

# Interim Management Statement January-September 2016

## Highlights during the third quarter

- Net asset value\*<sup>1)</sup> amounted to SEK 290,683 m. (SEK 380 per share) on September 30, 2016, an increase of SEK 31,600 m. (SEK 41 per share) during the quarter, corresponding to a change of 12 percent. Over the past 20 years, annual average net asset value growth, with dividend added back, has been 10 percent.
- Listed Core Investments generated a total return\* of 14 percent. Additional shares in Wärtsilä were purchased for SEK 106 m., increasing our ownership to 17.7 percent.
- The value of Investor's investments in EQT was unchanged in constant currency. Net cash flow from EQT amounted to SEK 199 m.
- Patricia Industries completed the acquisition of medical technology company LABORIE. Including a capital contribution and transaction costs, Patricia Industries invested USD 650 m. for 97 percent ownership. All subsidiaries grew organically, but overall somewhat slower than during the first half of the year. Cash flow generation was strong.

## Financial information, year to date 2016

- Listed Core Investments contributed SEK 23,595 m. to the growth of net asset value (-2,630).
- EQT contributed SEK 1,392 m. to the growth of net asset value (2,787).
- Patricia Industries contributed SEK 2,838 m. to the growth of net asset value (3,411).
- Leverage\* (net debt/total assets) was 6.7 percent as of September 30, 2016 (5.5).
- Consolidated net sales for the period was SEK 22,995 m. (18,119).
- Consolidated profit/loss for the period, which includes unrealized change in value, was SEK 24,485 m. (SEK 32.08 basic earnings per share), compared to SEK 2,718 m. (SEK 3.57 basic earnings per share) for the same period 2015.

### Overview annual average performance

	NAV (%)**	Total return	
		Investor B (%)	SIXRX (%)
Q3 2016	12.2	11.7	10.1
1 year	16.0	13.2	12.7
5 years	18.4	25.1	17.0
10 years	9.2	11.2	8.4
20 years	9.9	12.2	10.8
<i>**Incl. dividend added back</i>			
			<b>9/30 2016</b>
NAV, SEK per share*			380
Share price (B-share), SEK			313.70

1) Key figures marked with \* are such financial measures that are not defined or specified in the applicable financial reporting framework. For more information, see page 15 and 21.



# CEO statement

Dear fellow shareholders,

During the third quarter, our net asset value increased by 12 percent. Our total shareholder return was 12 percent, while the SIXRX Return Index gained 10 percent.

## Listed Core Investments

Listed Core Investments generated a total return of 14 percent during the quarter. The demand situation continues to vary between geographic regions and industry segments. As always, companies need to be flexible to adapt quickly to changes in their market environment.

Through active board participation, we focus on what we believe will create the most value for each individual company. Sometimes larger structural changes may be needed. This could include acquisitions, mergers, spin-offs or divestitures of businesses. Regarding potential spin-offs, we always consider the potential for improved focus, but also synergies with other parts of the company as well as separation costs. In some cases, we have supported divestitures or spin-offs, for example when Husqvarna was spun out of Electrolux, and when Gambro was divided into separate entities. In other cases, we have concluded that maintaining the current structure has the highest long-term value potential.

In early October, ABB announced the decision to retain its Power Grids division, having thoroughly evaluated different options. We fully support this decision, as we believe it is right from a strategic and operational perspective. In a spin-off scenario, we do not believe that the potential benefits are sufficient to compensate for disadvantages and separation costs. Furthermore, after two decades of significant internal changes, we believe that ABB needs continuity, with focus on execution and customers, in order not to jeopardize the progress being made in the company. All in all, we strongly believe that keeping Power Grids is the best way forward for ABB.

On October 12, Ericsson announced that the negative industry trends from the first half of the year have accelerated further, leading to third quarter results significantly below company expectations. Now, the key priority is to find the right CEO to lead the company forward. In the meantime, the board of directors is supporting Ericsson's interim CEO and his management team in assuring competitiveness and maintaining strong customer focus during these challenging times.

During the quarter, we invested SEK 106 m. in Wärtsilä, strengthening our ownership to 17.7 percent.

## EQT

EQT generated net cash flow to Investor of SEK 199 m., and the value of our investments in EQT's funds was flat in constant currency.

## Patricia Industries

During the quarter the Canadian medtech company LABORIE was acquired. LABORIE, with leading market positions within diagnosis of urologic and gastrointestinal diseases, is Patricia Industries' second North American-based subsidiary and offers a strong platform for continued growth in an attractive industry segment.

Mölnlycke Health Care reported organic growth of 4 percent in constant currency. An improved profit margin and high cash conversion generated strong cash flow, further strengthening the balance sheet. After the end of the quarter, Mölnlycke distributed EUR 300 m. to Patricia Industries, still leaving a strong balance sheet with room for further growth initiatives.

Permobil reported slower organic sales growth in the quarter, mainly driven by lower demand in the U.S. Profit margins were essentially unchanged.

Aleris continued to report good organic growth. However, profitability declined, mainly due to weaker performance within Healthcare and one-time costs related to the previously announced management transition. During the quarter, Rickard Gustafson was appointed new Chairman. Alexander Wennergren Helm was appointed new CEO, effective no later than February 2017.

BraunAbility, Grand Group and Vectura all grew organically during the quarter. 3 Scandinavia grew with good profitability, and distributed SEK 210 m. to Patricia Industries.

## Focus on long-term value creation

Our target to grow net asset value is built upon two key components: that the companies develop well under our ownership and that we allocate capital wisely. As a long-term owner, we support our companies to make value-creating investments, but we also demand constant focus on efficiency improvements, with the ultimate target to grow the intrinsic value.

Our underlying cash flow generation is strong, driven by dividends from Listed Core Investments, net cash flow from EQT, and distributions from companies in Patricia Industries, such as Mölnlycke and 3 Scandinavia. A large part of this cash flow has been used for investments. Since the start of 2015, we have invested some SEK 6 bn. in Listed Core Investments, mainly in ABB, but also in Wärtsilä and Atlas Copco. We have committed significant capital to EQT funds, and Patricia Industries has acquired two new subsidiaries, BraunAbility and LABORIE.

Our main focus is to develop our existing companies. We will also continue to invest in our prioritized areas. The ultimate goal is to generate a long-term, attractive total return to you, dear shareholders.



Johan Forssell

# Net asset value overview

	Number of shares 9/30 2016	Ownership capital/votes <sup>1)</sup> (%) 9/30 2016	Share of total assets (%) 9/30 2016	Value, SEK/share 9/30 2016	Value, SEK m. <sup>2)</sup> 9/30 2016	Contribution to net asset value YTD 2016	Value, SEK m. <sup>2)</sup> 12/31 2015
<b>Listed Core Investments<sup>3)</sup></b>							
Atlas Copco	207 645 611	16.9/22.3	17	70	53 162	10 591	43 100
ABB	232 165 142	10.5/10.5	14	59	44 801	10 880	35 424
SEB	456 198 927	20.8/20.8	13	51	39 223	792	40 826
AstraZeneca	51 587 810	4.1/4.1	9	38	29 199	571	29 869
Wärtsilä	34 866 544	17.7/17.7	4	18	13 423	368	13 077
Sobi	107 594 165	39.6/39.8	4	15	11 427	-3 088	14 515
Nasdaq	19 394 142	11.7/11.7	4	15	11 286	2 000	9 423
Ericsson	175 047 348	5.3/21.4	3	14	10 778	-2 660	14 086
Electrolux	47 866 133	15.5/30.0	3	13	10 258	708	9 860
Saab	32 778 098	30.0/39.5	3	13	9 987	1 616	8 535
Husqvarna	97 052 157	16.8/32.7	2	10	7 257	1 883	5 428
<b>Total Listed Core Investments</b>			<b>77</b>	<b>315</b>	<b>240 801</b>	<b>23 595<sup>4)</sup></b>	<b>224 143</b>
<b>EQT</b>			<b>4</b>	<b>17</b>	<b>13 300</b>	<b>1 392<sup>4)</sup></b>	<b>13 021</b>
<b>Patricia Industries</b>							
Subsidiaries							
Mölnlycke Health Care		99/99	7	30	23 183	3 135	20 050
LABORIE		97/97	2	7	5 520	4	-
Permobil		94/90	1	5	4 156	180	3 963
Aleris		100/100	1	5	3 967	96	3 869
BraunAbility		95/95	1	4	2 964	194	2 781
Vectura		100/100	1	3	1 865	70	1 795
Grand Group		100/100	0	0	194	18	175
			<b>13</b>	<b>55</b>	<b>41 849</b>	<b>3 697</b>	<b>32 634</b>
3 Scandinavia		40/40	2	7	5 513	435	5 611
Financial Investments			3	13	10 293	-1 092	12 850
<b>Total Patricia Industries excl. cash</b>			<b>19</b>	<b>75</b>	<b>57 656</b>	<b>2 838<sup>4)</sup></b>	<b>51 095</b>
<i>Total Patricia Industries incl. cash</i>					67 258		65 711
Other Assets and Liabilities			0	0	-163	-8 944 <sup>4,5)</sup>	-565
<b>Total Assets excl. cash Patricia Industries</b>			<b>100</b>	<b>408</b>	<b>311 594</b>		<b>287 695</b>
Gross debt					-33 545		-34 954
Gross cash					12 634		19 062
<i>Of which Patricia Industries</i>					9 602		14 616
<b>Net debt</b>				<b>-27</b>	<b>-20 911</b>		<b>-15 892</b>
<b>Net Asset Value</b>				<b>380</b>	<b>290 683</b>	<b>18 881</b>	<b>271 801</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 and the partner-owned investments within Patricia Industries 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 Listed Core Investments SEK 66 m., EQT SEK 6 m., Patricia Industries SEK 195 m., and Groupwide SEK 76 m.
- 5) Including paid dividends of SEK 7,635 m.

# Overview

## Net asset value

During the nine month-period, net asset value increased from SEK 271.8 bn. to SEK 290.7 bn. The change in net asset value, with dividend added back, was 10 percent during the period (1), of which 12 percent during the third quarter (-8). The corresponding total return of the Stockholm Stock Exchange (SIXRX) was 6 percent and 10 percent respectively.

For balance sheet items, figures in parentheses refer to year-end 2015 figures. For income statement items and cash flow items, the figures in parentheses refer to the same period last year.

## Net debt

Net debt\* totaled SEK 20,911 m. on September 30, 2016 (15,892), corresponding to a leverage of 6.7 percent (5.5).

### Investor's net debt

SEK m.	YTD 2016
<b>Opening net debt</b>	<b>-15 892</b>
<b>Listed Core Investments</b>	
Dividends	7 488
Investments, net of proceeds <sup>1)</sup>	-474
<b>Total</b>	<b>7 014</b>
<b>EQT</b>	
Proceeds (divestitures, fee surplus and carry)	3 002
Draw-downs (investments and management fees)	-1 835
<b>Total</b>	<b>1 167</b>
<b>Patricia Industries</b>	
Proceeds	2 450
Investments	-5 969
Internal transfer to Investor	-1 259
Other <sup>2)</sup>	-235
<b>Total</b>	<b>-5 013</b>
<b>Investor Groupwide</b>	
Dividends paid	-7 635
Internal transfer from Patricia Industries	1 259
Other <sup>3)</sup>	-1 811
<b>Closing net debt</b>	<b>-20 911</b>

1) Incl. currency related effects on investments in foreign currency.

2) Includes currency related effects, net interest and management cost.

3) Incl. revaluation of debt, net interest and management cost excl. Patricia Industries.

### Performance by business area in summary

Q3 2016 SEK m.	Listed Core Investments	EQT	Patricia Industries	Investor Groupwide	Total
Dividends	1 959	2	10	0	1 972
Other operating income			9		9
Changes in value	28 531	-36	-250	-8	28 236
Net sales			7 871		7 871
Management cost	-21	-2	-62	-21	-107
Other profit/loss items		-2	-6 902	-306	-7 210
<b>Profit/loss for the period</b>	<b>30 468</b>	<b>-37</b>	<b>676</b>	<b>-335</b>	<b>30 772</b>
Non-controlling interest			1		1
Other effects on equity		264	780	-218	827
<b>Contribution to net asset value</b>	<b>30 468</b>	<b>227</b>	<b>1 457</b>	<b>-553</b>	<b>31 600</b>
<b>Net asset value by business area 9/30 2016</b>					
Carrying amount	240 801	13 300	57 656	-163	311 594
Investor's net debt/cash			9 602	-30 513	-20 911
<b>Total net assets including net debt/cash</b>	<b>240 801</b>	<b>13 300</b>	<b>67 258</b>	<b>-30 676</b>	<b>290 683</b>

Q3 2015 SEK m.	Listed Core Investments	EQT	Patricia Industries	Investor Groupwide	Total
Dividends	771	6	10	1	788
Other operating income			13		13
Changes in value	-21 856	-569	-1 696	-5	-24 126
Net sales			6 208		6 208
Management cost	-21	-2	-65	-19	-107
Other profit/loss items		-2	-5 310	-288	-5 600
<b>Profit/loss for the period</b>	<b>-21 106</b>	<b>-567</b>	<b>-840</b>	<b>-311</b>	<b>-22 824</b>
Non-controlling interest			1		1
Other effects on equity		261	675	-167	769
<b>Contribution to net asset value</b>	<b>-21 106</b>	<b>-306</b>	<b>-164</b>	<b>-478</b>	<b>-22 054</b>
<b>Net asset value by business area 9/30 2015</b>					
Carrying amount	211 358	12 623	50 772	-72	274 681
Investor's net debt/cash			13 133	-30 294	-17 161
<b>Total net assets including net debt/cash</b>	<b>211 358</b>	<b>12 623</b>	<b>63 905</b>	<b>-30 366</b>	<b>257 520</b>

# Listed Core Investments

Listed Core Investments contributed to the net asset value with SEK 23,595 m. during the nine-month period (-2,630), of which SEK 30,468 m. during the third quarter (-21,106).

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

## Contribution to net asset value, Listed Core Investments

SEK m.	Q3 2016	YTD 2016	YTD 2015
Changes in value	28 531	16 174	-9 479
Dividends	1 959	7 488	6 916
Management cost	-21	-66	-67
<b>Total</b>	<b>30 468</b>	<b>23 595</b>	<b>-2 630</b>

The combined total return amounted to 11 percent during the period, of which 14 percent during the third quarter.

## Dividends

Dividends received totaled SEK 7,488 m. during the first nine months of the year (6,916), of which SEK 1,959 m. during the third quarter. In total, we expect to receive approximately SEK 8.3 bn. in dividends during 2016.

## Contribution to net asset value and total return

	Q3 2016			YTD 2016	
	Value, SEK m.	Contribution to net asset value, SEK m.	Total return, Investor <sup>1)</sup> (%)	Contribution to net asset value, SEK m.	Total return, Investor <sup>1)</sup> (%)
Atlas Copco	53 162	8 575	19.2	10 591	24.6
ABB	44 801	7 898	20.6	10 880	30.7
SEB	39 223	6 184	18.7	792	1.9
AstraZeneca	29 199	3 627	14.0	571	1.9
Wärtsilä	13 423	1 476	12.5	368	2.8
Sobi	11 427	366	3.3	-3 088	-21.3
Nasdaq	11 286	702	6.6	2 000	21.2
Ericsson	10 778	-356	-3.2	-2 660	-18.9
Electrolux	10 258	-603	-5.6	708	7.2
Saab	9 987	1 423	16.6	1 616	18.9
Husqvarna	7 257	1 199	19.8	1 883	34.7
<b>Total</b>	<b>240 801</b>	<b>30 490</b>		<b>23 662</b>	

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

## Investments and divestments












### Third quarter

300,000 shares were purchased in Wärtsilä for SEK 106 m.

### Earlier during the year

750,000 shares were purchased in Atlas Copco for SEK 125 m. 700,000 shares in Wärtsilä were purchased for SEK 247 m.

## Listed Core Investments

	A provider of compressors, vacuum and air treatment systems, construction and mining equipment, power tools and assembly systems	<a href="http://www.atlascopco.com">www.atlascopco.com</a>
	A provider of power and automation technologies for utility and industry customers	<a href="http://www.abb.com">www.abb.com</a>
	A financial services group with the main focus on the Nordic countries, Germany and the Baltics	<a href="http://www.seb.se">www.seb.se</a>
	A global, innovation-driven, integrated biopharmaceutical company	<a href="http://www.astrazeneca.com">www.astrazeneca.com</a>
	A provider of complete lifecycle power solutions for the marine and energy markets	<a href="http://www.wartsila.com">www.wartsila.com</a>
	A specialty healthcare company developing and delivering innovative therapies and services to treat rare diseases	<a href="http://www.sobi.com">www.sobi.com</a>
	A provider of trading, exchange technology, information and public company services	<a href="http://www.nasdaq.com">www.nasdaq.com</a>
	A provider of communication technologies and services	<a href="http://www.ericsson.com">www.ericsson.com</a>
	A provider of household appliances and appliances for professional use	<a href="http://www.electrolux.com">www.electrolux.com</a>
	A provider of products, services and solutions for military defense and civil security	<a href="http://www.saabgroup.com">www.saabgroup.com</a>
	A provider of outdoor power products, consumer watering products, cutting equipment and diamond tools	<a href="http://www.husqvarna.com">www.husqvarna.com</a>



Our investments in EQT contributed to the net asset value with SEK 1,392 m. during the nine-month period (2,787), of which SEK 227 m. during the third quarter (-306).

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

A private equity group with portfolio companies in Europe, Asia and the U.S.

## Activities during the quarter

- Investor received net cash flow of SEK 199 m. from EQT.
- In constant currency, the value change of Investor's investments in EQT was 0 percent. The reported value change was 2 percent.
- Investor's total outstanding commitments to EQT funds amounted to SEK 10.7 bn. as of September 30, 2016 (8.5).
- EQT V divested shares in Scandic Hotels Group and Dometic.
- EQT VII increased its shareholding in IFS and acquired Press Ganey.
- EQT Midmarket announced the acquisition of XP Solutions and an investment in TransIP.
- EQT Opportunity divested TitanX and Grangården.
- EQT Expansion Capital divested its holding in SFC Koenig.
- EQT Real Estate acquired Technologiepark and Le Doublon.

## Change in net asset value, EQT

SEK m.	Q3 2016	YTD 2016	YTD 2015
Net asset value, beginning of period	13 272	13 021	13 522
Contribution to net asset value (value change)	227	1 392	2 787
Draw-downs (investments and management fees)	942	1 888	1 457
Proceeds to Investor (divestitures, fee surplus and carry)	-1 141	-3 002	-5 143
<b>Net asset value, end of period</b>	<b>13 300</b>	<b>13 300</b>	<b>12 623</b>

## Investor's investments in EQT, September 30, 2016

	Fund size EUR m.	Investor's share (%)	Investor's remaining commitment SEK m.	Reported value SEK m.
Terminated funds <sup>1)</sup>	1 633			-
Fully invested funds <sup>2)</sup>	17 561		1 405	11 206
EQT VII	6 817	5	2 729	657
EQT Infrastructure II	1 938	8	732	720
EQT Credit Fund II	845	10	363	556
EQT Ventures	566	9	485	0
EQT Midmarket US	616	30	1 738	0
EQT new funds			3 298	137
EQT AB		19		24
<b>Total</b>	<b>29 976</b>		<b>10 749</b>	<b>13 300</b>

1) EQT I, EQT II, EQT Denmark, EQT Finland, EQT Asia.

2) EQT III, EQT IV, EQT V, EQT VI, EQT Expansion Capital I and II, EQT Greater China II, EQT Infrastructure, EQT Credit Fund, EQT Opportunity, EQT Mid Market.

## Investor's investments in EQT, key figures overview

SEK m.	Q3 2016	Q2 2016	Q1 2016	FY 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	FY 2014	Q4 2014	Q3 2014
Reported value	13 300	13 272	11 905	13 021	13 021	12 623	13 599	13 991	13 522	13 522	13 490
Reported value change, %	2	9	1	30	10	-2	15	8	38	10	3
Value change, constant currency, %	0	7	0	32	12	-4	16	8	30	6	2
Draw-downs from Investor	942	633	313	1 590	133	364	223	870	2 397	389	1 163
Proceeds to Investor	1 141	365	1 496	6 086	943	1 034	2 683	1 426	4 854	1 714	1 314
<b>Net cash flow to Investor</b>	<b>199</b>	<b>-268</b>	<b>1 183</b>	<b>4 496</b>	<b>810</b>	<b>670</b>	<b>2 460</b>	<b>556</b>	<b>2 457</b>	<b>1 325</b>	<b>151</b>

# PATRICIA INDUSTRIES

a part of Investor AB

Patricia Industries contributed to the net asset value with SEK 2,838 m. during the nine-month period (3,411), of which SEK 1,457 m. during the third quarter (-164).

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

## Investments, divestments and distributions

The acquisition of LABORIE was completed. Including a capital contribution of USD 13 m. and transaction costs of USD 11 m., Patricia Industries invested USD 650 m. for 97 percent of LABORIE, with LABORIE's board and management as minority owners. Patricia Industries intends to replace part of the current financing with debt at a later stage.

A total of SEK 5,662 m. was invested during the third quarter. Divestments and distributions amounted to SEK 759 m., including distribution from 3 Scandinavia, divestitures of parts of the holdings in Tobii and Mindjet, as well as exits in Kunskapskolan and Aternity.

For information regarding Alternative Performance Measures related to Patricia Industries and its investments, see page 15. Definitions can be found on Investors website.

## Patricia Industries, net cash

SEK m.	Q3 2016	YTD 2016	YTD 2015
Beginning of period	14 574	14 616	10 380
Net cash flow	-4 901	-3 519	2 623
Internal transfer to Investor	-	-1 259	-
Other <sup>1)</sup>	-70	-235	130
<b>End of period</b>	<b>9 602</b>	<b>9 602</b>	<b>13 133</b>

1) Includes currency related effects, net interest and management cost.

## Patricia Industries, net asset value

SEK m.	Q3 2016	YTD 2016	YTD 2015
Beginning of period	51 221	51 095	49 759
Investments	5 662	5 972	882
Divestments	-537	-1 912	-2 529
Distributions	-222	-537	-958
Changes in value	1 532	3 038	3 618
<b>End of period</b>	<b>57 656</b>	<b>57 656</b>	<b>50 772</b>
<b>Total, incl. cash</b>	<b>67 258</b>	<b>67 258</b>	<b>63 905</b>

## Patricia Industries, contribution to net asset value

SEK m.	Q3 2016	YTD 2016	YTD 2015
Changes in value	1 532	3 038	3 618
Management cost	-62	-195	-198
Other items	-12	-5	-9
<b>Total</b>	<b>1 457</b>	<b>2 838</b>	<b>3 411</b>

## Major subsidiaries, performance<sup>1)</sup>

Q3 2016								
SEK m.	Mölnlycke Health Care	LABORIE <sup>4)</sup>	Permobil	Aleris	BraunAbility	Vectura	Grand Group	Total
<b>Income statement items</b>								
Sales	3 336	255	844	2 355	1 048	51	183	8 072
EBITDA	1 035	60	176	98	99	35	26	1 529
EBITDA, %	31	24	21	4	9	68	14	19
EBITA <sup>2)</sup>	952	56	144	41	85	8	20	1 307
EBITA, %	29	22	17	2	8	17	11	16
<b>Cash flow items</b>								
EBITDA	1 035	60	176	98	99	35	26	1 529
Change in working capital	215	196	5	-92	49	-12	6	368
Capital expenditures	-211	-17	-7	-76	-11	-53	-6	-381
<b>Operating cash flow</b>	<b>1 039</b>	<b>240</b>	<b>175</b>	<b>-70</b>	<b>137</b>	<b>-30</b>	<b>26</b>	<b>1 516</b>
Acquisitions/divestments	-40	-	-101	-1 119	-59	-185	-	-1 504
Shareholder contribution/distribution	-	1 858	-	-	-	-	-	1 858
Other <sup>3)</sup>	-98	-32	-103	-148	-42	-10	-2	-434
<b>Increase (-)/decrease (+) in net debt</b>	<b>900</b>	<b>2 066</b>	<b>-29</b>	<b>-1 337</b>	<b>36</b>	<b>-225</b>	<b>24</b>	<b>1 436</b>

1) This table presents the performance of the major subsidiaries within Patricia Industries. Smaller subsidiaries and internal eliminations not included.

2) EBITA is defined as operating profit before acquisition-related amortizations.

3) Please see company section for details.

4) Consolidated as of September 16, 2016. Historical pro forma figures presented for information purposes.

## Major subsidiaries, performance<sup>1)</sup>

YTD 2016								
SEK m.	Mölnlycke Health Care	LABORIE <sup>4)</sup>	Permobil	Aleris	BraunAbility	Vectura	Grand Group	Total
<b>Income statement items</b>								
Sales	9 907	770	2 396	7 234	2 836	135	468	23 746
EBITDA	2 968	165	476	375	265	85	41	4 376
EBITDA, %	30	21	20	5	9	63	9	18
EBITA <sup>2)</sup>	2 721	149	380	228	239	8	22	3 747
EBITA, %	27	19	16	3	8	6	5	16
<b>Cash flow items</b>								
EBITDA	2 968	165	476	375	265	85	41	4 376
Change in working capital	-247	199	89	-62	-113	-29	10	-153
Capital expenditures	-547	-142	-63	-154	-31	-186	-27	-1 151
<b>Operating cash flow</b>	<b>2 174</b>	<b>221</b>	<b>503</b>	<b>160</b>	<b>121</b>	<b>-131</b>	<b>24</b>	<b>3 072</b>
Acquisitions/divestments	-463	-27	-138	-1 175	-59	-185	-	-2 048
Shareholder contribution/distribution	-	1 858	-	-	-	-	-	1 858
Other <sup>3)</sup>	-367	-107	-334	-309	-62	-1	-4	-1 184
<b>Increase (-)/decrease(+) in net debt</b>	<b>1 344</b>	<b>1 944</b>	<b>31</b>	<b>-1 324</b>	<b>-1</b>	<b>-317</b>	<b>20</b>	<b>1 698</b>

1) This table presents the performance of the major subsidiaries within Patricia Industries. Smaller subsidiaries and internal eliminations not included.

2) EBITA is defined as operating profit before acquisition-related amortizations.

3) Please see company section for details.

4) Consolidated as of September 16, 2016. Historical pro forma figures presented for information purposes.

A provider of advanced products for treatment and prevention of wounds and single-use surgical solutions

### Activities during the quarter

- Both business areas contributed to growth during the quarter. Wound Care grew primarily within advanced wound care in the U.S., but developing markets also contributed significantly to growth. Within Surgical, growth was driven by surgical gloves and ProcedurePak™ trays.
- The EBITA margin increased following volume growth and improved mix.
- Cash conversion was strong, with a seasonal decrease in working capital.
- After the end of the quarter, Mölnlycke Health Care distributed EUR 300 m. to Patricia Industries.

### Key figures, Mölnlycke Health Care

Income statement items, EUR m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
Sales	350	1 057	340	996	1 414
Sales growth, %	3	6	12	12	
Organic growth, constant currency, %	4	6	5	5	
EBITDA	109	317	100	279	412
EBITDA, %	31	30	29	28	29
EBITA	100	290	86 <sup>1)</sup>	251	376
EBITA, %	29	27	25	25	27
<b>Balance sheet items, EUR m.</b>	<b>9/30 2016</b>	<b>12/31 2015</b>			
Net debt	712	855			
Cash flow items, EUR m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
EBITDA	109	317	100	279	
Change in working capital	23	-26	15	-49	
Capital expenditures	-22	-58	-18	-42	
<b>Operating cash flow</b>	<b>110</b>	<b>232</b>	<b>97</b>	<b>188</b>	
Acquisitions/divestments	-4	-50	-	-	
Shareholder contribution/distribution	-	-	-15	-15	
Other <sup>2)</sup>	-10	-39	-3	-57	
<b>Increase (-)/decrease (+) in net debt</b>	<b>95</b>	<b>143</b>	<b>79</b>	<b>116</b>	
<b>Key ratios</b>					<b>Rolling 4 quarters</b>
Working capital/sales, %					12
Capital expenditures/sales, %					5
	<b>9/30 2016</b>	<b>9/30 2015</b>			
Number of employees	7 485	7 360			

1) Including a EUR 5 m. write-down of capitalized R&D.

2) Includes effects of exchange rate changes, interest and tax. During the nine-month period 2016, foreign exchange rate-related effects from revaluation of net debt amounted to EUR -5 m. (-25), of which EUR -1 m. during the third quarter (6).

A leading provider of innovative capital equipment and consumables for the diagnosis and treatment in urologic and gastrointestinal (GI) disorders

### Activities during the quarter

- Organic growth was driven by strong bladder scanner and GI product demand and continued growth within the urodynamic business.
- The EBITA margin was impacted by significant non-recurring costs, including transaction costs. Adjusted for these non-recurring costs, the EBITA margin was 27 percent.
- Expansion into the diagnostic GI market continued, with solid commercial performance and progression of the GI pipeline.

### Key figures, LABORIE

Income statement items, USD m.	2016 <sup>1)</sup>		2015 <sup>1)</sup>		Rolling 4 quarters <sup>1)</sup>
	Q3	YTD	Q3	YTD	
Sales	30	92	28	79	121
Sales growth, %	7	16	27	24	
Organic growth, constant currency, %	7	11	2	3	
EBITDA	7	20	7	13	26
EBITDA, %	24	21	27	16	22
EBITA	7	18	7	12	24
EBITA, %	22	19	26	15	20
<b>Balance sheet items, USD m.</b>	<b>9/30 2016</b>	<b>12/31 2015</b>			
Net debt	-42 <sup>2)</sup>	190			
Cash flow items, USD m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
EBITDA	7	20	7	13	
Change in working capital	23	24	1	4	
Capital expenditures	-2	-17	-2	1	
<b>Operating cash flow</b>	<b>29</b>	<b>26</b>	<b>6</b>	<b>19</b>	
Acquisitions/divestments	-	-3	-	-30	
Shareholder contribution/distribution	221 <sup>3)</sup>	221 <sup>3)</sup>	-	-	
Other <sup>4)</sup>	-4	-13	-6	-57	
<b>Increase (-)/decrease (+) in net debt</b>	<b>246</b>	<b>231</b>	<b>0</b>	<b>-69</b>	
<b>Key ratios</b>					<b>Rolling 4 quarters</b>
Working capital/sales, %					12
Capital expenditures/sales, %					15
	<b>9/30 2016</b>	<b>9/30 2015</b>			
Number of employees	410	390			

1) Consolidated as of September 16, 2016. Historical pro forma figures presented for information purposes.

2) Of which, USD 23 m. in pending liabilities and USD 13 m. in capital contribution from Patricia Industries.

3) Current financing by Patricia Industries will partly be replaced by external debt at a later stage.

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



A provider of advanced mobility and seating rehab solutions

### Activities during the quarter

- Organic growth was slow in the quarter, with lower demand in the U.S. Powered wheelchairs in Europe had good growth.
- The EBITA margin was slightly lower due to higher operating expenses.
- Permobil acquired Advanced Health Care, a leading distributor of advanced rehab technology in Canada.
- The improvement in operating cash flow was mostly driven by the release of working capital, but also by lower capital expenditures.

### Key figures, Permobil

Income statement items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
Sales	844	2 396	815	2 069	3 257
Sales growth, %	3	16	45	42	
Organic growth, constant currency, %	1	9	9	5	
EBITDA	176	476	171	358	665
EBITDA, %	21	20	21	17	20
EBITA	144	380	143 <sup>1)</sup>	281 <sup>1)</sup>	526
EBITA, %	17	16	18	14	16
<b>Balance sheet items, SEK m.</b>	<b>9/30 2016</b>		<b>12/31 2015</b>		
Net debt	2 364		2 395		
Cash flow items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
EBITDA	176	476	171	358	
Adjustments to EBITDA <sup>2)</sup>	-	-	11	18	
Change in working capital	5	89	-34	-73	
Capital expenditures	-7	-63	-34	-134	
<b>Operating cash flow</b>	<b>175</b>	<b>503</b>	<b>114</b>	<b>169</b>	
Acquisitions/divestments	-101	-138	-29	-1 053	
Shareholder contribution/distribution	-	-	-	-	
Other <sup>3)</sup>	-103	-334	-95	-201	
<b>Increase (-)/decrease (+) in net debt</b>	<b>-29</b>	<b>31</b>	<b>-10</b>	<b>-1 085</b>	
<b>Key ratios</b>					
Working capital/sales, %					18
Capital expenditures/sales, %					3
	<b>9/30 2016</b>	<b>9/30 2015</b>			
Number of employees	1 375	1 330			

1) Restated.

2) Acquisition related inventory adjustment that effects EBITDA negatively but has no effect on cash flow.

3) Includes effects of exchange rate changes, interest and tax. During the nine-month period 2016, foreign exchange rate-related effects amounted to SEK -85 m. from revaluation of net debt (-98), of which SEK -41 m. during the third quarter (-45). It also includes SEK 110 m. in an acquisition-related add-on payment (relating to Permobil).

A provider of healthcare and care services in Scandinavia

### Activities during the quarter

- Organic growth was primarily driven by Care in all three regions.
- The EBITA margin declined significantly, with deteriorating performance within Specialist Care and Primary Care in Stockholm, topline pressure in Healthcare Denmark, and costs related to the previously announced CEO transition.
- Operating cash flow was seasonally weak. The acquisition of Curato closed in August, which impacted net debt.
- Rickard Gustafson was appointed new Chairman of the Board, effective August, 2016.
- Alexander Wennergren Helm was appointed new CEO, effective no later than February 2017.

### Key figures, Aleris

Income statement items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
Sales	2 355	7 234	1 991	6 229	9 545
Sales growth, %	18	16	11	13	
Organic growth, constant currency, %	6	9	10	10	
EBITDA	98	375	122	399	468
EBITDA, %	4	5	6	6	5
EBITA	41	228	83	275	276
EBITA, %	2	3	4	4	3
<b>Balance sheet items, SEK m.</b>	<b>9/30 2016</b>		<b>12/31 2015</b>		
Net debt	2 739		1 415		
Cash flow items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
EBITDA	98	375	122	399	
Change in working capital	-92	-62	-117	-113	
Capital expenditures	-76	-154	-28	-98	
<b>Operating cash flow</b>	<b>-70</b>	<b>160</b>	<b>-23</b>	<b>188</b>	
Acquisitions/divestments	-1 119	-1 175	-	-91	
Shareholder contribution/distribution	-	-	-	-	
Other <sup>1)</sup>	-148	-309	25	-28	
<b>Increase (-)/decrease (+) in net debt</b>	<b>-1 337</b>	<b>-1 324</b>	<b>2</b>	<b>69</b>	
<b>Key ratios</b>					
Working capital/sales, %					-2
Capital expenditures/sales, %					2
	<b>9/30 2016</b>	<b>9/30 2015</b>			
Number of employees	8 585	7 465			

1) Includes effects of exchange rate changes, interest and tax. During the nine-month period 2016, foreign exchange rate-related effects from revaluation of net debt amounted to SEK -93 m. (15), of which SEK -55 m. during the third quarter (-2).

A world-leading manufacturer of wheelchair accessible vehicles and wheelchair lifts

### Activities during the quarter

- Organic growth was driven by strong demand for commercial wheelchair accessible vans (WAVs) and stable performance in commercial lifts.
- Following the slowdown during the first half of 2016, the consumer WAV business stabilized, despite a continued challenging market.
- The EBITA margin was essentially flat, due to significant investments in operational improvements and new product R&D.
- Plant operations continued to run smoothly with first time yield, productivity and safety metrics showing improvement compared to last year.
- Outside of North America, the company's two joint ventures continued to be challenged by weak demand in EMEA and Brazil.
- In August, the acquisition of B&D, a specialty mobility seating company, was completed. The customer reaction has been positive and integration has thus far progressed well.

### Key figures, BraunAbility

Income statement items, USD m.	2016		2015 <sup>1)</sup>		Rolling 4 quarters <sup>1)</sup>
	Q3	YTD	Q3	YTD	
Sales	123	338	107	298	439
Sales growth, %	15	13	1	2	
Organic growth, constant currency, %	15	13	1	2	
EBITDA	12	32	11	28	34
EBITDA, %	9	9	10	9	8
EBITA	10	28	10	26	30
EBITA, %	8	8	9	9	7
<b>Balance sheet items, USD m.</b>	<b>9/30 2016</b>		<b>12/31 2015</b>		
Net debt	76		75		
Cash flow items, USD m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
EBITDA	12	32	11	28	
Change in working capital	6	-13	2	-15	
Capital expenditures	-1	-4	0	-1	
<b>Operating cash flow</b>	<b>16</b>	<b>14</b>	<b>13</b>	<b>12</b>	
Acquisitions/divestments	-7	-7	-	-	
Shareholder contribution/distribution	-	-	-	-	
Other <sup>2)</sup>	-4	-7	-6	-13	
<b>Increase (-)/decrease (+) in net debt</b>	<b>5</b>	<b>0</b>	<b>7</b>	<b>-1</b>	
<b>Key ratios</b>					<b>Rolling 4 quarters</b>
Working capital/sales, %					17
Capital expenditures/sales, %					1
	<b>9/30 2016</b>	<b>9/30 2015</b>			
Number of employees	1 075	990			

1) Consolidated as of October 30, 2015. Historical pro forma figures presented for information purposes.

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

Develops and manages real estate, including Grand Hôtel and Aleris-related properties

### Activities during the quarter

- Growth was primarily driven by revenue-based rental income from Grand Hôtel and the new Aleris facility in Solna.
- In late September, Vectura acquired a property in Søborg, Denmark, where Aleris provides healthcare services at the Hamlet hospital, and initiated construction of a new Aleris facility in Sundbyberg.
- Vectura continued to strengthen its organization with additional recruitments, and ongoing property constructions developed according to plan.

### Key figures, Vectura

Income statement items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
Sales	51	135	46	115	178
Sales growth, %	12	17	30	20	
EBITDA	35	85	29	72	106
EBITDA, %	68	63	64	62	59
EBITA adjusted <sup>1)</sup>	17	32	11	18	33
EBITA adjusted, %	33	24	25	15	19
EBITA	8	8	4	-4	1
EBITA, %	17	6	8	-3	1
<b>Balance sheet items, SEK m.</b>	<b>9/30 2016</b>		<b>12/31 2015</b>		
Net debt	1 422		1 105		
Cash flow items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
EBITDA	35	85	29	72	
Change in working capital	-12	-29	4	-17	
Capital expenditures	-53	-186	-21	-83	
<b>Operating cash flow</b>	<b>-30</b>	<b>-131</b>	<b>12</b>	<b>-28</b>	
Acquisitions/divestments	-185	-185	-	-19	
Shareholder contribution/distribution	-	-	-	-	
Other <sup>2)</sup>	-10	-1	-11	22	
<b>Increase (-)/decrease (+) in net debt</b>	<b>-225</b>	<b>-317</b>	<b>1</b>	<b>-25</b>	
	<b>9/30 2016</b>		<b>9/30 2015</b>		
Number of employees	17		9		

1) EBITA adjusted for depreciation of surplus values related to properties.

2) Includes interest and tax.

The Grand Group offers Lodging, Food & Beverage as well as Conference & Banqueting, and consists of Scandinavia's leading hotels Grand Hôtel and Lydmar Hotel

### Activities during the quarter

- Growth was driven by Lodging at Grand Hôtel and Lydmar Hotel.
- The EBITA margin decreased, mainly due to a negative mix effect.
- Grand Hôtel strengthened its organization through recruitments within Food & Beverage to support continuous concept development.

### Key figures, Grand Group

Income statement items, SEK m.	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
Sales	183	468	179	437	627
Sales growth, %	2	7	21	13	
EBITDA	26	41	28	31	50
EBITDA, %	14	9	16	7	8
EBITA	20	22	21	12	25
EBITA, %	11	5	12	3	4
<b>Balance sheet items, SEK m.</b>	<b>9/30 2016</b>		<b>12/31 2015</b>		
Net debt	-126		-106		
	2016		2015		
<b>Cash flow items, SEK m.</b>	<b>Q3</b>	<b>YTD</b>	<b>Q3</b>	<b>YTD</b>	
EBITDA	26	41	28	31	
Change in working capital	6	10	-3	-4	
Capital expenditures	-6	-27	-1	-8	
<b>Operating cash flow</b>	<b>26</b>	<b>24</b>	<b>24</b>	<b>19</b>	
Acquisitions/divestments	-	-	-	-	
Shareholder contribution/distribution	-	-	-	-	
Other <sup>1)</sup>	-2	-4	-1	-5	
<b>Increase (-)/decrease (+) in net debt</b>	<b>24</b>	<b>20</b>	<b>23</b>	<b>14</b>	
					<b>Rolling 4 quarters</b>
<b>Key ratios</b>					
Working capital/sales, %					-9
Capital expenditures/sales, %					5
	<b>9/30 2016</b>	<b>9/30 2015</b>			
Number of employees	360	355			

1) Includes interest and tax.

A provider of mobile voice and broadband services in Sweden and Denmark

### Activities during the quarter

- The number of subscribers increased by 13,000 in the quarter, all in Sweden. The total subscriber base grew by 6 percent and service revenue by 5 percent. EBITDA grew 8 percent, reflecting operating leverage.
- In Denmark, 3 Scandinavia acquired 2 x 20 MHz of spectrum in the 1800 MHz band, for a price of DKK 300 m. The spectrum provides a foundation for maintaining the high-quality network with a growing subscriber base and data usage. The price will be paid 20 percent upfront in the fourth quarter, with the remainder equally spread over eight annual instalments.
- 3 Sweden's second brand Hallon launched a unique, web-based business offering with focus on simplicity.
- Johan Johansson was appointed new CEO of 3 Sweden, effective October 2016.
- Cash flow was strong, and SEK 525 m. was distributed to the owners, of which SEK 210 m. to Patricia Industries.

### Key figures, 3 Scandinavia

Income statement items	2016		2015		Rolling 4 quarters
	Q3	YTD	Q3	YTD	
Sales, SEK m.	2 714	8 547	2 575	7 883	11 495
Sweden, SEK m.	1 816	5 459	1 764	5 287	7 411
Denmark, DKK m.	703	2 459	638	2 066	3 261
Service revenue <sup>1)</sup> , SEK m.	1 706	4 942	1 628	4 723	6 531
Sweden, SEK m.	1 123	3 275	1 069	3 121	4 330
Denmark, DKK m.	457	1 322	440	1 275	1 750
EBITDA, SEK m.	810	2 241	752	2 162	2 996
Sweden, SEK m.	591	1 675	566	1 610	2 214
Denmark, DKK m.	171	449	146	439	622
EBITDA, %	30	26	29	27	26
Sweden	33	31	32	30	30
Denmark	24	18	23	21	19
<b>Balance sheet items, SEK m.</b>	<b>9/30 2016</b>		<b>12/31 2015</b>		
Net debt	1 101		1 579		
	9/30 2016		9/30 2015		
Number of employees	2 060		2 120		
<b>Key ratios</b>					
Capital expenditures/sales, %					9
<b>Other key figures</b>	<b>9/30 2016</b>	<b>9/30 2015</b>			
Subscribers	3 314 000	3 139 000			
Sweden	2 094 000	1 980 000			
Denmark	1 220 000	1 159 000			
Postpaid/prepaid ratio	78/22	79/21			

1) Mobile service revenue excluding interconnect revenue.

## Financial Investments

Financial Investments consists of investments in which the investment horizon has not yet been defined. Our objective is to maximize the value and use realized proceeds for investments in existing and new subsidiaries. We are also evaluating if some holdings could become long-term investments.

### Activities during the quarter

- No major investments were made. Total proceeds amounted to SEK 546 m. Exits were made in Kunskapsskolan and Aternity. Parts of the holdings in Tobii and Mindjet were divested.

### Change in net asset value, Financial Investments

SEK m.	Q3 2016	YTD 2016	YTD 2015
Net asset value, beginning of period	10 717	12 850	11 714
Investments	146	456	854
Divestments/distributions	-546	-1 921	-2 540
Changes in value	-23	-1 091	1 869
<b>Net asset value, end of period</b>	<b>10 293</b>	<b>10 293</b>	<b>11 897</b>

As of September 30, 2016, European, U.S. and Asian holdings represented 23, 46, and 31 percent of the total value of the Financial Investments.

50 percent of the net asset value of the Financial Investments is represented by investments in publicly listed companies.

### Five largest Financial Investments, September 30, 2016

Company	Region	Business	Listed/ unlisted	Reported value. SEK m.
NS Focus	Asia	IT	Listed	3 298
Madrague	Europe	Financials	Unlisted	789
Tobii	Europe	IT	Listed	629
Mindjet	U.S.	IT	Unlisted	505
Newron	Europe	Healthcare	Listed	350
<b>Total</b>				<b>5 571</b>

The five largest investments represented 54 percent of the total value of the Financial Investments.

Patricia Industries – key figures overview<sup>1)</sup>

	Q3 2016	Q2 2016	Q1 2016	FY 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015	FY 2014	Q4 2014	Q3 2014
<b>Mölnlycke Health Care (EUR m.)</b>											
Sales	350	361	345	1 353	357	339	335	321	1 213	325	304
EBITDA	109	110	98	374	95	100	90	89	349	101	94
EBITDA (%)	31	30	28	28	27	29	27	28	29	31	31
EBITA <sup>2)</sup>	100	101	89	337	86	86 <sup>3)</sup>	83	82	322	94	87
EBITA, %	29	28	26	25	24	25	25	26	27	29	29
Net debt	712	807	871	855	855	527	606	628	643	643	730
Employees	7 485	7 560	7 555	7 500	7 500	7 360	7 540	7 515	7 425	7 425	7 435
<b>LABORIE<sup>4)</sup> (USD m.)</b>											
Sales	30	30	32	109	30	28	27	24			
EBITDA	7	5	7	20	7	7	4	1			
EBITDA (%)	24	18	23	18	23	27	15	6			
EBITA <sup>2)</sup>	7	5	6	18	6	7	4	1			
EBITA, %	22	16	20	17	21	26	13	5			
Net debt	-42	205	191	190	190	192	191	162			
Employees	410	395	395	385	385	390	390	300			
<b>Permobil (SEK m.)</b>											
Sales	844	820	732	2 931	862	815	723	531	2 053	597	563
EBITDA	176	167	133	547	189	171	125	62	426	122	138
EBITDA (%)	21	20	18	19	22	21	17	12	21	20	25
EBITA <sup>2)</sup>	144	135	101	426	146	143	97	41	351	99	119
EBITA, %	17	16	14	15	17	18	13	8	17	17	21
Net debt	2 364	2 335	2 254	2 395	2 395	2 536	2 526	1 592	1 451	1 451	1 476
Employees	1 375	1 345	1 330	1 320	1 320	1 330	1 310	1 050	1 015	1 015	995
<b>Aleris (SEK m.)</b>											
Sales	2 355	2 503	2 376	8 540	2 311	1 991	2 172	2 066	7 527	1 999	1 793
EBITDA	98	162	116	492	93	122	140	137	355	60	117
EBITDA (%)	4	6	5	6	4	6	6	7	5	3	7
EBITA <sup>2)</sup>	41	117	71	323	48	82	95	98	199	20	78
EBITA, %	2	5	3	4	2	4	4	5	3	1	4
Net debt	2 739	1 402	1 508	1 415	1 415	900	902	986	969	969	1 003
Employees	8 585	8 430	8 205	7 805	7 805	7 300	7 305	6 960	6 645	6 645	6 605
<b>BraunAbility<sup>5)</sup> (USD m.)</b>											
Sales	123	114	100	399	101	107	113	77	391		
EBITDA	12	12	8	30	2	11	11	6	34		
EBITDA (%)	9	11	8	8	2	10	10	8	9		
EBITA <sup>2)</sup>	10	12	7	27	1	10	10	6	31		
EBITA, %	8	10	7	7	1	9	9	7	8		
Net debt	76	80	86	75	75	52	60	59	52		
Employees	1 075	1 040	1 030	1 025	1 025	990	990	950	950		
<b>Vectura (SEK m.)</b>											
Sales	51	49	34	158	43	45	41	28	130	34	35
EBITDA	35	31	20	92	20	30	27	15	73	15	23
EBITDA (%)	68	62	58	58	47	67	66	54	56	44	66
EBITA <sup>2)</sup>	8	4	-5	-10	-6	4	1	-8	-23	-26	5
EBITA, %	17	9	-15	-6	-14	9	2	-29	-18	-76	14
Net debt	1 422	1 197	1 135	1 105	1 105	1 388	1 389	1 354	1 363	1 363	1 209
Employees	17	15	13	13	13	9	8	7	7	7	5
<b>Grand Group (SEK m.)</b>											
Sales	183	179	105	597	160	179	155	103	541	155	148
EBITDA	26	24	-10	41	10	27	14	-11	30	13	16
EBITDA (%)	14	14	-9	7	6	15	9	-10	6	8	11
EBITA <sup>2)</sup>	20	18	-16	15	3	21	8	-17	5	6	9
EBITA, %	11	10	-15	3	2	12	5	-17	1	4	6
Net debt	-126	-102	-78	-106	-106	-99	-76	-60	-85	-85	-87
Employees	360	350	310	360	360	355	340	310	350	350	345
<b>3 Scandinavia<sup>6)</sup></b>											
Sales	2 714	2 701	3 133	10 831	2 948	2 575	2 645	2 663	10 387	2 994	2 677
Sweden, SEK m.	1 816	1 804	1 840	7 238	1 951	1 764	1 799	1 724	6 633	1 813	1 623
Denmark, DKK m.	703	713	1 043	2 868	802	638	682	746	3 063	940	858
EBITDA	810	680	752	2 916	754	752	715	696	2 662	691	675
Sweden, SEK m.	591	520	564	2 149	539	566	532	512	1 868	486	460
Denmark, DKK m.	171	126	151	612	173	146	147	146	649	163	175
EBITDA, %	30	25	24	27	26	29	27	26	26	23	25
Sweden	33	29	31	30	28	32	30	30	28	27	28
Denmark	24	18	14	21	22	23	22	20	21	17	20
Net debt, SEK m.	1 101	1 556	1 386	1 579	1 579	1 525	1 413	1 116	1 118	1 118	8 419
Employees	2 060	2 070	2 085	2 095	2 095	2 120	2 110	2 120	2 185	2 185	2 105
<b>Financial Investments (SEK m.)</b>											
Net asset value, beginning of period	10 717	10 727	12 850	11 714	11 897	14 843	14 606	11 714			
Investments	146	137	173	923	69	201	223	430			
Divestments/distribution	-546	-566	-809	-2 908	-368	-1 841	-662	-39			
Changes in value	-23	419	-1 488	3 121	1 252	-1 306	676	2 501			
Net asset value, end of period	10 293	10 717	10 727	12 850	12 850	11 897	14 843	14 606			

1) For information regarding Alternative Performance Measures in the table, see page 15. Definitions can be found on Investor's website.

2) EBITA is defined as operating profit before acquisition-related amortizations.

3) Including a EUR 5 m. write-down of capitalized R&D.

4) Consolidated as of September 16, 2016. Historical pro forma figures presented for information purposes. Previously announced EBITDA of USD 29 m. for fiscal year 2016 (ending March 2016) excluded non-recurring costs of USD 4 m., included in the above historical quarters. The adjusted EBITDA for fiscal year 2016 amounts to USD 38 m. as previously communicated.

5) Consolidated as of October 30, 2015. Historical pro forma figures presented for information purposes.

6) 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 20,911 m. on September 30, 2016 (15,892). Debt financing of the subsidiaries within Patricia Industries is arranged on an independent, ring-fenced basis and hence not included in Investor's net debt. Within Patricia Industries, Investor guarantees SEK 0.7 bn. of 3 Scandinavia's external debt, but this is not included in Investor's net debt.

### Net debt, 9/30 2016

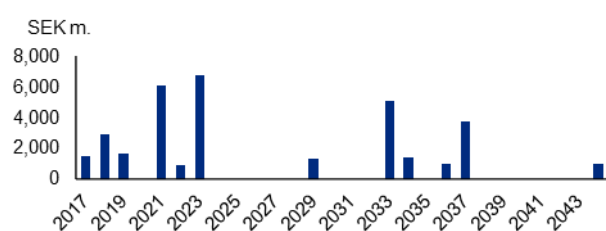
SEK m.	Consolidated balance sheet	Deductions related to Patricia subsidiaries	Investor's net debt
Other financial investments	3 581	-60	3 521 <sup>1)</sup>
Cash, bank and short-term investments	14 057	-4 944	9 113 <sup>1)</sup>
Receivables included in net debt	3 201	-	3 201
Loans	-54 695	18 033	-36 662
Provision for pensions	-846	761	-84
<b>Total</b>	<b>-34 701</b>	<b>13 790</b>	<b>-20 911</b>

1) Included in cash and readily available placements.

Investor's cash and readily available placements (gross cash\*) amounted to SEK 12,634 m. as of September 30, 2016 (19,062). The short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt\*, excluding pensions for Investor, amounted to SEK 33,460 m. as of September 30, 2016 (34,859). The reduction in gross debt compared to year-end 2015 is due to the redemption of a EUR 2016 bond during the first quarter.

The average maturity of Investor AB's debt portfolio was 10.3 years on September 30, 2016 (10.3), excluding the debt of Mölnlycke Health Care, LABORIE, Aleris, Permobil, BraunAbility, Grand Group and Vectura.

### Debt maturity profile, 9/30 2016



### Net financial items, 9/30 2016

SEK m.	Group - Net financial items	Deductions related to Patricia subsidiaries	Investor's net financial items
Interest income	47	-23	24
Interest expenses	-1 109	296	-813
Realized result from loans and swaps	16	-	16
Unrealized result from revaluation of loans, swaps and short-term investments	25	32	57
Foreign exchange result	-266	36	-231
Other	-82	51	-31
<b>Total</b>	<b>-1 369</b>	<b>392</b>	<b>-978</b>

## The Investor share

The price of the A-share and B-share was SEK 307.80 and SEK 313.70 respectively on September 30, 2016, compared to SEK 306.60 and SEK 312.60 on December 31, 2015.

The total shareholder return amounted to 4 percent during the nine-month period 2016 (4), of which 12 percent during the third quarter (-7).

The total market capitalization of Investor, adjusted for repurchased shares, was SEK 237,825 m. as of September 30, 2016 (236,301).

### 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 September 30, 2016, Investor owned a total of 3,184,407 of its own shares (5,270,322). 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.

## Other

### Acquisitions (business combinations)

#### Acquisition of LABORIE

On September 16, 2016, Patricia Industries, a part of Investor AB, acquired 97 percent of the Canadian medical technology company LABORIE. LABORIE is a leading provider of innovative capital equipment and consumables for the diagnosis and treatment of urologic and gastrointestinal (GI) disorders. With its long-term value creation objectives and experience within both healthcare products and services, Patricia Industries is well positioned to support LABORIE in its progress. Including a capital contribution of USD 13 m. and transaction costs of USD 11 m., Patricia Industries invested a total SEK 5,516 m. (USD 650 m.) for 97 percent of LABORIE. The allocation of purchased price will be presented in the Full-year Report. Preliminary USD 609 m. of the purchased price has been allocated to goodwill and other intangible assets.

#### Aleris' acquisition of Curato

On August 2, 2016, Aleris acquired Curato, the Norwegian market leader in radiology. The acquisition enables Aleris to strengthen its platform of healthcare services within Norway. The acquisition was financed by cash and debt.

#### Mölnlycke's acquisition of Sundance Solutions

On February 12, 2016, Mölnlycke Health Care acquired Sundance Solutions, offering proprietary solutions for the safe positioning and turning of patients to help prevent pressure ulcers, based in the U.S. The company's products complement Mölnlycke's portfolio of advanced dressing solutions – offering clinicians a more complete and unique range of tools to ensure better patient outcomes. The consideration amounted to SEK 724 m. whereof SEK 427 m. was paid in cash and SEK 297 m. relates to a potential earnout.

## Pledged assets and contingent liabilities

Total pledged assets amounts to SEK 5.7 bn. of which SEK 3.0 bn. refers to pledged assets in the subsidiary BraunAbility, related to an outstanding loan corresponding to SEK 921 m.

No material changes in contingent liabilities during the period.

## Esma Guidelines on Alternative Performance Measures

From July 3, 2016 Investor applies the Esma Guidelines on Alternative Performance Measures (APM). An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. In all regulated information disclosed to the market, used APMs should be defined and a reconciliation of the APM to the financial statements should be disclosed, separately identifying and explaining the material reconciling items.

Investor discloses the definitions of all APMs used on [www.investorab.com/investors-media/investor-figures/definitions](http://www.investorab.com/investors-media/investor-figures/definitions).

Reconciliations to the financial statements for the APMs that are not directly identifiable from the financial statements and considered significant to specify, are disclosed on page 21. Reconciliation of APMs for individual subsidiaries or business areas are not disclosed, since the purpose with these are to give deeper financial information without being directly linked to the financial information for the Group that is presented according to applicable financial reporting framework.

## Basis of preparation for the Interim Management Statement

This Interim Management Statement has in all material aspects been prepared in accordance with NASDAQ Stockholm's guidelines for preparing interim management statements. The accounting policies that have been applied for the consolidated income statement and consolidated balance sheet, are in agreement with the accounting policies used in the preparation of the company's most recent annual report.

### Roundings

Due to rounding, numbers presented throughout this Interim Management Statement may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

## Financial calendar

Jan. 31, 2017	Year-End Report 2016
April 25, 2017	Interim Management Statement January-March 2017
May 3, 2017	Annual General Meeting
July 19, 2017	Interim Report January-June 2017
Oct. 27, 2017	Interim Management Statement January-September 2017

Stockholm, October 19, 2016



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### Ticker codes:

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

This information is information that Investor AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:15 CET on October 19, 2016.

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This Interim Management Statement and additional information is available on [www.investorab.com](http://www.investorab.com).

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This Interim Management Statement has not been subject to review by the company's auditors

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## Consolidated Income Statement, in summary

SEK m.	1/1-9/30 2016	1/1-9/30 2015	7/1-9/30 2016	7/1-9/30 2015
Dividends	7 532	7 054	1 972	788
Other operating income	32	46	9	13
Changes in value	15 379	-5 283	28 236	-24 126
Net sales	22 995	18 119	7 871	6 208
Cost of goods and services sold	-14 598	-11 349	-4 970	-3 799
Sales and marketing cost	-2 729	-2 300	-949	-865
Administrative, research and development and other operating cost	-2 394	-1 996	-819	-693
Management cost	-343	-326	-107	-107
Share of results of associates	365	359	151	129
<b>Operating profit/loss</b>	<b>26 239</b>	<b>4 324</b>	<b>31 394</b>	<b>-22 452</b>
Net financial items	-1 369	-1 071	-496	-394
<b>Profit/loss before tax</b>	<b>24 870</b>	<b>3 253</b>	<b>30 898</b>	<b>-22 846</b>
Income taxes	-385	-535	-126	22
<b>Profit/loss for the period</b>	<b>24 485</b>	<b>2 718</b>	<b>30 772</b>	<b>-22 824</b>
Attributable to:				
Owners of the Parent Company	24 482	2 720	30 773	-22 823
Non-controlling interest	3	-2	-1	-1
<b>Profit/loss for the period</b>	<b>24 485</b>	<b>2 718</b>	<b>30 772</b>	<b>-22 824</b>
Basic earnings per share, SEK	32.08	3.57	40.28	-29.96
Diluted earnings per share, SEK	32.02	3.56	40.21	-29.96

## Consolidated Statement of Comprehensive Income, in summary

SEK m.	1/1-9/30 2016	1/1-9/30 2015	7/1-9/30 2016	7/1-9/30 2015
Profit/loss for the period	24 485	2 718	30 772	-22 824
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	80	24	47	-
Remeasurements of defined benefit plans	-25	90	-10	14
<i>Items that may be recycled to profit/loss for the period</i>				
Cash flow hedges	3	32	-5	-24
Foreign currency translation adjustment	1 629	500	762	730
Share of other comprehensive income of associates	46	-24	12	42
<b>Total other comprehensive income for the period</b>	<b>1 733</b>	<b>622</b>	<b>806</b>	<b>762</b>
<b>Total comprehensive income for the period</b>	<b>26 218</b>	<b>3 340</b>	<b>31 579</b>	<b>-22 062</b>
Attributable to:				
Owners of the Parent Company	26 208	3 342	31 575	-22 061
Non-controlling interest	10	-2	4	-1
<b>Total comprehensive income for the period</b>	<b>26 218</b>	<b>3 340</b>	<b>31 579</b>	<b>-22 062</b>



## Consolidated Balance Sheet, in summary

SEK m.	9/30 2016	12/31 2015	9/30 2015
<b>ASSETS</b>			
Goodwill	35 850	29 062	27 778
Other intangible assets	14 300	12 386	11 139
Property, plant and equipment	7 626	6 483	6 021
Shares and participations	268 587	254 036	239 754
Other financial investments	3 581	6 665	4 939
Long-term receivables included in net debt	3 202	1 894	2 285
Other long-term receivables	3 282	3 657	3 760
<b>Total non-current assets</b>	<b>336 428</b>	<b>314 183</b>	<b>295 676</b>
Inventories	3 134	2 509	2 081
Shares and participations in trading operation	43	18	48
Short-term receivables included in net debt	0	16	36
Other current receivables	5 610	4 803	4 790
Cash, bank and short-term investments	14 057	15 061	18 632
<b>Total current assets</b>	<b>22 844</b>	<b>22 407</b>	<b>25 587</b>
<b>TOTAL ASSETS</b>	<b>359 272</b>	<b>336 590</b>	<b>321 263</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>291 024</b>	<b>271 977</b>	<b>257 543</b>
Long-term interest bearing liabilities	53 043	50 120	49 916
Provisions for pensions and similar obligations	846	743	707
Other long-term provisions and liabilities	5 753	5 365	5 230
<b>Total non-current liabilities</b>	<b>59 642</b>	<b>56 228</b>	<b>55 853</b>
Current interest bearing liabilities	1 652	2 413	2 416
Other short-term provisions and liabilities	6 954	5 972	5 451
<b>Total current liabilities</b>	<b>8 606</b>	<b>8 385</b>	<b>7 867</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>359 272</b>	<b>336 590</b>	<b>321 263</b>

## Consolidated Statement of Changes in Equity, in summary

SEK m.	1/1-9/30 2016	1/1-12/31 2015	1/1-9/30 2015
Opening balance	271 977	260 993	260 993
Profit for the period	24 485	17 434	2 718
Other comprehensive income for the period	1 733	170	622
<b>Total comprehensive income for the period</b>	<b>26 218</b>	<b>17 604</b>	<b>3 340</b>
Dividends paid	-7 635	-6 856	-6 856
Changes in non-controlling interest	155	145	-8
Effect of long-term share-based remuneration	309	91	74
<b>Closing balance</b>	<b>291 024</b>	<b>271 977</b>	<b>257 543</b>
<b>Attributable to:</b>			
Owners of the Parent Company	290 683	271 801	257 520
Non-controlling interest	341	176	23
<b>Total equity</b>	<b>291 024</b>	<b>271 977</b>	<b>257 543</b>

## Consolidated Cash Flow, in summary

SEK m.	1/1-9/30 2016	1/1-9/30 2015
<b>Operating activities</b>		
Dividends received	7 532	7 179
Cash receipts	21 959	17 774
Cash payments	-17 729	-15 444
<b>Cash flows from operating activities before net interest and income tax</b>	<b>11 762</b>	<b>9 509</b>
Interest received/paid	-1 956	-1 055
Income tax paid	-342	-220
<b>Cash flows from operating activities</b>	<b>9 465</b>	<b>8 234</b>
<b>Investing activities</b>		
Acquisitions	-2 564	-6 101
Divestments	4 857	8 734
Decrease in long-term receivables	701	811
Acquisitions of subsidiaries, net effect on cash flow	-7 031	-1 151
Increase in other financial investments	-4 377	-6 669
Decrease in other financial investments	7 423	4 973
Net change, short-term investments	-2 537	-2 481
Acquisitions of property, plant and equipment	-1 037	-720
Proceeds from sale of property, plant and equipment	32	5
<b>Net cash used in investing activities</b>	<b>-4 534</b>	<b>-2 599</b>
<b>Financing activities</b>		
New issue Share capital	150	-
Borrowings	3 441	2 829
Repayment of borrowings	-4 623	-1 844
Dividends paid	-7 635	-6 856
<b>Net cash used in financing activities</b>	<b>-8 668</b>	<b>-5 871</b>
<b>Cash flows for the period</b>	<b>-3 737</b>	<b>-236</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>13 180</b>	<b>13 443</b>
Exchange difference in cash	268	174
<b>Cash and cash equivalents at the end of the period</b>	<b>9 711</b>	<b>13 381</b>

## Operating segment

### PERFORMANCE BY BUSINESS AREA 1/1-9/30 2016

SEK m.	Listed Core Investments	EQT	Patricia Industries	Investor Groupwide	Total
Dividends	7 488	33	10	1	7 532
Other operating income <sup>1)</sup>	-	-	32	-	32
Changes in value	16 174	717	-1 503	-9	15 379
Net sales	-	-	22 995	-	22 995
Cost of goods and services sold	-	-	-14 598	-	-14 598
Sales and marketing cost	-	-	-2 730	-	-2 729
Administrative, research and development and other operating cost	-	-4	-2 385	-5	-2 394
Management cost	-66	-6	-195	-76	-343
Share of results of associates	-	-	370	-5	365
<b>Operating profit/loss</b>	<b>23 595</b>	<b>740</b>	<b>1 997</b>	<b>-94</b>	<b>26 239</b>
Net financial items	-	-	-392	-978	-1 369
Income tax	-	-	-419	34	-385
<b>Profit/loss for the period</b>	<b>23 595</b>	<b>740</b>	<b>1 186</b>	<b>-1 037</b>	<b>24 485</b>
Non-controlling interest	-	-	-3	-	-3
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>23 595</b>	<b>740</b>	<b>1 184</b>	<b>-1 037</b>	<b>24 482</b>
Dividends paid	-	-	-	-7 635	-7 635
Other effects on equity	-	652	1 654	-272	2 034
<b>Contribution to net asset value</b>	<b>23 595</b>	<b>1 392</b>	<b>2 838</b>	<b>-8 944</b>	<b>18 881</b>
<b>Net asset value by business area 9/30 2016</b>					
Carrying amount	240 801	13 300	57 656	-163	311 594
Investors net debt/-cash	-	-	9 602	-30 513	-20 911
<b>Total net asset value including net debt/-cash</b>	<b>240 801</b>	<b>13 300</b>	<b>67 258</b>	<b>-30 676</b>	<b>290 683</b>

### PERFORMANCE BY BUSINESS AREA 1/1-9/30 2015

SEK m.	Listed Core Investments	EQT	Patricia Industries	Investor Groupwide	Total
Dividends	6 916	116	19	3	7 054
Other operating income <sup>1)</sup>	-	-	46	-	46
Changes in value	-9 479	2 843	1 356	-3	-5 283
Net sales	-	-	18 119	-	18 119
Cost of goods and services sold	-	-	-11 349	-	-11 349
Sales and marketing cost	-	-	-2 300	-	-2 300
Administrative, research and development and other operating cost	-	-6	-1 984	-6	-1 996
Management cost	-67	-6	-198	-55	-326
Share of results of associates	-	-5	364	0	359
<b>Operating profit/loss</b>	<b>-2 630</b>	<b>2 942</b>	<b>4 073</b>	<b>-61</b>	<b>4 324</b>
Net financial items	-	-	-319	-752	-1 071
Income tax	-	-	-511	-24	-535
<b>Profit/loss for the period</b>	<b>-2 630</b>	<b>2 942</b>	<b>3 243</b>	<b>-837</b>	<b>2 718</b>
Non-controlling interest	-	-	2	-	2
<b>Net profit/loss for the period attributable to the Parent Company</b>	<b>-2 630</b>	<b>2 942</b>	<b>3 245</b>	<b>-837</b>	<b>2 720</b>
Dividends paid	-	-	-	-6 856	-6 856
Other effects on equity	-	-155	166	682	693
<b>Contribution to net asset value</b>	<b>-2 630</b>	<b>2 787</b>	<b>3 411</b>	<b>-7 011</b>	<b>-3 443</b>
<b>Net asset value by business area 9/30 2015</b>					
Carrying amount	211 358	12 623	50 772	-72	274 681
Investors net debt/-cash	-	-	13 133	-30 294	-17 161
<b>Total net asset value including net debt/-cash</b>	<b>211 358</b>	<b>12 623</b>	<b>63 905</b>	<b>-30 366</b>	<b>257 520</b>

1) Includes interest on loans

## 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 2015.

### Valuation techniques, level 3

Group 9/30 2016	Fair value, SEK m.	Valuation technique	Input	Range
Shares and participations	18 595	Last round of financing	n.a.	n.a.
		Comparable companies	EBITDA multiples	4.0 – 11.4
		Comparable companies	Sales multiples	1.3 – 3.6
		Comparable transactions	Sales multiples	0.4 – 6.1
		NAV	n.a.	n.a.
Long-term receivables included in net debt	2 602	Discounted cash flow	Market interest rate	n.a.
Long-term interest bearing liabilities	58	Discounted cash flow	Market interest rate	n.a.
Other long-term provisions and liabilities	1 120	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.

The unlisted part of Financial Investments portfolio companies, corresponds to 50 percent of the portfolio value. Part of the unlisted portfolio is 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 Financial Investments portfolio value of approximately SEK 200 m. For the derivatives, a parallel shift of the interest rate curve by one percentage point would affect the value by approximately SEK 1,300 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 presented in three categories, 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 9/30 2016, SEK m.	Level 1	Level 2	Level 3	Other <sup>1)</sup>	Total carrying amount
<i>Financial assets</i>					
Shares and participations	244 120	2 171	18 595	3 700	268 587
Other financial investments	3 521			60	3 581
Long-term receivables included in net debt		599	2 602		3 202
Shares and participations in trading operation	43				43
Other current receivables		53		5 557	5 610
Cash, bank and short-term investments	14 057				14 057
<b>Total</b>	<b>261 741</b>	<b>2 824</b>	<b>21 197</b>	<b>9 317</b>	<b>295 080</b>
<i>Financial liabilities</i>					
Long-term interest bearing liabilities		543	58	52 443 <sup>2)</sup>	53 043 <sup>3)</sup>
Other long-term provisions and liabilities			1 120	4 633	5 753
Short-term interest bearing liabilities		29		1 624	1 652
Other short-term provisions and liabilities	42	19		6 893	6 954
<b>Total</b>	<b>42</b>	<b>590</b>	<b>1 177</b>	<b>65 592</b>	<b>67 402</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 59,411 m.

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

Group 9/30 2016, SEK m.	Shares and participations	Long-term receivables included in net debt	Long-term interest bearing liabilities	Other long-term provisions and liabilities
Opening balance	19 406	1 640	38	1 194
Total gain or losses in profit or loss statement				
in line Changes in value	688			-12
in line Net financial items		962	20	7
Reported in other comprehensive income				
in line Foreign currency translation adjustment	896			40
Acquisitions	1 733			
Divestments	-4 092			-110
Transfers from Level 3	-37			
<b>Carrying amount at end of period</b>	<b>18 595</b>	<b>2 602</b>	<b>58</b>	<b>1 120</b>
<i>Total gains/losses for the period included in profit/loss for instruments held at the end of the period (unrealized results)</i>				
<b>Changes in value</b>	<b>-1 074</b>			<b>0</b>
<b>Net financial items</b>	<b>0</b>	<b>962</b>	<b>-20</b>	<b>-7</b>

## Reconciliations of significant Alternative Performance Measures

In the financial statements issued by Investor, Alternative Performance Measures (APMs) are disclosed, which complete measures that are defined or specified in the applicable financial reporting framework, such as revenue, profit or loss or earnings per share.

APMs are disclosed when they in the context give a more clear or deeper information than measures that are defined or specified in the applicable financial reporting framework. The basis for disclosed APMs are that they are used by management to evaluate the financial performance and in so believed to give analysts and other stakeholders valuable information.

Investor AB discloses the definitions of all APMs used on [www.investorab.com/investors-media/investor-in-figures/definitions](http://www.investorab.com/investors-media/investor-in-figures/definitions). Below reconciliations of significant APMs to the most directly reconcilable line item, subtotal or total presented in the financial statements of the corresponding period are disclosed.

### Gross cash

Gross cash or Investor's cash and readily available placements are defined as the sum of cash and cash equivalents, short-term investments and interest-bearing current and long-term receivables. Deductions are made for items related to subsidiaries within Patricia Industries.

Group 9/30 2016, SEK m.	Consolidated balance sheet	Deductions related to Patricia subsidiaries	Investor's gross cash	Group 12/31 2015, SEK m.	Consolidated balance sheet	Deductions related to Patricia subsidiaries	Investor's gross cash
Other financial investments	3 581	-60	3 521	Other financial investments	6 665	-18	6 648
Cash, bank and short-term investments	14 057	-4 944	9 113	Cash, bank and short-term investments	15 061	-2 646	12 414
<b>Gross cash</b>	<b>17 638</b>	<b>-5 005</b>	<b>12 634</b>	<b>Gross cash</b>	<b>21 726</b>	<b>-2 664</b>	<b>19 062</b>

### Gross debt

Gross debt is defined as interest-bearing current and long-term liabilities, including pension liabilities, less derivatives with positive value related to the loans. Deductions are made for items related to subsidiaries within Patricia Industries.

Group 9/30 2016, SEK m.	Consolidated balance sheet	Deductions related to Patricia subsidiaries	Investor's gross debt	Group 12/31 2015, SEK m.	Consolidated balance sheet	Deductions related to Patricia subsidiaries	Investor's gross debt
Receivables included in net debt	3 201	-	3 201	Receivables included in net debt	1 909	-	1 909
Loans	-54 695	18 033	-36 662	Loans	-52 532	15 764	-36 769
Provision for pensions	-846	761	-84	Provision for pensions	-743	648	-95
<b>Gross debt</b>	<b>-52 339</b>	<b>18 794</b>	<b>-33 545</b>	<b>Gross debt</b>	<b>-51 366</b>	<b>16 412</b>	<b>-34 954</b>

### Net debt

Gross debt less gross cash at Balance Sheet date.

Group 9/30 2016, SEK m.	Investor's net asset value	Net debt ratio	Group 12/31 2015, SEK m.	Investor's net asset value	Net debt ratio
Investor's gross cash	-12 634		Investor's gross cash	-19 062	
Investor's gross debt	33 545		Investor's gross debt	34 954	
<b>Investor's net debt</b>	<b>20 911</b>		<b>Investor's net debt</b>	<b>15 892</b>	

### Total assets

The net of all assets and liabilities not included in net debt.

Group 9/30 2016, SEK m.	Consolidated balance sheet	Deductions related to non- controlling interest	Investor's net asset value	Group 12/31 2015, SEK m.	Consolidated balance sheet	Deductions related to non- controlling interest	Investor's net asset value
Equity	291 024	-341	290 683	Equity	271 977	-176	271 801
Investor's net debt			20 911	Investor's net debt			15 892
<b>Total assets</b>			<b>311 594</b>	<b>Total assets</b>			<b>287 695</b>

### Net debt ratio (leverage)

Net debt ratio or leverage is defined as Net debt/Net cash as a percentage of total assets.

Group 9/30 2016, SEK m.	Investor's net asset value	Net debt ratio	Group 12/31 2015, SEK m.	Investor's net asset value	Net debt ratio
Investor's net debt	<u>20 911</u>	= 6.7%	Investor's net debt	<u>15 892</u>	= 5.5%
Total assets	311 594		Total assets	287 695	

### Net asset value/SEK per share

Equity attributable to shareholders of the Parent Company in relation to the number of shares outstanding at the Balance Sheet date.

Group 9/30 2016, SEK m.	Investor's net asset value	Net asset value/SEK per share	Group 12/31 2015, SEK m.	Investor's net asset value	Net asset value/SEK per share
Investor's net asset value	<u>290 683</u>	= 380	Investor's net asset value	<u>271 801</u>	= 357
Number of shares, excluding own shares (millions)	763.990623		Number of shares, excluding own shares (millions)	761.904708	