integration and development of Hamlet was positive and on track.
- In constant currency, organic growth amounted to 7 percent during the quarter and 8 percent for the full year.
- The change in net working capital during 2011 of SEK -64 m. is mainly related to the change in cash in transit year over year and recent acquisitions.

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

Income statement items	2011		2010	
	Q4	YTD	Q4	YTD
Sales, SEK m.	1 593	5 123	1 068	4 120
Sales growth, %	49	24	4	6
Sales growth, constant currency, %	41	18	8	8
EBITDA, SEK m.	138	410	65	296
EBITDA %	9	8	6	7
<b>Balance sheet items</b>	<b>Q4 2011</b>		<b>Q4 2010</b>	
Net debt, SEK m.	2 811		2 025 <sup>2)</sup>	
Number of employees	5 150		3 775	

Cash flow items	2011		2010	
	Q4	YTD	Q4	YTD
EBITDA	138	410	65	296
Change in working capital	40	-64	11	11
Capital expenditures	-56	-133	-19	-80
<b>Operating cash flow</b>	<b>122</b>	<b>213</b>	<b>57</b>	<b>227</b>
Acquisitions/divestments	-201	-1 714	-20	-20
Shareholder contribution/distribution	0	1 019	0	0
Other <sup>3)</sup>	-102	-304	-110	-608
<b>Increase(-)/decrease(+) in net debt</b>	<b>-181</b>	<b>-786</b>	<b>-73</b>	<b>-401</b>

## Key ratios

Working capital/sales, %	-2
Capital expenditures/sales, %	3

1) Owned and consolidated by Investor since August 2010.

2) Numbers have been restated.

3) Other includes effects of exchange rate changes, interest, tax, value change of derivatives and other non-cash items.

## Brief facts, Aleris

Investment year	2010
Capital invested, SEK m.	3 540
Investor's ownership (capital) %	98
Reported value, Investor's share, December 31, 2011, SEK m.	3 342

Aleris is one of the leading providers of healthcare and care in the Nordic region. Aleris provides services on behalf of municipalities, county councils and insurance companies within four different areas; healthcare, diagnostics, senior care and mental health.

**Investor's view:** Aleris has a strong market position in Scandinavia and a significant long-term growth potential in an industry that fits well into our ownership model. The Scandinavian healthcare and care market is a large and stable industry with long-term sustainable growth potential, where private providers can outgrow the market given the ongoing outsourcing and deregulation trend. Aleris is an attractive platform for continued organic growth, from underlying growth driven by demographics, through tenders, and other deregulation actions such as "free choice" for patients. Aleris is also a good platform for continued acquisitions. Aleris' commitment to high-quality health care and care resonates well with our long-term ambitions for the company. Delivering a high-quality service is the main differentiating and sustainable factor in this business long-term, why the work to constantly improve quality and service for patients and payors is the top priority.

## Activities during the quarter

- Despite a difficult and uncertain market, hotel revenues increased during the quarter compared to last year, driven both by volume growth and good room rates. Efforts to improve the occupancy rate continued.
- The Food and Beverages business continued to develop well during the quarter.
- Both sales and EBITDA increased compared to the corresponding quarter last year. Capital expenditures remained at a high level during the year as renovations and other substantial investments continued throughout the year.

## Key figures, Grand Hôtel

Income statement items	2011		2010	
	Q4	YTD	Q4	YTD
Sales, SEK m.	123	396	108	393
Sales growth, %	14	1	-1	7
EBITDA, SEK m.	25	67	21	95
EBITDA %	20	17	19	24

Balance sheet items	Q4 2011		Q4 2010	
Net debt, SEK m.	545		481	
Number of employees	260		295	

Cash flow items	2011		2010	
	Q4	YTD	Q4	YTD
EBITDA	25	67	21	95
Change in working capital	12	13	8	3
Capital expenditures	-12	-110	-22	-72
<b>Operating cash flow</b>	<b>25</b>	<b>-30</b>	<b>7</b>	<b>26</b>
Acquisitions/divestments	0	0	0	0
Shareholder contribution/distribution	0	0	0	0
Other <sup>1)</sup>	-15	-34	-6	17
<b>Increase(-)/decrease(+) in net debt</b>	<b>10</b>	<b>-64</b>	<b>1</b>	<b>43</b>

## Key ratios

Working capital/sales, %	-7
Capital expenditures/sales, %	28

1) Other includes interest, tax, group contribution and dividends received/paid

## Brief facts, Grand Hôtel

Investment year	1968
Capital invested, SEK m.	577
Investor's ownership (capital) %	100
Reported value, Investor's share, December 31, 2011, SEK m.	1 208

Grand Hôtel is Scandinavia's leading five-star hotel, opened in 1874, and has a unique offering with 300 guest rooms and suites, 24 banqueting and conference areas as well as restaurants, bars and a world class spa.

**Investor's view:** Grand Hôtel has a unique brand, location, and property. In recent years, Grand Hôtel has gone through significant internal changes such as renovations and openings of new facilities, like its spa, while handling the challenging economic climate. It is important that Grand Hôtel continues to develop its offering, reach new customer segments, increase the occupancy rate, and focus on efficiency, without compromising on the delivery of a superior hotel experience. This is particularly important given the increased competition from new hotel capacity, restaurants and conference facilities in the Stockholm area. Further investments in the property will also be important to sustain a superior product and to build long-term value.

# Financial Investments

Financial Investments contributed to the net asset value with SEK 9,687 m. in 2011 (1,664), of which SEK 1,302 m. during the fourth quarter (2,092). The positive contributions during the period came mainly from Gambro Holding's divestment of CaridianBCT and strong performance in the EQT's funds.

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

Financial Investments includes the investments in EQT funds, Investor Growth Capital, and the partner-owned investments.

## Investments and divestments

### Fourth quarter

SEK 938 m. was invested. Proceeds amounted to SEK 376 m.

### Earlier in the year

SEK 3,868 m. was invested. Proceeds amounted to SEK 5,555 m.

## Contribution to net asset value, Financial Investments

SEK m.	2011		2010	
	Q4	YTD	Q4	YTD
EQT	-153	3 360	1 107	1 179
Investor Growth Capital	165	841	639	22
<i>Partner-owned</i>				
Gambro Holding	-70	3 499 <sup>1)</sup>	-110	-319
Lindorff	-133	301	30	281
3 Scandinavia	1 359 <sup>2)</sup>	1 675 <sup>2)</sup>	-47	-283
Other partner-owned	-2	0	5	17
Other	155	201	535	1 104
Management cost	-19	-190	-67	-337
<b>Total</b>	<b>1 302</b>	<b>9 687</b>	<b>2 092</b>	<b>1 664</b>

- 1) The positive contribution from Gambro Holding YTD 2011 is explained by the divestment of CaridianBCT during the second quarter 2011.
- 2) Capitalization of prior years' deferred tax-loss carry-forwards as well as a change of recognition method of handset sales has had a positive impact on the results during 2011. For further information, see 3 Scandinavia on page 16.

## Net asset value, Financial Investments

	12/31 2011		12/31 2010	
	SEK/Share	SEK m.	SEK/Share	SEK m.
EQT <sup>1)</sup>	17	13 214	14	10 858
Investor Growth Capital	13	10 188 <sup>2)</sup>	11	8 468
<i>Partner-owned</i>				
Gambro Holding	7	5 239	2	1 740
Lindorff	6	4 337	5	4 054 <sup>3)</sup>
3 Scandinavia	3	2 395 <sup>4)</sup>	1	720 <sup>5)</sup>
Other Partner-owned <sup>6)</sup>	0	180	0	128
Other <sup>7)</sup>	3	2 070	5	4 068 <sup>8)</sup>
<b>Total</b>	<b>49</b>	<b>37 623</b>	<b>38</b>	<b>30 036</b>

1) Includes the holding in EQT Partners AB.

2) Of which SEK 1,453 m. in net cash.

3) Includes Lindorff mezzanine which has been transferred from Other to Lindorff.

4) The increase in reported value for 2011 is mainly related to the positive impact, SEK 1,273 m., from the capitalization of tax-loss carry-forwards during the fourth quarter.

5) Due to a change in accounting policy, the reported value has been restated by SEK -561 m. as of December 31, 2010.

6) Includes holdings in Kunskapsskolan, Novare and Samsari.

7) Includes among others, trading, smaller holdings and land & real estate.

8) Includes holdings in NASDAQ OMX which have been transferred to Core Investments during 2011, and Active Portfolio Management.

## Activities during the quarter

- EQT III divested its holding in VTI Technologies.
- EQT IV and EQT V's divestment of Kabel BW was approved by the Antitrust Authorities. The transaction is expected to close in early 2012.
- EQT VI announced the acquisition of Norway's second largest data and telecom provider Ventelo.
- EQT Infrastructure acquired Fortum's outsourced energy solutions and small-scale district heating businesses in Finland and Estonia.
- EQT Expansion Capital I divested its holdings in PharmaZell.
- EQT Opportunity divested its holdings in Strauss Innovation.
- The reported value change of Investor's investments in EQT funds was 31 percent during the year. In constant currencies, the value change was 31 percent. During the fourth quarter, the reported value change was -1 percent, corresponding to 1 percent in constant currencies.
- Investor's total outstanding commitments to EQT funds were SEK 4.5 bn. at year-end 2011 (3.5). The increase is explained by the EUR 300 m. commitment to EQT VI.

### Change in net asset value, EQT

SEK m.	10/1-12/31 2011	1/1-12/31 2011	1/1-12/31 2010
Net asset value, beginning of period	13 162	10 858	9 166
Contribution to net asset value (value change)	-153	3 360	1 179
Draw-downs (investments and management fees)	325	2 515	2 016
Proceeds to Investor (divestures, fee surplus and carry)	-120	-3 519	-1 503
<b>Net asset value, end of period</b>	<b>13 214</b>	<b>13 214</b>	<b>10 858</b>

At year-end, the five largest investments were (in alphabetical order): Gambro (Sweden), ISS (Denmark), Kabel BW (Germany), Sanitec (Finland), and Springer Science+Business Media (Germany) representing 35 percent of the total value of Investor's investments in EQT funds.

### Brief facts, EQT

Investment year	1994/1995
Investor's share of funds %	6-64
Market value, Investor's holding, SEK m.	13 214
Share of Investor's total assets, %	8

EQT's funds invest in companies in Northern and Eastern Europe, Asia and the U.S., in which EQT can act as a catalyst to transform and grow operations. EQT has raised 14 funds active in buy-outs, equity-related growth financing, credit and infrastructure. Valuation is to a large extent based on multiples, as holdings are typically mature and relevant peers are often available.

**Investor's view:** Investor has been a sponsor of EQT since its inception more than 15 years ago. Since then, EQT has delivered top investment performance in its industry and we have received returns on our limited partner interest in the top quartile of the industry. As a sponsor, we also have an ownership interest in the general partners of the funds, allowing us to capture a portion of the carry and of any surplus from management fees. This represents a significant enhancement of our total return from the respective funds over time. Although "lumpy" by nature, depending on whether the funds are in an investment or divestment phase, our investments in the EQT funds are expected to continue to generate strong cash flow.

# Investor Growth Capital

As of July 1, 2011, Investor Growth Capital (IGC) is a stand-alone entity, wholly-owned by Investor. It carries its own costs, and has a defined capital commitment from Investor. In early 2012, Investor contributed a final SEK 750 m. to IGC. Approximately 50 percent of gross proceeds less transaction related expenses and annual operating cost is distributed to Investor, while the remainder can be reinvested by IGC.

## Activities during the quarter

- IGC acquired 13 percent of NASDAQ-listed Mattersight, a provider of enterprise analytics used to improve customer contact center performance.
- An investment was made in Maxymiser, a leader in multivariate website testing solutions for customer experience optimization.
- An investment in R.Y.B. Education Institution, a provider of early childhood educational services and products in China, was announced.
- IGC received proceeds from the previously announced acquisition of BlueArc and the disposition of ValueClick shares received through the divestment of Dotomi in the third quarter.
- During the quarter, Investor received a SEK 229 m. capital distribution from IGC. This distribution is calculated as 50 percent of exit proceeds generated by IGC net of transaction related costs and operating costs.
- IGC's value change was 10 percent during the year. In constant currencies, the value change was 6 percent. During the fourth quarter, the reported value change was 2 percent, corresponding to 1 percent in constant currencies.

### Change in net asset value, Investor Growth Capital

SEK m.	10/1-12/31 2011	7/1-12/31 2011
Net asset value, beginning of period	10 252	8 694
Contribution to net asset value (value change)	165	1 031
Capital contribution from Investor	-	1 137
Distribution to Investor	-229	-674
<b>Net asset value, end of period</b>	<b>10 188</b>	<b>10 188</b>
<i>Of which net cash</i>	<i>1 453</i>	<i>1 453</i>

At year-end, the U.S., Asian and European portfolios represented 65, 15, and 20 percent of the total value.

The five largest investments were (in alphabetical order): China Greens (China), Greenway Medical Technologies (U.S.), Memira Holdings (Sweden), Mindjet Corporation (U.S.) and Tangoe Inc (U.S.). In total, these holdings represented 26 percent of the total portfolio value.

### Brief facts, Investor Growth Capital

Investment year	1995
Investor's ownership (capital) %	100
Market value, Investor's holding, SEK m.	10 188
Share of Investor's total assets, %	6

Investor Growth Capital makes expansion stage venture capital investments in growth companies within technology and healthcare in the U.S. and Asia. The European branch is solely focusing on maximizing value of its existing holdings. Returns are generated through divestments. Typical exits include initial public offerings or trade sales, normally after a 3-7 year holding period. Valuation is often based on the latest externally priced financing round. Where applicable, peer group multiples are used. Liquidity discounts are applied.

**Investor's view:** The new structure and focus on the U.S. and China, where the track record and the return prospects are the strongest, IGC has a solid platform for continued strong performance. The structural change leads to a clarified commitment and also creates a more sustainable cash flow to us.



## Activities during the quarter

- Overall, demand for Gambro's products and services, was stable in the Americas and APAC, while EMEA continued to be weak for both business areas Chronic and Acute.
- Organically, sales fell by 1 percent compared to the corresponding quarter last year.
- Performance within business area Chronic was negatively impacted by weak sales in EMEA due to austerity measures and price pressure in key markets. Sales declined compared to the fourth quarter 2010.
- The business area Acute was also affected by a slower market development in EMEA, while APAC and Americas' positive trend continued.
- A refinancing of the debt was successfully completed in December. The new debt matures in 2016.
- The sequential increase in net debt was mainly driven by foreign exchange rate effects and the capacity increase in Hechingen.

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

Income statement items	2011		2010	
	Q4	YTD	Q4	YTD
Sales, SEK m.	2 732	10 928	2 998	12 152
Sales growth, %	-9	-10	-1	-3
Sales growth, constant currency, %	-5	-5 <sup>2)</sup>	4	2
Normalized EBITDA, SEK m.	477	2 041	611	2 395
Normalized EBITDA, %	17	19	20	20
<b>Balance sheet items<sup>3)</sup></b>	<b>Q4 2011</b>		<b>Q4 2010</b>	
Net debt, SEK m.	8 572		25 380	
	<b>Q4 2011</b>		<b>Q4 2010</b>	
Number of employees	7 205		7 650	

- 1) Income statement items and balance sheet items are reported with one month's delay.  
2) Adjusted for the divestment of the PD and the U.S. Water business in late 2010, sales declined by 1 percent in constant currency during 2011.  
3) Following the divestment of CaridianBCT, the net debt previously reported under Gambro Holding is now reported within Gambro.

### Brief facts, Gambro

Investment year	2006
Capital invested, SEK m.	4 246
Investor's ownership (capital) %	49
Reported value, Investor's share, December 31, 2011, SEK m.	5 239

Gambro is a global medical technology company and a leader in developing, manufacturing and supplying products and therapies for Kidney and Liver dialysis, Myeloma Kidney Therapy, and other extracorporeal therapies for Chronic and Acute patients

**Investor's view:** The restructuring of Gambro has been challenging and taken longer than we originally anticipated. During 2011, Gambro has taken important steps to ensure operational efficiency and improved focus on core activities. We continue to believe that the improvement potential, both when it comes to revenue growth and margins, is substantial. We will consider equity financing, should there be a need for additional capital for value creating acquisitions, further restructuring or other investments.

## Activities during the quarter

- Lindorff continued to show good development in all regions.
- Performance within Collection was good, but the number of collection cases declined somewhat compared to the previous quarter.
- Within Capital, growth continued compared to the previous quarter and the weakened economy has had limited impact on the portfolio performance so far. The number of closed new acquisitions during the quarter was limited.
- Both sales and EBITDA increased compared to the fourth quarter 2010.

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

Income statement items	2011		2010	
	Q4	YTD	Q4	YTD
Sales, EUR m.	81	337	76	309
Sales growth, %	7	9	10	16
Sales growth, constant currency, %	4	7	6	6
EBITdA <sup>2)</sup> , EUR m.	21	96	16	89
EBITdA <sup>2)</sup> , %	26	28	21	29
<b>Balance sheet items</b>	<b>Q4 2011</b>		<b>Q4 2010</b>	
Net debt, EUR m.	669		615	
	<b>Q4 2011</b>		<b>Q4 2010</b>	
Number of employees	2 470		2 465	

- 1) Income statement items and balance sheet items are reported with one month's delay.  
2) EBITdA = EBITDA after portfolio depreciation.

### Brief facts, Lindorff

Investment year	2008
Capital invested, SEK m.	3 969 <sup>1)</sup>
Investor's ownership (capital) %	58
Reported value, Investor's share, December 31, 2011, SEK m.	4 337 <sup>1)</sup>

- 1) Including mezzanine loans. In Investor's share of reported value as of December 31, 2011, the amount included was SEK 279 m.

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

**Investor's view:** Lindorff has a good business mix with its two business areas: Collection and Capital. Collection's service driven business model has low capital requirements and provides a stable earnings base. Capital has the capacity and ability to pursue portfolio acquisitions, offering attractive growth opportunities with good yield. The growth rate can be adapted by Lindorff's growth ambitions and market opportunities. We expect Lindorff to act on value creating opportunities in Europe. Internally, Lindorff should continue to focus on improving efficiency and operational excellence. We remain confident in Lindorff's long-term growth potential.



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## Activities during the quarter

- The net subscriber intake was 102,000 during the quarter. Consequently, the subscriber base grew by 15 percent during 2011. Continued investments in improving quality of the subscriber base weighed on profitability. ARPU decreased by 5 percent during the year.
- The Danish market remained challenging, and competition was fierce in Sweden in the run-up for Christmas. With a successful Christmas campaign, the year ended strongly in terms of customer base growth. 3 Scandinavia remains the market leader in terms of Average Revenue Per User (ARPU).
- For the fifth consecutive year, 3 Scandinavia's Swedish mobile data network was ranked number one in the largest independent nationwide survey. In January 2012, 3 Scandinavia was awarded Operator of the Year in Sweden for 2011 at the Telecoms Award gala.
- Following improved profitability of the group, the value of tax loss carry-forwards, SEK 3,183 m. has been capitalized. Investor has included its share of the positive impact from this capitalization, SEK 1,273 m., in its net asset value, as the intrinsic value of the business supports this.
- Earlier in the year, 3 Scandinavia changed the recognition method of handset sales. During a transition period, the new EBITDA will be positively impacted by the early recognition of handset revenue from new and prolonged subscribers, while treatment of the existing subscriber base remains unchanged. Over time, this effect will fade, as subscriber contracts signed prior to the change expire. The positive effect in 2012 will be significantly lower than in 2011. From the first quarter 2012 onwards, only the new method will be reported.

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

	2011		2010	
Income statement items	Q4	YTD	Q4	YTD
<i><b>New method<sup>2)</sup></b></i>				
Sales, SEK m.	2 337	8 911	-	-
EBITDA, SEK m.	565	2 397	-	-
EBITDA, %	24	27	-	-
<i><b>Old method</b></i>				
Sales, SEK m.	2 060	7 800	1 885	7 015
Sales growth, %	9	11	18	20
Sales growth, constant currency, %	10	14	18	24
Cash EBITDA <sup>3)</sup> , SEK m. <sup>3)</sup>	290	1 306	302	1 067
Cash EBITDA <sup>3)</sup> , %	14	17	16	15
<b>Balance sheet items</b>				
Net debt, SEK m.	Q4 2011		Q4 2010	
	10 472		9 910	
	Q4 2011		Q4 2010	
Number of employees	2 235		2 245	
<b>Other key figures<sup>4)</sup></b>				
	12/31 2011		12/31 2010	
Subscribers	2 152 000		1 866 000	
ARPU <sup>5)</sup> , SEK	312		329	
Non-voice ARPU <sup>5)</sup> %	46		43	
Postpaid/prepaid ratio	85/15		87/13	

- 1) Income statement items and balance sheet items are reported with one month's delay.
- 2) The effect on results prior to the first quarter 2011 has not been assessed.
- 3) Cash EBITDA is defined as EBITDA after deducting all customer acquisition and retention costs.
- 4) Other key figures are reported without delay.
- 5) Average Monthly Revenue Per User (ARPU) refers to the past 12-month period.

## Brief facts, 3 Scandinavia

Investment year	1999
Capital invested, SEK m.	6 366
Investor's ownership (capital) %	40
Reported equity value, Investor's share, December 31, 2011, SEK m.	2 395

3 Scandinavia is a mobile operator providing mobile voice and broadband services in Sweden and Denmark. The company is well recognized for its high-quality network, and has a strong position in a market with high volume growth driven by fixed to mobile migration in voice and broadband.

**Investor's view:** Over the past few years, 3 Scandinavia's strategic focus on building a high-quality mobile network has proven successful, illustrated by strong subscriber intake and improved operating performance. It is important for value creation that 3 Scandinavia continues to capture additional growth opportunities, as operating leverage is high. Having acquired additional spectrum during 2011, the company has secured its position as the premier network provider. Future revenue and profit growth should translate into enhanced cash flow generation.

## Unlisted Investments – key figures overview

	Full Year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full Year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Full Year 2009
<b>Core Investments - Subsidiaries</b>											
<b>Mölnlycke Health Care (EUR m.)</b>											
Sales	1 014	267	250	253	244	949	246	241	239	223	865
EBITDA, adj. <sup>1)</sup>	296	82	76	71	67	269	74	70	65	60	236
EBITDA, adj. (%) <sup>1)</sup>	29	31	30	28	27	28	30	29	27	27	27
EBITDA	251	82	76	71	22	265	70	70	65	60	236
EBITDA (%)	25	31	30	28	9	28	28	29	27	27	27
Net debt	1 482	1 482	1 506	1 527	1 578	1 578	1 578	1 638	1 678	1 690	1 673
Employees	6 755	6 755	6 835	6 880	6 985	6 985	6 985	6 910	6 930	6 735	6 745
<b>Aleris<sup>2)</sup> (SEK m.)</b>											
Sales	5 123	1 593	1 334	1 125	1 071	4 120	1 068	952	1 076	1 024	3 882
EBITDA	410	138	103	88	81	296	65	59	93	79	332
EBITDA (%)	8	9	8	8	8	7	6	6	9	8	9
Net debt	2 811	2 811	2 630	2 233	1 997	2 025 <sup>8)</sup>	2 025 <sup>8)</sup>	1 952	1 505	1 523	1 624
Employees	5 150	5 150	4 975	4 865	3 825	3 775	3 775	3 760	3 650	3 700	3 790
<b>Grand Hôtel (SEK m.)</b>											
Sales	396	123	98	105	70	393	108	109	103	73	368
EBITDA	67	25	19	25	-2	95	21	37	28	9	76
EBITDA (%)	17	20	19	24	-3	24	19	34	27	12	21
Net debt	545	545	555	542	506	481	481	482	492	493	524
Employees	260	260	250	245	255	295	295	275	265	240	280
<b>Financial Investments</b>											
<b>EQT (SEK m.)</b>											
Reported value	13 214	13 214	13 162	14 753	13 416	10 858	10 858	9 587	10 667	9 433	9 166
Reported value change %	31	-1	0	15	14	13	12	-6	12	-5	6
Value change, constant currency %	31	1	-2	13	16	28	13	0	13	2	14
Draw-downs from Investor	2 515	325	306	836	1 048	2 016	223	419	457	917	2 011
Proceeds to Investor	3 519	120	1 903	1 484	12	1 503	59	921	334	189	634
<b>Investor Growth Capital (SEK m.)</b>											
Reported value	10 188	10 188	10 252	8 694	8 380	8 468	8 468	7 864	8 080	8 288	9 197
Reported value change %	10	2	10	-2	0	4	9	-8	-2	5	6
Value change, constant currency %	6	1	4	-3	5	8	8	5	-9	5	12
Capital contribution from Investor	1 137	-	1 137	-	-	-	-	-	-	-	-
Distribution to Investor	674	229	445	-	-	-	-	-	-	-	-
<b>Partner-owned investments</b>											
<b>Gambro<sup>3)</sup> (SEK m.)</b>											
Sales	10 928	2 732	2 667	2 720	2 809	12 152	2 998	3 045	3 070	3 039	12 484
Normalized EBITDA	2 041	477	496	548	520	2 395	611	571	668	545	2 384
Normalized EBITDA (%)	19	17	19	20	19	20	20	19	22	18	19
Net debt <sup>5)</sup>	8 572	8 572	8 169	7 806	23 592	25 380	25 380	25 981	26 529	25 476	25 559
Employees	7 205	7 205	7 270	7 335	7 380	7 650	7 650	7 725	7 780	7 930	8 040
<b>Lindorff<sup>6)</sup> (EUR m.)</b>											
Sales	337	81	84	87	85	309	76	80	74	79	267
EBITdA <sup>4)</sup>	96	21	31	22	22	89	16	30	21	22	59
EBITdA <sup>4)</sup> (%)	28	26	37	25	26	29	21	38	28	28	22
Net debt	669	669	661	680	689	615	615	578	549	547	530
Employees	2 470	2 470	2 595	2 550	2 485	2 465	2 465	2 315	2 270	2 295	2 270
<b>3 Scandinavia<sup>3)</sup> (SEK m.)</b>											
<i>New method<sup>6)</sup></i>											
Sales	8 911	2 337	2 270	2 197	2 107	-	-	-	-	-	-
EBITDA	2 397	565	595	628	609	-	-	-	-	-	-
EBITDA, %	27	24	26	29	29	-	-	-	-	-	-
<i>Old method</i>											
Sales	7 800	2 060	1 958	1 890	1 892	7 015	1 885	1 777	1 689	1 664	5 840
Cash EBITDA <sup>7)</sup>	1 306	290	286	329	401	1 067	302	329	236	200	434
Cash EBITDA <sup>7)</sup> (%)	17	14	15	17	21	15	16	19	14	12	7
Net debt	10 472	10 472	10 333	10 408 <sup>8)</sup>	10 241	9 910	9 910	9 723	10 071	10 172	10 230
Employees	2 235	2 235	2 280	2 265	2 255	2 245	2 245	2 160	2 080	2 065	2 095

1) Excluding the purchase price allocation, performed in conjunction with the acquisition of the majority in Mölnlycke Health Care, allocating EUR 49 m. to inventory. The consumption of this market value impacted EBITDA negatively by EUR 4 m. during the fourth quarter 2010 and EUR 45 m. during the first quarter 2011.

2) The acquisition of Aleris was finalized in August 2010.

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

4) EBITdA=EBITDA after portfolio depreciation.

5) Net debt reported under Gambro Holding until the second quarter 2011.

6) The effect on the result prior to the first quarter 2011 has not been assessed.

7) Cash EBITDA is defined as EBITDA after deducting all customer acquisition and retention costs.

8) Numbers have been restated.

# Group

## Net debt

Net debt totaled SEK 16,910 m. on December 31, 2011 (11,472). Debt financing of the subsidiaries within Core Investments and the partner-owned investments within Financial Investments, is arranged on an independent ring-fenced basis and hence not included in Investor's net debt. Investor guarantees SEK 4.2 bn. of 3 Scandinavia's external debt, which is not included in Investor's net debt.

### Net Debt, 12/31 2011

SEK m.	Consolidated balance sheet	Deductions related to Core Investments subsidiaries <sup>1)</sup> and IGC	Investor's net debt
Other financial instruments	1 967	-24	1 943 <sup>2)</sup>
Cash, bank and short-term investments	13 072	-1 913	11 159 <sup>2)</sup>
Receivables included in net debt	804	-9	795 <sup>3)</sup>
Loans	-48 172	17 580	-30 592 <sup>3)</sup>
Provision for pensions	-673	458	-215 <sup>3)</sup>
<b>Total</b>	<b>-33 002</b>	<b>16 092</b>	<b>-16 910</b>

1) Mölnlycke Health Care, Aleris and Grand Hôtel.

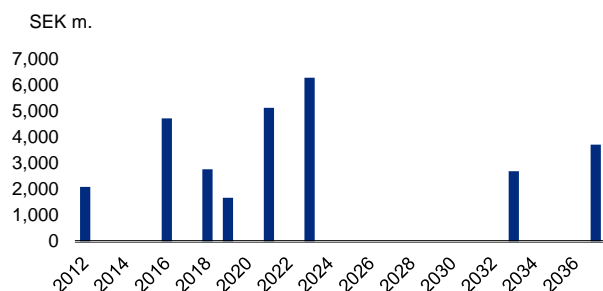
2) Included in cash and readily available placements.

3) Included in gross debt.

Cash and readily available placements amounted to SEK 13,102 m. on December 31, 2011 compared to SEK 12,123 m. at year-end 2010. The Group's short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt for the group amounted to SEK 30,012 m. (23,595) at the end of the period.

The average maturity of the debt portfolio was 11.2 years on December 31, 2011 (12.1), excluding the debt of Aleris, Mölnlycke Health Care and Grand Hôtel.

### Maturity profile, 12/31 2011



Net financial items for the reporting period amounted to SEK -2,566 m. (-1,186), of which SEK -1,643 m. (-633) is attributable to Core Investments subsidiaries. Net financial items include interest income of SEK 255 m. (153) and interest expenses of SEK 2,485 m. (937). The unrealized result from revaluation of loans and swaps amounted to SEK -376 m. (120). Investor uses swaps when managing the interest rate tenor. The remaining effects consist primarily of unrealized currency translation differences from loans to Lindorff and Mölnlycke Health Care.

## Management cost

### Management cost, Investor Group

SEK m.	10/1-12/31 2011	1/1-12/31 2011	1/1-12/31 2010
Core Investments	36	137	104
Financial Investments	19	190	337
Investor groupwide	46	179	205
<b>Total before restructuring cost</b>	<b>101</b>	<b>506</b>	<b>646</b>
Restructuring cost	-	150	-
<b>Total reported</b>	<b>101<sup>1)</sup></b>	<b>656<sup>1)</sup></b>	<b>646<sup>1)</sup></b>

1) Up until June 30, 2011, costs relating to Investor Growth Capital were included in Investor's management cost. IGC costs not included in the management costs were SEK 70 m. for H2 2011 and SEK 38 m. for Q4, 2011.

During the year, management cost excluding Investor Growth Capital and the SEK 150 m. restructuring charge taken during the first quarter, amounted to SEK 434 m. (486). Management cost includes commitments within the framework of long-term share-based remuneration programs amounting to SEK 33 m. (37).

As of July 1, 2011, Investor Growth Capital is a stand-alone entity within Investor, carrying its own costs.

The targeted SEK 140 m. reduction of annual management costs started to become visible during the second half of 2011 and should reach full run-rate effect by the end of 2012.

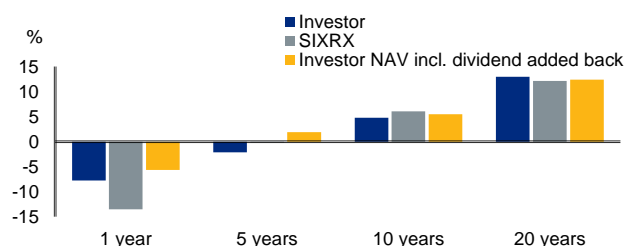
## The Investor share

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The total return (sum of share price changes and dividend added back) was -8 percent in 2011 (11), and 5 percent during the fourth quarter (5).

The average annualized total return on the Investor share was -2 percent over the past five-year period, 5 percent over the past 10-year period and 13 percent over the past 20-year period.

### Average Total Return



The price of the Investor A-share and B-share was SEK 123.20 and SEK 128.40 respectively on December 31, 2011, compared to SEK 139.00 and SEK 143.90 on December 31, 2010. Total market capitalization of Investor, adjusted for repurchased shares, was SEK 96,028 m. as of December 31, 2011 (107,907).

# Parent Company

## Share capital

Investor's share capital amounted to SEK 4,795 m. on December 31, 2011 (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>

Investor sold 14,642 B-shares during the fourth quarter. On December 31, 2011, Investor owned a total of 6,669,158 of its own shares (6,683,800).

## Results and investments

The Parent Company's result after financial items was SEK -16,725 m. (34,194). Value changes of equity-related holdings reported at fair value amounted to SEK -22,063 m. (23,970). Result from participations in Group companies and associates amounted to SEK 520 m. (7,178), and 1,054 m. respectively, mainly related to reversed write-downs (-253). During the year, the Parent Company invested SEK 8,804 m. in financial assets (12,482), of which SEK 5,042 m. was in Group companies (9,199) and purchases in listed Core Investments of SEK 3,605 m (3,141). Total debt increased by SEK 8,008 m. since the beginning of the year. Shareholders' equity totaled SEK 142,633 m. on December 31, 2011, compared to SEK 163,164 m. on December 31, 2010.

## Risks and Risk management

The main risks that the Group and the Parent Company are exposed to are related to the value changes of the listed assets due to market price fluctuations. The development of the global economy is an important uncertainty factor in assessment of near-term market fluctuations. The uncertain market situation also affects the various unlisted holdings' opportunities for new investments and divestments. The turbulent development of the markets reflects the uncertainty about how the continuing global imbalances of the world economy, with risk of serious consequences for various states' deteriorating creditworthiness, will affect the economic situation at both macro and micro levels.

The Core Investments subsidiaries: Mölnlycke Health Care, Aleris and Grand Hôtel are, like Investor, exposed to commercial risks, financial risks, and market risks. In addition, through their business activities, i.e. their offerings of products and services, within respective sector, these companies are also exposed to legal/regulatory risks and political risks, for example political decisions on healthcare budgets and industry regulations.

Financing of Investor's Core Investments subsidiaries and the partner-owned investments are made on a ring-fenced basis, without guarantees from Investor, the guarantee to 3 Scandinavia being the exception. In order to keep credit risks at low levels, credit risk exposure is only permitted if the counterparties have high creditworthiness. Whatever the economic situation is in the world, operational risk management requires continued high level of awareness and focused work in line with stated policies and instructions. Investor AB's risk management, risks and uncertainties, and those related to its Core Investments subsidiaries, are described in detail in the Annual Report

2010, see the Administration report and Note 30. Any significant changes have not been made subsequently aside from the increased macroeconomic risks, which are described above.

## Other

### Proposed dividends

The Board of Directors and the President propose a dividend to shareholders of SEK 6.00 per share for fiscal 2011 (5.00). 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 listed 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 twelve years, Investor's Board of Directors has decided to propose to the 2012 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.

### Long-term variable remuneration program

As in the previous six years, the Board of Directors will propose a share-based, long-term variable remuneration program for Investor's employees at the 2012 Annual General Meeting.

The program will be largely similar to the program for 2011. 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 2012 Annual General Meeting.

### Annual General Meeting

Investor AB's Annual General Meeting will be held at 4:00 p.m. on Tuesday, April 17, 2012, at the City Conference Centre, Barnhusgatan 12-14, Stockholm. The registration commence at 2:30 p.m.

Notification of participation in the Annual General Meeting can be given starting Monday, March 12, 2012 until Wednesday, April 11, 2012. Notification can be given on Investor's website, ([www.investorab.com](http://www.investorab.com)), or by phoning



+46 8 611 2910. Additional information about Investor's Annual General Meeting is available on Investor's website.

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 27, 2012.

## Accounting policies

For the Group, this Year-end 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, chapter 9 Interim report. 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 2011

The associate 3 Scandinavia has changed the accounting policy for customer acquisition (CAC), and customer retention costs (CRC). According to the policy applied until year-end 2010, these expenses were capitalized and amortized during the term of the contracts. As of 2011 the costs mentioned will be expensed on a current basis and in connection with the transition to the new policy previously balanced expenditures were charged to the income statement retrospectively. The change of policy has affected the opening balance equity as of January 1, 2010 by SEK -487 m., the share of results of associates relating to 2010 was affected by SEK -82 m. and the equity closing balance as per December 31, 2010 has been adjusted by SEK -561 m. as a result of the new policy.

3 Scandinavia has also changed the recognition method of handset revenues. With the new method both revenues and expenses relating to handsets affect the income statement at the time of delivery. Previously revenues and expenses relating to handsets were recognized over the subscriber contract period. 3 Scandinavia has not implemented the new recognition method retrospectively in their accounting and therefore the recognized income will be positively impacted, during a transition period, by revenues relating to subscriber contracts existing at the end of 2010. The effect will fade over time as subscriber contracts signed prior to the change expire. Investor estimates that the positive effect on 3 Scandinavia's operating result amounts to approximately SEK 900 m., of which approximately SEK 700 m. has affected the financial year 2011 and the remainder will affect the financial year 2012.

New or revised IFRSs and interpretations from IFRIC have had no effect on the profit/loss, financial position or disclosures for the Group or Parent Company.

## Presentation of figures

### Operating segments

As of the first quarter 2011, Investor's presentation of operating segments has been changed. The change is due to a new internal structure for management and reporting and has reduced the number of segments from four to two. As before the segments are made up of business areas and consist hereafter of Core Investments and Financial Investments. As of the first quarter 2011, Core Investments consists of listed holdings and subsidiaries with a long ownership horizon. Financial Investments consists of partner-owned investments, Investor Growth Capital, the investments in EQT funds, trading, and some other holdings. Comparative figures have been adjusted.

## Acquisitions (business combinations)

During June the purchase price allocation relating to the acquisition of Aleris was finalized and Aleris acquired Proxima Intressenter AB.

During July, the purchase price allocation relating to the acquisition of Mölnlycke Health Care was finalized and Aleris' acquisition of the Danish Privatehospitalet Hamlet was closed.

Other acquisitions Aleris made during the year consists of Interaktiv Barnevern AS, Mitt Hjärta Primärvård AB, Husläkarmottagningen i Täby Centrum AB and Bergen Plastikkirurgisk Senter AS.

### Final Purchase Price Allocations of the acquisitions during 2010

#### Aleris

In August 2010, Investor acquired 99 percent of the votes in Aleris. The consideration from Investor amounted to SEK 2,620 m. including an earn-out of SEK 11 m. As it is no longer probable that the earn-out will be paid, SEK 11 m. has been taken up as income under value change in the consolidated income statement. The earn-out was depending on the aggregated EBITDA for a business area up to 2012.

According to the preliminary purchase price allocation presented at the end of 2010, goodwill amounted to SEK 3,787 m. The purchase price allocation relating to the acquisition of Aleris has now been fixed with a goodwill amounting to SEK 3,831 m. The major part of the increase of goodwill, SEK 44 m., relates to adjustments of the provision for pensions and deferred taxes.

#### Mölnlycke Health Care

In December 2010, Investor acquired additional votes in Mölnlycke Health Care. The consideration from Investor amounted to SEK 4,672 m. of which SEK 2,016 m. was attributable to the acquisition of shares and SEK 2,656 m. to shareholder loans. After the completion of the transaction, Investor Group owned 92 percent of the company (excluding shareholder loans) and a corresponding 93 percent of the votes.

According to the preliminary purchase price allocation presented at the end of 2010, goodwill amounted to SEK 19,780 m. The purchase price allocation relating to the acquisition of Mölnlycke has now been finalized with goodwill amounting to SEK 19,893 m. The increase of goodwill, SEK 113 m., relates to adjustments of the value of customer contracts and deferred taxes.



Final purchase price  
allocation of the acquisitions  
last year

SEK m.	Aleris			Mölnlycke Health Care		
	Preliminary Purchase Price Allocation	New valuation	Final Purchase Price Allocation	Preliminary Purchase Price Allocation	New valuation	Final Purchase Price Allocation
Intangible assets, primarily customer contracts	614		614	10 280	-155	10 125
Property, plant and equipment	360		360	1054		1054
Financial assets	6		6			
Deferred tax assets				190		190
Non-current assets				56		56
Inventory				1508		1508
Accounts receivables	288		288	1111		1111
Other current assets	100		100	329		329
Cash and cash equivalents	106		106	842		842
Non-current liabilities and provisions	-1528	-23	-1551	-22 743		-22 743
Deferred tax liability	-104	-38	-142	-2 962	42	-2 920
Current liabilities	-727	17	-710	-3 154		-3 154
Net identifiable assets and liabilities	-885	-44	-929	-13 489	-113	-13 602
Fair value of previously held share				-3 746		-3 746
Non-controlling interest	-282		-282	-529		-529
Consolidated goodwill	3 787	44	3 831	19 780	113	19 893
Consideration	2 620	0	2 620	2 016	0	2 016

## Preliminary Purchase Price Allocations in Group Companies

### Proxima Intressenter AB

June 20, 2011 Aleris acquired 100 percent of the votes in the Swedish healthcare provider Proxima Intressenter AB for an enterprise value of SEK 1,080 m. The consideration from Aleris amounted to SEK 742 m. and was paid in cash. The acquisition was financed by a capital contribution of SEK 769 m. from Investor and external debt. Proxima is a private healthcare group delivering high quality services in primary care, diagnostics, specialist care, rehabilitation and occupational health. Through the acquisition, Aleris strengthens its position in the Swedish and Nordic market, both by an increased geographical presence and new areas of competences.

An adjustment to the preliminary purchase price allocation has been made in the fourth quarter. The increase of intangible assets relates to the value of customer contracts and deferred taxes. In the purchase price allocation, which is still preliminary, goodwill amounts to SEK 812 m. The goodwill recognized for the acquisition corresponds to the company's profitability level which is based, among other things, on the company's customer offering, proven performance and market position. The goodwill recognized is not expected to be deductible for income tax purposes. Transaction related costs amounted to SEK 15 m. and derives from external legal fees and due diligence expenses. The costs have been included under other expenses in the consolidated income statement.

For the six month period from the acquisition date until December 31, Proxima contributed net sales of SEK 501 m. and profit of SEK 2 m. to the Group's result. If the acquisition had occurred on January 1, 2011, management estimates that consolidated net sales for the Investor Group would have increased by SEK 508 m. and consolidated profit for the period would have decreased by SEK 46 m.

### Danish Privatehospitalet Hamlet A/S

July 14, 2011 Aleris acquired 100 percent of the votes in the Danish Privatehospitalet Hamlet. The acquisition was financed with capital contribution 250 m. from Investor and external debt. Hamlet is the largest private hospital in

Denmark. Through the acquisitions Aleris strength its position in both the Danish and Nordic healthcare market.

An adjustment to the preliminary purchase price allocation has been made in the fourth quarter. The adjustment is mainly referred to the value of intangible assets and deferred taxes. In the purchase price allocation, which is still preliminary, goodwill amounts to SEK 339 m. The goodwill recognized for the acquisition corresponds to the company's profitability level which is based, among other things, on the company's customer offering, proven performance and market position. The goodwill recognized is not expected to be deductible for income tax purposes. Transaction related costs amounted to SEK 12 m. and derives from external legal fees and due diligence expenses. The costs have been included under other expenses in the consolidated income statement.

For the five month period from the acquisition date until December 31, Hamlet contributed net sales of SEK 209 m. and profit of SEK -4 m. to the Group's result. If the acquisition had occurred on January 1, 2011, management estimates that consolidated net sales for the Investor Group would have increased by SEK 270 m. and consolidated profit for the period would have decreased by SEK 131 m.

### Preliminary Purchase Price Allocations of controlling interest

SEK m.	Proxima Intressenter AB	Hamlet A/S	Other	Total
Intangible assets, primarily customer contracts	356	2		358
Property, plant and equipment	69	73	2	144
Deferred tax assets	8	31	1	40
Non-current assets	2	11		13
Accounts receivables	70	46	10	126
Other current assets	70	22	4	96
Cash and cash equivalents	44	9	43	96
Non-current liabilities and provisions	-437	-194	-3	-634
Deferred tax liability	-98			-98
Current liabilities	-154	-82	-33	-269
Net identifiable assets and liabilities	-70	-82	24	-128
Consolidated goodwill	812	339	227	1378
Consideration	742	257	251	1250

The Purchase Price Allocations are preliminary where business is conducted in a large number of companies and the valuation of intangible assets is complex.

## Related party transactions

During the reporting period the Group has not entered into any new significant transactions or commitments with related parties, other than recurring business transactions as presented in the Annual Report 2010.

## Pledged Assets

### Operating subsidiaries

At December 31, 2011 there were pledged assets related to operating subsidiaries granted credit facilities amounting to SEK 18,692 m. in form of a floating charge, real estate mortgages, shares and assets in group companies (20,283). At December 31, 2011, the loans amounted as a total to SEK 16,794 m. (17,111). Furthermore there is a property mortgage relating to a third-party sale and lease-back agreement amounting to SEK 155 m. (156). In addition there are cash positions as collateral for factoring agreements amounting to SEK 42 m. (39).

The credit facilities above are subject to financial covenants.

### ***Investing Activities***

At December 31, 2011 asset pledged as securities regarding bank deposits, bonds and other securities amounted to SEK 25 m. within Investing Activities (1,525).

## **Contingent liabilities**

### ***Operating subsidiaries***

At December 31, 2011 contingent liabilities in form of guarantee commitments for FPG/PRI and other pension plans amounted to SEK 1 m. (1). Other contingent liabilities amounted to SEK 156 m. (156).

### ***Investing Activities***

At December 31, 2011 guarantees on behalf of the associate 3 Scandinavia amounted to SEK 4,208 m. (4,236).

## **Financial calendar**

April 17, 2012 Annual General Meeting  
April 24, 2012 Interim Report January-March 2012  
July 17, 2012 Interim Report January-June 2012  
Oct. 17, 2012 Interim Report January-September 2012  
Jan. 29, 2013 Year-End Report 2012

Stockholm, January 24, 2012



Börje Ekholm  
*President and Chief Executive Officer*

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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 08:15 CET on January 24, 2012.

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This Year-end report and additional information is 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 (publ), corporate identity number 556013-8298, as of 31 December, 2011 and for the twelve month period then ended. The Board of Directors and the President are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim annual report based on our review.

## Scope of the review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and other generally accepted auditing practices. The procedures performed in a review do not enable us to

obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on 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, in accordance with IAS 34 and the Annual Accounts Act for the Group and in accordance with the Annual Accounts Act for the Parent Company.

Stockholm, January 24, 2012

KPMG AB

(Signed on the original document)

Helene Willberg

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, in summary

Amounts in SEK m.	(Restated)		(Restated)	
	2011 1/1-12/31	2010 1/1-12/31	2011 10/1-12/31	2010 10/1-12/31
Dividends	4 330	3 622	31	15
Other operating income	480	994	128	213
Changes in value	-17 586	28 492	11 513	17 566
Net sales	14 674	2 947	4 145	1 966
Cost of goods and services sold	-9 605	-2 351	-2 670	-1 464
Sales and marketing cost	-2 558	-282	-625	-279
Administrative, research and development and other operating cost	-1 334	-221	-384	-189
Management cost <sup>1)</sup>	-506	-646	-101	-145
Restructuring cost	-150	-	-	-
Share of results of associates	5 240	-717 <sup>2)</sup>	1 180	-160 <sup>2)</sup>
<b>Profit/loss</b>	<b>-7 015</b>	<b>31 838</b>	<b>13 217</b>	<b>17 523</b>
Net financial items	-2 566	-1 186	-881	-92
<b>Profit/loss before tax</b>	<b>-9 581</b>	<b>30 652</b>	<b>12 336</b>	<b>17 431</b>
Income tax	293	-41	-69	61
<b>Profit/loss for the period</b>	<b>-9 288</b>	<b>30 611</b>	<b>12 267</b>	<b>17 492</b>
<b>Attributable to:</b>				
Owners of the Parent Company	-9 229	30 631 <sup>2)</sup>	12 255	17 512 <sup>2)</sup>
Non-controlling interest	-59	-20	12	-20
<b>Profit/loss for the period</b>	<b>-9 288</b>	<b>30 611</b>	<b>12 267</b>	<b>17 492</b>
<b>Basic earnings per share, SEK</b>	<b>-12.14</b>	<b>40.24</b>	<b>16.11</b>	<b>23.00</b>
<b>Diluted earnings per share, SEK</b>	<b>-12.14</b>	<b>40.20</b>	<b>16.10</b>	<b>22.97</b>
Basic average number of shares, million	760.5	761.2	760.5	760.5
Diluted average number of shares, million	761.1	762.9	761.2	761.2

1) Including Cost of long-term share-based remuneration amounting to SEK -33 m. (-37).

2) Restatement attributable to change in accounting policy, for further information see Accounting policies on page 20.

## Consolidated Statement of Comprehensive Income, in summary

Amounts in SEK m.	(Restated)		(Restated)	
	2011 1/1-12/31	2010 1/1-12/31	2011 10/1-12/31	2010 10/1-12/31
Profit for the period	-9 288	30 611 <sup>1)</sup>	12 267	17 492 <sup>1)</sup>
Other comprehensive income for the period, including tax				
Revaluation of non-current assets	190	-	52	-
Change in fair value of cash flow hedges	-243	602	-20	469
Foreign currency translation adjustment	7	-488	-249	-496
Actuarial gains and losses on defined benefit pension plans	-30	-13	-39	-13
Share of other comprehensive income of associates	-189	-202 <sup>1)</sup>	9	81 <sup>1)</sup>
<b>Total other comprehensive income for the period</b>	<b>-265</b>	<b>-101</b>	<b>-247</b>	<b>41</b>
<b>Total comprehensive income for the period</b>	<b>-9 553</b>	<b>30 510</b>	<b>12 020</b>	<b>17 533</b>
<b>Attributable to:</b>				
Owners of the Parent Company	-9 469	30 523 <sup>1)</sup>	12 017	17 538 <sup>1)</sup>
Non-controlling interest	-84	-13	3	-5
<b>Total comprehensive income for the period</b>	<b>-9 553</b>	<b>30 510</b>	<b>12 020</b>	<b>17 533</b>

1) Restatement attributable to change in accounting policy, for further information see Accounting policies on page 20.

## Consolidated Balance Sheet, in summary

		(Restated)	(Restated)
	2011	2010	2010
Amounts in SEK m.	12/31	12/31	1/1
<b>ASSETS</b>			
Goodwill	24 619	23 194	-
Other intangible assets	9 750	10 696	16
Property, plant and equipment	3 995	3 553	2 168
Shares and participations	147 897	156 184 <sup>1)</sup>	130 305 <sup>1)</sup>
Other financial investments	1 967	665	9 062
Long-term receivables included in net debt	795	463	1 158
Other long-term receivables	5 937	5 535	9 699
<b>Total non-current assets</b>	<b>194 960</b>	<b>200 290</b>	<b>152 408</b>
Inventories	1 141	1 465	-
Shares and participations in Active Portfolio Management	1 094	4 026	3 936
Short-term receivables included in net debt	9	-	-
Other current receivables	3 331	3 007	1 459
Cash, bank and short-term investments	13 072	11 979	11 934
<b>Total current assets</b>	<b>18 647</b>	<b>20 477</b>	<b>17 329</b>
<b>TOTAL ASSETS</b>	<b>213 607</b>	<b>220 767</b>	<b>169 737</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>156 719</b>	<b>170 051 <sup>1)</sup></b>	<b>142 186 <sup>1)</sup></b>
Long-term interest bearing liabilities	44 961	40 536	23 550
Provisions for pensions and similar obligations	673	602	297
Other long-term provisions and liabilities	3 748	3 808	629
<b>Total non-current liabilities</b>	<b>49 382</b>	<b>44 946</b>	<b>24 476</b>
Short-term interest bearing liabilities	3 211	948	299
Other short-term provisions and liabilities	4 295	4 822	2 776
<b>Total current liabilities</b>	<b>7 506</b>	<b>5 770</b>	<b>3 075</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>213 607</b>	<b>220 767</b>	<b>169 737</b>
<b>NET DEBT/NET CASH</b>			
	2011	2010	2010
Amounts in SEK m.	12/31	12/31	1/1
Other financial investments	1 967	665	9 062
Receivables included in net debt	804	463	1 158
Cash, bank and short-term investments	13 072	11 979	11 934
Long-term interest bearing liabilities	-44 961	-40 536	-23 550
Provisions for pensions and similar obligations	-673	-602	-297
Short-term interest bearing liabilities	-3 211	-948	-299
Adjustment related to subsidiaries <sup>2)</sup>	16 092	17 507	1 404
<b>Total net debt/net cash</b>	<b>-16 910</b>	<b>-11 472</b>	<b>-588</b>

## Consolidated Statement of Changes in Equity, in Summary

		(Restated)
	2011	2010
Amounts in SEK m.	1/1-12/31	1/1-12/31
<b>Opening balance</b>	<b>170 051</b>	<b>142 673</b>
Change in accounting policy		-487 <sup>1)</sup>
<b>Restated opening balance</b>	<b>170 051</b>	<b>142 186</b>
Profit for the period	-9 288	30 611 <sup>1)</sup>
Other comprehensive income for the period	-265	-101 <sup>1)</sup>
<b>Total comprehensive income for the period</b>	<b>-9 553</b>	<b>30 510</b>
Dividends to own shareholders	-3 802	-3 050
Changes in non-controlling interest	10	674
Repurchase/sales of own shares	2	-263
Effect of long-term share-based remuneration	11	-6
<b>Closing balance</b>	<b>156 719</b>	<b>170 051</b>
<b>Attributable to:</b>		
Owners of the Parent Company	156 070	169 386 <sup>1)</sup>
Non-controlling interest	649	665
<b>Total equity</b>	<b>156 719</b>	<b>170 051</b>

<sup>1)</sup> Restatement attributable to change in accounting policy, for further information see Accounting policies on page 20.

<sup>2)</sup> Deductions relating to the ringfenced subsidiaries Aleris, Grand Hôtel, Mölnlycke Health Care and IGC.

## Consolidated Statement of Cash Flows, in summary

	2011	2010
Amounts in SEK m.	1/1-12/31	1/1-12/31
<b>Operating activities</b>		
Core Investments		
Dividends received	3 998	3 203
Cash receipts	14 451	2 938
Cash payments	-11 697	-2 356
Financial Investments and management cost		
Dividends received	347	451
Cash receipts/payments, net effect	336	-230
<b>Cash flows from Operating activities before net interest and income tax</b>	<b>7 435</b>	<b>4 006</b>
Interest received/paid	-1 636	-657
Income tax paid	-461	-234
<b>Cash flows from Operating activities</b>	<b>5 338</b>	<b>3 115</b>
<b>Investing activities</b>		
Acquisitions	-10 360	-7 429
Divestments	7 328	3 995
Increase in long-term receivables	-	-288
Decrease in long-term receivables	177	192
Acquisitions of subsidiaries, net effect on cash flow	-1 153	-6 732
Disposals of subsidiaries, net effect on cash flow	8	-
Increase in other financial investments	-4 856	-2 712
Decrease in other financial investments	3 591	3 405
Net changes, short-term investments	608	4 507
Acquisitions of property, plant and equipment	-573	-165
Proceeds from sale of other investments	11	105
<b>Net cash used in Investing activities</b>	<b>-5 219</b>	<b>-5 122</b>
<b>Financing activities</b>		
Borrowings	7 058	4 903
Amortization	-1 748	-2 649
Repurchase/sales of own shares	2	-263
Dividends paid	-3 802	-3 050
<b>Net cash used in Financing activities</b>	<b>1 510</b>	<b>-1 059</b>
<b>Cash flows for the period</b>	<b>1 629</b>	<b>-3 066</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2 684</b>	<b>5 804</b>
Exchange difference in cash	-1	-54
<b>Cash and cash equivalents at the end of the period</b>	<b>4 312</b>	<b>2 684</b>
Cash and cash equivalents at end of the period	4 312	2 684
Short-term investments	8 760	9 295
<b>Cash, bank and short-term investments</b>	<b>13 072</b>	<b>11 979</b>



## Operating Segments

PERFORMANCE BY BUSINESS AREA 1/1-12/31 2011

Amounts in SEK m.	Core Investments	Financial Investments	Investor group-wide	Elimination	Total
Dividends	3 998	332	-	-	4 330
Other operating income <sup>1)</sup>	24	480	-	-24	480
Changes in value	-21 794	4 191 <sup>2)</sup>	-	17	-17 586
Net sales	14 679	29	-	-34	14 674
Cost of goods and services sold	-9 598	-41	-	34	-9 605
Sales and marketing cost	-2 558	-	-	-	-2 558
Administrative, research and development and other operating cost	-1 264	-70	-	-	-1 334
Management cost	-137	-190	-179	-	-506
Restructuring cost	-	-	-150	-	-150
Share of results of associates	1	5 239	-	-	5 240
<b>Operating profit/loss</b>	<b>-16 649</b>	<b>9 970</b>	<b>-329</b>	<b>-7</b>	<b>-7 015</b>
Net financial items	-1 392	1	-1 182	7	-2 566
Income tax	287	3	3	-	293
<b>Profit/loss for the period</b>	<b>-17 754</b>	<b>9 974</b>	<b>-1 508</b>	<b>-</b>	<b>-9 288</b>
Non controlling interest	59	-	-	-	59
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>-17 695</b>	<b>9 974</b>	<b>-1 508</b>	<b>-</b>	<b>-9 229</b>
Dividends paid	-	-	-3 802	-	-3 802
Other effects on equity	-244	-287	246	-	-285
<b>Contribution to net asset value</b>	<b>-17 939</b>	<b>9 687</b>	<b>-5 064</b>	<b>-</b>	<b>-13 316</b>
<b>Net asset value by business area 12/31 2011</b>					
Carrying amount	136 002	37 623	-645	-	172 980
Net debt	-	-	-16 910	-	-16 910
<b>Total net asset value</b>	<b>136 002</b>	<b>37 623</b>	<b>-17 555</b>	<b>-</b>	<b>156 070</b>

PERFORMANCE BY BUSINESS AREA 1/1-12/31 2010

Amounts in SEK m.	Core Investments	Financial Investments	Investor group-wide	Elimination	Total
Dividends	3 203	419	-	-	3 622
Other operating income <sup>1)</sup>	587 <sup>2)</sup>	407 <sup>2)</sup>	-	-	994
Changes in value	26 282 <sup>2)</sup>	2 210 <sup>2, 3)</sup>	-	-	28 492
Net sales	2 940	27	-	-20	2 947
Cost of goods and services sold	-2 301	-70	-	20	-2 351
Sales and marketing cost	-282	-	-	-	-282
Administrative, research and development and other operating cost	-221	-	-	-	-221
Management cost	-104	-337	-205	-	-646
Share of results of associates	-334	-383	-	-	-717
<b>Operating profit/loss</b>	<b>29 770</b>	<b>2 273</b>	<b>-205</b>	<b>-</b>	<b>31 838</b>
Net financial items	-226	1	-961	-	-1 186
Income tax	64	10	-115	-	-41
<b>Profit/loss for the period</b>	<b>29 608</b>	<b>2 284</b>	<b>-1 281</b>	<b>-</b>	<b>30 611</b>
Non controlling interest	20	-	-	-	20
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>29 628</b>	<b>2 284</b>	<b>-1 281</b>	<b>-</b>	<b>30 631</b>
Dividends paid	-	-	-3 050	-	-3 050
Repurchase of own shares	-	-	-263	-	-263
Other effects on equity	-288	-620	790	-	-118
<b>Contribution to net asset value</b>	<b>29 340</b>	<b>1 664</b>	<b>-3 804</b>	<b>-</b>	<b>27 200</b>
<b>Net asset value by business area 12/31 2010</b>					
Carrying amount	151 425	30 036	-603	-	180 858
Net debt	-	-	-11 472	-	-11 472
<b>Total net asset value</b>	<b>151 425</b>	<b>30 036</b>	<b>-12 075</b>	<b>-</b>	<b>169 386</b>

1) Includes interest on loans to associates.

2) Move of mezzanine loans to Core Investments from Financial Investments.

3) Includes turnover of the Active Portfolio Management amounting to SEK 9,860m. (23,589).

## Parent Company Income Statement, in summary

	2011	2010	2011	2010
Amounts in SEK m.	1/1-12/31	1/1-12/31	10/1-12/31	10/1-12/31
Dividends	3 998	3 203	0	0
Changes in value	-22 063	23 970	10 919	12 797
Net sales	20	8	7	2
Operating cost	-507	-432	-130	-95
Result from participations in Group companies	520	7 178	-	0
Impairment of associates	1 054	-253	1 229	-40
<b>Operating profit/loss</b>	<b>-16 978</b>	<b>33 674</b>	<b>12 025</b>	<b>12 664</b>
<b>Profit from financial items</b>				
Other financial items	253	520	-46	128
<b>Profit before tax</b>	<b>-16 725</b>	<b>34 194</b>	<b>11 979</b>	<b>12 792</b>
Income tax	-	-	-	-
<b>Profit for the period</b>	<b>-16 725</b>	<b>34 194</b>	<b>11 979</b>	<b>12 792</b>

## Parent Company Statement of Comprehensive Income, in summary

	2011	2010	2011	2010
Amounts in SEK m.	1/1-12/31	1/1-12/31	10/1-12/31	10/1-12/31
Profit for the period	-16 725	34 194	11 979	12 792
Other comprehensive income for the period, including tax				
Change in fair value of cash flow hedges	-17	5	-2	13
<b>Total other comprehensive income for the period</b>	<b>-17</b>	<b>5</b>	<b>-2</b>	<b>13</b>
<b>Total comprehensive income for the period</b>	<b>-16 742</b>	<b>34 199</b>	<b>11 977</b>	<b>12 805</b>

## Parent Company Balance Sheet, in summary

	2011	2010
Amounts in SEK m.	12/31	12/31
<b>ASSETS</b>		
Intangible assets and Property, plant and equipment	38	39
Financial assets	182 520	197 045
<b>Total non-current assets</b>	<b>182 558</b>	<b>197 084</b>
Current receivables	3 247	1 213
Cash and cash equivalents	0	0
<b>Total current assets</b>	<b>3 247</b>	<b>1 213</b>
<b>TOTAL ASSETS</b>	<b>185 805</b>	<b>198 297</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>142 633</b>	<b>163 164</b>
Provisions	293	262
Non-current liabilities	26 544	26 354
<b>Total non-current liabilities</b>	<b>26 837</b>	<b>26 616</b>
<b>Total current liabilities</b>	<b>16 335</b>	<b>8 517</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>185 805</b>	<b>198 297</b>
	2011	2010
<b>ASSETS PLEDGED AND CONTINGENT LIABILITIES</b>	<b>12/31</b>	<b>12/31</b>
Assets pledged	23	931
Contingent liabilities	10 208	10 236

## Parent Company Statement of Changes in Equity, in summary

	2011	2010
Amounts in SEK m.	1/1-12/31	1/1-12/31
<b>Opening balance</b>	<b>163 164</b>	<b>132 284</b>
Profit/loss for the period	-16 725	34 194
Other comprehensive income for the period	-17	5
<b>Total comprehensive income for the period</b>	<b>-16 742</b>	<b>34 199</b>
Dividends	-3 802	-3 050
Stock options exercised by employees	-20	-30
Equity-settled share-based payment transactions	31	24
Repurchases of own shares	2	-263
<b>Closing balance</b>	<b>142 633</b>	<b>163 164</b>