



Year-end Report 2002

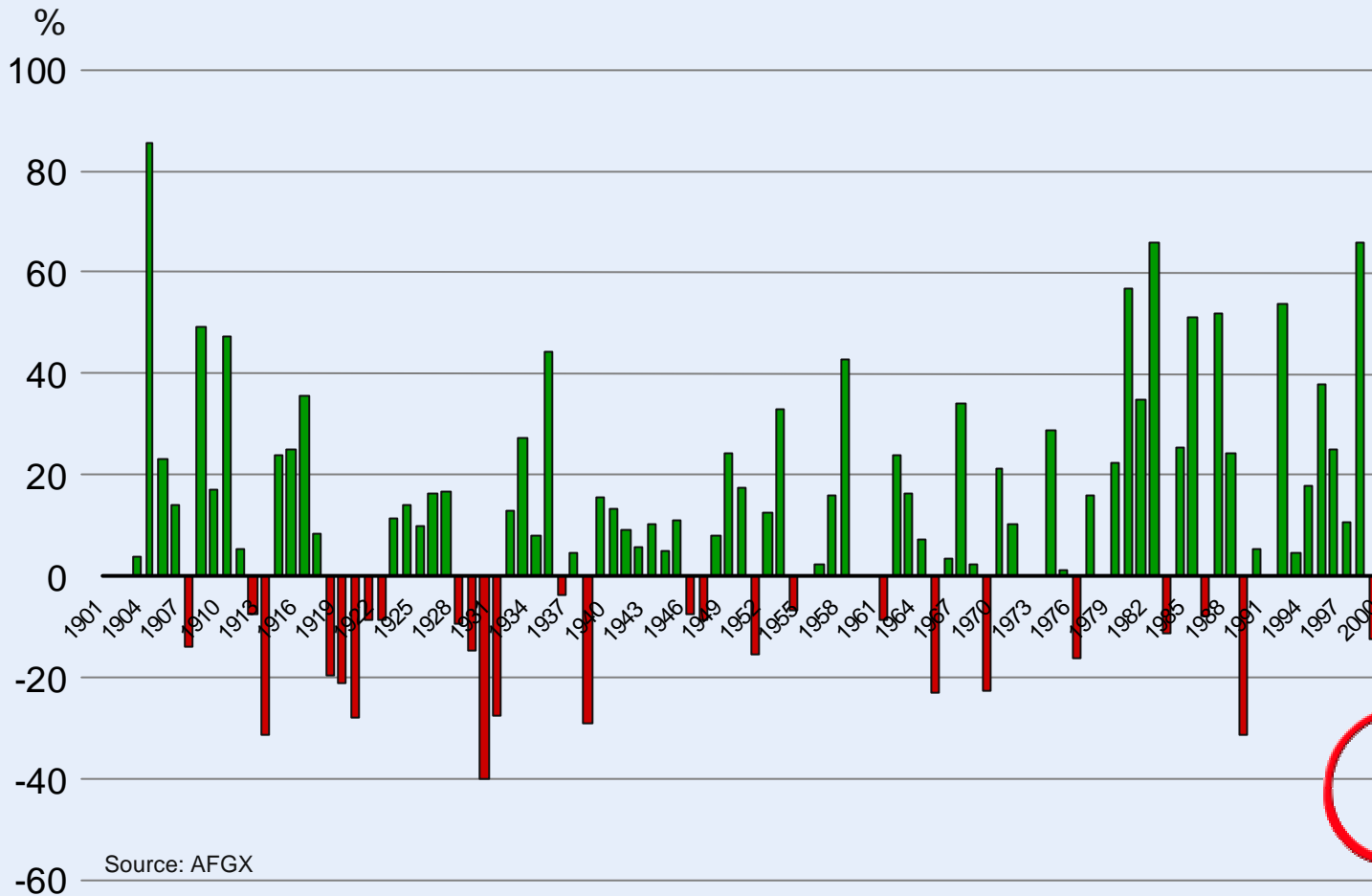
A weak and turbulent year

- Disappointing world economy
- Geopolitical worries
- Confidence in corporations shaken
- Re-weighting of asset portfolios
- Higher oil prices and weaker dollar



Yearly stock market development

1902-2002



Source: AFGX

Focus 2002

- Intense and committed work with Core Holdings
- Develop promising holdings within New Investments
- Selectively investing in new companies and restructuring of non-performing holdings
- Manage financial flexibility and cost

Highlights 2002

Core Holdings



- Losec patent valid in the U.S. but one generic launched in December
- Strong development of growth drivers e.g. Nexium and Seroquel
- Promising pipeline



- Implementation of the 3C program
- Higher credit rating (Jan. 2003)



- Rights issue in difficult markets
- Cost-cutting measures implemented

Highlights 2002

Core Holdings



- New CEO
- Strong cash flow generation
- Steps to improve weaker businesses



- New CEO
- Strengthened balance sheet
- Steps to solve the asbestos issue
- Cost-cutting program



- Solid growth
- Encouraging margin trends



- Improved earnings
- Focus on core business
(exit of V.A.G.)

Highlights 2002

Core Holdings



- New CEO
- Productivity enhancement



- Good order intake
- New CEO (Jan. 2003)



- Cost-cutting
(e.g. close down of Jiway)
- Launch of EDX with LSE



- Focus on core business
- Cost-cutting

Highlights 2002

Core Holdings

Changes:

			Capital %	Votes %
Ericsson	4.7	→	5.3	38.3
ABB	4.8	→	10.0	10.0
SEB	19.2	→	20.0	20.9
WM-data	14.1	→	17.9	31.0
AstraZeneca	5.4	→	5.0	5.0

Highlights 2002

New Investments

- Lower valuations, difficult exit market and reduced M&A activity
- Several investments within EQT and Investor Capital Partners
- Limited new investments within Investor Growth Capital
- IPOs of Ballingslöv and Kyphon

Highlights 2002

3/Hi3G

- Services to be launched in phases in selected parts of Sweden first half of 2003
- Network build-out a key priority
- Video telephony operational
- Investor AB's estimated equity capital injection SEK 4-5 bn., of which SEK 1.4 bn. as of December 31, 2002
- SEK 3 bn. financing arranged for Investor AB's part of the debt component

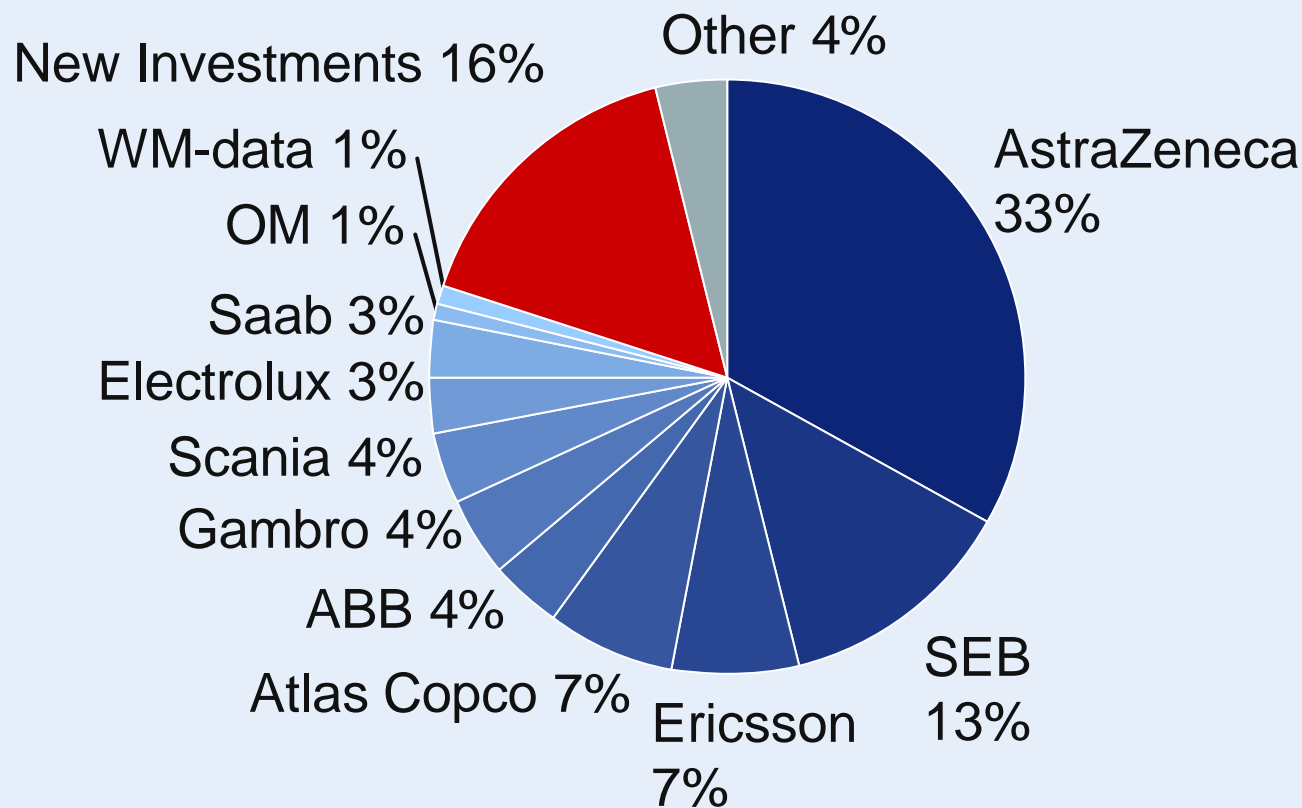


Highlights 2002

Other

- Divestment of Syngenta
- Divestment of additional Volvo shares
- Costs reduced by ~15% (SEK 116 m.)

Holdings 2002



Financials

Net Asset Value

	December 31, 2002		December 31, 2001	
	SEK/share	SEK m.	SEK/share	SEK m.
Core Holdings	83	63 304	144	110 518
New Investments	16	12 860	16	12 410
Other Holdings	4	2 936	7	4 893
Other Operations	2	1 480	3	2 063
Other assets and liabilities	-2	- 1 477	-1	-518
Total assets	103	79 103	169	129 366
Net debt	-21	-16 234	-15	-11 082
Total net asset value	82	62 869	154	118 284

Net Asset Value – summary

January – December 2002

SEK m.

January 1, 2002

118 284

	P/L	Surplus change	Dividend paid	NAV change
Core Holdings	4 119	-51 498		-47 379
New Investments	-1 679	-625		-2 304
Other	-830	-683	-4 219	-5 732
Total	1 610	-52 806	-4 219	-55 415

December 31, 2002

62 869

Change in Net Asset Value

	2001		2002			2002 Change Q1- Q4
SEK bn.	Q4	Q1	Q2	Q3	Q4	
Net Asset Value	118	119	87	57	63	-55
Change		+1	-32	-30	+6	
Change, %						-47%

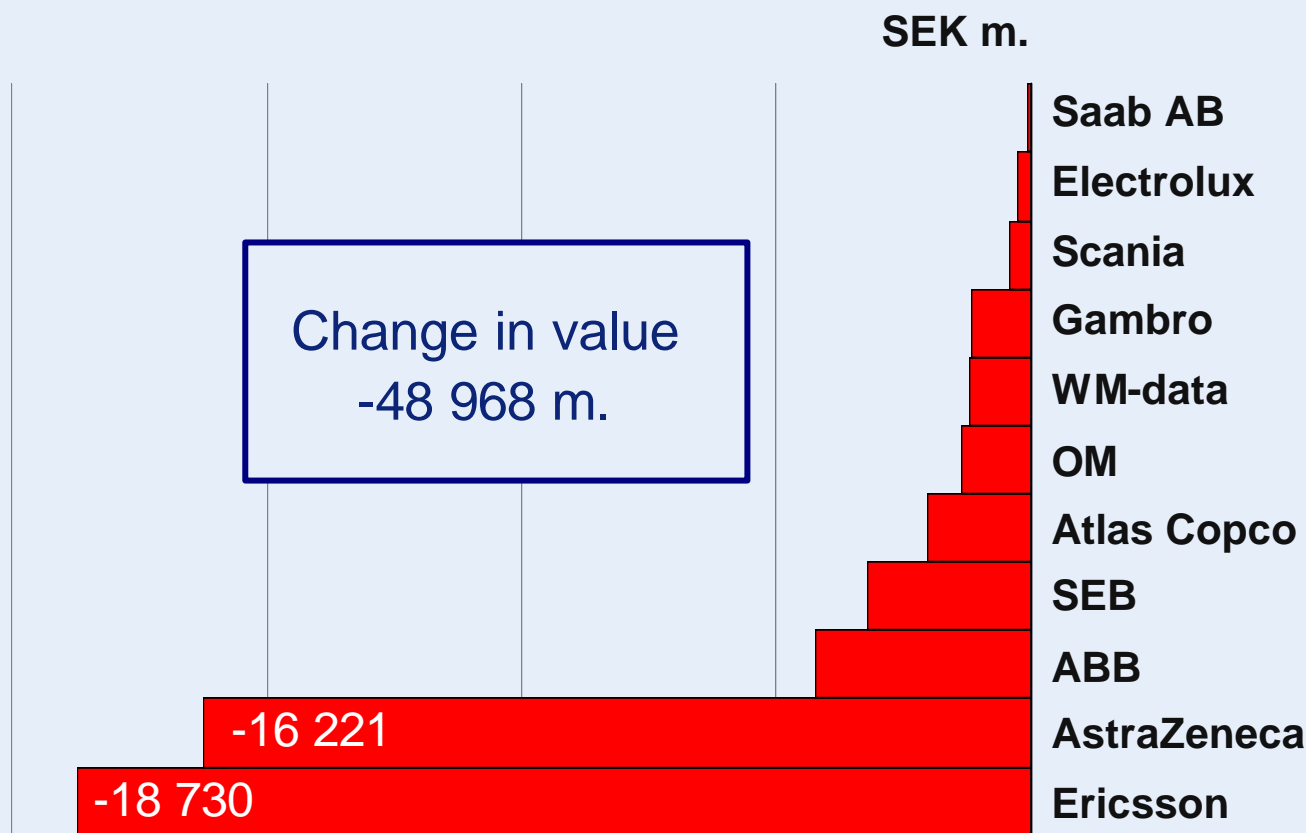
	2002
OMX	-42%
NASDAQ	-32%
S&P 500	-23%

Changes in value – Core Holdings

January – December 2002

Share price performance 2002

Saab AB	-4%
Electrolux	-12%
Scania	-12%
SEB	-24%
Gambro	-27%
Atlas Copco	-28%
AstraZeneca	-36%
OM	-70%
WM-data	-71%
ABB	-75%
Ericsson	-85%

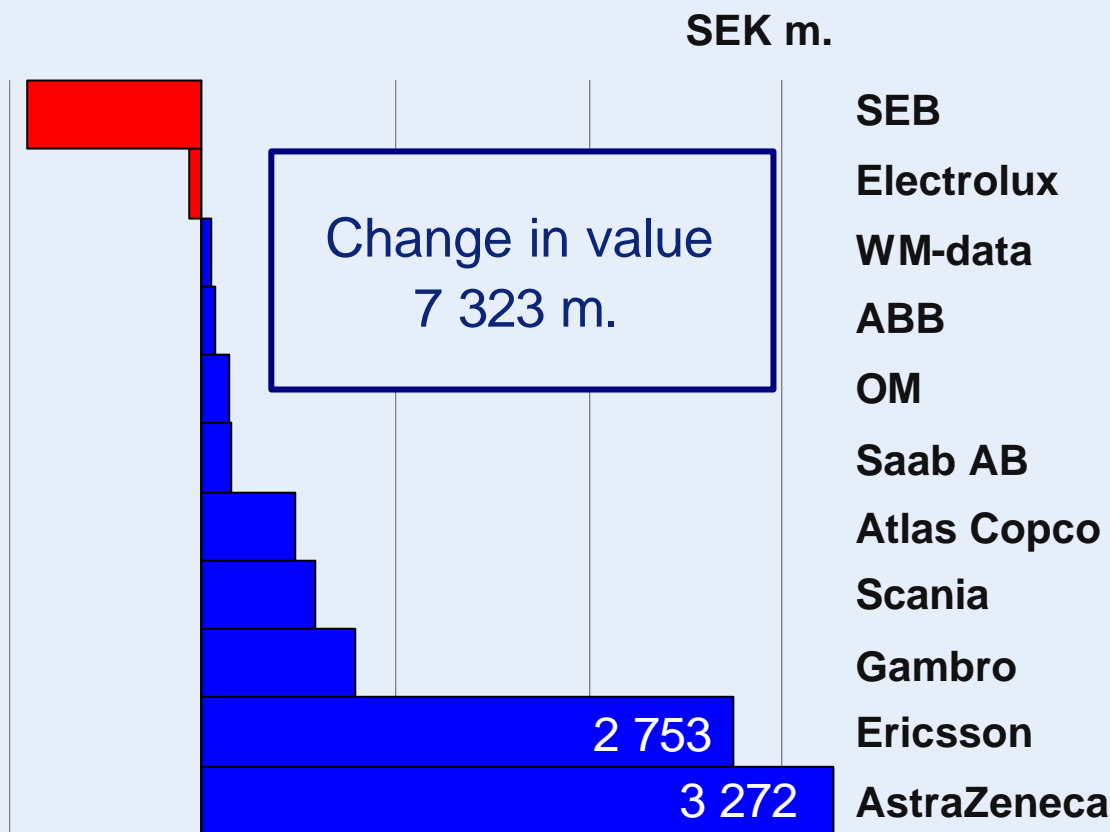


Changes in value – Core Holdings

October 1, 2002 – December 31, 2002

Share price performance Q4, 2002

Ericsson	81%
Gambro	34%
OM	30%
Scania	26%
AstraZeneca	11%
Atlas Copco	10%
WM-data	10%
Saab AB	8%
Electrolux	-2%
SEB	-8%
ABB	-18%



Net Asset Value – Core Holdings

<u>Invested 2002</u>		<u>NAV</u>	<u>SEK/share</u>	<u>SEK m.</u>	<u>% of total assets</u>
Ericsson	2 372	AstraZeneca	35	26 520	33%
ABB	1 650	SEB	13	10 126	13%
SEB	410	Ericsson	8	5 840	7%
WM-data	308	Atlas Copco	7	5 347	7%
<u>Electrolux</u>	<u>9</u>	Gambro	4	3 329	4%
Total	4 749	ABB	4	3 235	4%
		Scania	4	3 020	4%
<u>Divested 2002</u>		Electrolux	3	2 681	3%
AstraZeneca	2 995	Saab AB	3	2 075	3%
		OM	1	597	1%
Total	2 995	WM-data	1	534	1%
		Total	83	63 304	80%

New Investments, valuation principles

Listed
holdings

Valued at market price less:

- 10%, if no restrictions
- 20%, if restrictions

Unlisted
holdings

Valued at acquisition cost or lower,
taking into account:

- Company performance vs. plan
- Development of comparable companies
- Re-financing rounds
- Form of equity capital

New Investments

Contribution to Net Asset Value

SEK m.	2002
Realized gain	297
Write-downs	-1 674
Operating costs	-302
Result	-1 679
Surplus change	-625
Contribution to NAV	-2 304

New Investments

Contribution to Net Asset Value

SEK m.	1998	1999	2000	2001	2002	1998-2002
Realized gain	709	2 399	3 004	524	297	6 933
Write-downs	-344	14	-1 228	-2 802	-1 674	-6 034
Operating costs	-210	-249	-325	-336	-302	-1 422
Result	155	2 164	1 451	-2 614	-1 679	-523
Surplus change	1 162	722	-955	-119	-625	185
Contribution to NAV	1 317	2 886	496	-2 733	-2 304	-338
Market value	5 509	7 618	11 692	12 410	12 860	

Net Asset Value – New Investments

Invested 2002

IGC

Exigen
Atrica
ISTA Pharma.

EQT

Haarmann & Reimer
Finn-Power

ICP

Cosmetic Group

Total 4 364

Divested 2002

imGO
Sylvan
Lerado

Total 1 926

NAV	SEK/share	SEK m.	% of total assets
Investor Growth Capital (IGC)	10	7 942	10%
EQT	5	4 465	5%
Investor Capital Partners (ICP)	1	453	1%
Total	16	12 860	16%

Net Asset Value – Other Holdings

Invested 2002

3/Hi3G	1 090
RAM One	600
Total	1 690

Divested 2002

Volvo	2 016
Syngenta	1 192
Other	65
Total	3 273

NAV	SEK/share	SEK m.	% of total assets
3/Hi3G	2	1 421	2%
Volvo	0	157	0%
Other	2	1 358	2%
Total	4	2 936	4%

Cash flow summary

SEK m.	2002	2001
Opening net debt	-11 082	-10 128
Operating activities	1 227	3 144
Net investments	-2 241	111
Dividend paid	-4 219	-4 218
Other	81	9
Change	-5 152	-954
Closing net debt	-16 234	-11 082

Other Operations

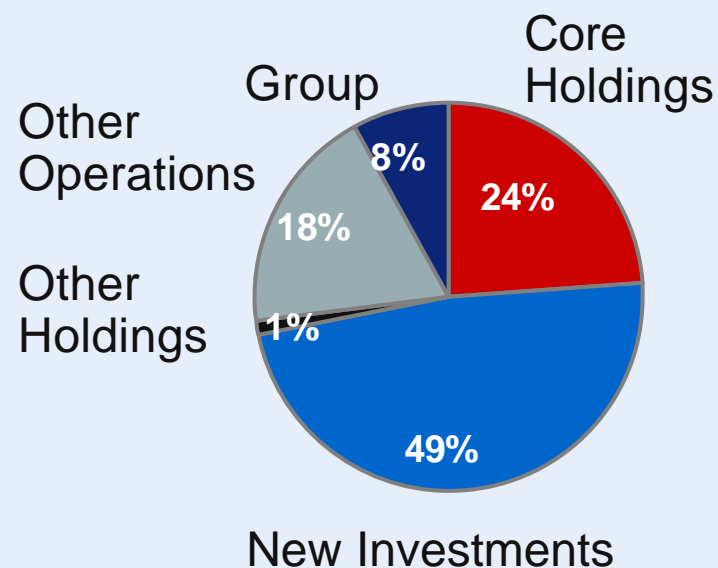
SEK m.	2002	2001
Trading profit	349	955

Leverage

SEK bn.	Dec. 2002	Dec. 2001
Cash	5.4	3.4
Net debt	-16.4	-11.1
Market value assets	79.1	129.4
Leverage	21%	9%

Operating costs – Investor Group

SEK m.	2002	2001	Change
Core Holdings	152	193	-41
New Investments	302	336	-34
Other Holdings	8	8	-
Other Operations	111	119	-8
Group	51	84	-33
Total	624	740	-116



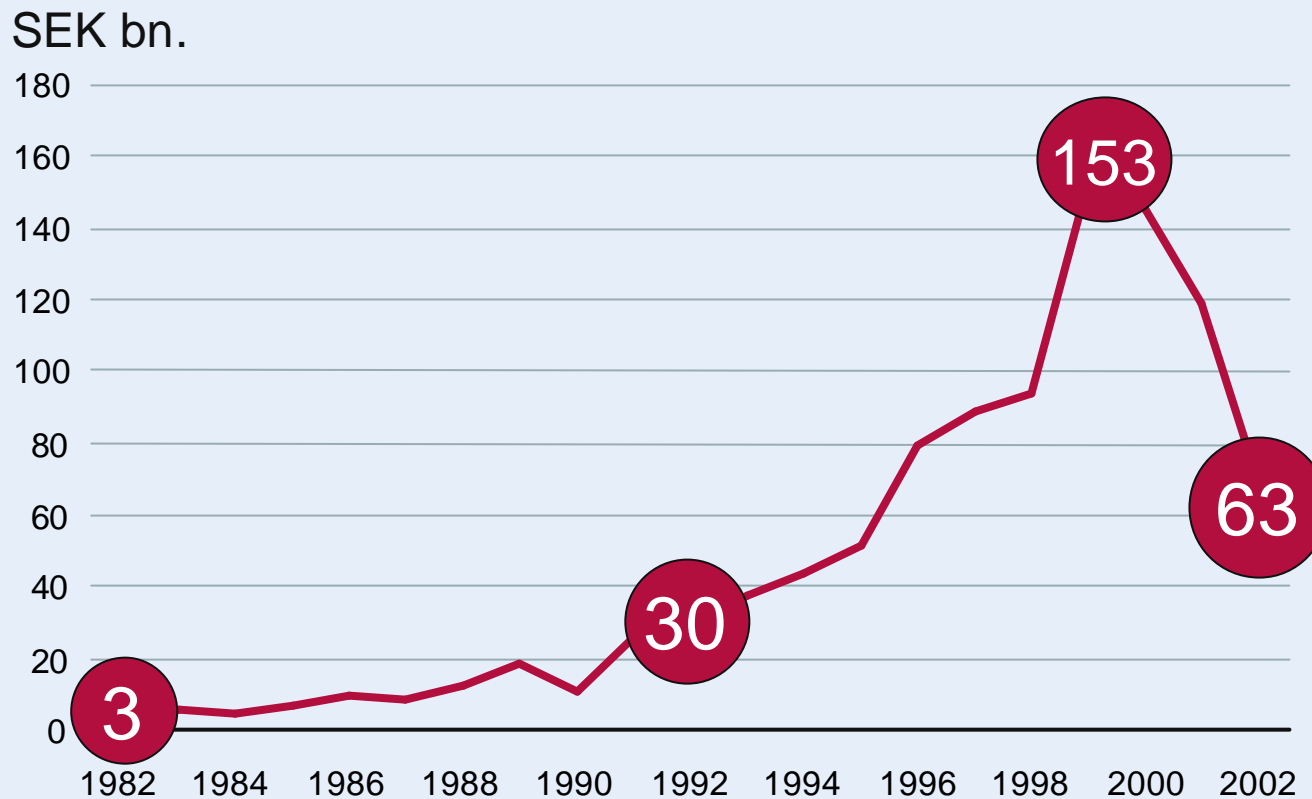
Dividend proposal

SEK per share	2002	2001	2000	1999
Ordinary	2.25	3.00	3.00	3.00
Extra	1.15	2.50	2.50	0.40
Total dividend	3.40	5.50	5.50	3.40

SEK m.	2002	2001	2000	1999
Total dividend	2 608	4 219	4 218	2 596

Net Asset Value

Development 1982-2002



Priorities 2003

- Committed long-term ownership
 - Actively work with individual Core Holdings
 - Develop New Investments and restructure non-performing holdings
 - Look for investment opportunities
 - Maintain financial flexibility
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