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PRESS RELEASE

Comment on the appointment of a new CEO in Ericsson

The Board of Directors of Industrivärden's portfolio company Ericsson has today decided to appoint Börje Ekholm as the company's new President and CEO, effective January 16, 2017. Additional information is provided in the press release that has been published by Ericsson earlier today.

Industrivärden is a long term investor and active owner of Ericsson, and exercise its ownership commitment primarily through participation in the Nominating Committee and the Board of Directors. We support the decision made by the Ericsson Board of Directors to appoint Börje Ekholm as the new CEO and share the Boards view that he is well suited to lead and develop the company.

Commenting on the appointment, Industrivärden's CEO Helena Stjernholm says, *"From Industrivärden's side, we are pleased that Ericsson will now get a new CEO in place who has an extensive and long experience of technology companies in a global arena, with in-depth knowledge of the telecom industry as well as Ericsson. We share the Board's view that Börje Ekholm's background and proven ability to create value, will make him an excellent CEO of Ericsson."*

In order to further align the CEO's interests with the shareholders, Industrivärden and Investor will enter into an options agreement with Börje Ekholm. The options agreement will be entered into at market terms and means that Industrivärden and Investor together will issue 2,000,000 call options in the Ericsson Class B share (1,000,000 respectively). Each option entitles the purchase of one Ericsson Class B share at a strike price of SEK 80 per share during one year after a seven-year period. The valuation has been conducted, using Black & Scholes model, by an independent third party.

Stockholm, October 26, 2016

AB INDUSTRIVÄRDEN (publ)

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