



Year-End Report 2006

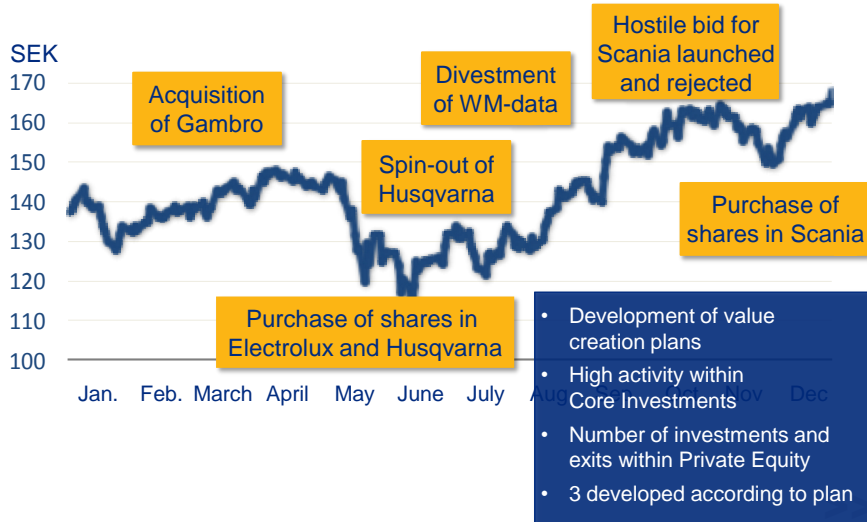


Net Asset Value 1986 – 2006

SEK bn.



High level of activity in 2006



Gambro

- > First major transaction within Operating Investments
- > Strong market positions in an attractive industry
- > Short-term costs taken for product development, to address import ban in the U.S., split up the company into three independent entities, and for one-time accounting effect
- > Underlying business shows positive development



Electrolux and Husqvarna

Rationale behind increased ownership

Electrolux

- > World leader in appliances
- > Measures implemented to boost operational efficiency
- > Increased focus on design, product development and branding
- > Review of capital structure



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Electrolux and Husqvarna

Rationale behind increased ownership

Husqvarna

- > World leader in outdoor products
- > A spin-out of Electrolux
- > Growing market
- > Healthy margins and balance sheet
- > Several acquisitions completed



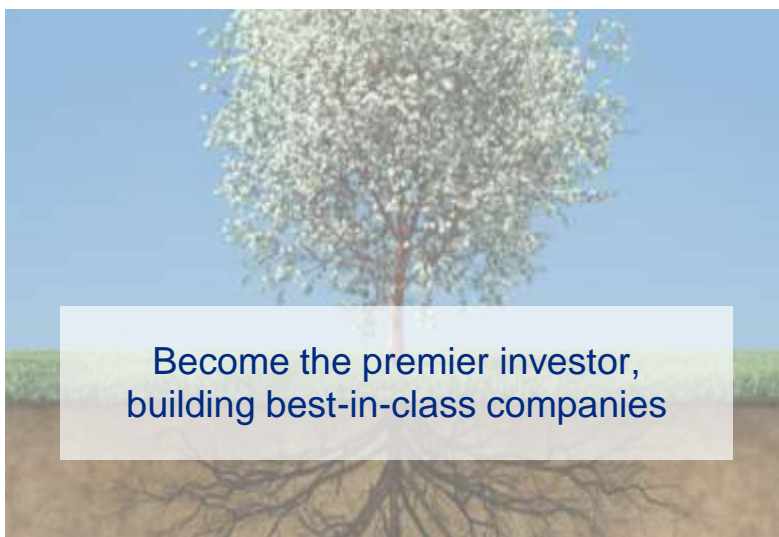
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Scania

- > Scania is “best-in-class” with solid growth and earnings prospects
- > A combination is an opportunity, not a necessity
- > There are industrial merits to a combination, if executed in the right way
- > Revised public offer by MAN rejected on October 12
- > Investor remains a committed shareholder with an active role in the development of the company



Vision



Become the premier investor,
building best-in-class companies



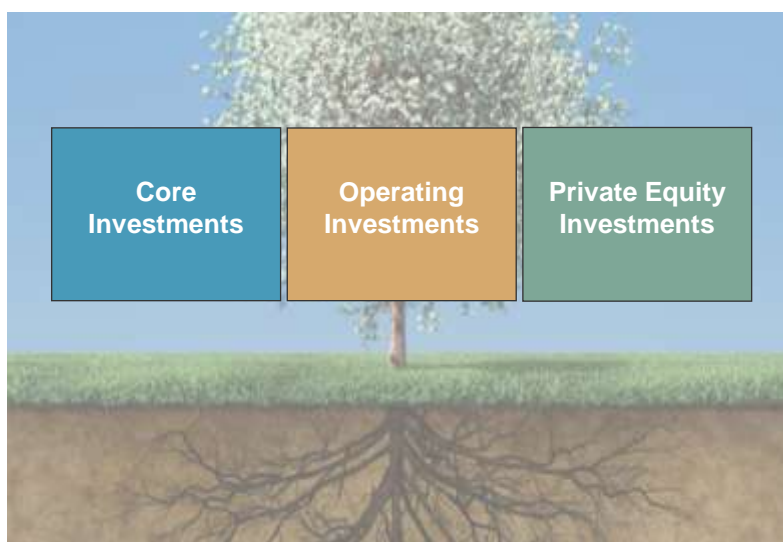
Goal



To grow our **Net Asset Value** including reinvested dividends in excess of market cost of capital over a business cycle



Three main business areas with complementary characteristics



Core
Investments

Operating
Investments

Private Equity
Investments



Strategy per business areas

Core Investments	Operating Investments	Private Equity Investments
<ul style="list-style-type: none">> Attractive composition of investments> Drive value creation plans> Clear owner with strategic influence	<ul style="list-style-type: none">> Continue building current holdings> Grow Operating Investments	<ul style="list-style-type: none">> Build current holdings> Continue to invest in new opportunities





Financials

January – December 2006

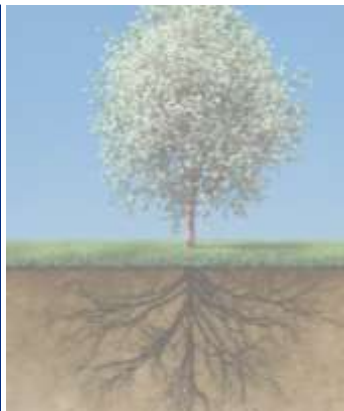


Financial highlights

January-December 2006



- > Net asset value SEK 159 bn.
- > Income SEK 28 bn.
- > Leverage 0%
- > Proposed dividend of SEK 4.50 per share



Net Asset Value

2006 vs. 2005

	December 31, 2006		December 31, 2005	
	SEK/share	SEK m.	SEK/share	SEK m.
Core Investments	176	135 274	150	115 419
Private Equity Investments	20	15 181	20	15 478
Operating Investments	8	5 981	4	2 522
Financial Investments	4	3 008	2	1 380
Other assets and liabilities	-1	-540	-1	-631
Total assets	207	158 909	175	134 168
Net cash/debt	1	416	0	-223
Net asset value	208	159 320	175	133 954



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Net Asset Value - change

2006

SEK bn.	Q1	Q2	Q3	Q4	Q1-Q4
Net Asset Value	147	140	149	159	159
Change, SEK bn.	+13	-7	+9	+10	+25
Change, percent	10%	-5%	7%	7%	19%



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Income Statement 2006 vs. 2005

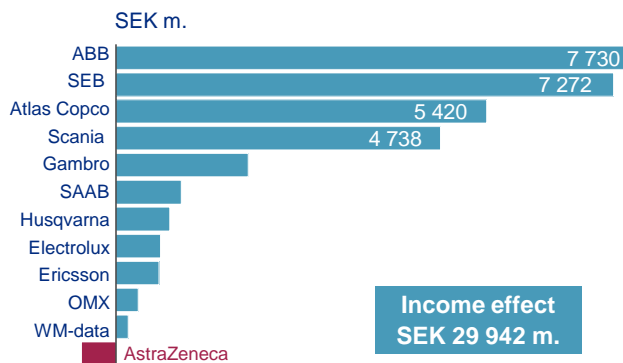
SEK m.	2006	2005
Core Investments	29 942	39 427
Private Equity Investments	664	6 022
Operating Investments	-1 917	-1 571
Financial Investments, financial net and other	-203	-20
Net income	28 486	43 858



Core Investments – income effect January – December 2006

Total return 2006

Scania	+75%
ABB	+61%
Electrolux	+45%
SEB	+36%
Husqvarna	+35%
Gambro	+33%
Atlas Copco	+32%
Saab AB	+26%
OMX	+22%
WM-data	+10%
Ericsson	+3%
AstraZeneca	-3%



**Income effect
SEK 29 942 m.**



Core Investments – market value

December 31, 2006

Invested (net) in 2006		MV ASSET	SEK/share	SEK m.	% of total assets
Electrolux	1 860	SEB	35	26 735	17%
Husqvarna	205	Ericsson	29	22 356	14%
Scania	251	Atlas Copco	28	21 691	13%
Total	2 316	ABB	26	20 375	13%
		AstraZeneca	25	18 959	12%
		Scania	14	10 783	7%
		Electrolux	6	4 699	3%
		Saab AB	6	4 539	3%
		Husqvarna	5	3 512	2%
		OMX	2	1 625	1%
		Total	176	135 274	85%

Divested (net) in 2006	
Gambro	7 779
WM-data	1 936
Other	6
Total	9 721



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Private Equity Investments

Result 2006 vs. 2005

SEK m.	2006	2005
EQT	1 276	5 296
Investor Growth Capital	-408	945
Operating costs	-204	-219
Net income	664	6 022

1998-2006

Realized
IRR
> 20%



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Private Equity Investments – market value

December 31, 2006

<u>Invested in 2006</u>		<u>MV ASSET</u>	<u>SEK/share</u>	<u>SEK m.</u>	<u>% of total assets</u>
EQT	2 843	EQT	12	8 872	6%
IGC	1 647	Investor Growth Capital	8	6 309	4%
Total	4 490	Total	20	15 181	10%

<u>Divested in 2006</u>	
EQT	4 320
IGC	1 310
Total	5 630



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Operating Investments – market value

December 31, 2006

<u>MV ASSET</u>	<u>Ownership</u>	<u>SEK/share</u>	<u>SEK m.</u>	<u>% of total assets</u>
Indap/Gambro	49%	5	3 476	2%
The Grand Group	100%	2	1 477	1%
3 Scandinavia	40%	1	668	1%
Land and real estate	100%	0	302	0%
Other	-	0	58	0%
Total		8	5 981	4%



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Indap/Gambro figures

Operating investments

	SEK m.
Invested	4 245
Effect on value June 9 to November 30 ¹⁾	-769
Closing equity	3 476²⁾

1) Of which consolidated net result SEK -630 m

2) Investor also owns - 9% of Indap/Gambro via EQT



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3 Scandinavia

December 31, 2006

	SEK m.
Contributed up to December 31, 2006	4 322 ¹⁾
Accumulated effect on value up to 2005	-2 358 ²⁾
Effect on value 2006	-1 296 ³⁾
Closing balance equity (incl. loans)	668

1) Of which SEK 437 m. refers to shareholders' loan. In addition, Investor AB has provided loan guarantees to 3 totaling SEK 4.2 bn.

2) Due to a change in reporting period, the net asset value for 2005 was adjusted down by SEK 235 m.

3) Consists of the effect on income, SEK -1 242 m., and equity items, SEK -54 m.



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Financial Investments – market value

December 31, 2006

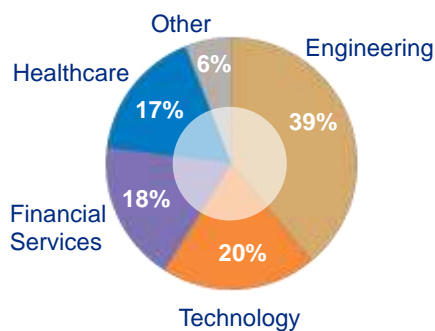
MV ASSET	SEK/share	SEK m.	% of total assets
Active Portfolio Mgt.	2	1 257	1%
Other	1	964	1%
Fund investments	1	786	0%
Total	4	3 008	2%



Total assets/sectors – market value

December 31, 2006

	SEK m.
Engineering	62 685
Technology	32 309
Financial Services	28 390
Healthcare	26 772
Other	8 748
Total assets	158 904



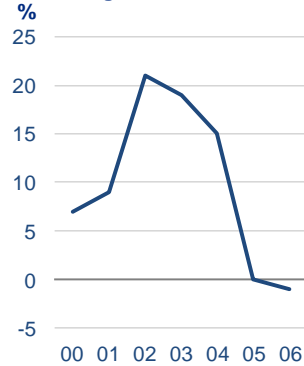
Investor Group – leverage

SEK bn.	December 31, 2006	December 31, 2005
Net cash/debt	+0.4	-0.2
Market value assets	158.9	134.4
Leverage	0%	0%

Current rating

Standard & Poor's	AA-
Moody's	A2

Leverage



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Distribution policy 2006

> Current policy

"Investor AB's distribution policy is to declare dividends attributable to a **high percentage** of dividends received from Core Investments, as well as to make a distribution from other assets corresponding to a **yield at least in line with equity market**. Investor AB's goal is also to generate a **steadily rising** annual dividend."



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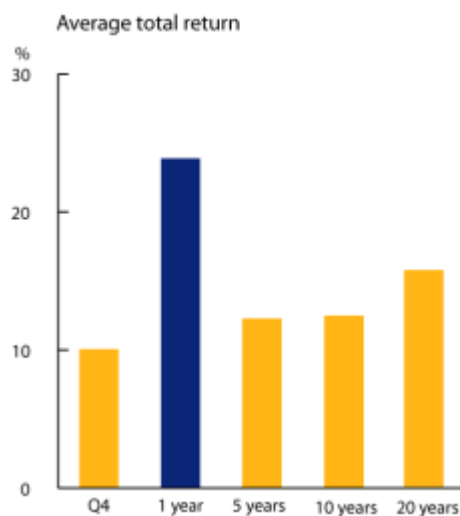
Dividend proposal 2006 (to be paid 2007)

	2006	2005
Ordinary (SEK/share)	4.50 ^{*)}	3.50
Total dividend (SEK m.)	3 453	2 685

^{*)} Proposed by Investor AB's Board of Directors



Investor share



Average total return: Sum of share price changes and reinvested dividends



Net Asset Value 1986 – 2006

SEK bn.



i investor

