

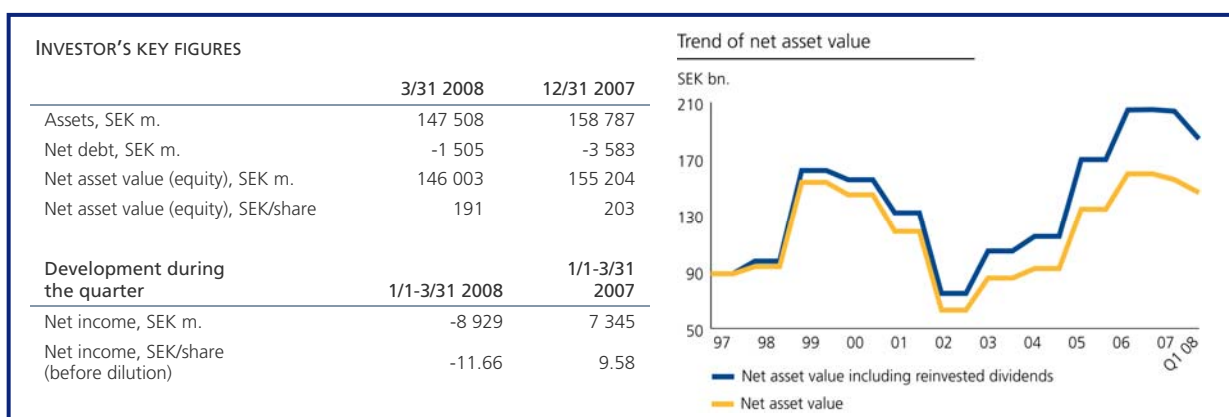
# Interim Report January-March 2008

## Important events during the quarter

- An agreement was signed with Volkswagen to divest Investor's entire holding in Scania for a total value of SEK 17.6 bn.
- Cash proceeds totaling SEK 3.4 bn. were received after Borse Dubai declared its bid for OMX unconditional.
- Ownership positions were strengthened in SEB, Husqvarna, Electrolux and Atlas Copco through investments totaling SEK 875 m.
- Investor's net asset value decreased by 6 percent during the quarter, compared with a decline of 11 percent for the total return index of the Stockholm Stock Exchange.
- Financial strength was maintained and leverage was 1 percent on March 31.
- After the close of the first quarter, the dividend of SEK 4.75 per share (4.50), a total of SEK 3,637 m. (3,449), was paid to shareholders.

## Financial information

- The net asset value amounted to SEK 146,003 m. (SEK 191 per share) on March 31, 2008, compared with SEK 155,204 m. (SEK 203 per share) at year-end 2007.
- The consolidated net result for the first quarter, including change in value, was SEK -8,929 m. (SEK -11.66 per share), compared with SEK 7,345 m. (SEK 9.58 per share) for the same period of 2007.
- Core Investments had an impact of SEK -7,084 m. on income in the first quarter (4,039). Scania had the greatest positive impact with SEK 2,993 m. and ABB had the largest negative effect with SEK -4,324 m.
- Operating Investments contributed SEK 89 m. to income in the first quarter (-381).
- Private Equity Investments had an effect of SEK -1,706 m. on income during the quarter (3,591).
- The total return on Investor shares was -9 percent in the first quarter (2). The annual total return has averaged 14 percent over the past 20-year period.



## A turbulent financial market creates opportunities



The turbulence in the financial markets continued during the first quarter, with the Swedish stock market down 11 percent. Our net asset value outperformed the market, with a decline of 6 percent. Investor's

share price, down by 9 percent, also performed better than the market.

The weakness in the U.S. economy is increasingly apparent. Difficult conditions in the credit markets have continued, despite ongoing attempts by the Federal Reserve to inject liquidity into the system. The crisis facing the American financial industry may be the worst since the 1930s. Sentiment in the U.S. is clearly reaching low points and American politicians are now creating significant stimulus packages to avoid a broad-based recession. The risk is that needed structural reform may be pushed out in the future. We are also likely to see increasing regulatory efforts in the financial services industry. There are emerging signs that the problems facing the U.S. markets are spreading to the rest of the world and global growth appears to be slowing down. I believe it is unlikely that Europe will be insulated from this.

There is a large gap today between the performance of industrial companies and the view of the future maintained by capital markets. It is unlikely that this dichotomy can be sustained.

The U.S. credit market is functioning very poorly today. For example, it is more or less impossible to finance even a small buyout. While many European financing markets are in poor shape, the Nordic market is still functioning reasonably well.

Given present market conditions, we remain cautious. Our strong financial position will allow us to act quickly when attractive investment opportunities arise. Over the last several years, we have deliberately strengthened our balance sheet, creating the flexibility to invest in a difficult market environment that would inevitably come. Based on past experience, we know that it takes time before expectations are reset and valuations are re-aligned. It is likely that the coming 12-24 months will turn out to be a good time to invest.

### Right decision to divest our Scania shares

The most significant event during the first quarter was the agreement with Volkswagen to sell Investor's remaining shares in Scania. This was the right decision for Investor and our shareholders and also the right industrial solution for Scania. The transaction created significant value for our shareholders, generating SEK 8 bn. more than the bid from MAN. The transaction is subject to customary antitrust approval.

Our history with Scania has been long and successful. In March 2000, after the European Commission rejected Volvo's bid for Scania, Investor sold most of its stake in Scania to Volkswagen, which then became the lead

shareholder in Scania. Investor also committed to remain a shareholder for a period of two years. However, Volvo's ownership in Scania was not resolved until 2005.

In September 2006, MAN launched a hostile bid for Scania which Investor firmly rejected. The bid price was raised and a number of Scania's minority owners sold their shares to MAN, which became a 15 percent owner of the votes in Scania. This created a great deal of uncertainty about Scania's ownership structure which the company had to live with even after the bid was withdrawn.

Investor also rejected the increased MAN offer as it clearly did not reflect the value and the potential of Scania. We acquired additional shares over the market to demonstrate our firm belief in the value of Scania and to allow us to block a merger. The subsequent development of Scania has supported our view.

In March 2007, Volkswagen, after purchasing additional shares in Scania, directly and indirectly became owner of 50.1 percent of the votes in Scania. Volkswagen then became the de facto majority owner of Scania.

The Swedish Securities Council confirmed Volkswagen's right to increase its stake in Scania to 49.9 percent in the beginning of 2007, and above 50 percent in September, without having to launch a mandatory bid for Scania. This was based upon a technicality in the Swedish mandatory bid rules since it was considered that Volkswagen already had a controlling interest by owning more than 30 percent when the rules were introduced.

During 2007 and early 2008, Volkswagen increased its votes in Scania step-by-step from 34 percent to 38 percent by paying a premium to acquire A-shares from other institutional shareholders. MAN also increased its voting position by swapping B-shares for A-shares, thus creating further speculation. Given this situation, Investor risked being locked in as a minority owner without the strategic influence that constitutes the core of our business approach. Volkswagen also made it clear during our discussions that they did not intend to make an offer for all shares in Scania. Therefore, our focus was solely to maximize the value for our shareholders, as stated in our interim reports since the third quarter of 2007.

All Scania shareholders have benefited from strong share price appreciation, as compared to MAN's bid during a period of very weak stock markets. The Scania B-share currently trades more than 20 percent above the revised MAN offer.

### Selective investments in Core Investments

During the quarter we increased our ownership in SEB, Husqvarna, Electrolux and Atlas Copco as we saw their shares trading below our fundamental valuation. A strong ownership position is important for driving the implementation of value creation plans in our core investments. Furthermore, a strong ownership position allows us to capture attractive value if we decide to sell.

The public offer from Borse Dubai and Nasdaq for all shares in OMX was finalized in February. OMX is now part of a leading global exchange with cost-efficient and attractive offerings for its customers. The transaction allowed Investor to realize SEK 3.4 bn. in cash proceeds.

#### **Solid development for Operating Investments**

We continue to work on new investment opportunities. We remain disciplined in our approach and will only move forward on opportunities that can create attractive value for our shareholders. That is why we did not succeed in acquiring Vin & Sprit AB, which we bid for together with EQT. The final price on the business was much higher than we judged to be attractive. The Swedish government clearly made the right decision and should be congratulated for a good transaction.

The companies in our existing portfolio continue to perform well. However, we are still investing heavily in enhancing long-term growth and profitability, negatively impacting earnings in the short term. 3 Scandinavia continues to grow on the back of healthy sales of Turbo3G and losses on EBITDA-level continued to shrink compared with last quarter. We remain confident that the company will reach the important milestone of EBITDA-breakeven on a monthly basis during the year.

#### **Negative contribution from Private Equity**

Our private equity businesses had a strong performance in 2007 and also resisted the market downturn during the fourth quarter. However, the continued fall in valuations in the public market has negatively affected the values for the first quarter of this year. For the EQT funds, the decline is primarily explained by falling multiples on comparable companies in the public market and by falling valuations on their listed investments. Investor Growth Capital's reduction in value is fully attributable to the weakening U.S. dollar. The falling market values of comparables and of listed companies were fully offset by operational outperformance in several companies.

Given current market conditions, we expect exits to be fewer this year. With lower exit flows but continued new investments, we expect our Private Equity business to be net investing for the year.

#### **Strong financial position**

We are in a strong financial position. All of our Operating Investments, except 3 Scandinavia, have fully ring-fenced capital structures. All companies currently perform with significant headroom to their loan covenants and the risk for capital injections remains low.

All companies in our Private Equity business also have fully independent financial structures and most perform in line with plans. We foresee a need for equity injections and add-on financings in some companies, but the amounts are expected to be limited.

Our Active Portfolio Management also has a limited market risk profile, with a gross exposure of around 1 percent of our total assets. Traded derivatives are used to hedge a large part of the market risk. Furthermore, we are only investing in marketable instruments valued at their market price. Our large cash position is primarily and prudently invested in government securities.

Upon completion of the Scania sale, Investor will receive proceeds of close to SEK 18 bn., putting us in a strong net cash position. We intend to invest this capital in line with our long-term strategy: expanding Operating Investments, investing in selected Core Investments and capturing further investment opportunities within Private Equity. Our ambition to increase the proportion of unlisted holdings in our portfolio remains. Within Investor's unlisted investments we can achieve returns in excess of 15 percent per year over a long time frame. We will continuously evaluate the best use of capital to maximize long-term returns to our shareholders.

#### **Commitment to deliver attractive returns**

The history of Investor is characterized by continuous change and development. This can be seen in the evolution of our portfolio, but also in the constant flow of value-creating events within our holdings. To constantly evolve and invest in the future is crucial for achieving success. However, the core of our strategy – to build and develop companies with a long-term industrial perspective – remains the same. And so does our dedication to deliver superior returns to our shareholders.



Börje Ekholm

## Development of the Group

In the first quarter, the net asset value decreased from SEK 155.2 bn. to SEK 146.0 bn. The decline in the financial markets had a negative impact on the value of most of Investor's holdings. The net result for the quarter, including change in value, was SEK -8.9 bn. Investor's net debt amounted to SEK 1.5 bn. at the close of the quarter.

[Read more on investorab.com under "Investor in Figures" >>](#)

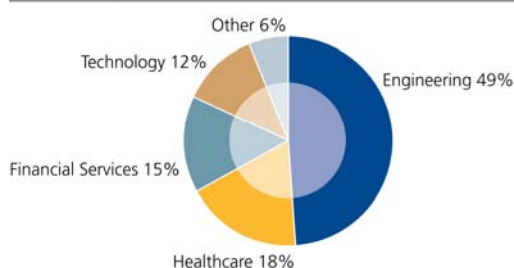
### Net asset value

The net asset value amounted to SEK 146,003 m. on March 31, 2008 (155,204)<sup>1)</sup>, corresponding to SEK 191 per share (203). The net asset value changed by SEK -9,201 m. during the first quarter (3,993).

The change in net asset value was -6 percent in the first quarter (3). During the same period, the total return index of the Stockholm Stock Exchange declined by 11 percent.

1) For balance sheet items, figures in parentheses refer to year-end 2007 figures. For income items, the figures in parentheses refer to the same period last year.

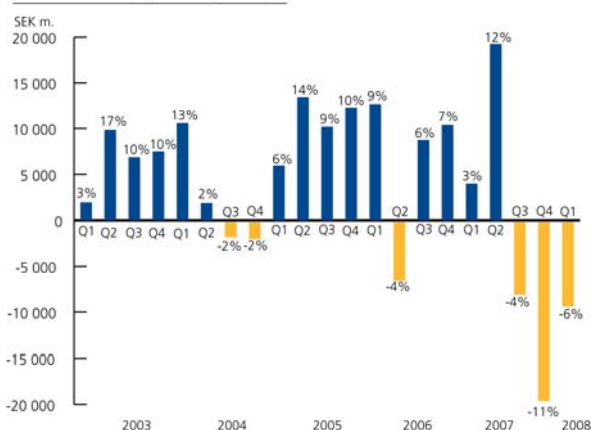
Total assets by sectors, 3/31 2008



### INVESTOR'S NET ASSET VALUE

	3/31 2008		12/31 2007	
	SEK/share	SEK m.	SEK/share	SEK m.
Core Investments	153	117 254	166	127 293
Operating Investments	16	11 910	15	11 806
Private Equity Investments	21	15 813	23	17 718
Financial Investments	3	2 807	4	2 583
Other assets and liabilities	0	-276	-1	-613
<b>Total assets</b>	<b>193</b>	<b>147 508</b>	<b>207</b>	<b>158 787</b>
Net debt	-2	-1 505	-4	-3 583
<b>Net asset value</b>	<b>191</b>	<b>146 003</b>	<b>203</b>	<b>155 204</b>

Net asset value, quarterly change



### INVESTOR'S BUSINESS AREA STRUCTURE

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

## Trend of earnings

The consolidated net result, including change in value, was SEK -8,929 m. in the first quarter (7,345).

Core Investments impacted income for the quarter by SEK -7,084 m. (4,039), Operating Investments by SEK 89 m. (-381), Private Equity Investments by SEK -1,706 m. (3,591) and Financial Investments by SEK -65 m. (98).

## Dividend to shareholders

The Annual General Meeting on April 3, 2008 approved the board's proposed dividend of SEK 4.75 per share (4.50). The dividend payment to Investor shareholders totaled SEK 3,637 m. (3,449), which was distributed after the close of the reporting period and therefore had no effect on first-quarter figures.

## EARNINGS, INVESTOR GROUP

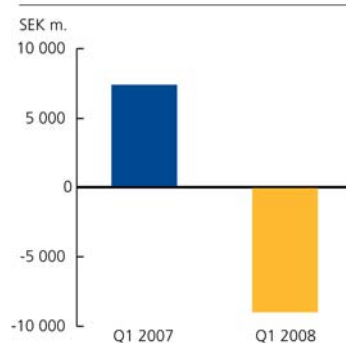
SEK m.	1/1-3/31 2008	1/1-3/31 2007
Change in value	-9 516	6 857
Dividends	884	1 286
Operating costs <sup>1)</sup>	-140	-143
Other income items <sup>2)</sup>	-157	-655
<b>Net result</b>	<b>-8 929</b>	<b>7 345</b>
Dividends paid	-	-3 449
Other	-272	97
<b>Change in net asset value</b>	<b>-9 201</b>	<b>3 993</b>

1) Includes cost of long-term share-based remuneration programs calculated in the accounts.

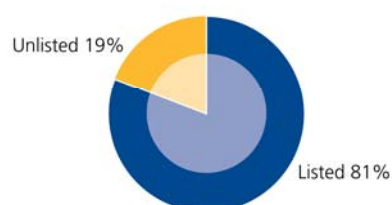
2) Other income items include shares of income of associated companies.

See Segment Reporting, page 22, for a detailed presentation of each business area's development.

Trend of earnings, Group



Percentage of listed and unlisted assets, 3/31 2008



## TOTAL ASSETS BY SECTOR AND BUSINESS AREA ON MARCH 31, 2008

SEK m.	Engineering	Healthcare	Financial Services	Technology	Other	Total
Core Investments	71 083	11 453	21 755	12 963	-	117 254
Operating Investments	-	8 993	-	999	1 918	11 910
Private Equity Investments	946	6 453	-	4 135	4 279	15 813
Financial Investments and Other	-	-	-	-	2 531	2 531
<b>Total</b>	<b>72 029</b>	<b>26 899</b>	<b>21 755</b>	<b>18 097</b>	<b>8 728</b>	<b>147 508</b>

## Core Investments

Core Investments had an impact of SEK-7.1 bn. on income in the first quarter, or -6 percent. The business area outperformed the market. Additional shares were purchased in SEB, Husqvarna, Electrolux and Atlas Copco. An agreement was signed to sell the entire holding in Scania to Volkswagen. The offer for OMX was completed, generating cash proceeds of SEK 3.4 bn. for Investor.

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

The turbulence and uncertainty in the global credit market continued to negatively impact stock markets around the world. The weakening of the U.S. dollar against the Swedish krona also negatively affected share prices for a number of Core Investments. The business area was down 6 percent during the quarter, compared with an 11 percent decrease for the total return index of the Stockholm Stock Exchange (SIXRX).

On February 15, 2008, Borse Dubai declared the offer for OMX unconditional, enabling the combination with Nasdaq and the formation of the Nasdaq OMX Group. Investor received cash proceeds of SEK 3.4 bn. for its shares in OMX.

On March 3, 2008, an agreement was announced with Volkswagen to sell Investor's entire holding in Scania, 88,027,028 A-shares, for a price of SEK 200 per share. The transaction is subject to customary antitrust clearance. Upon completion, Investor will receive cash proceeds of approximately SEK 17.6 bn.

### Purchases and sales

In SEB, 3,000,000 A-shares were purchased for SEK 470 m.

In Husqvarna, 185,700 A-shares were acquired for SEK 13 m. and 3,489,000 B-shares for SEK 236 m.

In Electrolux, 1,000,000 B-shares were purchased for SEK 101 m.

In Atlas Copco, 600,000 B-shares were purchased for SEK 55 m.

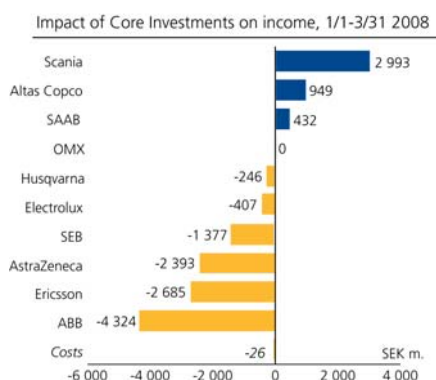
In OMX, 12,950,507 shares were sold for SEK 3,412 m.

### Dividends

Dividends from the Core Investments totaled SEK 444 m. in the first quarter (1,182).

## Earnings for the period

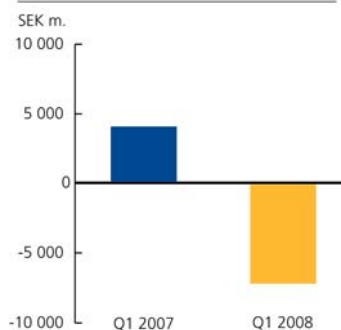
Core Investments had an impact of SEK -7,084 m. on income in the first quarter (4,039). The majority of the Core Investments had a negative impact on earnings. ABB and Ericsson had the most negative effect with SEK -4,324 m. and SEK -2,685 m., respectively. Scania, which is valued according to the agreed selling price to Volkswagen of SEK 200 per share, contributed SEK 2,993 m. to income. Atlas Copco and Saab also had a positive income effect with SEK 949 m. and SEK 432 m., respectively.



### EARNINGS, CORE INVESTMENTS

SEK m.	1/1-3/31 2008	1/1-3/31 2007
Change in value	-7 502	2 892
Dividends	444	1 182
Operating costs	-26	-35
Effect on income	-7 084	4 039

### Trend of earnings, Core Investments



## OVERVIEW OF CORE INVESTMENTS

	Number of shares <sup>1)</sup> 3/31 2008	Ownership Capital <sup>2)</sup> 3/31 2008 (%)	Votes <sup>2)</sup> 3/31 2008 (%)	Share of total assets 3/31 2008 (%)	Market value SEK/share 3/31 2008	Market value, SEK m. <sup>3)</sup> 3/31 2008	Net purchases (+)/sales(-) SEK m. 2008	Total return <sup>4)</sup> 2008 (%)	Market value, SEK m. 12/31 2007
<i>Engineering</i>									
ABB	166 330 142	7.2 <sup>5)</sup>	7.2 <sup>5)</sup>	18	35	26 447		-14	30 771
Atlas Copco	190 280 826	15.5	21.2	13	25	19 231	55	+5	18 227
Scania	88 027 028	11.0	20.0	12	23 <sup>6)</sup>	17 605 <sup>6)</sup>		n/a	14 612
Husqvarna	57 826 258	15.0	27.9	3	5	4 137	249	-7	4 134
Electrolux	37 665 071	12.2	28.4	2	5	3 663	101	-10	3 969
				<b>48</b>	<b>93</b>	<b>71 083</b>			<b>71 713</b>
<i>Financial Services</i>									
SEB	140 527 895	20.5	20.8	15	28	21 755	470	-6	22 662
OMX	-	-	-	-	-	-	-3 412	-	3 412
				<b>15</b>	<b>28</b>	<b>21 755</b>			<b>26 074</b>
<i>Technology</i>									
Ericsson	820 393 516	5.1	19.5	7	13	9 732		-23	12 417
Saab AB	21 611 925	19.8	38.0	2	4	3 231		+16	2 799
				<b>9</b>	<b>17</b>	<b>12 963</b>			<b>15 216</b>
<i>Healthcare</i>									
AstraZeneca	51 587 810	3.5 <sup>7)</sup>	3.5 <sup>7)</sup>	8	15	11 453		-17	14 290
				<b>8</b>	<b>15</b>	<b>11 453</b>			<b>14 290</b>
<b>Total</b>				<b>80</b>	<b>153</b>	<b>117 254</b>	<b>-2 537</b>		<b>127 293</b>

1) Holdings, including any shares on loan.

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

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

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

5) Calculated in accordance with Swiss disclosure regulations.

6) Investor's shares in Scania are valued at the price agreed with Volkswagen.

7) Calculated in accordance with British disclosure regulations.

## Operating Investments

Operating Investments made a positive contribution of SEK 89 m. to income (-381). Holdings in the business area developed well during the first quarter. The operating results of Gambro Holding and Mölnlycke Health Care were adversely impacted by currency translation effects. Figures for Operating Investments, except for The Grand Group, are reported with one month's delay.

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

### Earnings for the period

Operating Investments had a positive effect of SEK 89 m. on income in the first quarter (-381), of which SEK -165 m. was attributable to 3 Scandinavia (-249), SEK 142 m. to Mölnlycke Health Care (-) and SEK 147 m. to Gambro Holding (-399).

The recognition of deferred taxes on loss-carry-forwards within Gambro Holding, a total of SEK 684 m., had a positive impact of SEK 335 m. on Operating Investments' results.

The losses in 3 Scandinavia continued to decrease during the first quarter according to plan. The plan remains that the company will reach EBITDA breakeven on a monthly basis during 2008.

### Net asset value

	3/31 2008		12/31 2007	
	SEK/share	SEK m.	SEK/share	SEK m.
Mölnlycke Health Care	8	5 799 <sup>1)</sup>	7	5 729
Gambro Holding	4	3 194 <sup>2)</sup>	4	3 217
The Grand Group	2	1 320	2	1 337
3 Scandinavia	1	999 <sup>1)</sup>	1	920
Other	1	598	1	603
<b>Total</b>	<b>16</b>	<b>11 910</b>	<b>15</b>	<b>11 806</b>

1) Refers to Investor's share of equity on Feb. 29, 2008 and shareholders' loans.  
2) Refers to Investor's share of equity on Feb. 29, 2008.

The business area's effect on net asset value was SEK -118 m. in the first quarter (-274).

#### TREND OF NET ASSET VALUE, OPERATING INVESTMENTS

SEK m.	1/1-3/31 2008
Net asset value on January 1	11 806
Investments	272
Divestments	-
Effect on net asset value	
<i>Effect on income</i>	89
<i>Other (currency, etc.)</i>	-207
	-118
Other	-50
<b>Net asset value on March 31</b>	<b>11 910</b>

### VALUATION METHODOLOGY WITHIN OPERATING INVESTMENTS

In the Operating Investments business area, Investor normally has majority ownership or a stake with significant influence in the underlying investment. Investments classified as associated companies are reported using the equity method and subsidiaries are fully consolidated. Investor's share of the holding's equity constitutes the valuation of the holding when the equity method is applied and Investor's share of the holding's net result is included in the income statement. Thus, for companies incurring large costs that impact short-term profits negatively, the value of the holding declines in Investor's net asset value. As a consequence, Investor is now providing key operating figures, such as normalized EBITDA and net debt, in order to facilitate the market's evaluation of these investments. In normalized EBITDA, one-off items, such as restructuring costs, certain amortization items and write-downs, and specific investments, are eliminated to better reflect the underlying result. Figures for Mölnlycke Health Care, 3 Scandinavia, Gambro BCT and Gambro Renal Products are reported with one month's delay. Quarterly figures refer to the period December 1, 2007 to February 29, 2008.

#### BRIDGE BETWEEN RESULT AND EFFECT ON VALUE

<i>Investor's share of:</i>	
Operating income for the period (EBITDA)	+
Amortization	-
Net financial items, tax, etc.	+/-
Equity items, etc. (such as currency)	+/-
<b>Effect on value in the first quarter</b>	<b>+/-</b>

#### VALUATION METHODOLOGY

Initial investment/equity	+
Investments/divestments up to 2007	+/-
Accumulated effect on value up to 2007	+/-
Investments in first quarter of 2008	+
Divestments in first quarter of 2008	-
<b>Effect on value in first quarter of 2008</b>	<b>+/-</b>
<b>Closing net asset value/equity</b>	<b>=</b>





Gambro Holding owns Gambro Renal Products and Gambro BCT. The companies are jointly financed and included in Gambro Holding. Since net debt of the companies has not been formally distributed, this key figure is reported as a total for the two entities.

Gambro Holding had a total impact of SEK 147 m. on Investor's income in the first quarter (-399).

COMBINED KEY FIGURES, GAMBRO HOLDING<sup>1)</sup>

Balance sheet items	Q1 2008	Q4 2007
Net debt	22 670	22 939

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



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

### Activities during the quarter

A global partnership agreement was signed with Debiotech to jointly develop an innovative, user-friendly automated system for peritoneal dialysis.

An important strategic alliance was started with Sandoz to cooperate in the launch of Sandoz's Binocrit® biosimilar for treating patients suffering from chronic kidney failure.

New software for the Prismaflex® System received clearance from the U.S. Food and Drug Administration (FDA). With this approval, dialysis machines for intensive renal care can be sold again in the United States. The new software provides improved functionality, enhanced safety features and a simplified user interface.

### Financial performance

Sales were healthy in the first quarter and increased 5 percent compared with the corresponding period last year. Normalized EBITDA for the quarter was 15 percent higher than last year. Reported figures were affected by the weakening USD.

KEY FIGURES, GAMBRO RENAL PRODUCTS<sup>1)</sup>

Income statement items	Q1 2008	Q1 2007
Net sales	2 772	2 642
Normalized EBITDA	349	303

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

#### BRIEF FACTS, GAMBRO RENAL PRODUCTS

Gambro is a global medical technology company and a leader in developing, manufacturing and supplying products, therapies and services for in-center care and self-care hemodialysis, peritoneal dialysis, renal intensive care and hepatic care.

Investor's ownership (capital)	49% <sup>1)</sup>
Year of investment	2006
Number of employees	~8,000

1) Investor also indirectly owns 10 percent through its ownership in EQT IV.



Read more on the Web: [www.gambrobct.com](http://www.gambrobct.com) >>

### Activities during the quarter

Sales developed well. The recent launch of the Mirasol® and Atreus® systems contributed to the strong first-quarter sales growth.

Mirasol, launched in the fourth quarter of 2007 in Europe, is already in routine use by customers in seven countries on four continents. Furthermore, Mirasol also received approval from the FDA for the first human clinical trial for whole blood.

Other products also experienced positive growth during the quarter, including Trima Accel® and the recently introduced Spectra Optia system.

Gambro BCT now has a new organization in place with four business areas focused on Automated Collections, Therapeutic Systems, Whole Blood Processes and Pathogen Reduction Technologies.

### Financial performance

Net sales grew by 12 percent compared with the corresponding period last year. The normalized EBITDA-margin was 29.1 percent (27.9). Since Gambro BCT's operations are dollar-based, key figures for the quarter were affected negatively when translated to SEK.

KEY FIGURES, GAMBRO BCT<sup>1)</sup>

Income statement items	Q1 2008	Q1 2007
Net sales	711	634
Normalized EBITDA	207	177

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

#### BRIEF FACTS, GAMBRO BCT

Gambro BCT develops and sells products for collecting and separating whole blood into its components, as well as cell therapy procedures.

Investor's ownership (capital)	49% <sup>1)</sup>
Investment year	2006
Number of employees	~2,100

1) Investor also indirectly owns 10 percent through its ownership in EQT IV.

## Activities during the quarter

In the Wound Care Division, sales of the Mepilex® antibacterial dressing started to build momentum in Europe after the product's successful introduction at year-end 2007. The sales organization was further expanded, primarily in the U.S. Production capacity was increased to meet anticipated growth in demand.

The Surgical Division continued to achieve healthy sales growth. Growth has been strong in Europe for customized procedure trays (ProcedurePak®) and in the U.S. for surgical gloves.

R&D investments were increased in several areas, including advanced wound care and surgical gloves.

## Financial performance

Mölnlycke Health Care contributed SEK 142 m. to income in the first quarter (-). The weakening of USD and GBP adversely impacted the company's key figures and consequently had an effect on Investor's income.

### KEY FIGURES, MÖLNLYCKE HEALTH CARE<sup>1)</sup>

<i>Income statement items</i>	Q1 2008	Q1 2007 <sup>2)</sup>
Net sales	1 791	1 687
Normalized EBITDA	488	451

<i>Balance sheet items</i>	Q1 2008	Q4 2007
Net debt	17 772	18 106

1) Income statement items and balance sheet items are reported with one month's delay. Key figures are affected by exchange rate changes when translating from EUR to SEK.

2) Pro forma, since Investor did not own the company during this period.

### BRIEF FACTS, MÖLNLYCKE HEALTH CARE

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

Investor's ownership (capital)	61%
Investment year	2007
Number of employees	~6,100



## Activities during the quarter

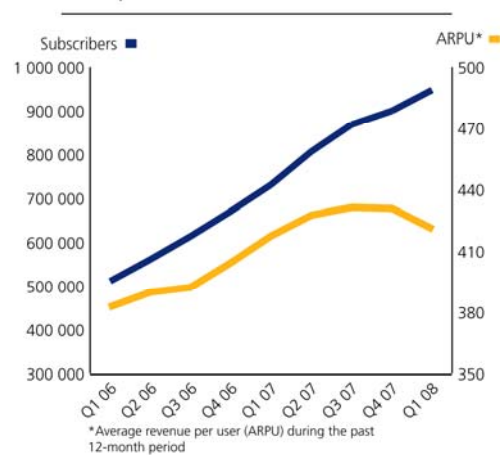
The number of subscribers increased by 48,000 during the first three months of the year. The customer base has grown by 30 percent over the past 12-month period. Strong sales of mobile broadband subscriptions contributed to the healthy uptake of new customers and 3 Scandinavia is continuing to roll out Turbo3G (7.2 Mbps).

Average revenue per user (ARPU) has declined due to a growing percentage of mobile broadband customers. This change has been anticipated and noted in earlier reports.

3 Scandinavia increased its focus on business users during the quarter, for example, by introducing the BlackBerry phone with its user-friendly mobile e-mail solution.

Under the HDTV name, 3 Scandinavia became the first operator to launch a new mobile television service with the best quality in the market (300 Kbps).

Development of 3 Scandinavia



## Financial performance

Sales rose by almost 30 percent, compared with the same period last year, and losses (EBITDA) were reduced by half. 3 Scandinavia had an effect of SEK -165 m. on Investor's first-quarter income (-249). During the quarter, Investor invested SEK 272 m. in 3 Scandinavia. As of March 31 2008, Investor has invested a total of SEK 5,323 m. in the company.

### KEY FIGURES, 3 SCANDINAVIA<sup>1)</sup>

<i>Income statement items</i>	Q1 2008	Q1 2007
Net sales	1 214	949
Normalized EBITDA <sup>2)</sup>	-108	-217

<i>Balance sheet items</i>	Q1 2008	Q4 2007
Net debt	10 084	10 167

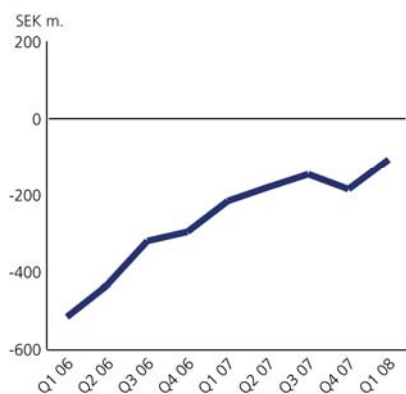
<i>Other key figures<sup>3)</sup></i>	3/31 2008	12/31 2007
Subscribers	948,000	900,000
ARPU (SEK)	421	431
Non-voice ARPU	29%	27%
Postpaid/prepaid ratio	90/10	90/10

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

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

3) Other key figures are reported without any delay.

### Normalized EBITDA, 3 Scandinavia



### BRIEF FACTS, 3 SCANDINAVIA

3 Scandinavia is the leader in the Swedish and Danish 3G markets. 3 Scandinavia offers music, MSN, mobile broadband and TV channels for mobile phones.

Investor's ownership (capital)	40%
Investment year	1999
Number of employees	~1,500



Read more on the Web: [www.grandhotel.se](http://www.grandhotel.se) >>

### Activities during the quarter

The Mathias Dahlgren fine dining restaurant at the Grand Hôtel received a star with the additional distinction of being a "Rising Star" in the 2008 edition of the Michelin Guide. The hotel's more casual Food Bar also won a prize for "Best Restaurant Interior Experience" in Sweden's White Guide of restaurants.

The restoration of Burmanska palatset to transform it into a hotel and conference center of the highest international class – completed in 2007 – received a prize from the Stockholm Association of Building Contractors in the first quarter.

### Financial performance

Grand Hôtel's net sales in the first quarter were somewhat higher than in the corresponding period of 2007. A slightly lower occupancy rate, related mainly to the Easter holiday period occurring this year in the first quarter, was one of the main reasons for the lower EBITDA of SEK 7 m. in the first quarter (12).

#### KEY FIGURES, GRAND HÔTEL

<i>Income statement items</i>	Q1 2008	Q1 2007
Net sales	79	77
EBITDA	7	12

<i>Balance sheet items</i>	Q1 2008	Q4 2007
Net debt <sup>1)</sup>	516	494

1) Included in Investor's consolidated net debt.

#### BRIEF FACTS, GRAND HÔTEL

Grand Hôtel is Scandinavia's leading hotel situated on the waterfront in downtown Stockholm with a view over the Old Town and the Royal Palace. The hotel has 376 guest rooms and a number of conference areas, restaurants and bars. Grand Hôtel is a member of The Leading Hotels of the World and is included in InterContinental Hotels & Resorts' international sales and reservations system.

Investor's ownership (capital)	100%
Investment year	1968
Number of employees	~375

## Private Equity Investments

The Private Equity Investments business area had an impact of SEK -1.7 bn. on income in the first quarter. Most of the decline was attributable to EQT's funds and is explained by contracting multiples on comparable companies used for valuation and by lower market valuations on listed companies. Investor Growth Capital also had a negative contribution completely explained by the weak USD.

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

### Purchases and sales

A total of SEK 589 m. was invested in the first quarter (314). Investments during the period comprised SEK 355 m. in new investments (189) and SEK 234 m. in add-on investments (125).

Holdings were sold for SEK 594 m. during the period (1,174).

#### PURCHASES AND SALES, PRIVATE EQUITY INVESTMENTS

SEK m.	1/1-3/31 2008	
	Purchases	Sales
EQT	282	192
Investor Growth Capital	307	402
<b>Total</b>	<b>589</b>	<b>594</b>

### Earnings for the period

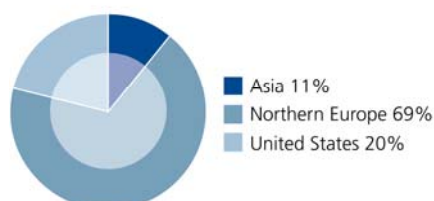
The result for the first quarter was SEK -1,706 m. (3,591). Most of the decline in the quarter was attributable to EQT's funds and was mainly due to lower valuation multiples as a consequence of declining values in public markets.

Investor Growth Capital posted a result of SEK -405 m. for the first quarter. The decrease was fully attributable to the weakening of the U.S. dollar during the period.

#### EARNINGS, PRIVATE EQUITY INVESTMENTS

SEK m.	1/1-3/31 2008	1/1-3/31 2007
Change in value (incl. dividends)		
EQT	-1 245	3 203
Investor Growth Capital	-405	440
Operating costs	-56	-52
<b>Effect on income</b>	<b>-1 706</b>	<b>3 591</b>

#### Private Equity Investments by geography



## Net asset value

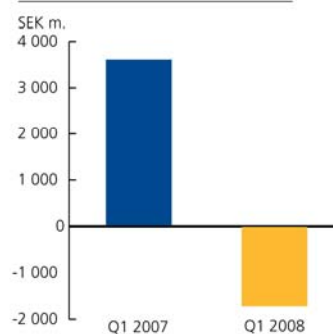
#### PRIVATE EQUITY INVESTMENTS BY UNIT

	3/31 2008		12/31 2007	
	SEK/share	SEK m.	SEK/share	SEK m.
EQT	12	8 790	13	10 200
Investor Growth Capital	9	7 023	10	7 518
<b>Total</b>	<b>21</b>	<b>15 813</b>	<b>23</b>	<b>17 718</b>

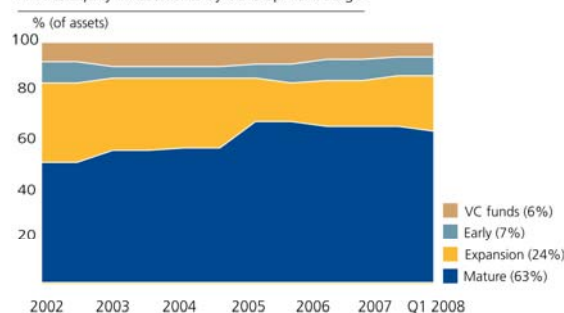
#### LISTED/UNLISTED IN PRIVATE EQUITY INVESTMENTS

	Listed	Unlisted
EQT	10%	90%
Investor Growth Capital	8%	92%

#### Trend of earnings, Private Equity Investments



#### Private Equity Investments by development stage



## Investor Growth Capital

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

The turbulent financial environment created an uncertain background for the venture capital industry in the first quarter. This resulted in the lowest number of IPOs since mid-2003. Fundraising for new European venture capital funds also dropped to the lowest level of the past five years. For venture capital investors, this environment will result in more reasonable valuations of new investment candidates.

### Events occurring in the first quarter

New investments were made in AirPlusTV, Byecity, Cayenne Medical and Keybroker.

AirPlusTV (Sweden) is a holding company set up to establish and launch pay-TV operator services for Digital Terrestrial Television (DTT) networks in several Western European markets.

Byecity (China) is a Beijing-based outbound travel wholesaler offering comprehensive online services.

Cayenne Medical (United States) is a medical device company with products to treat orthopedic sports injuries.

Keybroker (Sweden) is a service provider to Europe's largest online search advertisers and manages search advertising on the Internet to maximize cost benefits.

Follow-on investments were made in Åmic and Doxa, among other holdings.

Holdings in Exigen and Navini Networks were sold.

## EQT's funds

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

The credit squeeze in financial markets has led to poor borrowing terms for companies. As a consequence, activity in the buyout market decreased during the first quarter of the year.

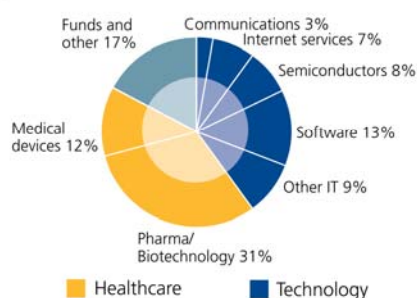
### Events occurring in the first quarter

EQT V, through ESML Intressenter, announced that it had completed its offer for Securitas Direct (Sweden). On March 31, 2008, ESML Intressenter held 80.8 percent of Securitas Direct.

EQT V completed its previously announced acquisition of SAG.

EQT III sold its holding in Finn-Power.

Sector exposure Investor Growth Capital, 3/31 2008



## INVESTOR'S PRIVATE EQUITY INVESTMENTS

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

Investor conducts two different types of private equity investments: venture capital investments in young growth-oriented companies and loan-financed investments (buyouts) in medium to large size companies that are more mature and have development potential. Venture capital activities are conducted by Investor Growth Capital, a wholly owned subsidiary. Buyout activities are conducted through EQT's funds, which are partly owned by Investor. Investor Growth Capital is active in the United States, Northern Europe and Asia. EQT, partly owned by Investor, has 12 funds focused on companies in Northern Europe and Greater China.

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

## Financial Investments

The business area had an effect of SEK -65 m. on income in the first quarter. Investor's Active Portfolio Management unit and RAM One contributed positively to Investor's net asset value.

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

### Earnings for the period

Financial Investments had an effect of SEK -65 m. on income in the first quarter (98), of which the holding in Logica accounted for SEK -72 m.

### Net asset value

#### FINANCIAL INVESTMENTS

	3/31 2008		12/31 2007	
	SEK/ share	SEK m.	SEK/ share	SEK m.
Active Portfolio Management	2	1 504	2	1 248
RAM One	1	878	1	841
Other <sup>1)</sup>	0	425	1	494
<b>Total</b>	<b>3</b>	<b>2 807</b>	<b>4</b>	<b>2 583</b>

1) Including the holding in Logica.

### Active Portfolio Management

Investor's Active Portfolio Management unit generated operating income (dividends and value changes but before operating costs) of SEK 25 m. in the first quarter (73).

Investor's Active Portfolio Management has a limited risk profile. The activity is limited to trading in equity-based instruments. The risk mandate, which is changed from time to time, is defined on the basis of value at risk (VaR). VaR is currently SEK 100 m. and is based on a five-day time horizon and a 99-percent confidence interval. Gross investments, i.e. before hedges for market risk, normally amount to approximately 1 percent of Investor's total assets. In addition, Active Portfolio Management uses different types of market-listed derivative instruments to hedge a large portion of the market risk. The actual net exposure is generally less than the value reported for Active Portfolio Management in the net asset value table (see table).

### RAM One

The hedge fund RAM One developed positively during the first quarter, increasing 4 percent (8).

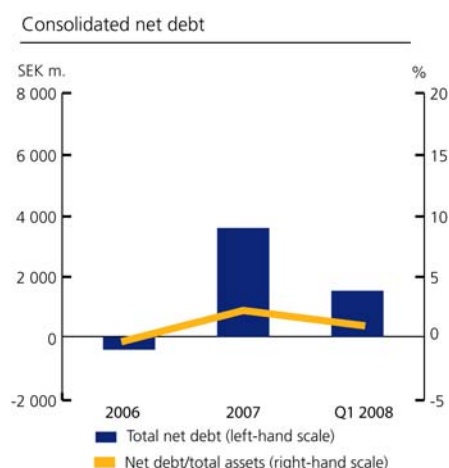
## Group

### Consolidated net debt

Consolidated net debt totaled SEK 1,505 m. on March 31, 2008, as against net debt of SEK 3,583 m. at the beginning of the year. Holdings in the Operating Investments business area that are not subsidiaries, such as Mölnlycke Health Care and Gambro Holding, are financed in ring-fenced stand-alone structures and are consequently not included in Investor's consolidated net debt. 3 Scandinavia's debt, of which Investor's share is SEK 4.2 bn., is guaranteed by the owners but is not included in consolidated net debt.

Net financial items amounted to SEK -117 m. in the first quarter (-76). Net financial items include interest income of SEK 165 m. (143) and interest expenses totaling SEK -264 m. (-223). The remaining portion consists mainly of revaluations of loans, swaps and the effects of hedges for long-term share-based remuneration programs.

Investor's leverage (net debt as a percentage of total assets) was approximately 1 percent on March 31, 2008 (2).



Cash, bank balances and short-term investments amounted to SEK 16,841 m. on March 31, 2008, as against SEK 15,008 m. at year-end 2007. The Group's borrowings totaled SEK 18,640 m. at the close of the quarter, compared with SEK 19,109 m. on December 31, 2007.

The average maturity of the debt portfolio was 13.3 years on March 31, 2008, compared with 8.6 years on March 31, 2007.

Dividends totaling SEK 3,637 m. (3,449) were paid to Investor AB shareholders after the close of the quarter.

### Consolidated costs

Consolidated costs totaled SEK 135 m. in the first quarter of the year (134). Costs per business area are shown in the segment reporting section on page 22.

The calculation of commitments within the framework for employee stock option programs and

share programs resulted in additional costs of SEK 5 m. in the first quarter (9). Since the programs launched up to 2005 are hedged with derivative instruments, there is a corresponding positive effect of the hedging in net financial items. The purpose of the hedging is to minimize costs for the programs that arise in connection with increases in Investor's share price.

## Parent Company

### Share capital

Investor's share capital amounted to SEK 4,795 m. on March 31, 2008 (4,795 m.).

#### 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
Total	767 175 030	357 239 262	100.0	100.0

On March 31, 2008, Investor owned a total of 1,400,000 of its own shares (1,400,000), which was the same as the average number of own shares in the first quarter.

### Results and investments

The Parent Company's result after financial items was SEK -9,821 m. in the first quarter (1,622), of which SEK -7,350 m. consisted of changes in the value of equity-related holdings reported at fair value (900), mainly ABB and AstraZeneca. The majority of the Core Investments are associated companies and are therefore reported at acquisition cost in the Parent Company. In the Group, the holdings are reported at fair value. This explains the difference in the value change between the Group and Parent Company for these holdings in 2008. Write-downs of participations in associated companies totaled SEK -2,891 m. (-230) and was mainly attributable to Ericsson. Write-downs of participations in Group companies had an effect of SEK -7 m. on net financial items (-).

During the first quarter, the Parent Company invested SEK 1,371 m. in financial assets (5,728), of which SEK 496 m. was in Group companies (5,421). Sales of financial assets amounted to SEK 3,412 m. (743). No holdings were sold in Group companies during the quarter.

Total debt has decreased by SEK 3,872 m. since the beginning of the year. The decrease was basically due to changes in balances with Group companies. Equity totaled SEK 91,762 m. on March 31, 2008, compared with SEK 101,564 m. on December 31, 2007.

## Investor shares

[Read more on investorab.com under "Investors & Media" >>](#)

The total return (sum of share price changes and reinvested dividends) was -9 percent in the first quarter (2). The total return over the past 12-month period has been -19 percent (21).

The average annualized total return on Investor shares has been 27 percent over the past five-year period. The total return over the past ten-year period has been 6 percent. The corresponding figure for the past 20-year period has been 14 percent.



The price of the Investor B-share was SEK 133.75 on March 31, 2008, compared with SEK 147 on December 31, 2007.

## Risks and uncertainties

Significant risks and factors of uncertainty for the Group and Parent Company include commercial risks in the form of high exposure to a certain industry or an individual holding. In addition, there are financial risks mainly in the form of price risks – the risk that the value of a financial instrument might change because of fluctuations in share prices, exchange rates or interest rates.

There are also risks towards counterparties, such as financial institutions. These have increased against the background of the turbulent credit market during the quarter.

## Other

### Events occurring after the end of the quarter

#### Dividend

The Annual General Meeting on April 3, 2008 approved the board's proposed dividend of SEK 4.75 per share for fiscal 2007 (4.50).

#### Repurchase of own shares

The 2008 Annual General Meeting approved the proposal that Investor buy back its own shares to hedge the company's long-term variable remuneration programs. Share buybacks do not affect Investor's share capital but have an effect on earnings per share and equity per share, since these shares are not included in the calculation of these key figures.

### Accounting policies

For the Group, this interim report has been prepared in accordance with Sweden's Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with Sweden's Annual Accounts Act and Recommendation RFR 2.1 – Accounting for Legal Entities, issued by the Swedish Financial Accounting Standards Council. Unless specified otherwise 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 latest annual report.

#### New accounting policies in 2008

As of fiscal year 2008, Investor is applying IFRIC 11, IFRS 2 – Group and Treasury Share Transactions, which addresses how share-based payment arrangements are to be classified in entities that receive services from their employees. The interpretation also states, in cases when a parent company grants rights to its equity instruments to employees of a subsidiary, that the costs calculated in accordance with IFRS 2 are to be recognized as a capital contribution to a subsidiary that receives services from its employees. In accordance with the transition regulations, this interpretation is being applied retrospectively and has affected the Parent Company's equity and participations in subsidiaries for fiscal year 2007 by SEK 20 m. The effect on the Parent Company's results for the first quarter of 2007 was SEK 1 m.

Other new or revised IFRS principles and interpretations of the IFRIC have not had any effect on the financial position or results of the Group or Parent Company.

#### Restatement of comparative figures for 2007

In this interim report, comparative figures for March 31, 2007 have been adjusted to reclassify SEK 94 m. between the results from participations in associated companies and equity, compared with figures reported in the interim report for January-March 2007. The correction is related to an incorrect classification of exchange rate differences between income and equity and only affects figures reported



for the first quarter of 2007. The effect of the adjustment on basic earnings per share and diluted earnings per share is SEK -0.12.

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

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

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

##### *Subsidiaries*

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

##### *Associated companies*

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

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

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

##### *Other holdings*

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

#### **Financial instruments**

##### *Equity-related investments*

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

##### *Listed holdings*

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

##### *Unlisted holdings*

Unlisted holdings are valued on the basis of the "International Private Equity and Venture Capital Valuation Guidelines" prepared and published jointly by the venture capital organizations EVCA, BVCA and AFIC. However, holdings in the Operating Investments business area are valued either as associated companies or subsidiaries (see above).

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

##### *Fund holdings*

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

##### *Liabilities*

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

##### *Other financial instruments*

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

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

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

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

##### *Share-based payment*

Investor's employee stock option programs and share programs are reported in accordance with the regulations in IFRS 2 for share-based payments that are equity settled. A value for the program is estimated on the grant date which then comprises the basis for the cost that is distributed over the vesting period of the programs. Provisions for social security costs are reported on a continuous basis in accordance with UFR 7 and are thus distributed in the

same way as the cost for employee stock option and share programs.

#### Taxes

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

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

#### Other

##### *Changes in value*

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

### Financial calendar 2008

July 10                      Interim Report January-June  
October 14                Interim Report January-September

Stockholm, April 10, 2008



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 that which Investor is required to disclose under Sweden's Securities Market Act.

It was released for publication at 8.30 a.m. CET on April 10, 2008.

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

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*This interim report and other information are available on [www.investorab.com](http://www.investorab.com)*

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## Consolidated Income Statement

SEK m.	2008 1/1-3/31	(Restated) 2007 1/1-3/31
Dividends	884	1 286
Changes in value	-9 516	6 857
Net sales	82	80
Cost of services sold	-101	-83
Operating costs	-135	-134
Cost of long-term share-based remuneration	-5	-9
Share of results of associated companies	8	-677 <sup>1)</sup>
<b>Operating profit/loss</b>	<b>-8 783</b>	<b>7 320</b>
Net financial items	-117	-76
<b>Profit/loss before tax</b>	<b>-8 900</b>	<b>7 244</b>
Tax	-29	101
<b>Profit/loss for the period</b>	<b>-8 929</b>	<b>7 345</b>

### *Attributable to:*

Equity holders of the Parent	-8 930	7 344
Minority interest	1	1
<b>Profit/loss for the period</b>	<b>-8 929</b>	<b>7 345</b>
<b>Basic earnings per share, SEK</b>	<b>-11.66</b>	<b>9.58</b>
<b>Diluted earnings per share, SEK</b>	<b>-11.66</b>	<b>9.56</b>

Average number of shares, million	765.8	766.5
Diluted average number of shares, million	766.9	768.5

1) In this interim report, comparative figures for March 31, 2007 have been adjusted due to the reclassification of SEK 94 m. in "Share of results of associated companies" which has been transferred to Equity. See Accounting principles for further information.

## Consolidated Balance Sheet

SEK m.	2008 3/31	2007 12/31
<b>Assets</b>		
Property, plant and equipment and intangible assets	2 450	2 464
Shares and participations	141 921	153 781
Receivables included in net debt	478	710
Other receivables	5 276	5 268
Cash, bank and short-term investments	16 841	15 008
<b>Total assets</b>	<b>166 966</b>	<b>177 231</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	146 003	155 204
Pensions and similar commitments	184	192
Loans	18 640	19 109
Other liabilities	2 139	2 726
<b>Total shareholders' equity and liabilities</b>	<b>166 966</b>	<b>177 231</b>

### NET DEBT

SEK m.	2008 3/31	2007 12/31
Cash, bank and short-term investments	16 841	15 008
Receivables included in net debt	478	710
Loans	-18 640	-19 109
Pensions and similar commitments	-184	-192
<b>Total net debt</b>	<b>-1 505</b>	<b>-3 583</b>

### CHANGES IN SHAREHOLDERS' EQUITY

SEK m.	2008 1/1-3/31	2007 1/1-12/31	(Restated) 2007 1/1-3/31
<b>Opening balance as per balance sheet</b>	<b>155 204</b>	<b>159 320</b>	<b>159 320</b>
Translation reserve, change for the period	-198	176	167 <sup>1)</sup>
Revaluation reserve, change for the period	-	-23	-
Hedging reserve, change for the period	-82	-211	-18
Dividends to own shareholders	-	-3 449	-3 449
Minority interest	1	-13	-12
Repurchases of own shares	-	-124	-
Effect of long-term share-based remuneration	7	-105	-40
Net income for the period	-8 929	-367	7 345 <sup>1)</sup>
<b>Closing balance</b>	<b>146 003</b>	<b>155 204</b>	<b>163 313</b>
<b>Attributable to:</b>			
Equity holders of the Parent	145 859	155 061	163 168
Minority interest	144	143	145
<b>Total shareholders' equity</b>	<b>146 003</b>	<b>155 204</b>	<b>163 313</b>

1) In this interim report, comparative figures for March 31, 2007 have been adjusted due to the reclassification of SEK 94 m. in "Share of results of associated companies" which has been transferred to Equity. See Accounting principles for further information.

## Consolidated Statement of Cash Flows

SEK m.	2008 1/1-3/31	2007 1/1-3/31
<b>Operating activities</b>		
Core Investments		
Dividends received	444	444
Operating Investments		
Dividends received	38	-
Cash receipts	79	305
Cash payments	-103	-346
Private Equity Investments		
Dividends received	317	72
Financial Investments and operating costs		
Dividends received	1	4
Cash receipts	6 002	7 531
Cash payments	-6 508	-8 372
<b>Cash flows from operating activities before net interest and income tax</b>	<b>270</b>	<b>-362</b>
Interest received/paid	-195	-104
Income tax paid	-163	-233
<b>Cash flows from operating activities</b>	<b>-88</b>	<b>-699</b>
<b>Investing activities</b>		
Core Investments		
Acquisitions	-875	-306
Divestments	3 412	743
Operating Investments		
Acquisitions, etc.	-	-2 543
Divestments	-	292
Increase in long-term receivables	-272	-3 180
Private Equity Investments		
Acquisitions, etc.	-681	-420
Divestments	594	1 174
Financial Investments		
Acquisitions, etc.	1	-
Net changes, short-term investments	-633	8 366
Acquisitions of property, plant and equipment	-7	-12
<b>Cash flows from investing activities</b>	<b>1 539</b>	<b>4 114</b>
<b>Financing activities</b>		
Repayment of borrowings	-248	-330
<b>Cash flows from financing activities</b>	<b>-248</b>	<b>-330</b>
<b>Cash flows for the period</b>	<b>1 203</b>	<b>3 085</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>5 010</b>	<b>5 608</b>
Exchange difference in cash	-4	2
<b>Cash and cash equivalents at end of the period</b>	<b>6 209</b>	<b>8 695</b>

## Segment Reporting

### PERFORMANCE BY BUSINESS AREA 1/1-3/31 2008

SEK m.	Core Investments	Operating Investments	Private Equity Investments	Financial Investments	Investor groupwide	Total
Dividends, etc.	444	130 <sup>1)</sup>	309	1		884
Changes in value	-7 502		-1 959	-55 <sup>2)</sup>		-9 516
Other revenues and expenses		-19 <sup>3)</sup>				-19
Operating costs	-26	-30	-56	-11	-12	-135
Cost of long-term share-based remuneration					-5	-5
Shares of results of associated companies		8				8
<b>Operating profit/loss</b>	<b>-7 084</b>	<b>89</b>	<b>-1 706</b>	<b>-65</b>	<b>-17</b>	<b>-8 783</b>
Net financial items					-117	-117
Tax					-29	-29
<b>Net profit/loss for the period</b>	<b>-7 084</b>	<b>89</b>	<b>-1 706</b>	<b>-65</b>	<b>-163</b>	<b>-8 929</b>
Other (currency, etc.)		-207			-65	-272
<b>Effect on net asset value</b>	<b>-7 084</b>	<b>-118</b>	<b>-1 706</b>	<b>-65</b>	<b>-228</b>	<b>-9 201</b>
<b>Net asset value by business area 3/31 2008</b>						
Carrying amount	117 254	11 910	15 813	2 807	-276	147 508
Net debt					-1 505	-1 505
<b>Total net asset value</b>	<b>117 254</b>	<b>11 910</b>	<b>15 813</b>	<b>2 807</b>	<b>-1 781</b>	<b>146 003</b>

### PERFORMANCE BY BUSINESS AREA 1/1-3/31 2007

SEK m.	Core Investments	Operating Investments	Private Equity Investments	Financial Investments	Investor groupwide	Total
Dividends, etc.	1 182	28 <sup>1)</sup>	72	4		1 286
Changes in value	2 892	291	3 571	103 <sup>2)</sup>		6 857
Other revenues and expenses		-3 <sup>3)</sup>				-3
Operating costs	-35	-20	-52	-9	-18	-134
Cost of long-term share-based remuneration					-9	-9
Shares of results of associated companies		-677				-677
<b>Operating profit/loss</b>	<b>4 039</b>	<b>-381</b>	<b>3 591</b>	<b>98</b>	<b>-27</b>	<b>7 320</b>
Net financial items					-76	-76
Tax					101	101
<b>Net profit/loss for the period</b>	<b>4 039</b>	<b>-381</b>	<b>3 591</b>	<b>98</b>	<b>-2</b>	<b>7 345</b>
Other (currency, etc.)		107			-10	97
Dividends paid					-3 449	-3 449
<b>Effect on net asset value</b>	<b>4 039</b>	<b>-274</b>	<b>3 591</b>	<b>98</b>	<b>-3 461</b>	<b>3 993</b>
<b>Net asset value by business area 3/31 2007</b>						
Carrying amount	137 729	11 122	18 003	3 683	766	171 303
Net debt					-7 990	-7 990
<b>Total net asset value</b>	<b>137 729</b>	<b>11 122</b>	<b>18 003</b>	<b>3 683</b>	<b>-7 224</b>	<b>163 313</b>

1) Refers to financial income from Operating Investments which was previously reported in net financial items.

2) Changes in value include sales referring to Active Portfolio Management amounting to SEK 6,250 m. (7,694).

3) Other revenues and expenses include net sales in the amount of SEK 82 m. (80) which refer primarily to The Grand Group.

## Parent Company Income Statement

SEK m.	2008 1/1-3/31	2007 1/1-3/31
Dividends	554	1 182
Changes in value	-7 350	900
Net sales	2	1
Operating costs	-89	-109
Write-downs of associated companies	-2 891	-230
Operating profit/loss	-9 774	1 744
Net financial items		
Result from participations in Group companies	-7	-
Other financial items	-40	-122
Profit/loss before tax	-9 821	1 622
Tax	-	-
Profit/loss for the period	-9 821	1 622

## Parent Company Balance Sheet

SEK m.	2008 3/31	2007 12/31
<b>Assets</b>		
Property, plant and equipment and intangible assets	29	29
Financial assets	125 051	137 500
Current receivables	407	1 652
Cash and cash equivalents	0	0
Total assets	125 487	139 181
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	91 762	101 564
Provisions	249	269
Non-current liabilities	22 567	22 756
Current liabilities	10 909	14 592
Total shareholders' equity and liabilities	125 487	139 181