

# Year-End Report 2014

## Highlights during the fourth quarter

- Net asset value amounted to SEK 260,963 m. (SEK 343 per share) on December 31, 2014, an increase of SEK 14,162 m. (SEK 19 per share) during the quarter, corresponding to a change of 6 percent. Over the past 20 years, annual net asset value growth, with dividend added back, has been 14 percent.
- Additional shares were acquired in ABB and Wärtsilä.
- 3 Scandinavia repaid SEK 7.5 bn. of its external debt, financed by an equity injection, with Investor contributing its pro rata share SEK 3.0 bn. The new funding structure allows 3 Scandinavia to use its cash flow for distribution to its owners. During the quarter, a distribution of SEK 0.3 bn. was made to Investor.
- The Board of Directors proposes a dividend per share of SEK 9.00 (8.00).
- On January 28, 2015, the Board of Directors announced the appointment of Johan Forssell as new President and CEO of Investor as of May 12, 2015. Johan Forssell succeeds Börje Ekholm who is leaving his position after almost ten years.
- On January 28, 2015, Investor announced the creation of a new division, Patrica Industries, that will develop and expand its portfolio of wholly-owned subsidiaries. Börje Ekholm will be responsible for Patricia Industries.

## Financial information

- Consolidated net profit for the year, which includes unrealized change in value, was SEK 50,688 m. (SEK 66.55 basic earnings per share), compared to SEK 45,106 m. (SEK 59.35 basic earnings per share) for 2013.
- Core Investments contributed SEK 43,542 m. to net asset value during 2014 (38,954), of which the listed SEK 41,311 m. (38,433).
- Financial Investments contributed SEK 10,543 m. to net asset value during 2014 (8,535).
- Leverage (net debt/total assets) was 8.7 percent as of December 31, 2014 (9.7).
- Consolidated net sales for the year was SEK 21,200 m. (18,569).

### Overview annual average performance

	NAV (%)*	Total return	
		Investor B (%)	SIXRX (%)
Q4 2014	5.7	11.6	6.1
1 year	24.4	32.8	15.8
5 years	15.5	20.6	13.6
10 years	13.6	16.6	11.6
20 years	13.8	14.1	12.2

\*Incl. dividend added back

12/31 2014	
NAV, SEK per share	343
Share price (B-share), SEK	284.70



# President's comments

The Stockholm Stock Exchange had a gratifying 2014, with a total return of 16 percent. With the dividend added back, our net asset value grew by 24 percent and the total return to our shareholders was 33 percent.

2014 turned out to be another turbulent macro year, including rising geopolitical tensions. In addition, the full effect of tumbling oil prices and major swings in currency and fixed income markets remains to be seen. We have also experienced some turmoil following the Swedish election. The new government has managed to create unsurpassed uncertainty that may hurt the future investment environment. The U.S. economy performs well despite Washington. We may not be as fortunate.

## Core Investments

Our core investments performed well. During 2014, we became the clear lead owner in Wärtsilä, a high-quality company with attractive long-term growth potential, after buying additional shares from the former lead owner Fiskars. We are excited about becoming the lead shareholder in a great company at a good overall price. We also continued to increase our position in ABB.

Activity within the holdings remained high. One great example of this is Electrolux's acquisition of GE Appliances, which will strengthen the company significantly. We have committed to our pro rata share in the rights issue that will partially finance the acquisition.

Mölnlycke Health Care performed well under its new management. Growth and profitability remained solid. Investments in long-term growth remain the top priority. Organic growth is always the most attractive, but we look for non-organic opportunities as well. During the quarter, Mölnlycke issued a EUR 500 m. bond maturing in 2022 at an attractive 1.50 percent coupon.

Aleris continued to work with its operational challenges. The restructuring of the five Stockholm hospitals within Specialist Care was initiated. In order to further enhance quality, more complex surgical procedures will be concentrated to the Nacka and Sabbatsberg facilities. Our earlier forecast of not expecting any sustainable financial improvement to become visible until the end of 2015 stands. We remain committed to continue building Aleris into a high-quality private provider of healthcare and care services.

Permobil continued to perform well. Through the acquisition of TiLite and new product introductions, the company strengthened its product offering significantly and took an important step towards becoming an integrated provider of advanced rehab solutions built on solid healthcare economics. Our book value of Permobil fell, mainly due to revaluation of debt and the increased likelihood that we will have to pay part of the add-on acquisition price to Nordic Capital. The better Permobil performs, the lower our book value becomes short-term.

## Financial Investments

In 2014, EQT's net distribution to Investor amounted to SEK 2.5 bn. and the value change in constant currency was 30 percent. Since its inception 20 years ago, EQT has delivered consistently strong returns to Investor and we will continue to sponsor EQT's funds going forward.

IGC distributed SEK 0.9 bn. to Investor during 2014. The value change in constant currency was 1 percent.

3 Scandinavia made good progress. Subscriber intake continued to be strong. Service revenue and cash flow improved as well. During the fourth quarter, 3 repaid bank

loans, financed by an equity injection, with Investor contributing its pro rata share, SEK 3.0 bn. Guaranteeing debt is economically comparable to injecting equity. Replacing guaranteed debt with equity makes 3's funding more efficient, and its cash flow can be used for distribution to the owners. At the end of the fourth quarter, 3 distributed SEK 0.3 bn. to Investor.

In 2014, we divested the majority of our holding in Lindorff at an attractive valuation and received the proceeds early during the fourth quarter.

## Dividend

Our dividend policy of distributing a large portion of dividends received from listed Core Investments and to make a distribution from other net assets corresponding to a yield in line with the equity market stands firm. Please note that our policy does not refer to the actual cash flow from our platform. The current cash flow allows us to pay a steadily rising dividend and to reinvest in our business to increase our long-term dividend capacity. For 2014, our Board of Directors proposes a dividend of SEK 9.00 per share.

## Strategic choices

The core of our model is to be a long-term owner of our companies, focusing on maximizing their intrinsic value, i.e. the present value of all future cash flows. There are many trends putting pressure on our model, including increasingly active institutional owners, a growing base of activist investors and consolidating industries. In this environment, we made a strategic choice to strengthen our ownership in listed core investments, develop our ownership processes and to build a portfolio of subsidiaries in which we can pursue our long-term ownership model without distractions. Not suggesting any other similarities, but a quote from "The Godfather" is useful: "this is the business we have chosen".

Over the last decade, we have focused the portfolio to companies with strong stand-alone potential in which we can be the lead owner. We have increased our ownership in almost all of the core investments. We have worked on our ownership processes and we have started to build-up a portfolio of subsidiaries.

We can now take the next step in our strategy to further sharpen our ownership processes to become a world-class owner of companies, while continuing to expand our portfolio of subsidiaries. The Board has decided to create a separate division within Investor, Patricia Industries, to focus on our wholly-owned companies. This will allow sharper focus on our listed core investments as well as our unlisted holdings.

Today we have announced that I will step down as the CEO of your company in May. After almost 10 years as CEO and more than 15 years in the management group, it is good to make a change. We have taken some steps during my tenure, but many opportunities to improve our business remain. With Johan Forssell as new President and CEO and a professional and dedicated organization, Investor is well positioned and in safe hands. Personally, I have promised to stay on to lead the new division, Patricia Industries.

I would like to take this opportunity to thank everyone on the boards and management teams in our holdings, and every colleague in our companies and at Investor. Our success is solely due to your hard work and dedication. Well, as John Muir wrote: "the mountains are calling and I must go". With that, thank you and so long, dear shareholder.



Börje Ekholm

# Net asset value overview

	Number of shares	Ownership capital/votes <sup>1)</sup> (%)	Share of total assets	Value, SEK/share	Value, SEK m. <sup>2)</sup>	Contribution to net asset value	Value, SEK m. <sup>2)</sup>
	12/31 2014	12/31 2014	12/31 2014 (%)	12/31 2014	12/31 2014	2014	12/31 2013
<b>Core Investments</b>							
Listed <sup>3)</sup>							
SEB	456 198 927	20.8/20.8	16	60	45 407	8 607	38 618
Atlas Copco	206 895 611	16.8/22.3	16	59	44 972	9 423	36 687
ABB	199 965 142	8.6/8.6	12	44	33 192	286	31 738
AstraZeneca	51 587 810	4.1/4.1	10	37	28 270	9 477	19 753
Ericsson	175 047 348	5.3/21.5	5	21	15 807	3 103	13 229
Wärtsilä	33 366 544	16.9/16.9	4	15	11 776	389	5 537
Electrolux	47 866 133	15.5/30.0	4	14	10 952	3 202	8 061
Sobi	107 594 165	39.7/39.8	3	11	8 532	1 404	7 128
Nasdaq	19 394 142	11.6/11.6	3	10	7 266	2 309	5 023
Saab	32 778 098	30.0/39.5	2	9	6 624	1 121	5 651
Husqvarna	97 052 157	16.8/31.2	2	7	5 598	1 990	3 749
			<b>77</b>	<b>287</b>	<b>218 396</b>	<b>41 311</b>	<b>175 174</b>
Subsidiaries							
Mölnlycke Health Care		99/99	8	30	22 952	2 343	20 684
Aleris		100/100	1	5	3 762	-91	3 830
Permobil		94/90	1	5	3 737	-22	3 759
Grand Group/Vectura		100/100	1	2	1 471	156	1 258
			<b>11</b>	<b>42</b>	<b>31 922</b>	<b>2 386</b>	<b>29 531</b>
			<b>88</b>	<b>329</b>	<b>250 318</b>	<b>43 542<sup>4)</sup></b>	<b>204 705</b>
<b>Financial Investments</b>							
EQT			5	18	13 522	4 372	11 615
Investor Growth Capital			4	16	12 081	2 171	10 793
Partner-owned investments							
Lindorff					0	3 456	4 960
3 Scandinavia		40/40	2	8	6 123	765	2 643
Other Investments <sup>5)</sup>			1	5	3 780	-166	2 245
			<b>12</b>	<b>47</b>	<b>35 506</b>	<b>10 543<sup>4)</sup></b>	<b>32 256</b>
Other Assets and Liabilities			0	0	-29	-8 539 <sup>4,6)</sup>	1 560
<b>Total Assets</b>			<b>100</b>	<b>375</b>	<b>285 795</b>		<b>238 521</b>
<b>Net debt</b>			<b>-9</b>	<b>-32</b>	<b>-24 832</b>		<b>-23 104</b>
<b>Net Asset Value</b>			<b>91</b>	<b>343</b>	<b>260 963</b>	<b>45 546</b>	<b>215 417</b>

- 1) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF). ABB, AstraZeneca, Nasdaq and Wärtsilä in accordance with Swiss, British, U.S. and Finnish regulations.
- 2) Includes market value of derivatives related to investments if applicable. The subsidiaries within Core Investments and the partner-owned investments within Financial Investments are reported according to the acquisition method and equity method respectively.
- 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) Including management costs, of which Core Investments SEK 155 m., Financial Investments SEK 55 m. and Groupwide SEK 158 m.
- 5) Includes a number of smaller investments and Investor's trading activities.
- 6) Including paid dividends of SEK 6,089 m.

# Overview

## Net asset value

During 2014, the net asset value increased from SEK 215.4 bn. to SEK 261.0 bn. The change in net asset value, with dividend added back, was 24 percent during 2014 (27)<sup>1)</sup>, of which 6 percent during the fourth quarter (7). The corresponding total return of the Stockholm Stock Exchange (SIXRX) was 16 percent and 6 percent respectively.

1) For balance sheet items, figures in parentheses refer to year-end 2013 figures. For income statement items, the figures in parentheses refer to the same period last year.

## Net debt

Net debt totaled SEK 24,832 m. on December 31, 2014 (23,104), corresponding to leverage of 8.7 percent (9.7).

### Investor's net debt

SEK m.	2014	2013
<b>Opening net debt</b>	-23 104	-22 765
<b>Core Investments</b>		
Dividends	6 227	5 441
Other capital distributions	1 198	-
Investments, net of proceeds	-9 245	-8 277
<b>Financial Investments</b>		
Capital distribution, including dividends	1 482	711
Proceeds, net of investments	7 228	9 022
<b>Investor Groupwide</b>		
Other	-2 529	-1 905
Dividends paid	-6 089	-5 331
<b>Closing net debt</b>	<b>-24 832</b>	<b>-23 104</b>

## Performance by business area

### Q4 2014

SEK m.	Core Investments			Financial Investments	Investor Groupwide	Total
	Listed	Subsidiaries	Total			
Dividends	19		19	52		71
Other operating income				15		15
Changes in value	12 109	-129	11 980	958		12 938
Net sales		5 757	5 757	23		5 780
Management cost			-37	-14	-45	-96
Other items		-5 496	-5 496	283	-500	-5 713
<b>Profit/loss for the period</b>	<b>12 128</b>	<b>132</b>	<b>12 223</b>	<b>1 317</b>	<b>-545</b>	<b>12 995</b>
Non-controlling interest				-1		-1
Other effects on equity		798	798	774	-404	1 168
<b>Contribution to net asset value</b>	<b>12 128</b>	<b>930</b>	<b>13 021</b>	<b>2 090</b>	<b>-949</b>	<b>14 162</b>
<b>Net asset value, December 31, 2014</b>						
Carrying amount	218 396	31 922	250 318	35 506	-29	285 795
Investor's net debt					-24 832	-24 832
<b>Total net asset value</b>	<b>218 396</b>	<b>31 922</b>	<b>250 318</b>	<b>35 506</b>	<b>-24 861</b>	<b>260 963</b>

### Q4 2013

SEK m.	Core Investments			Financial Investments	Investor Groupwide, incl. elimination	Total
	Listed	Subsidiaries	Total			
Dividends	14		14	438		452
Other operating income				54		54
Changes in value	13 305	9	13 314	1 205		14 519
Net sales		5 114	5 114		-39	5 075
Management cost			-37	-18	-39	-94
Other items		-6 054	-6 054	176	-11	-5 889
<b>Profit/loss for the period</b>	<b>13 319</b>	<b>-931</b>	<b>12 351</b>	<b>1 855</b>	<b>-89</b>	<b>14 117</b>
Non-controlling interest		22	22			22
Other effects on equity		639	639	238	-459	418
<b>Contribution to net asset value</b>	<b>13 319</b>	<b>-270</b>	<b>13 012</b>	<b>2 093</b>	<b>-548</b>	<b>14 557</b>
<b>Net asset value, December 31, 2013</b>						
Carrying amount	175 174	29 531	204 705	32 256	1 560	238 521
Investor's net debt					-23 104	-23 104
<b>Total net asset value</b>	<b>175 174</b>	<b>29 531</b>	<b>204 705</b>	<b>32 256</b>	<b>-21 544</b>	<b>215 417</b>

# Core Investments

Core Investments contributed to the net asset value with SEK 43,542 m. during 2014 (38,954), of which SEK 13,021 m. in the fourth quarter (13,012).

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

## Contribution to net asset value, Core Investments

SEK m.	Q4 2014	2014	2013
Changes in value, listed	12 109	35 084	32 992
Dividends, listed	19	6 227	5 441
Change in reported value, subsidiaries	930	2 386	668
Management cost	-37	-155	-147
<b>Total</b>	<b>13 021</b>	<b>43 542</b>	<b>38 954</b>

## Core Investments - listed

Listed core investments contributed to the net asset value with SEK 41,311 m. during 2014 (38,433), of which SEK 12,128 m. in the fourth quarter (13,319). The combined total return amounted to 24 percent during 2014, of which 6 percent during the fourth quarter.

## Dividends

Dividends received totaled SEK 6,227 m. during 2014 (5,441), of which SEK 19 m. in the fourth quarter (14).

## Contribution to net asset value and total return, 2014

	Contribution to net asset value, SEK m.	Total return, Investor <sup>1)</sup> (%)
<b>Listed</b>		
SEB	8 607	22.3
Atlas Copco	9 423	25.7
ABB	286	0.9
AstraZeneca	9 477	48.0
Ericsson	3 103	23.5
Wärtsilä	389	7.0
Electrolux	3 202	39.7
Sobi	1 404	19.7
Nasdaq	2 309	46.0
Saab	1 121	19.8
Husqvarna	1 990	53.1
<b>Total</b>	<b>41 311</b>	
<b>Subsidiaries</b>		
Mölnlycke Health Care	2 343	
Aleris	-91	
Permobil	-22	
Grand Group/Vectura	156	
<b>Total</b>	<b>2 386</b>	

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

## Investments and divestments

### Fourth quarter

6,600,000 shares were purchased in ABB for SEK 1,084 m. 300,000 shares in Wärtsilä were purchased for SEK 101 m.

### Earlier in the year

15,759,566 shares were purchased in Wärtsilä for SEK 5,868 m. 6,785,000 shares were purchased in ABB for SEK 1,072 m. In SEB, 1,275,372 C-shares were purchased for SEK 108 m. and 1,165,709 A-shares were divested for SEK 101 m.

## Core Investments – listed

	A leading Nordic financial services group. SEB is present in some 20 countries, with main focus on the Nordic countries, Germany and the Baltics.	<a href="http://www.seb.se">www.seb.se</a>
	A global leader in compressors, vacuum solutions and air treatment systems, construction and mining equipment, power tools and assembly systems.	<a href="http://www.atlascopco.com">www.atlascopco.com</a>
	A global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact.	<a href="http://www.abb.com">www.abb.com</a>
	A global, innovation-driven, integrated biopharmaceutical company.	<a href="http://www.astrazeneca.com">www.astrazeneca.com</a>
	The world's leading provider of communications technology and services. Ericsson operates in 180 countries and employs more than 100,000 people.	<a href="http://www.ericsson.com">www.ericsson.com</a>
	A global leader in complete lifecycle power solutions for the marine and energy markets.	<a href="http://www.wartsila.com">www.wartsila.com</a>
	A global leader in household appliances and appliances for professional use, selling more than 50 million products to customers in more than 150 markets every year.	<a href="http://www.electrolux.com">www.electrolux.com</a>
	An international specialty healthcare company developing and delivering innovative therapies and services to improve the lives of patients with rare diseases.	<a href="http://www.sobi.com">www.sobi.com</a>
	A leading provider of trading, exchange technology, information and public company services across six continents.	<a href="http://www.nasdaq.com">www.nasdaq.com</a>
	Serves the global market with world-leading products, services and solutions within military defense and civil security.	<a href="http://www.saabgroup.com">www.saabgroup.com</a>
	The world's largest producer of outdoor power products. The Group is also the European leader in consumer watering products and one of the world leaders in cutting equipment and diamond tools for the construction and stone industries.	<a href="http://www.husqvarna.com">www.husqvarna.com</a>

## Core Investments - subsidiaries

The subsidiaries contributed to the net asset value with SEK 2,386 m. during 2014 (668), of which SEK 930 m. during the fourth quarter (-270).

### Investments and divestments

#### Fourth quarter

No investments or divestments made during the quarter.

#### Earlier in the year

During the second quarter, Investor acquired shares in Mölnlycke Health Care's Management Participation Program (a combination of common and preferred shares) for a total SEK 1,121 m. The acquisition price was confirmed through a third party fairness opinion. As a result of the transaction, Investor's ownership in Mölnlycke Health Care (including shareholder loans) increased from 98 percent to 99 percent. The shares were purchased at a price exceeding the book value of the minority shareholders' share of equity, and therefore Investor's net asset value was affected by SEK -754 m.

#### Net asset value, subsidiaries

	12/31 2014		12/31 2013	
	SEK/share	SEK m.	SEK/share	SEK m.
Mölnlycke Health Care	30	22 952	27	20 684
Aleris	5	3 762	5	3 830
Permobil	5	3 737	5	3 759
Grand Group/Vectura	2	1 471	2	1 258
<b>Total</b>	<b>42</b>	<b>31 922</b>	<b>39</b>	<b>29 531</b>

#### Contribution to net asset value, subsidiaries

SEK m.	2014		2013	
	Q4	YTD	Q4	YTD
Mölnlycke Health Care	1 006	2 343	852	1 896
Aleris	-99	-91	-1 127	-1 189
Permobil	-103 <sup>1)</sup>	-22	40	57
Grand Group/Vectura	126	156	-35	-96
<b>Total</b>	<b>930</b>	<b>2 386</b>	<b>-270</b>	<b>668</b>

1) Impacted by SEK -8 m. revaluation of the minority share and SEK -122 m. revaluation of the contingent acquisition-related add-on payment.



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

Mölnlycke Health Care is a world-leading provider of single-use surgical and wound care products for customers, healthcare professionals and patients.

### Activities during the quarter

- Mölnlycke Health Care had a strong quarter for both segments: Wound Care and Surgical. Sales growth picked up in Europe, and the U.S. and APAC continued to deliver strong growth, although at a slower pace than during the previous quarters. The EBITDA margin remained at a high level.
- The Wound Care segment continued to grow strongly, mainly driven by Advanced Wound Care. The Conventional segment also had a strong quarter.
- The Surgical segment continued to show stable growth, primarily driven by the ProcedurePak® trays.
- Mölnlycke Health Care issued an inaugural EUR 500 m. bond, maturing in February 2022, with an annual fixed coupon of 1.50 percent. The company was recently assigned a BBB long-term corporate rating with stable outlook by Standard & Poor's.
- The strong cash flow generation continued, resulting in additional reduction of net debt.

#### Key figures, Mölnlycke Health Care

Income statement items, EUR m.	2014		2013	
	Q4	YTD	Q4	YTD
Sales	325	1 213	300	1 153
Sales growth, %	8	5	2	3
Sales growth, constant currency, %	6	5	6	5
EBITDA	101	349	97	344
EBITDA, %	31	29	32	30
Balance sheet items, EUR m.	12/31 2014		12/31 2013	
Net debt	643		728	
Cash flow items, EUR m.	2014		2013	
	Q4	YTD	Q4	YTD
EBITDA	101	349	97	344
Change in working capital	29	-5	30	-14
Capital expenditures	-16	-46	-20	-52
<b>Operating cash flow</b>	<b>114</b>	<b>298</b>	<b>107</b>	<b>278</b>
Acquisitions/divestments	-	-	-	-2
Shareholder contribution/distribution	-	-130	-	544
Other <sup>1)</sup>	-27	-83	-13	-165
<b>Increase (-)/decrease (+) in net debt</b>	<b>87</b>	<b>85</b>	<b>94</b>	<b>655</b>
Key ratios				
Working capital/sales, %	11			
Capital expenditures/sales, %	4			
	12/31 2014		12/31 2013	
Number of employees	7 425		7 375	

1) Includes effects of exchange rate changes, interest and tax.



A leading private provider of healthcare and care services in Scandinavia.

### Activities during the quarter

- Organic sales growth was 7 percent in constant currency, mainly driven by the Care business. EBITDA improved strongly, despite one-off costs of SEK 51 m. related to the reorganization of the Stockholm hospitals. Adjusted for these, the EBITDA margin would have been 6 percent. In addition, Aleris made two bolt-on acquisitions in Sweden.
- In Sweden, Aleris initiated the reorganization of the Specialist Care in Stockholm in order to improve quality for patients and increase productivity. The more complex surgical procedures will be concentrated to the Nacka and Sabbatsberg facilities, while three smaller facilities will focus on providing outpatient care. The Diagnostics business continued to perform well, and the Care division was stable.
- Norway delivered results ahead of last year. Care for Youth/Adults continued to grow strongly, while price pressure was noticed. Senior Care showed improved performance, and Healthcare's results were good.
- Denmark showed improved performance compared to last year, with stable development within both Senior Care and Healthcare.

### Key figures, Aleris

Income statement items, SEK m.	2014		2013	
	Q4	YTD	Q4	YTD
Sales	1 999	7 527	1 807	6 975
Sales growth, %	11	8	2	4
Organic growth, constant currency, %	7	7	5	5
EBITDA	60	355	38	307
EBITDA, %	3	5	2	4
<b>Balance sheet items, SEK m.</b>	<b>12/31 2014</b>		<b>12/31 2013</b>	
Net debt	969		991	
Cash flow items, SEK m.	2014		2013	
	Q4	YTD	Q4	YTD
EBITDA	60	355	38	307
Change in working capital	114	22	153	33
Capital expenditures	-73	-176	-66	-166
<b>Operating cash flow</b>	<b>101</b>	<b>201</b>	<b>125</b>	<b>174</b>
Acquisitions/divestments	-89	-119	-	-
Shareholder contribution/distribution	-	-	1 000	1 000
Other <sup>1)</sup>	22	-60	-146	-4 <sup>2)</sup>
<b>Increase (-) /decrease (+) in net debt</b>	<b>34</b>	<b>22</b>	<b>979</b>	<b>1 170</b>
<b>Key ratios</b>				
Working capital/sales, %	-2			
Capital expenditures/sales, %	2			
	<b>12/31 2014</b>		<b>12/31 2013</b>	
Number of employees	6 645		6 220	

1) Includes effects of exchange rate changes, interest and tax.

2) Includes the release of the cancelled SEK 125 m. acquisition-related earn-out payment.

A world-leading manufacturer of advanced wheelchairs.

### Activities during the quarter

- Organic sales growth amounted to 4 percent in constant currency. After a slow start of the quarter, growth accelerated in December.
- The EBITDA margin was 20 percent, essentially in line with the margin in the corresponding quarter last year, adjusted for acquisition-related accounting effects. Sales force expansion and restructuring costs had a restraining impact on the margin development.
- Permobil inaugurated its Advanced Rehabilitation Technology Center in Kunshan City, close to Shanghai. The center is an important initiative to build Permobil's business in China. It will offer education, consultation and fittings of wheelchairs from Permobil and TiLite, but also other rehab technology products from partners.

### Key figures, Permobil

Income statement items, SEK m.	2014		2013 <sup>1)</sup>	
	Q4	YTD	Q4	YTD
Sales	597	2 053	472	1 742
Sales growth, %	26	18	14	12
Organic growth, constant currency, %	4	6	14	12
EBITDA	122	426	77	255
EBITDA, %	20	21	16	15
<b>Balance sheet items, SEK m.</b>	<b>12/31 2014</b>		<b>12/31 2013</b>	
Net debt	1 451		1 117	
Cash flow items, SEK m.	2014		2013	
	Q4	YTD	Q4	YTD
EBITDA	122	426	77	255
Adjustments to EBITDA	-	-	22 <sup>2)</sup>	16 <sup>2)</sup>
Change in working capital	39	-29	5	-17
Capital expenditures	-55	-155	-32	-98
<b>Operating cash flow</b>	<b>106</b>	<b>242</b>	<b>72</b>	<b>156</b>
Acquisitions/divestments	-	-362	-	-
Shareholder contribution/distribution	-	-	-	-
Other <sup>3)</sup>	-81	-214	-28	9
<b>Increase (-) /decrease (+) in net debt</b>	<b>25</b>	<b>-334</b>	<b>44</b>	<b>165</b>
<b>Key ratios</b>				
Working capital/sales, %	20			
Capital expenditures/sales, %	8			
	<b>12/31 2014</b>		<b>12/31 2013</b>	
Number of employees	1 015		775	

1) Consolidated as of May 14, 2013, figures for full prior periods provided for comparison.

2) SEK -38 m. in cash flow-affecting acquisition-related costs and SEK 54 m. in acquisition-related inventory adjustments that have not affected cash flow. The corresponding figures for the fourth quarter are SEK 0 m. and SEK 22 m. respectively.

3) Includes effects of exchange rate changes, interest and tax.

Includes Grand Hôtel, Scandinavia's leading five-star hotel, opened in 1874, and Lydmar Hotel, a high-end boutique hotel. Both reside in neighboring landmark buildings with unique waterfront locations in central Stockholm.

### Activities during the quarter

- Organic sales growth for the Grand Group amounted to 7 percent, and EBITDA continued to show strong improvement.
- Grand Hôtel continued to develop well, with good growth in all areas; Lodging, Food & Beverage and Spa.
- Lydmar Hotel also showed strong performance, driven by Lodging.
- As previously communicated, the Grand Group acquired the remaining shares in Lydmar Hotel, making it the sole owner of the operations.

### Key figures, Grand Group

Income statement items, SEK m.	2014		2013	
	Q4	YTD	Q4	YTD <sup>1)</sup>
Sales	155	541	145	462
Sales growth, %	7	17	29	21
Organic growth, %	7	11	12	6
EBITDA	13	30	7	-5
EBITDA, %	8	6	5	-1
	<b>12/31 2014</b>		<b>12/31 2013</b>	
Number of employees	350		335	

1) The operations of Lydmar Hotel are included as from the third quarter 2013.

Property management and development in Sweden, with office and hotel premises in Stockholm as well as healthcare properties relating to Aleris operations.

### Activities during the quarter

- Sales growth was negatively impacted by the one-off sale of non-core properties last year. Underlying sales growth was 6 percent, driven by positive revenue development related to the Grand Hôtel and Aleris properties. The decline in reported EBITDA was mainly explained by the positive one-off divestiture last year, and negative one-off costs affecting EBITDA this quarter.
- Näckström Fastigheter acquired a property in Solna for SEK 106 m., which will be converted into an elderly care facility operated by Aleris.
- The senior care facilities constructed in Simrishamn had its grand opening in December.
- As of December 31, 2014, the market value of Vectura's properties amounted to SEK 3.0 bn. (2.4).

### Key figures, Vectura

Income statement items, SEK m.	2014		2013	
	Q4	YTD	Q4	YTD
Sales	34	130	38	124
Sales growth, %	-11	5	27	7
EBITDA	15	73	28	76
EBITDA, %	44	56	74	61

Balance sheet items, SEK m.	12/31 2014	12/31 2013
Net debt, Grand Group/Vectura	1 278	943



# Financial Investments

Financial Investments contributed to the net asset value with SEK 10,543 m. during 2014 (8,535), of which SEK 2,090 m. during the fourth quarter (2,093).

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

## Investments and divestments

### Fourth quarter

SEK 3,459 m. was invested and SEK 2,145 m. was distributed to Investor.

Investor contributed SEK 3,011 m. in additional equity to 3 Scandinavia. 3 Scandinavia distributed SEK 296 m. to Investor.

The final proceeds, SEK 1,047 m. from the divestiture of Gambro, were released from escrow and distributed to Investor.

The holding in Novare was divested.

### Earlier in the year

SEK 4,444 m. was invested and SEK 12,803 m. was distributed to Investor.

The divestiture of the majority in Lindorff was completed, with Investor receiving SEK 6.8 bn. in proceeds. Following the completion of the transaction, Investor holds an equity position and a shareholder's note in Lindorff.

Investor acquired an additional 47 percent in the Swedish biotech company Affibody for SEK 116 m.

## Net asset value, Financial Investments

	12/31 2014		12/31 2013	
	SEK/Share	SEK m.	SEK/Share	SEK m.
EQT	18	13 522	15	11 615
Investor Growth Capital	16	12 081	14	10 793
Partner-owned				
Lindorff <sup>1)</sup>		-	7	4 960
3 Scandinavia	8	6 123	3	2 643
Other investments	5	3 780	3	2 245
<b>Total</b>	<b>47</b>	<b>35 506</b>	<b>42</b>	<b>32 256</b>

1) The majority of the holding in Lindorff was divested in 2014.

## Contribution to net asset value, Financial Investments

SEK m.	2014		2013	
	Q4	YTD	Q4	YTD
EQT	1 359	4 372	1 269	2 414
Investor Growth Capital	463	2 171	369	1 374
Partner-owned				
Lindorff	-	3 456	200	493
3 Scandinavia	405	765	169	356
Other investments	-123	-166	112	703
Management cost	-14	-55	-18	-65
<b>Total</b>	<b>2 090</b>	<b>10 543</b>	<b>2 093</b>	<b>8 535<sup>1)</sup></b>

1) Including contribution to net asset value from Gambro of SEK 3,268 m. during the third quarter 2013.



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

EQT is the leading private equity group in Northern Europe, with portfolio companies in Northern and Eastern Europe, Asia and the U.S. EQT works with portfolio companies to achieve sustainable growth, operational excellence and market leadership.

## Activities during the quarter

- Investor received a net of SEK 1,327 m. from EQT.
- The reported value change of Investor's investments in EQT was 10 percent. In constant currency, the change was 6 percent.
- Investor's total outstanding commitments to EQT funds amounted to SEK 4.4 bn. as of December 31, 2014 (6.3).
- EQT VI acquired Siemens Audiology Solutions.
- EQT III and EQT Expansion Capital I divested the holding in Munksjö.
- EQT Mid Market acquired Musti Ja Mirri Group.
- EQT Infrastructure II acquired Islalink Submarine Cables.
- EQT Greater China divested its holding in Qinyuan Bakery.

## Change in net asset value, EQT

SEK m.	Q4 2014	2014	2013
Net asset value, beginning of period	13 490	11 615	10 984
Contribution to net asset value (value change)	1 359	4 372	2 414
Draw-downs (investments and management fees)	387	2 389	1 914
Proceeds to Investor (divestitures, fee surplus and carry)	-1 714	-4 854	-3 697
<b>Net asset value, end of period</b>	<b>13 522</b>	<b>13 522</b>	<b>11 615</b>

Investor Growth Capital (IGC) manages expansion stage venture capital investments in growth companies within technology and healthcare in the U.S. and China.

## Activities during the quarter

- IGC distributed SEK 79 m. to Investor.
- The reported value change of Investor's investments in IGC was 4 percent. In constant currency, the value change was -4 percent.
- The Chinese holding Huayuan was divested to CITIC.

## Change in net asset value, IGC

SEK m.	Q4 2014	2014	2013
Net asset value, beginning of period	11 697	10 793	10 727
Contribution to net asset value (value change)	463	2 171	1 374
Distribution to Investor	-79 <sup>1)</sup>	-883	-1 308
<b>Net asset value, end of period</b>	<b>12 081</b>	<b>12 081</b>	<b>10 793</b>
<i>Of which net cash</i>	<i>4 379</i>	<i>4 379</i>	<i>3 792</i>

1) The distribution was pending over the closing of the quarter and was presented as a receivable in Other Assets and Liabilities.

As of December 31, 2014, the U.S. and Asian portfolios represented 65 and 35 percent of the total value respectively and 35 percent was listed holdings, all numbers excluding net cash held by IGC. Net cash represented 36 percent of IGC's net asset value.

The five largest investments were (in alphabetical order): Maxymiser (U.S.), Mindjet Corporation (U.S.), NS Focus (China), Retail Solutions (U.S.) and WhiteHat Security (U.S.). These holdings represented 43 percent of the total portfolio value, excluding net cash.

An operator providing mobile voice and broadband services in Sweden and Denmark. The company has more than 3.0 m. subscribers and is recognized for its high-quality network.

## Activities during the quarter

- The number of subscribers increased by 94,000, of which 49,000 in Sweden and 45,000 in Denmark. In total, the subscriber base grew by 11 percent and surpassed 3 million.
- Service revenue grew by 11 percent compared to the same period last year, driven primarily by continued subscriber base growth. Underlying EBITDA continued to grow faster than service revenue. While reported EBITDA this quarter contained no material non-recurring items, the corresponding period last year contained significant non-recurring revenues.
- In November, 3 Scandinavia repaid SEK 7.5 bn. of its bank loans financed by an equity injection, of which SEK 3.0 bn. from Investor. The SEK 1.8 bn. loan provided by the European Investment Bank, and guaranteed pro-rata by Investor and Hutchison Whampoa, is 3 Scandinavia's only remaining external financing.
- Cash flow was strong in the quarter. Following the refinancing, SEK 0.7 bn. was distributed to the shareholders, of which SEK 0.3 bn. to Investor. For the full year, free cash flow before interest expenses amounted to SEK 1.7 bn.

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

	2014		2013	
Income statement items	Q4	YTD	Q4	YTD
Sales, SEK m.	2 994	10 387	2 687	9 459
Sweden, SEK m.	1 813	6 633	1 762	6 251
Denmark, DKK m.	940	3 063	777	2 756
Service revenue <sup>2)</sup> , SEK m.	1 499	5 763	1 345	5 028
Sweden, SEK m.	976	3 730	846	3 209
Denmark, DKK m.	418	1 663	420	1 564
EBITDA, SEK m.	691	2 662	720	2 344
Sweden, SEK m.	486	1 868	517	1 613
Denmark, DKK m.	163	649	169	628
EBITDA, %	23	26	27	25
Sweden	27	28	29	26
Denmark	17	21	22	23
Balance sheet items	12/31 2014		12/31 2013	
Net debt, SEK m.	1 118		9 523	
	2014		2013	
Number of employees	2 185		2 050	
Key figures				
Capital expenditures/sales, %	10			
Other key figures	12/31 2014		12/31 2013	
Subscribers	3 015 000		2 716 000	
Sweden	1 889 000		1 690 000	
Denmark	1 126 000		1 026 000	
Postpaid/prepaid ratio	80/20		83/17	

1) As of the fourth quarter 2014, 3 Scandinavia reports all financial information without the previously applied one-month delay. The key figures have been restated to enable comparability.

2) Mobile service revenue excluding interconnect revenue.

## Unlisted investments – key figures overview

	FY 2014	Q4 2014	Q3 2014	Q2 2014	Q1 2014	FY 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013	FY 2012
<b>Core Investments – Subsidiaries</b>											
<b>Mölnlycke Health Care (EUR m.)</b>											
Sales	1 213	325	304	297	287	1 153	300	284	292	277	1 119
EBITDA	349	101	94	77	77	344	97	87	86	74	321
EBITDA (%)	29	31	31	26	27	30	32	31	29	27	29
Net debt	643	643	730	646	698	728	728	822	1 358	1 399	1 383
Employees	7 425	7 425	7 435	7 515	7 390	7 375	7 375	7 340	7 390	7 265	7 175
<b>Aleris (SEK m.)</b>											
Sales	7 527	1 999	1 793	1 894	1 841	6 975	1 807	1 645	1 767	1 756	6 732
EBITDA	355	60	117	77	101	307	38	79	105	85	330
EBITDA (%)	5	3	7	4	5	4	2	5	6	5	5
Net debt	969	969	1 003	970	1 007	991	991	1 970	1 983	2 190	2 161
Employees	6 645	6 645	6 605	6 485	6 375	6 220	6 220	6 175	6 070	5 995	6 010
<b>Permobil<sup>1)</sup> (SEK m.)</b>											
Sales	2 053	597	563	482	411	1 742	472	450	438	382	1 562
EBITDA	426	122	138	103	63	255	77	68	50	60	313
EBITDA (%)	21	20	25	21	15	15	16	15	11	16	20
Net debt	1 451	1 451	1 476	1 421	1 071	1 117	1 117	1 161	1 291	1 235	1 282
Employees	1 015	1 015	995	955	765	775	775	775	750	710	680
<b>Grand Group<sup>2)</sup> (SEK m.)</b>											
Sales	541	155	148	146	92	462	145	131	113	73	383
EBITDA	30	13	16	14	-13	-5	7	3	0	-15	0
EBITDA (%)	6	8	11	10	-14	-1	5	2	0	-21	0
Employees	350	350	345	325	295	335	335	295	260	220	265
<b>Vectura<sup>3)</sup> (SEK m.)</b>											
Sales	130	34	35	35	26	124	38	32	34	20	116
EBITDA	73	15	23	22	13	76	28	21	22	5	58
EBITDA (%)	56	44	66	63	50	61	74	66	65	25	50
Net debt (Grand Group/Vectura)	1 278	1 278	1 122	1 098	1 015	943	943	986	951	876	820
<b>Financial Investments</b>											
<b>EQT (SEK m.)</b>											
Reported value	13 522	13 522	13 490	13 287	11 852	11 615	11 615	10 305	11 816	10 923	10 984
Reported value change, %	38	10	3	13	10	22	12	2	7	1	0
Value change, constant currency, %	30	6	2	10	9	20	10	4	2	4	3
Draw-downs from Investor	2 389	387	1 161	841	367	1 914	606	543	390	375	1 284
Proceeds to Investor	4 854	1 714	1 314	1 826	1 235	3 697	565	2 339	213	580	3 460
Net proceeds to Investor	2 465	1 327	153	985	868	1 783	-41	1 796	-177	205	2 176
<b>Investor Growth Capital (SEK m.)</b>											
Reported value	12 081	12 081	11 697	11 328	11 357	10 793	10 793	11 102	10 772	10 701	10 727
Reported value change, %	20	4	6	1	9	13	3	6	3	1	4
Value change, constant currency, %	1	-4	-1	-3	9	14	2	10	1	1	9
Capital contribution from Investor	-	-	-	-	-	-	-	-	-	-	750
Distribution to Investor	883	79	337	105	362	1 308	678	267	250	113	607
<b>Partner-owned investments</b>											
<b>3 Scandinavia<sup>3)</sup></b>											
Sales	10 387	2 994	2 677	2 392	2 324	9 459	2 687	2 219	2 316	2 237	9 362
Sweden, SEK m.	6 633	1 813	1 623	1 655	1 542	6 251	1 762	1 487	1 512	1 490	6 352
Denmark, DKK m.	3 063	940	858	606	659	2 756	777	633	694	652	2 579
EBITDA	2 662	691	675	678	618	2 344	720	629	512	483	2 433
Sweden, SEK m.	1 868	486	460	489	433	1 613	517	423	346	327	1 751
Denmark, DKK m.	649	163	175	155	156	628	169	180	142	137	586
EBITDA, %	26	23	25	28	27	25	27	28	22	22	26
Sweden	28	27	28	30	28	26	29	28	23	22	28
Denmark	21	17	20	26	24	23	22	28	20	21	23
Net debt, SEK m.	1 118	1 118	8 419	8 891	9 199	9 523	9 523	9 779	9 871	10 211	10 253
Employees	2 185	2 185	2 105	2 065	2 055	2 050	2 050	2 030	2 030	1 980	1 990

1) Consolidated as of May 14, 2013, figures for prior periods provided for comparison.

2) Numbers up until the first quarter 2013 pro forma.

3) As of the fourth quarter 2014, 3 Scandinavia reports all financial information without the previously applied one-month delay. The key figures have been restated to enable comparability.

# Group

## Net debt

Net debt totaled SEK 24,832 m. on December 31, 2014 (23,104). Debt financing of the subsidiaries within Core Investments is arranged on an independent ring-fenced basis and hence not included in Investor's net debt. Within Financial Investments, Investor guarantees SEK 0.7 bn. of 3 Scandinavia's external debt, but this is not included in Investor's net debt.

### Net debt, 12/31 2014

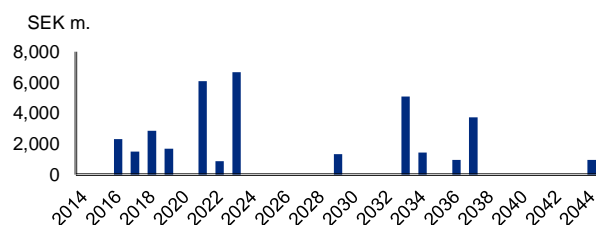
SEK m.	Consolidated balance sheet	Deductions related to Core Investments subsidiaries and IGC	Investor's net debt
Other financial investments	3 283	-2	3 281 <sup>1)</sup>
Cash, bank and short-term investments	16 270	-8 333	7 937 <sup>1)</sup>
Receivables included in net debt	2 053	-	2 053
Loans	-51 336	13 458	-37 878
Provision for pensions	-853	628	-225
<b>Total</b>	<b>-30 583</b>	<b>5 751</b>	<b>-24 832</b>

1) Included in cash and readily available placements.

Investor's cash and readily available placements amounted to SEK 11,218 m. as of December 31, 2014 (6,864). The short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt excluding pensions for Investor amounted to SEK 35,825 m. at the end of 2014 (29,814).

The average maturity of Investor AB's debt portfolio was 11.3 years on December 31, 2014 (10.8), excluding the debt of Mölnlycke Health Care, Aleris, Permobil and Grand Group/Vectura.

### Maturity profile, 12/31, 2014



### Net financial items, 12/31 2014

SEK m.	Group - Net Financial Items	Deductions related to Core Investments subsidiaries and IGC	Investor's Net Financial Items
Interest income	91	-13	78
Interest expenses	-1 472	318	-1 154
Realized result from loans and swaps	-150	150	-
Unrealized result from revaluation of loans, swaps and short-term investments	-108	39	-69
Foreign exchange result	124	-219	-95
Other	-274	215	-59
<b>Total</b>	<b>-1 789</b>	<b>490</b>	<b>-1 299</b>

## The Investor share

The price of the A-share and B-share was SEK 281.30 and SEK 284.70 respectively on December 31, 2014, compared to SEK 215.10 and SEK 221.30 on December 31, 2013.

The total shareholder return amounted to 12 percent during the fourth quarter 2014 (13).

The total market capitalization of Investor, adjusted for repurchased shares, was SEK 215,705 m. as of December 31, 2014 (166,451).

## Impact from divestment of Lindorff

On July 18, 2014, Altor and Investor signed an agreement with Nordic Capital to divest the majority of their holdings in Lindorff. The transaction was declared unconditional on September 18, 2014 and was closed October 6, 2014, and Investor received SEK 6.8 bn. in cash proceeds. In addition, Investor holds a conditional shareholder note in Lindorff contingent on the return on the investment for the new owners. The value of Investor's holding in the note is a maximum of EUR 115 m. plus 8 percent annual interest. Following the completion of the divestiture, Investor retains an equity position of 9 percent of the capital in Lindorff.

The reported total value of Investor's remaining holdings in Lindorff, including the conditional shareholder note, amounts to SEK 1.6 bn. This amount is part of the Shares and participations in the consolidated balance sheet.

## Parent Company

### Share capital

Investor's share capital amounted to SEK 4,795 m. on December 31, 2014 (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>

On December 31, 2014, Investor owned a total of 5,796,960 of its own shares (6,293,360). The net decrease in holdings of own shares is attributable to repurchase of own shares and transfer of shares and options within Investor's long-term variable remuneration program.

## Results and investments

The Parent Company's result after financial items was SEK 41,898 m. (34,954). The result is mainly related to listed core investments which contributed to the result with dividends amounting to SEK 6,033 m. (5,271) and value changes of SEK 32,568 m. (30,453).

During 2014, the Parent Company invested SEK 19,056 m. in financial assets (15,482), of which SEK 15,042 m. in Group companies (14,643) and purchases in listed core investments of SEK 2,264 m. (719). By the end of the period, shareholder's equity totaled SEK 226,768 m. (190,944).

# Other

## Proposed dividends

The Board of Directors and the President propose a dividend to the shareholders of SEK 9.00 per share for fiscal year 2014 (8.00). The dividend level proposed is based on the stated dividend policy 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 dividend.

## Annual General Meeting

Investor AB's Annual General Meeting will be held at 3:00 p.m. on Tuesday, May 12, 2015, at the City Conference Centre, Barnhusgatan 12-14, Stockholm. The registration commences at 1:30 p.m.

Notification of participation in the Annual General Meeting can be given starting April 1, 2015, until May 6, 2015. 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 head office and website, no later than April 21, 2015.

## Repurchase of own shares

As it has during the past 15 years, Investor's Board of Directors has decided to propose to the 2015 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 nine years, the Board of Directors will propose a share-based, long-term variable remuneration program for Investor's employees at the 2015 Annual General Meeting.

The program will be substantially identical to the program for 2014. 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 2015 Annual General Meeting.

## Acquisition of shares in Mölnlycke Health Care

In April 2014, the participants, approximately 140 people, in Mölnlycke Health Care's Management Participation Program agreed to sell all of their shares under the program. A new program was set in place for current

external Board members, management and key employees, approximately 70 people in total.

In total, Investor acquired shares in Mölnlycke Health Care from approximately 140 participants for a total amount of EUR 112 m, of which EUR 74 m. from the Board and management. The participants in the new program have invested EUR 35 m., of which Board members and management EUR 15 m. Gunnar Brock is one of the participants of the Management Participation Program since his appointment as Chairman of Mölnlycke Health Care in 2007, prior to his election to the Board of Directors of Investor in 2009. The total investment by Gunnar Brock under the program is approximately EUR 0.7 m. As disclosed in the Interim Report January-March 2012, Gunnar Brock divested part of his holding to Investor in March 2012. As part of the transactions described above, Gunnar Brock has sold his remaining holding of shares to Investor for approximately net EUR 1.9 m. and reinvested EUR 0.4 m. in the new program.

## Acquisitions (business combinations)

On March 4, 2014, Investor acquired an additional 44 percent of the capital and votes of the Swedish biotech company Affibody Medical AB (publ). An additional 3 percent were acquired during April. The company is focused on developing next generation biopharmaceuticals based on its unique proprietary technology platforms: Affibody® molecules and Albumod™. Following the acquisitions, Investor owns 71 percent of the company. The consideration from Investor amounted to SEK 116 m. and was paid in cash.

In the preliminary Purchase Price Allocation, intangible assets amount to SEK 211 m. and consist of customer contracts that are amortized over the life of the contracts.

*Identifiable assets acquired and liabilities assumed (SEK m.)*

Affibody	
SEK m.	Preliminary Purchase Price Allocation
Intangible assets	211
Property, plant and equipment	2
Accounts receivables	1
Other current assets	5
Cash and cash equivalents	33
Non-current liabilities and provisions	-3
Deferred tax liabilities	-46
Current liabilities	-12
<b>Net identifiable assets and liabilities</b>	<b>191</b>
Fair value of previously held share	-74
Non-controlling interest	-1
<b>Consideration</b>	<b>116</b>

## Permobil's acquisition of controlling interest in TiLite

On May 27, 2014, Permobil acquired 100 percent of the capital and votes in TiLite, an American leading manufacturer of innovative and individually customized manual wheelchairs. Through the acquisition, Permobil is taking the next step in its strategy to become a leading healthcare company, providing solutions for people with complex rehabilitation needs. The consideration amounted to SEK 362 m. The acquisition is financed by retained cash and new debt.

In the preliminary purchase price allocation, goodwill amounts to SEK 141 m. The goodwill recognized for the acquisition corresponds to the combined company's opportunities for synergies and sales growth due to TiLite's strong market position in the U.S. and Permobil's sales



network in Europe among others. The goodwill recognized is not expected to be deductible for income tax purposes.

#### *Identifiable assets acquired and liabilities assumed (SEK m.)*

TiLite	
SEK m.	Preliminary Purchase Price Allocation
Intangible assets	164
Property, plant and equipment	38
Inventory	45
Accounts receivables	27
Other current assets	7
Cash and cash equivalents	5
Deferred tax liabilities	-49
Current liabilities	-16
<b>Net identifiable assets and liabilities</b>	<b>221</b>
Consolidated goodwill	141
<b>Consideration</b>	<b>362</b>

The Purchase Price Allocation is preliminary.

Transaction related costs amounted to SEK 14 m. and derive from external legal fees and due diligence expenses. The costs have been included in the item Administrative, research and development and other operating cost in the Group's consolidated income statement.

For the seven month period from the acquisition date until December 31, TiLite contributed net sales of SEK 148 m. and profit of SEK 7 m. to the Group's result. If the acquisition had occurred on January 1, 2014, management estimates that consolidated net sales for the Investor Group would have increased by SEK 81 m. and consolidated profit for the period would have increased by SEK 0 m.

## Pledged assets and contingent liabilities

No significant changes of pledged assets during the period. Contingent liabilities decreased as previously announced by SEK 3.0 bn. due to the refinancing of 3 Scandinavia during the period.

## Risks and Risk management

The main risks that the Group and the Parent Company are exposed to are primarily 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 development of the financial markets also affects the various unlisted holdings' businesses and opportunities for new investments and divestments.

The Core Investments subsidiaries are, like Investor, exposed to commercial risks, financial risks and market risks. In addition these companies, through their business activities within respective sector, also are exposed to legal/regulatory risks and political risks, for example political decisions on healthcare budgets and industry regulations.

Whatever the economic situation in the world, operational risk management requires a continued high level of awareness and focused work in line with stated policies and instructions.

Investor's risk management, risks and uncertainties are described in detail in the Annual Report, (Administration report and Note 3). No significant changes have been assessed subsequently, aside from changes in current macro economy and thereto related risks.

## 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 2014

#### *Changes in accounting policies due to new or amended IFRS*

Applied as of January 1, 2014:

- IFRS 10 Consolidated Financial Statements, including new requirements regarding investment entities. IFRS 10 introduces a revised definition of control including the de facto control concept. Investor has analyzed the criteria set out in the revised definition of control and has concluded that the new definition and control concept have no impact on entities subject to consolidation. Further, IFRS 10 also introduce a definition of an investment entity. If the criteria for an investment entity is met, all subsidiaries should be considered as investments and recognized at fair value with fair value movements through profit or loss. Based on Investor's business model with a long term investment perspective, Investor concluded that the criteria for an investment entity is not met.
- IFRS 12 Disclosure of Interest in Other Entities. This is a new standard regarding disclosures for investments in subsidiaries, joint arrangements and associates. The standard lead to some additional disclosures for the Group.

Other new or revised IFRSs and interpretations from the IFRS Interpretations Committee have had no significant effect on the profit/loss, financial position or disclosures for the Group or Parent Company.

## Events after the end of the quarter

On January 28, 2015, Investor's Board of Directors announced the appointment of Johan Forssell as new President and CEO of Investor as of May 12, 2015. Johan Forssell succeeds Börje Ekholm who is leaving his position after almost ten years. Börje Ekholm will also resign from Investor's Board of Directors on May 12, 2015.

On January 28, 2015, Investor also announced the creation of a new division, Patricia Industries, focusing on the development and expansion of Investor's portfolio of wholly-owned subsidiaries. The division will include all existing wholly-owned subsidiaries and all holdings within Financial Investments except EQT and Investor's trading. Börje Ekholm will be responsible for Patricia Industries.

These changes were also communicated in a separate press release.



## Financial calendar

Apr. 21, 2015	Interim Management Statement January-March 2015
May 12, 2015	Annual General Meeting
Jul. 16, 2015	Interim Report January-June 2015
Oct. 23, 2015	Interim Management Statement January-September 2015

Stockholm, January 28, 2015



Börje Ekholm  
President and Chief Executive Officer

## For more information:

Susanne Ekblom,  
Chief Financial Officer:  
+46 8 614 2000  
susanne.ekblom@investorab.com

Stefan Stern,  
Head of Corporate Relations and Communications:  
+46 8 614 2058 +46 70 636 7417  
stefan.stern@investorab.com

Magnus Dalhammar,  
Head of Investor Relations:  
+46 8 614 2130, +46 73 524 2130  
magnus.dalhammar@investorab.com

## Address:

Investor AB (publ) (CIN 556013-8298)  
SE-103 32 Stockholm, Sweden  
Visiting address: Arsenalsgatan 8C  
Phone: +46 8 614 2000  
Fax: + 46 8 614 2150  
www.investorab.com

Ticker codes:

INVEB SS in Bloomberg  
INVEb.ST in Reuters  
INVE B in NASDAQ OMX

The information in this Year-End 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 28, 2015.

---

This Year-End Report and additional information is available on [www.investorab.com](http://www.investorab.com)

---

# Review Report

## Introduction

We have reviewed the interim report of Investor AB (publ), corporate identity number 556013-8298, for the period January 1- December 31, 2014. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of Review

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

Therefore, 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, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, January 28, 2015

Deloitte AB



Thomas Strömberg

Authorized Public Accountant

## Consolidated Income Statement, in summary

SEK m.	2014 1/1-12/31	2013 1/1-12/31	2014 7/1-12/31	2013 7/1-12/31	2014 10/1-12/31	2013 10/1-12/31
Dividends	7 228	6 052	474	786	71	452
Other operating income	177	362	72	108	15	54
Changes in value	41 960	37 031	25 942	29 607	12 938	14 519
Net sales	21 200	18 569	11 107	9 767	5 780	5 075
Cost of goods and services sold	-13 529	-12 120	-6 990	-6 302	-3 721	-3 294
Sales and marketing cost	-3 171	-2 786	-1 620	-1 441	-842	-729
Administrative, research and development and other operating cost	-2 303	-2 795 <sup>1)</sup>	-1 165	-1 970 <sup>1)</sup>	-552	-1 465 <sup>1)</sup>
Management cost	-368	-359	-187	-178	-96	-94
Share of results of associates	903	3 584	630	3 576	219	272
<b>Operating profit/loss</b>	<b>52 097</b>	<b>47 538</b>	<b>28 263</b>	<b>33 953</b>	<b>13 812</b>	<b>14 790</b>
Net financial items	-1 789	-2 564	-1 081	-1 655	-741	-664
<b>Profit/loss before tax</b>	<b>50 308</b>	<b>44 974</b>	<b>27 182</b>	<b>32 298</b>	<b>13 071</b>	<b>14 126</b>
Income taxes	380	132	-209	93	-76	-9
<b>Profit/loss for the period</b>	<b>50 688</b>	<b>45 106</b>	<b>26 973</b>	<b>32 391</b>	<b>12 995</b>	<b>14 117</b>
Attributable to:						
Owners of the Parent Company	50 656	45 165	26 972	32 444	12 994	14 139
Non-controlling interest	32	-59	1	-53	1	-22
<b>Profit/loss for the period</b>	<b>50 688</b>	<b>45 106</b>	<b>26 973</b>	<b>32 391</b>	<b>12 995</b>	<b>14 117</b>
Basic earnings per share, SEK	66.55	59.35	35.43	42.65	17.07	18.58
Diluted earnings per share, SEK	66.40	59.25	35.35	42.58	17.03	18.55

1) Including impairment of goodwill of SEK -940 m.

## Consolidated Statement of Comprehensive Income, in summary

SEK m.	2014 1/1-12/31	2013 1/1-12/31	2014 7/1-12/31	2013 7/1-12/31	2014 10/1-12/31	2013 10/1-12/31
Profit for the period	50 688	45 106	26 973	32 391	12 995	14 117
Other comprehensive income for the period, including tax						
<i>Items that will not be recycled to profit/loss for the period</i>						
Revaluation of property, plant and equipment	252	-28	188	-37	188	-29
Re-measurements of defined benefit plans	-173	95	-173	95	-154	55
<i>Items that have been or may be recycled to profit/loss for the period</i>						
Cash flow hedges	-119	606	6	445	38	200
Foreign currency translation adjustment	2 191	319	1 651	-280	1 019	265
Share of other comprehensive income of associates	-182	63	-158	59	103	-59
<b>Total other comprehensive income for the period</b>	<b>1 969</b>	<b>1 055</b>	<b>1 514</b>	<b>282</b>	<b>1 194</b>	<b>432</b>
<b>Total comprehensive income for the period</b>	<b>52 657</b>	<b>46 161</b>	<b>28 487</b>	<b>32 673</b>	<b>14 189</b>	<b>14 549</b>
Attributable to:						
Owners of the Parent Company	52 625	46 176	28 485	32 701	14 188	14 510
Non-controlling interest	32	-15	2	-28	1	39
<b>Total comprehensive income for the period</b>	<b>52 657</b>	<b>46 161</b>	<b>28 487</b>	<b>32 673</b>	<b>14 189</b>	<b>14 549</b>

## Consolidated Balance Sheet, in summary

SEK m.	12/31 2014	12/31 2013
<b>ASSETS</b>		
Goodwill	27 417	25 819
Other intangible assets	11 268	11 530
Property, plant and equipment	5 701	4 666
Shares and participations	246 823	202 710
Other financial investments	3 283	1 761
Long-term receivables included in net debt	2 053	174
Other long-term receivables	4 688	3 654
<b>Total non-current assets</b>	<b>301 233</b>	<b>250 314</b>
Inventories	1 785	1 441
Shares and participations in trading operation	68	149
Short-term receivables included in net debt	-	1
Other current receivables	4 131	3 529
Cash, bank and short-term investments	16 270	11 716
<b>Total current assets</b>	<b>22 254</b>	<b>16 836</b>
<b>TOTAL ASSETS</b>	<b>323 487</b>	<b>267 150</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>260 993</b>	<b>215 966</b>
Long-term interest bearing liabilities	51 096	42 212
Provisions for pensions and similar obligations	853	642
Other long-term provisions and liabilities	4 938	3 738
<b>Total non-current liabilities</b>	<b>56 887</b>	<b>46 592</b>
Current interest bearing liabilities	240	52
Other short-term provisions and liabilities	5 367	4 540
<b>Total current liabilities</b>	<b>5 607</b>	<b>4 592</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>323 487</b>	<b>267 150</b>

## Consolidated Statement of Changes in Equity, in summary

SEK m.	1/1-12/31 2014	1/1-12/31 2013
Opening balance	215 966	175 106
Profit for the period	50 688	45 106
Other comprehensive income for the period	1 969	1 055
<b>Total comprehensive income for the period</b>	<b>52 657</b>	<b>46 161</b>
Dividends paid	-6 089	-5 331
Changes in non-controlling interest	-1 073	89
Reclassification of non-controlling interest	-562	-
Repurchase of own shares	-	-195
Effect of long-term share-based remuneration	94	136
<b>Closing balance</b>	<b>260 993</b>	<b>215 966</b>
Attributable to:		
Owners of the Parent Company	260 963	215 417
Non-controlling interest	30	549
<b>Total equity</b>	<b>260 993</b>	<b>215 966</b>

## Consolidated Cash Flow, in summary

SEK m.	1/1-12/31 2014	1/1-12/31 2013
<b>Operating activities</b>		
Core Investments		
Dividends received	6 227	5 445
Cash receipts	21 309	20 008
Cash payments	-17 493	-16 384
Financial Investments and management cost		
Dividends received	1 006	618
Net cash flow, trading operation	298	12
Cash payments	-533	-328
<b>Cash flows from operating activities before net interest and income tax</b>	<b>10 814</b>	<b>9 371</b>
Interest received/paid	-1 611	-2 355
Income tax paid	-227	-300
<b>Cash flows from operating activities</b>	<b>8 976</b>	<b>6 716</b>
<b>Investing activities</b>		
Acquisitions	-12 927	-3 484
Divestments	12 931	13 690
Increase in long-term receivables	-2 928	-59
Decrease in long-term receivables	2 576	200
Acquisitions of subsidiaries, net effect on cash flow	-1 572	-3 564
Increase in other financial investments	-5 324	-3 544
Decrease in other financial investments	3 812	2 861
Net change, short-term investments	-137	722
Acquisitions of property, plant and equipment	-1 045	-772
Proceeds from sale of property, plant and equipment	5	6
Proceeds from sale of other investments	-	7
<b>Net cash used in investing activities</b>	<b>-4 609</b>	<b>6 063</b>
<b>Financing activities</b>		
Borrowings	9 845	12 067
Repayment of borrowings	-4 612	-17 155
Repurchase / Sale of own shares	-	-195
Dividend paid	-6 089	-5 331
<b>Net cash used in financing activities</b>	<b>-856</b>	<b>-10 614</b>
<b>Cash flows for the period</b>	<b>3 511</b>	<b>2 165</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>9 783</b>	<b>7 696</b>
Exchange difference in cash	920	-78
<b>Cash and cash equivalents at the end of the period</b>	<b>14 214</b>	<b>9 783</b>

## Operating segment

### PERFORMANCE BY BUSINESS AREA 1/1-12/31 2014

SEK m.	Core investments	Financial investments	Investor Groupwide	Elimination	Total
Dividends	6 227	1 001	-	-	7 228
Other operating income <sup>1)</sup>	0	177	-	-	177
Changes in value	34 935	7 025	-	-	41 960
Net sales	21 147	53	-	-	21 200
Cost of goods and services sold	-13 529	0	-	-	-13 529
Sales and marketing cost	-3 089	-82	-	-	-3 171
Administrative, research and development and other operating cost	-2 134	-169	-	-	-2 303
Management cost	-155	-55	-158	-	-368
Share of results of associates	-6	993	-84	-	903
<b>Operating profit/loss</b>	<b>43 396</b>	<b>8 943</b>	<b>-242</b>	<b>-</b>	<b>52 097</b>
Net financial items	-500	30	-1 319	-	-1 789
Income tax	527	-95	-52	-	380
<b>Profit/loss for the period</b>	<b>43 423</b>	<b>8 878</b>	<b>-1 613</b>	<b>-</b>	<b>50 688</b>
Non-controlling interest	-30	-2	-	-	-32
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>43 393</b>	<b>8 876</b>	<b>-1 613</b>	<b>-</b>	<b>50 656</b>
Dividends paid	-	-	-6 089	-	-6 089
Other effects on equity	149	1 667	-837	-	979
<b>Contribution to net asset value</b>	<b>43 542</b>	<b>10 543</b>	<b>-8 539</b>	<b>-</b>	<b>45 546</b>
<b>Net asset value by business area 12/31 2014</b>					
Carrying amount	250 318	35 506	-29	-	285 795
Investor's net debt			-24 832		-24 832
<b>Total net asset value</b>	<b>250 318</b>	<b>35 506</b>	<b>-24 861</b>	<b>-</b>	<b>260 963</b>

### PERFORMANCE BY BUSINESS AREA 1/1-12/31 2013

SEK m.	Core investments	Financial investments	Investor Groupwide	Elimination	Total
Dividends	5 441	611	-	-	6 052
Other operating income <sup>1)</sup>	99	362	-	-99	362
Changes in value	32 977	4 054	-	-	37 031
Net sales	18 696	-	-	-127	18 569
Cost of goods and services sold	-12 247	-	-	127	-12 120
Sales and marketing cost	-2 786	-	-	-	-2 786
Administrative, research and development and other operating cost	-2 663	-132	-	-	-2 795
Management cost	-147	-65	-147	-	-359
Share of results of associates	4	3 580	-	-	3 584
<b>Operating profit/loss</b>	<b>39 374</b>	<b>8 410</b>	<b>-147</b>	<b>-99</b>	<b>47 538</b>
Net financial items	-1 709	-65	-889	99	-2 564
Income tax	130	-	2	-	132
<b>Profit/loss for the period</b>	<b>37 795</b>	<b>8 345</b>	<b>-1 034</b>	<b>-</b>	<b>45 106</b>
Non-controlling interest	59	-	-	-	59
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>37 854</b>	<b>8 345</b>	<b>-1 034</b>	<b>-</b>	<b>45 165</b>
Dividends paid	-	-	-5 331	-	-5 331
Repurchase of own shares	-	-	-195	-	-195
Other effects on equity	1 100	190	-210	-	1 080
<b>Contribution to net asset value</b>	<b>38 954</b>	<b>8 535</b>	<b>-6 770</b>	<b>-</b>	<b>40 719</b>
<b>Net asset value by business area 12/31 2013</b>					
Carrying amount	204 705	32 256	1 560	-	238 521
Investor's net debt	-	-	-23 104	-	-23 104
<b>Total net asset value</b>	<b>204 705</b>	<b>32 256</b>	<b>-21 544</b>	<b>-</b>	<b>215 417</b>

1) Includes interest on loans.



## Parent Company Income Statement, in summary

SEK m.	1/1-12/31 2014	1/1-12/31 2013	7/1-12/31 2014	7/1-12/31 2013
Dividends	6 033	5 271	320	306
Changes in value	32 568	30 453	19 266	25 492
Net sales	9	7	4	2
Operating cost	-361	-348	-179	-167
Result from participations in Group companies	3 050	-1 140	3 050	-1 140
Result from participations in associated companies	653	-	653	-
<b>Operating profit/loss</b>	<b>41 952</b>	<b>34 243</b>	<b>23 113</b>	<b>24 492</b>
<b>Profit/loss from financial items</b>				
Net financial items	-54	711	-64	231
<b>Profit/loss after financial items</b>	<b>41 898</b>	<b>34 954</b>	<b>23 049</b>	<b>24 724</b>
Income tax	-	-	-	-
<b>Profit/loss for the period</b>	<b>41 898</b>	<b>34 954</b>	<b>23 049</b>	<b>24 724</b>

## Parent Company Balance Sheet, in summary

SEK m.	12/31 2014	12/31 2013
<b>ASSETS</b>		
Intangible assets and Property, plant and equipment	22	26
Financial assets	292 542	251 986
<b>Total non-current assets</b>	<b>292 564</b>	<b>252 012</b>
Current receivables	744	810
Cash and cash equivalents	-	0
<b>Total current assets</b>	<b>744</b>	<b>810</b>
<b>TOTAL ASSETS</b>	<b>293 308</b>	<b>252 822</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>226 768</b>	<b>190 944</b>
Provisions	355	248
Non-current liabilities	35 752	28 337
<b>Total non-current liabilities</b>	<b>36 107</b>	<b>28 585</b>
<b>Total current liabilities</b>	<b>30 433</b>	<b>33 293</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>293 308</b>	<b>252 822</b>
<b>ASSETS PLEDGED AND CONTINGENT LIABILITIES</b>	<b>12/31 2014</b>	<b>12/31 2013</b>
Assets pledged	71	61
Contingent liabilities	700 <sup>1)</sup>	10 001

2) Contingent liabilities decreased with SEK 3.0 bn. due to refinancing of 3 Scandinavia. In connection, the intragroup guarantee between the parent company Investor AB and its subsidiary AB Investor Group Finance expired.

## Financial instruments

The numbers below are based on the same accounting and valuation policies as used in the preparation of the company's most recent annual report. For information regarding financial instruments in level 2 and level 3, see Note 29 in Investor's Annual Report 2013.

### Valuation techniques, level 3

Group 12/31 2014	Fair value	Valuation technique	Input	Range
Shares and participations	21 869	Last round of financing	n.a.	n.a.
		Comparable companies	EBITDA multiples	5.1 – 6.7
		Comparable transactions	Sales multiples	0.5 – 6.4
		NAV	Sales multiples	1.1 – 7.1
			n.a.	n.a.
Long-term receivables included in net debt	1 382	Present value computation	Market interest rate	n.a.
Long-term interest bearing liabilities	231	Present value computation	Market interest rate	n.a.
Other long-term provisions and liabilities	840	Discounted Cash flow		n.a.

All valuations in level 3 are based on assumptions and judgments that management consider to be reasonable based on the circumstances prevailing at the time. Changes in assumptions may result in adjustments to reported values and the actual outcome may differ from the estimates and judgments that were made.

A significant part of IGC's portfolio companies are valued based on comparable companies, and the value is dependent on the level of the multiples. The multiple ranges provided in the note show the minimum and maximum value of the actual multiples applied in these valuations. A 10 percent change of the multiples would have an effect on the portfolio value of IGC of approximately SEK 400 m. For the derivatives, a parallel shift of the interest rate curve by one percentage point would affect the value by approximately SEK 1,100 m.

### Financial assets and liabilities by level

The table below indicates how fair value is measured for the financial instruments recognized at fair value in the Balance Sheet. The financial instruments are categorized on three levels, depending on how the fair value is measured:

Level 1: According to quoted prices in active markets for identical instruments

Level 2: According to directly or indirectly observable inputs that are not included in level 1

Level 3: According to inputs that are unobservable in the market

#### Financial instruments - fair value

Group 12/31 2014	Level 1	Level 2	Level 3	Other <sup>1)</sup>	Total carrying amount
<i>Financial assets</i>					
Shares and participations	219 696	2 083	21 869	3 175	246 823
Other financial investments	3 281			2	3 283
Long-term receivables included in net debt		671	1 382		2 053
Shares and participations in trading operation	68				68
Other current receivables		107		4 024	4 131
Cash, bank and short-term investments	16 270				16 270
<b>Total</b>	<b>239 315</b>	<b>2 861</b>	<b>23 251</b>	<b>7 201</b>	<b>272 628</b>
<i>Financial liabilities</i>					
Long-term interest bearing liabilities		748	231	50 117 <sup>2)</sup>	51 096 <sup>3)</sup>
Other long-term provisions and liabilities			840	4 098	4 938
Short-term interest bearing liabilities		89		151	240
Other short-term provisions and liabilities	31	190		5 146	5 367
<b>Total</b>	<b>31</b>	<b>1 027</b>	<b>1 071</b>	<b>59 512</b>	<b>61 641</b>

1) To enable reconciliation with balance sheet items, financial instruments not valued at fair value as well as other assets and liabilities that are included within balance sheet items have been included within Other.

2) The Group's loans are valued at amortized cost.

3) Fair value on loans amounts to SEK 55,765 m.

### Changes in financial assets and liabilities in Level 3

Group 12/31 2014	Shares and participations	Long-term receivables included in net debt	Long-term interest bearing liabilities	Other long-term provisions and liabilities
<i>Opening balance</i>	19 973	0	345	
Total gain or losses in profit or loss statement				
in line Changes in value	3 566	1 382	-114	122
In line Net financial items				156
Reported in other comprehensive income				
in line Foreign currency translation adjustment	1 043			
Acquisitions	2 909			
Divestments	-6 028			
Reclassification				562
Transfers to Level 3	1 646			
Transfer from Level 3	-1 240			
<b>Carrying amount at end of period</b>	<b>21 869</b>	<b>1 382</b>	<b>231</b>	<b>840</b>
Total gains/losses for the period included in profit/loss for instruments held at the end of the period (unrealized results)				
<b>Changes in value</b>	<b>3 446</b>	<b>1 382</b>	<b>114</b>	<b>-122</b>
<b>Net financial items</b>				<b>-156</b>

## Net amounts of financial assets and liabilities

No financial assets and liabilities have been set off in the Balance Sheet.

### Financial assets

Group, SEK m.	12/31 2014			12/31 2013		
	Gross and net amounts of financial assets	Not set off in the balance sheet		Gross and net amounts of financial assets	Not set off in the balance sheet	
		Financial instruments	Net amounts of financial assets		Financial instruments	Net amounts of financial assets
Shares <sup>1)</sup>	219	-31	188	191	-39	152
Derivatives <sup>2)</sup>	2 053	-699	1 354	174	-174	-
Derivatives <sup>3)</sup>	107	-107	-	79	-78	1
<b>Total</b>	<b>2 379</b>	<b>-837</b>	<b>1 542</b>	<b>444</b>	<b>-291</b>	<b>153</b>

1) Included in the Balance sheet under Shares and participations, SEK 246,823 m. (202,710).

2) Included in the Balance sheet under Long-term receivables included in net debt, SEK 2,053 m. (174)

3) Included in the Balance sheet under Other current receivables, SEK 4,131 m. (3,529)

### Financial liabilities

Group, SEK m.	12/31 2014			12/31 2013		
	Gross and net amounts of financial liabilities	Not set off in the balance sheet		Gross and net amounts of financial liabilities	Not set off in the balance sheet	
		Financial instruments	Net amounts of financial liabilities		Financial instruments	Net amounts of financial liabilities
Derivatives <sup>1)</sup>	755	-699	56	1 342	-190	1 152
Derivatives <sup>2)</sup>	53	-	53	76	-62	14
Securities lending <sup>3)</sup>	221	-138	83	39	-39	-
<b>Total</b>	<b>1 029</b>	<b>-837</b>	<b>192</b>	<b>1 457</b>	<b>-291</b>	<b>1 166</b>

1) Included in the Balance sheet under Long-term interest bearing liabilities, SEK 51,096 m. (42,212).

2) Included in the Balance sheet under Current interest bearing liabilities, SEK 240 m. (52).

3) Included in the Balance sheet under Other short-term provisions and liabilities, SEK 5,367 m. (4,540).

The Groups derivatives are covered by ISDA agreements. For repurchase agreements GMRA agreements exist and for securities lending there are GMSLA agreements. According to the agreements the holder has the right to set off the derivatives and keep securities when the counterparty does not fulfill its commitments.