Year-End Report 2007

Important events in the fourth quarter

- Investor increased its ownership in selected Core Investments. Net purchases of shares were made in Husqvarna for SEK 255 m., in Electrolux for SEK 254 m., in Ericsson for SEK 150 m. and in Atlas Copco for SEK 84 m.
- Financial flexibility was maintained and leverage was 2 percent at year-end.
- The percentage of unlisted holdings was 19 percent at year-end and additional information is being provided in this report about the financial performance of the companies.
- The proposed dividend to shareholders is SEK 4.75 per share (4.50).

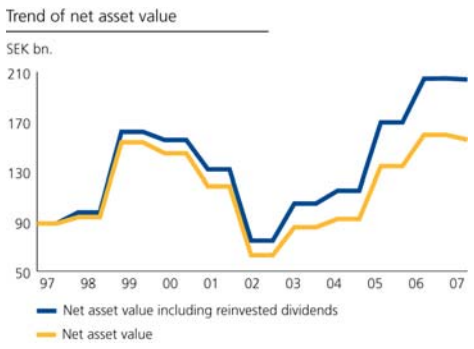
Financial information

- The net asset value amounted to SEK 155,204 m. (SEK 203 per share) on December 31, 2007, compared with SEK 159,320 m. (SEK 208 per share) at year-end 2006, corresponding to a change of 0 percent, including reinvested dividends, in 2007 (21).
- The consolidated net result for 2007 was SEK -367 m. (SEK -0.48 per share), as against SEK 28,486 m. (SEK 37.13 per share) for 2006.
- Core Investments had an impact of SEK -4,535 m., (29,942) in 2007. ABB, Scania, Ericsson and SEB had the greatest impact: SEK 10,619 m., SEK 4,929 m., SEK -9,684 m. and SEK -6,636 m., respectively.
- Operating Investments had an effect of SEK -879 m. (according to the equity method) on income (-1,786).
- Private Equity Investments contributed SEK 5,953 m. to income in 2007 (664).
- The total return of Investor shares was -10 percent in 2007 (24), of which -11 percent was in the fourth quarter (10). The annual total return has averaged 16 percent over the past 20-year period.

INVESTOR'S KEY FIGURES

	12/31 2007	12/31 2006
Assets, SEK m.	158 787	158 904
Net debt/cash, SEK m.	-3 583	416
Net asset value (equity), SEK m.	155 204	159 320
Net asset value (equity), SEK/share	203	208

Development during the year/quarter	1/1-12/31 2007	1/1-12/31 2006	10/1-12/31 2007	10/1-12/31 2006
Net income, SEK m.	-367	28 486	-19 231	10 577
Net income, SEK/share (before dilution)	-0.48	37.13	-25.12	13.79



Disappointing total return, while the net asset value outperformed the market



Regrettably, 2007 was an unsatisfactory year to be a shareholder of Investor AB. After a strong first six months, the second part of the year was characterized by turbulent financial markets and our total return to shareholders ended at a weak -10 percent. This can be compared with our net asset value, including reinvested dividends, which was only marginally down for the year. This means that the NAV discount of the Investor share widened. Our net asset value actually outperformed the general market as a result of several positive events during 2007, such as the value creation in Scania following our rejection of MAN's hostile bid, the agreement to sell OMX, the divestment of Gambro Healthcare, the lifted import ban for Gambro Renal Products in the U.S. and a strong development within Private Equity. We are also entering 2008 with a strong balance sheet.

Value-creating events in Core Investments

In January, MAN withdrew its hostile bid for Scania following our, and subsequently Volkswagen's, rejection of the offer. We rejected the offer since it neither reflected Scania's fair value, nor the potential of the company. Currently, the share price of Scania trades significantly above MAN's bid level, generating considerable value for us and all Scania shareholders. We remain committed to maximizing the value of our Scania holding.

Another important value-creating event is the pending OMX transaction, which will create a world-leading securities exchange and strengthen OMX's competitive position. This is especially important, given recent EU regulatory changes. In the process of finding and negotiating a sound industrial solution and attractive deal for shareholders, we are satisfied that we managed to more than double the value of OMX.

Increase in several Core Investments

We are long-term owners and developers of companies. When we see fundamental value compared with the current share price, we selectively increase our ownership. On the other hand, if we believe better value can be created with a different ownership, or if we do not think the company can return its cost of capital over time, we seek to find a sound exit. Over the past two years we have actively participated in two major industrial transactions involving WM-data and OMX.

During the second half of the year, we selectively increased our position in several Core Investments. The increase in SEB during the third quarter was based on our positive view of the long-term return potential of the company, both stand-alone and in any potential consolidation scenario. Since our increase, the stock price in SEB has continued to decline, and with hindsight we acted prematurely. This is particularly aggravating, given that we had expressed concerns earlier in the year about overheated credit markets and artificially low risk premiums. Our long-term view of SEB remains unchanged and our focus is now on regaining lost value. Throughout the year we added to our position in Husqvarna as we believe the company has attractive value creation prospects. In the last quarter we also bought additional shares in Atlas Copco, Electrolux and Ericsson.

During the fourth quarter, Ericsson revised its profit outlook, which had a significant negative impact on the company's share price. This is a serious issue and appropriate actions need to be taken. However, we must not forget that Ericsson remains the market leader with the highest profit margins in its industry. We believe the company can leverage this strong position to achieve further success and generate attractive returns to shareholders.

Successful year for Operating Investments

During 2007, we continued to develop our Operating Investments. Due to investments in the businesses, the value contribution was negative for the year, as expected. However, we are satisfied with the underlying performance and are dedicated to expanding the business area further.

Early in the year we acquired Mölnlycke, together with Morgan Stanley Principal Investments. A new board and strengthened management team are now in place and considerable efforts have been made to implement our growth-oriented value-creation plan, including expanding the sales force and intensifying new product development. These investments hampered the results for the year but will drive long-term value of the company. This year's results were also negatively impacted by amortization of acquisition-related goodwill.

Gambro achieved several value-creating milestones. As planned, Gambro was streamlined into three independent companies as the synergies between the three were limited and to allow a stronger management focus on each operation. Subsequently, Gambro Healthcare was divested at attractive terms. Gambro Renal Products succeeded in having the import ban to the U.S. lifted after only 18 months and can now fully focus on growing the business. Gambro BCT has been able to launch its new Atreus product across Europe and has landed several key contracts. Mirasol was also introduced during the year, earlier than the original plan, and has already recorded sales.

During the last 18 months, we made significant investments to increase long-term competitiveness and profitability in both Gambro Renal Products and Gambro BCT, hurting their near-term profitability. Going forward, we expect these efforts to start paying off and we can already see positive effects in the sales growth of both entities.

3 Scandinavia grew its subscriber base by more than 30 percent during 2007 while maintaining a market-leading ARPU. The company has continued to report shrinking losses, even if the fourth quarter is seasonally weak. We are confident that 3 Scandinavia will meet its target to reach EBITDA breakeven on a monthly basis during 2008. For us as owners, it is important that the company remains focused on achieving this milestone.

We account for Operating Investments in our net asset value by taking our share of book equity. Consequently, investments hurting short-term profits, while creating long-term value, will lower our reported value. In order to give our shareholders a more complete view of our Operating Investments, we are including additional financial information about the companies, such as EBITDA and net debt, as of this report.

Strong value creation within Private Equity

Private Equity had another strong year, adding a satisfactory SEK 6 bn. to our NAV for the year with positive contributions from both EQT and Investor Growth Capital. The exit environment was relatively benign during 2007 and Private Equity contributed with positive cash flow. It is realistic to plan for a less favorable market during 2008, and consequently, we are planning for a year of net investments. During the year, Investor Growth Capital continued to grow its portfolio in its three target markets after the large exits over the last 3-4 years. In this area we have also enhanced the information provided in this report by including average valuation multiples.

Clarification of leverage policy

Our financial policy allows for maximum leverage of 25 percent. However, operating Investor at this leverage ratio over a long period of time is inappropriate from a business and risk perspective. For example, a sharp fall in market values could require us to liquidate holdings at low points to prevent our leverage from becoming unacceptably high. We believe it is appropriate to have a leverage of 5-10 percent over a business cycle based on return, risk and tax considerations. We could still allow leverage up to 25 percent for a period of time, assuming we have a plan to bring it back down. The exposure to the market, with potentially large fluctuations of the underlying asset values, in combination with the lumpy nature of acquisitions and exits, may result in periods with leverage above or below this desired range. Currently, for example, we operate with leverage below the desired range as we have deliberately decided to maintain a strong balance sheet to meet current weak market conditions. Our approach will allow Investor to benefit from the positive effects of using debt while maintaining flexibility to make attractive investments.

Well positioned to create value

I wish to thank my colleagues at Investor and all the people in our holdings for their dedication and hard work during 2007. I expect that 2008 will continue to be volatile, particularly as the credit market risk becomes more transparent, coupled with high risk for a general slowdown in the U.S. and with subsequent impact on the global economies. Many sectors in the U.S. are already in recession and it can probably be argued that the general economy may also be there. Furthermore, the U.S. presidential election introduces new uncertainties. For some time we have been concerned about the general economy and have therefore maintained a solid, liquid financial position. In this new environment, valuations have started to adjust and I am convinced we will find opportunities at attractive valuations. I believe Investor has never entered a downturn in a stronger financial position. This will allow us to capture investments opportunities that will arise when the economies slow down.

The Board of Directors of Investor will ask the AGM for a mandate to buy back shares also this year. Repurchasing shares in Investor would generate an immediate return as we trade at a significant discount to NAV. However, this immediate return must be compared with the value creation potential over an investment cycle if we invest the capital instead. With the return potential we see in new investments within Operating Investments and Private Equity, clearly in excess of 15%, our board and the management team believe our shareholders will benefit more if we exploit these investment opportunities at this point in time. However, a mandate to repurchase shares gives the board the flexibility to adjust the capital structure if needed.

Fellow shareholders, while I regret the poor return during 2007, I want to stress that Investor, with its proven business model, is in a strong position to continue our history of generating above-market returns to shareholders.



Börje Ekholm

Development of the Group

After rising for four consecutive years, Investor's net asset value declined by SEK 4.1 bn. in 2007, from SEK 159.3 bn. to SEK 155.2 bn. The net asset value, including reinvested dividends, decreased by 0.4 percent, which outperformed the market. Unrealized value depreciation in Core Investments and Operating Investments contributed negatively, while the Private Equity Investments business area had a positive effect on the net asset value. The net result for the year was SEK -0.4 bn., of which SEK -19.2 bn. was in the fourth quarter. Investor's net debt totaled SEK 3.6 bn. at year-end.

Read more on investorab.com under "Investor in Figures">>

INVESTOR'S NET ASSET VALUE

	12/31 2007		12/31 2006	
	SEK/ share	SEK m.	SEK/ share	SEK m.
Core Investments	166	127 293	176	135 274
Operating Investments	15	11 806	8	5 981
Private Equity Investments	23	17 718	20	15 181
Financial Investments	4	2 583	4	3 008
Other assets and liabilities	-1	-613	-1	-540
Total assets	**207**	**158 787**	**207**	**158 904**
Net debt/cash	-4	-3 583	1	416
Net asset value	**203**	**155 204**	**208**	**159 320**

Net asset value

The net asset value amounted to SEK 155,204 m. on December 31, 2007 (159,320)[1], corresponding to SEK 203 per share (208). Net assets changed by SEK -4,116 m. during the year (25,375), or by -3 percent (19). In the fourth quarter, the net asset value changed by SEK -19,429 m. (10,379), or -11 percent (7).

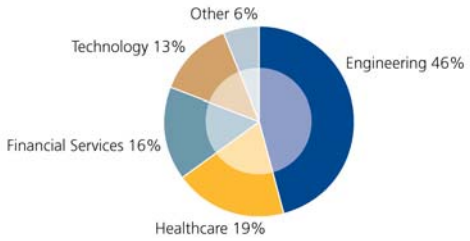
The change in net asset value, including reinvested dividends, was 0 percent in 2007 (21).

1) For balance sheet items, figures in parentheses refer to year-end 2006 figures. For income items, the figures in parentheses refer to the same period last year.

Net asset value, quarterly change



Total assets by sectors, 12/31 2007



INVESTOR'S BUSINESS AREA STRUCTURE

	Type of company/operation	Type of ownership	Valuation principle
Core Investments	Large publicly listed investments with a long ownership horizon	Leading minority ownership	Stock price (bid)
Operating Investments	Medium-size to large companies with a medium-long ownership horizon, primarily unlisted holdings	Majority ownership or with significant influence	Share of shareholders' equity
Private Equity Investments	Growth capital and buyouts, primarily in unlisted companies Ownership horizon: ~3-7 years	Leading minority ownership in Investor Growth Capital and majority owned in EQT	Stock price (bid), multiple or third-party valuation
Financial Investments	Financial/non-strategic holdings/operations with a shorter ownership horizon	Minority ownership	Stock price (bid) or third-party valuation

Trend of earnings

The consolidated net result was SEK -367 m. in 2007 (28,486), of which SEK -19,231 m. was in the fourth quarter (10,577).

Core Investments impacted income for the year by SEK -4,535 m. (29,942), Operating Investments by SEK -879 m. (-1,786), Private Equity Investments by SEK 5,953 m. (664) and Financial Investments by SEK -173 m. (258).

In the fourth quarter, Core Investments impacted income by SEK -18,595 m. (10,280), Operating Investments by SEK -447 m. (-654), Private Equity Investments by SEK 393 m. (920) and Financial Investments by SEK -202 m. (168).

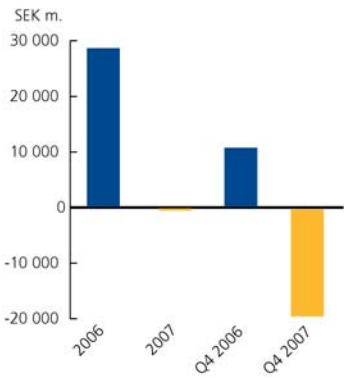
TREND OF EARNINGS, INVESTOR GROUP

SEK m.	10/1-12/31 2007	1/1-12/31 2007	1/1-12/31 2006
Change in value	-18 348	-1 534	28 106
Dividends	180	3 884	3 302
Operating costs[1]	-136	-552	-576
Other income items[2]	-927	-2 165	-2 346
Net income	**-19 231**	**-367**	**28 486**
Dividends paid	-	-3 449	-2 685
Other	-198	-300	-426
Change in net asset value	**-19 429**	**-4 116**	**25 375**

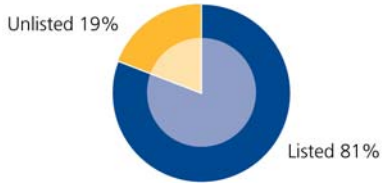
1) Includes cost of long-term share-based remuneration programs calculated in the accounts.
2) Other income items include shares of income of associated companies.

See Segment Reporting, page 24, for a detailed presentation of each business area's development.

Trend of earnings, Group



Percentage of listed and unlisted assets, 12/31 2007



The percentage of unlisted assets increased from 13 to 19 percent during 2007.

TOTAL ASSETS BY SECTOR AND BUSINESS AREA ON DECEMBER 31, 2007

SEK m.	Engineering	Healthcare	Financial Services	Technology	Other	Total
Core Investments	71 713	14 290	26 074	15 216	-	**127 293**
Operating Investments	-	8 946	-	920	1 940	**11 806**
Private Equity Investments	1 313	6 891	-	4 369	5 145	**17 718**
Financial Investments and Other	-	-	-	-	1 970	**1 970**
Total	**73 026**	**30 127**	**26 074**	**20 505**	**9 055**	**158 787**

Core Investments

Core Investments had an impact of SEK -4.5 bn. during the year, of which SEK -18.6 bn. was in the fourth quarter. Shares were purchased in Atlas Copco, Electrolux, Ericsson and Husqvarna in the fourth quarter. Net investments totaled SEK 4.8 bn. during the year. SEK 5.2 bn. was received from redemption programs and SEK 3.2 bn. in dividends.

Read more on investorab.com under "Our Investments">>

The fourth quarter was characterized by turbulence in credit markets and on stock exchanges around the world. This turbulence was partly the reason why stock prices declined for all Core Investments, with the exception of ABB, in the fourth quarter. In total, the Core Investments portfolio fell by 13 percent in value during the fourth quarter, with Ericsson accounting for a significant part of the decrease. The return index of the Stockholm Stock Exchange (SIXRX) declined 11 percent during the quarter.

On January 4, 2008, the Swedish Financial Supervisory Authority approved the offer documents for Borse Dubai's acquisition of OMX. The acceptance period runs from January 8 to February 5, 2008. If the offer is accepted, settlement is expected around February 15. Investor has committed to accept the offer, which will generate cash proceeds of SEK 3.4 bn., given that the offer is completed. This is highly likely, given the acceptance condition of 50 percent.

Purchases and sales

In Atlas Copco, 500,000 A-shares were purchased for SEK 46 m. and 451,000 B-shares for SEK 38 m.

In Husqvarna, 3,083,700 A-shares and 529,400 B-shares were purchased for a total of SEK 270 m. In addition, 148,400 B-shares were sold in Husqvarna for SEK 15 m.

In Electrolux, 2,300,000 B-shares were acquired for SEK 254 m.

In Ericsson,10,000,000 B-shares were bought for SEK 150 m.

Events occurring earlier in the year

Earlier in 2007, net purchases of shares in Husqvarna totaled SEK 744 m. Net purchases of shares in SEB totaled SEK 3,301 m.

Dividends

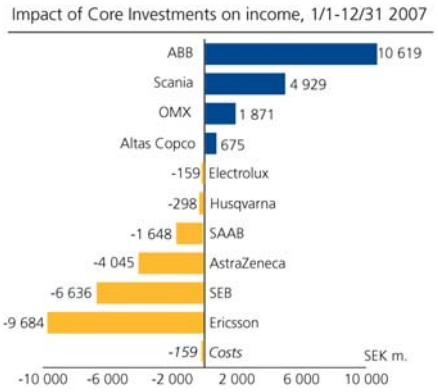
Dividends from the Core Investments totaled SEK 3,161 m. in 2007 (2,852).

Redemption programs

Redemption programs were carried out in Atlas Copco, Scania and Electrolux during the first half of 2007. Investor redeemed shares for SEK 5,232 m. in these programs.

Earnings for the period

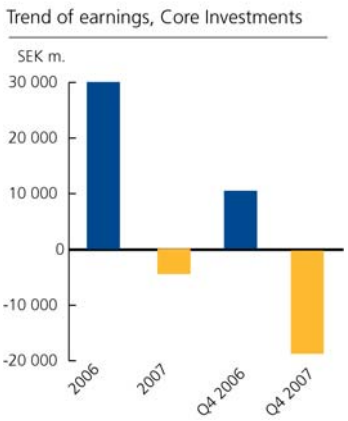
Core Investments had an impact of SEK -4,535 m. on income during the year (29,942). ABB had the most positive impact. Among share price increases, OMX had the highest increase at 116 percent. Ericsson had the most negative impact. The OMXS30 index of the Stockholm Stock Exchange decreased by 6 percent during the year.



In the fourth quarter, the value of Core Investments had an impact of SEK -18,595 m. (10,280), of which ABB contributed SEK 2,662 m. Ericsson affected income by SEK -8,467 m. and SEB by SEK -5,984 m.

TREND OF EARNINGS, CORE INVESTMENTS

SEK m.	10/1-12/31 2007	1/1-12/31 2007	1/1-12/31 2006
Change in value	-18 550	-7 537	27 260
Dividends	-	3 161	2 852
Operating costs	-45	-159	-170
Effect on income	**-18 595**	**-4 535**	**29 942**



OVERVIEW OF CORE INVESTMENTS

	Number of shares[1] 12/31 2007	Ownership Capital[2] 12/31 2007 (%)	Ownership Votes[2] 12/31 2007 (%)	Share of total assets 12/31 2007 (%)	Market value SEK/share 12/31 2007	Market value, SEK m. 12/31 2007	Net purchases (+)/sales(-) SEK m. 2007	Total return[3] 2007 (%)	Market value, SEK m. 12/31 2006
Engineering									
ABB	166 330 142	7.2[4]	7.2[4]	19	40	30 771		+52	20 375
Atlas Copco	189 680 826	15.4	21.2	11	24	18 227	-3 691[5]	+1	21 691
Scania	88 027 028	11.0	20.0	9	19	14 612	-770[5]	+38	10 783
Husqvarna	54 151 558	14.1	27.5	3	5	4 134	999	-5	3 512
Electrolux	36 665 071	11.9	28.2	3	5	3 969	-433[5]	-5	4 699
				45	**93**	**71 713**			**61 060**
Financial Services									
SEB	137 527 895	20.0	20.3	14	30	22 662	3 301	-22	26 735
OMX	12 950 507	10.7	10.7	2	4	3 412[6]		+116	1 625
				16	**34**	**26 074**			**28 360**
Technology									
Ericsson	820 393 516	5.1	19.5	8	16	12 417	150	-44	22 356
Saab AB	21 611 925	19.8	38.0	2	4	2 799		-37	4 539
				10	**20**	**15 216**			**26 895**
Healthcare									
AstraZeneca	51 587 810	3.5[7]	3.5[7]	9	19	14 290		-22	18 959
				9	**19**	**14 290**			**18 959**
Total				**80**	**166**	**127 293**	**-444**		135 274

1) Holdings, including any shares on loan.
2) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF), unless specified otherwise.
3) Most actively traded class of share, with the exception of Atlas Copco.
4) Calculated in accordance with Swiss disclosure regulations.
5) Includes the sale of redemption rights in connection with redemption programs.
6) The value of Investor's shares in OMX is stated at the agreed price in the bid from Borse Dubai.
7) Calculated in accordance with British disclosure regulations.

Operating Investments

Operating Investments had a negative impact of SEK -879 m. on income for the year, of which SEK -447 m. was in the fourth quarter. Beginning with this report, additional information is being provided about the holdings in this business area, such as EBITDA figures and net debt. Figures for Operating Investments are reported with one month's delay.

Read more on investorab.com under "Our Investments">>

Earnings for the period

Operating Investments had an effect of SEK -879 m. on income for the year (-1,786), of which SEK -798 m. was attributable to 3 Scandinavia (-1,111), SEK -32 m.[1)] to Mölnlycke Health Care (-) and SEK -326 m. to Gambro Holding (-630).

Mölnlycke Health Care's results were affected negatively, primarily due to amortization of acquisition-related surplus values totaling SEK 240 m.

Gambro Holding's income was affected by Gambro Renal Products, whose results have been charged with substantial costs related to the now lifted import ban in the U.S., investments in new market launches, restructuring measures and amortization of intangibles. Gambro Healthcare was sold in the second quarter, which had a positive impact of SEK 879 m. on income.

3 Scandinavia continued to reduce losses during 2007 and the plan remains that the company will reach EBITDA breakeven on a monthly basis during 2008.

The business area had an impact of SEK -447 m. on income in the fourth quarter (-654), of which SEK -134 m. was attributable to 3 Scandinavia (-186), SEK 68 m. to Mölnlycke Health Care (-) and SEK -354 m. to Gambro Holding (-430).

1) Refers to the result from the March 30, 2007 acquisition date to November 30, 2007.

Net asset value

OPERATING INVESTMENTS

	12/31 2007		12/31 2006	
	SEK/ share	SEK m.	SEK/ share	SEK m.
Mölnlycke Health Care	7	5 729[1)]	-	-
Gambro Holding	4	3 217[2)]	5	3 476
The Grand Group	2	1 337	2	1 477
3 Scandinavia	1	920[1)]	1	668
Other	1	603	0	360
Total	**15**	**11 806**	**8**	**5 981**

1) Refers to Investor's share of equity on Nov. 30, 2007 and shareholders' loans.
2) Refers to Investor's share of equity on Nov. 30, 2007, including the realized result from the sale of Gambro Healthcare.

The business area's effect on net asset value was SEK -803 m. in 2007 (-1,979), of which SEK -504 m. was in the fourth quarter (-794).

TREND OF NET ASSET VALUE, OPERATING INVESTMENTS

SEK m.		1/1-12/31 2007
Net asset value on January 1		5 981
Investments		6 864
Divestments		-292
Effect on net asset value		
Effect on income	*-879*	
Other (currency, etc.)	*76*	
		-803
Other		56
Net asset value on December 31		**11 806**

VALUATION METHODOLOGY WITHIN OPERATING INVESTMENTS

In the Operating Investments business area, Investor normally has majority ownership or a stake with significant influence in the underlying investment. Investments classified as associated companies are reported using the equity method and subsidiaries are fully consolidated. Investor's share of the holding's equity constitutes the valuation of the holding when the equity method is applied and Investor's share of the holding's net result is included in the income statement. Thus, for companies incurring large costs that impact short-term profits negatively, the value of the holding declines in Investor's net asset value. As a consequence, Investor is now providing key operating figures, such as normalized EBITDA and net debt, in order to facilitate a market evaluation of these investments. In normalized EBITDA, extraordinary items, such as restructuring costs, amortization, write-downs and specific investments, are eliminated to better reflect the underlying result. Figures for Mölnlycke Health Care, 3 Scandinavia, Gambro BCT and Gambro Renal Products are reported with one month's delay. Full-year figures refer to the period December 1, 2006 to November 30, 2007. Quarterly figures refer to the period September 1 to November 30.

BRIDGE BETWEEN RESULT AND EFFECT ON VALUE

Investor's share of:	
Operating income for the period (EBITDA)	+
Amortization	-
Net financial items, tax, etc.	+/-
Equity items, etc. (such as currency)	+/-
Effect on value in 2007	**+/-**

VALUATION METHODOLOGY

Initial investment/equity	+
Investments/divestments up to 2006	+/-
Accumulated effect on value up to 2006	+/-
Investments in 2007	+
Divestments in 2007	-
Effect on value in 2007	+/-
Closing net asset value/equity	**=**

MÖLNLYCKE HEALTH CARE

Read more on the Web: www.molnlycke.com >>

Activities during the quarter

The Wound Care Division launched the Mepilex antibacterial dressing in Europe. The product was successfully introduced in the U.S. earlier during the year. The product launch contributed to Mölnlycke's growth rate during the quarter. Sales organizations were further expanded, primarily in the U.S.

The Surgical Division achieved healthy sales growth for custom procedure trays and surgical gloves in the U.S. The division was awarded several important contracts in the fourth quarter.

Several key persons were recruited and a number of Group functions were streamlined. The product range is being continuously simplified to optimize efficiency.

Financial performance

Mölnlycke Health Care had an effect of SEK -32 m.[1] on income in 2007, of which SEK 68 m. was in the fourth quarter (-). The positive effect on income in the fourth quarter was partly due to a one-time adjustment of the estimated tax expense

1) Refers to the result from the March 30, 2007 acquisition date to November 30, 2007.

KEY FIGURES, MÖLNLYCKE HEALTH CARE[1]

Income items	2007[2]	Q4 2007
Net sales	7 127	1 878
Normalized EBITDA	1 970	542

Balance sheet items	12/31 2007	12/31 2006
Net debt	18 106	n/a

1) Income items and balance sheet items are reported with one month's delay. Key figures are affected by exchange rate changes when translating from EUR to SEK.

2) Pro forma, since Investor owned the company for only part of the year.

BRIEF FACTS, MÖLNLYCKE HEALTH CARE

A world-leading manufacturer and provider of single-use products for surgical and wound care products and services, primarily for the professional healthcare sector.	
Number of employees	5,750
Investor's ownership	62%
Investment year	2007

Read more on the Web: www.tre.se >>

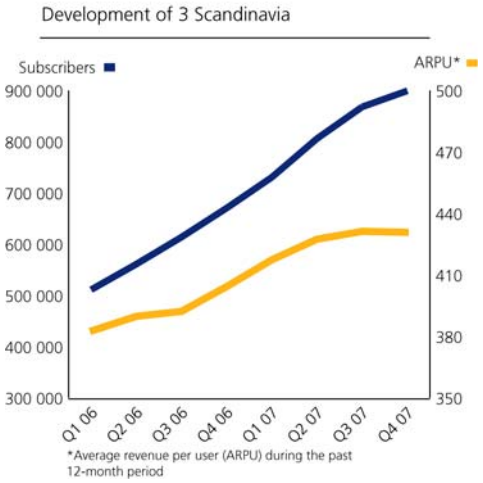
Activities during the quarter

In the fourth quarter, 3 Scandinavia launched 3 Skypephone, which allows free calls over the Internet from mobile phones. On November 1, 3 Scandinavia reported to the Swedish Post and Telecom Agency (PTS) that its mobile broadband services network now covered 6.5 million people in Sweden (7.2 Mbps or 3.6 Mbps). Underlying subscriber growth remained healthy in the fourth quarter. During 2007, subscribers increased by 229,000, or by 34 percent. A write-off of inactive prepaid card customers negatively affected the number of reported customers at year-end. The write-off concerned approximately 40,000 inactive prepaid customers but had no effect on either revenues or cash flow.

Financial performance

During the year, Investor invested SEK 1,080 m. in 3 Scandinavia, of which SEK 340 m. was in the fourth quarter. On December, 31 2007, Investor had invested a total of SEK 5,051 m. in 3 Scandinavia.

3 Scandinavia had an impact of SEK -798 m. on Investor's income for the year (-1,111), of which SEK -134 m. was in the fourth quarter (-186). Losses continued to decrease during the year. The higher losses (EBITDA) in the fourth quarter were a consequence of a seasonal variation attributable mainly to a higher gross intake of customers towards the end of the year.



KEY FIGURES, 3 SCANDINAVIA[1]

Income items	2007	2006	Q4 2007	Q4 2006
Net sales	4 329[2]	3 142	1 166[2]	908
Normalized EBITDA[3]	-730[2]	-1 528	-186[2]	-297

Balance sheet items	12/31 2007	12/31 2006
Net debt	10 167	10 087
Other key figures	12/31 2007	12/31 2006
Subscribers	900 000	671 000
ARPU (SEK)	431	404
Non-voice ARPU (%)	27	23
Postpaid/prepaid ratio	90/10	88/12

1) Income items and balance sheet items are reported with one month's delay.

2) The items have been adjusted due to a change in the accounting of interconnect revenue and costs.

3) EBITDA for 3 Scandinavia is defined as: EBITDA after deducting all customer acquisition and retention costs.

BRIEF FACTS, 3 SCANDINAVIA

3 Scandinavia is the leader in the Swedish and Danish 3G markets. 3 Scandinavia offers music, MSN, mobile broadband and TV channels for mobile phones.	
Number of employees	1,574
Investor's ownership	40%
Investment year	2000

Gambro Holding owns Gambro Renal Products and Gambro BCT. The companies are jointly financed and included in Gambro Holding. Since net debt of the companies has not been formally distributed, this key figure is reported for both units. Gambro Holding had a total impact of SEK -326 m. on Investor's income in 2007 (-630), of which SEK -354 m. was in the fourth quarter (-430). Gambro Healthcare was sold in the second quarter, which had a positive impact of SEK 879 m. on income.

COMBINED KEY FIGURES, GAMBRO HOLDING[1)]

Balance sheet items	12/31 2007	12/31 2006
Net debt	22 939	27 916

1) Net debt is reported with one month's delay.

GAMBRO Renal Products

Read more on the Web: www.gambro.com >>

Activities during the quarter

Sales in the U.S. were healthy in the fourth quarter after the lifting of the import ban in August.

A new-generation dialysis machine was launched – the AK 96. Sales will start in February 2008.

In the beginning of 2008, an important cooperation contract was signed with Sandoz.

In China, the Molecular Adsorbents Recirculating System (MARS®) received regulatory approval, which creates a platform for growth in the region.

In the fourth quarter, Gambro sold its manufacturing plants in Neubrandenburg, Germany and Parede, Portugal. The divestments were part of the company's previously announced plan to exit the market for standard HD concentrates in canisters and bulk containers in Europe.

New regional managers were recruited for Asia and South America. A new head of global quality assurance was appointed in the fourth quarter.

Financial performance

Investments that were made to strengthen long-term profitability continued to have a negative effect on net results, as expected. However, the company's underlying operations are performing strongly and record sales were achieved in the fourth quarter. The decline in earnings in 2007 was due entirely to a very weak December month in 2006 which was included in the latest 12-month result (2007).

KEY FIGURES, GAMBRO RENAL PRODUCTS[1)]

Income items	2007	2006[2)]	Q4 2007	Q4 2006
Net sales	11 049	11 272	2 871	2 795
Normalized EBITDA	1 869	1 978	542	550

1) Income items are reported with one month's delay.
2) Pro forma, since Investor owned the company for only part of the period.

BRIEF FACTS, GAMBRO RENAL PRODUCTS

Gambro is a global medical technology company and a leader in developing, manufacturing and supplying products, therapies and services for in-center care and self-care hemodialysis, peritoneal dialysis, renal intensive care and hepatic care.	
Number of employees	~8,000
Investor's ownership	49%
Investment year	2006

GAMBRO BCT

Read more on the Web: www.gambrobct.com >>

Activities during the quarter

In the fourth quarter, Gambro BCT continued the launch of Atreus and Mirasol. Both address new product areas and are important for Gambro BCT's future growth.

The Mirasol pathogen reduction technology system received the European CE mark and was sold to the first customers.

The Atreus whole blood processing system was also introduced in Europe during the year. The product is attracting much interest and Atreus has already been implemented at a number of blood banks, for example, in Barcelona.

Separating Gambro BCT into a standalone company required substantial work and extra costs.

Financial performance

Gambro BCT's positive performance continued in the fourth quarter. The company's EBITDA results, adjusted for currency effects, were in line with last year, despite costs for developing and launching Atreus and Mirasol, for establishing the company as an independent entity, and for additional development investments for the future. Adjusting for currency effects, the net increase in sales was double-digit in 2007. Since Gambro BCT's operations are dollar-based, key figures for the year were affected negatively when translated to SEK.

KEY FIGURES, GAMBRO BCT[1)]

Income items	2007	2006[2)]	Q4 2007	Q4 2006
Net sales	2 640	2 550	652	635
Normalized EBITDA	716	754	154	170

1) Income items are reported with one month's delay. Key figures are affected by exchange rate when translating from USD to SEK.
2) Pro forma, since Investor owned the company for only part of the period.

BRIEF FACTS, GAMBRO BCT

Gambro BCT develops and sells products for collecting and separating whole blood into its components, as well as cell therapy procedures.	
Number of employees	2,075
Investor's ownership	49%
Investment year	2006

GRAND HÔTEL
STOCKHOLM – SWEDEN

Read more on the Web: www.grandhotel.se >>

Activities during the quarter

In the fourth quarter, Grand Hôtel started to remodel a number of hotel rooms which are expected to be finished during the first quarter of 2008.

The decision was taken to build a spa, which is expected to be opened in the beginning of 2009.

Financial performance

Grand Hôtel's positive performance continued in the fourth quarter and EBITDA was higher than last year. Operating income of The Grand Group totaled SEK 122 m. in 2007 (64). In the fourth quarter, operating income totaled SEK 33 m. (13).

KEY FIGURES, GRAND HÔTEL

Income items	2007	2006	Q4 2007	Q4 2006
Net sales	433	324	112	94
EBITDA	122	64	33	13

Balance sheet items	12/31 2007	12/31 2006
Net debt	531[1)]	557[1)]

1) Included in Investor's consolidated net debt.

BRIEF FACTS, GRAND HÔTEL

Grand Hôtel is Scandinavia's leading hotel situated on the waterfront in downtown Stockholm with a view over the Old Town and the Royal Palace. The hotel has 376 guest rooms and a number of conference areas, restaurants and bars. Grand Hôtel is a member of The Leading Hotels of the World and is included in InterContinental Hotels & Resorts' international sales and reservations system.

Number of employees	~375
Investor's ownership	100%
Investment year	1968

Kunskapsskolan

Read more on the Web: www.kunskapsskolan.se >>

Kunskapsskolan is the leading independent school operator in Sweden. The company currently operates 21 secondary schools and nine upper secondary schools with a total of 9,200 students and 700 employees. Utilizing a common educational concept, students are offered a personalized education with a clear goal orientation.

Investor Growth Capital invested in Kunskapsskolan in 2002 and has helped develop the company into a well established business with a strong academic performance. Since the holding has now entered into a late expansion phase, it has been transferred to the Operating Investments business area. The focus going forward will be on continued growth in present and new schools. Kunskapsskolan had revenues of SEK 571 m. in 2006/07 and generated SEK 14 m. in operating income. Investor owns 30 percent of Kunskapsskolan.

Novare
HUMAN CAPITAL

Read more on the Web: www.novare.se >>

Novare Human Capital recorded its highest sales to date, due to successful expansion over the past few years in combination with a strong market for recruitment and organization-related services. Sales amounted to SEK 49 m. in 2007, an increase of slightly more than 25 percent relative to 2006.

A number of new Novare companies were also started during 2007.

Investor owns 50 percent of Novare Human Capital.

Private Equity Investments

The Private Equity Investments business area had a positive impact of SEK 6.0 bn. on income in 2007, of which SEK 0.4 bn. was in the fourth quarter. Investor Growth Capital and EQT's funds both had a positive effect on income during the entire year, as well as in the fourth quarter.

Read more on investorab.com under "Our Investments" >>

Purchases and sales

A total of SEK 3,627 m. was invested in 2007 (4,490), of which SEK 797 m. was in the fourth quarter (1,072). Investments in 2007 comprised SEK 3,063 m. in new investments (3,626) and SEK 564 m. in add-on investments (864). In the fourth quarter, investments in EQT's funds and Investor Growth Capital were more or less equal in scope.

Holdings were sold for SEK 7,401 m. during the year (5,630), of which SEK 815 m. was in the fourth quarter (1,797).

PURCHASES AND SALES, PRIVATE EQUITY INVESTMENTS

	1/1-12/31 2007	
SEK m.	Purchases	Sales
EQT	1 642	5 727
Investor Growth Capital	1 985	1 674
Total	**3 627**	**7 401**

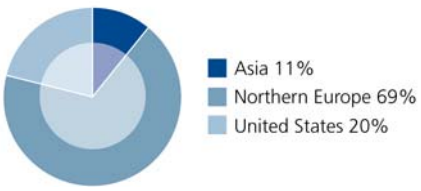
Earnings for the period

The result for the full year 2007 was SEK 5,953 m. (664), of which SEK 393 m. was in the fourth quarter (920). The increase during the quarter was attributable to strong performance in a number of companies in both Investor Growth Capital and EQT's funds, counterbalancing contracting market multiples for comparable companies. A number of successful exits were made that also had a positive impact on earnings.

TREND OF EARNINGS, PRIVATE EQUITY INVESTMENTS

SEK m.	10/1-12/31 2007	1/1-12/31 2007	1/1-12/31 2006
Change in value (incl. dividends)			
EQT	245	5 348	1 276
Investor Growth Capital	199	810	-408
Operating costs	-51	-205	-204
Effect on income	**393**	**5 953**	**664**

Private Equity Investments by geography



Net asset value

PRIVATE EQUITY INVESTMENTS BY UNIT

	12/31 2007		12/31 2006	
	SEK/ share	SEK m.	SEK/ share	SEK m.
EQT	13	10 200	12	8 872
Investor Growth Capital	10	7 518	8	6 309
Total	**23**	**17 718**	**20**	**15 181**

LISTED/UNLISTED IN PRIVATE EQUITY

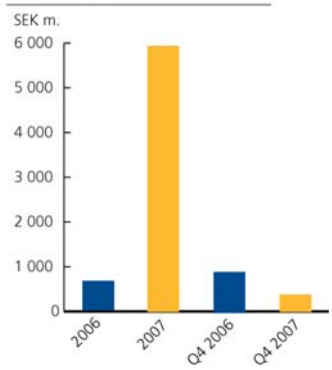
	Listed	Unlisted	Total
EQT	13%	87%	100%
Investor Growth Capital	9%	91%	100%

VALUATION MULTIPLES, PRIVATE EQUITY

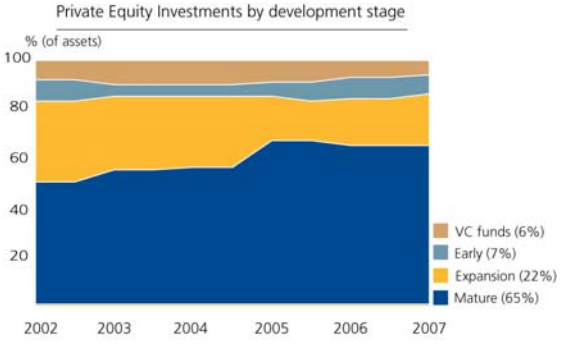
	Average EV/EBITDA multiple	Percentage of portfolio valued with multiples
EQT	9.2x	80%
Investor Growth Capital	8.4x	11%[1)]

1) The low percentage (11%) of investments in Investor Growth Capital that are valued with EV/EBITDA multiples reflects the general development stage of the companies. In many cases, the holdings are in a growth stage and have not yet reached profitability.

Trend of earnings, Private Equity Investments



Private Equity Investments by development stage



Investor Growth Capital

Read more on the Web: www.investorgrowthcapital.com >>

The credit market crisis, which curtailed financing opportunities in the buyout sector, only had a marginal effect on the venture capital industry in the fourth quarter. However, the volatile financial markets resulted in delayed plans for sale or IPO of several holdings.

During 2007, Investor Growth Capital closed on 21 new investments and exited ten holdings

Events occurring in the fourth quarter

New investments were made in Chelsio, Frepar Networks, Global Health Partner (GHP) and Siperian.

Frepar Networks, based in Tokyo, is a provider of data storage service for the growing streaming video market and operates through a unique network of 3,000 multimedia kiosks in Japan.

GHP (Sweden) provides specialized healthcare services in the clinical areas of spine, dental implant and orthopedic surgery, as well as obesity treatments, through clinics in Sweden and the U.K.

Chelsio (United States) is a leading fabless semiconductor company providing protocol engines and server adapters for 10 Gigabit Ethernet applications.

Siperian (United States) is a provider of master data management (MDM) software and systems for large enterprises to support analytical and transactional business needs.

Sörman was refinanced and capital was repaid to the company's owners.

The holding in Kunskapsskolan was transferred internally to the Operating Investments business area.

Remaining shares in Kyphon were sold.

Events occurring earlier in the year

Aerocrine was listed on the Stockholm Stock Exchange and Sunny Optical on the Hong Kong Exchange.

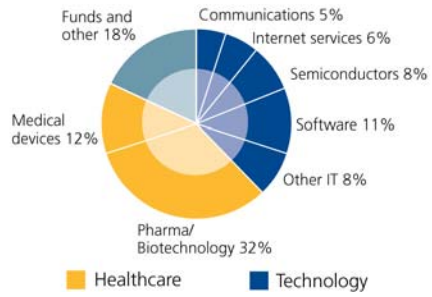
In the technology sector, new investments were made in 800 Teleservices, ForeSee Results, Funmobile, ID Analytics, IdeaSync, Magnum Semiconductor, Tobii, United Information Technology and Yanhuang Health Media.

In the healthcare sector, new investments were made in Applied Spine Technologies, Biolex, Ception, Ceregene, Heartscape Technologies, Memira (formerly Scansyn), Sidec and Sirion Therapeutics.

Add-on investments were made in ChinaCache, Digital Check, Sicbase, Yuan Chuan and Åmic.

Holdings in Amkor, Epivalley, Lifecell, Morphotek, Picolight and Vallent were sold. The holdings in ISTA and Sunny Optical were also partially divested.

Sector exposure Investor Growth Capital, 12/31 2007



NEW INVESTMENTS WITHIN INVESTOR GROWTH CAPITAL IN 2007

Company	*Operations*	*Country*
	IT/Technology	
800 Teleservices	Contact center services	China
Chelsio	Server adapters	U.S.A.
Frepar Networks	Infotainment and data storage	Japan
ForeSee Results	Online customer satisfaction measurement and management	U.S.A.
Funmobile	Online entertainment services	Hong Kong
ID Analytics	Identity risk management	U.S.A.
IdeaSync	Internet photo storage and printing	Japan
Tobii Technology	Solutions for eye tracking	Sweden
Magnum Semiconductor	Chips, software and platforms for managing multimedia content	U.S.A.
Siperian	Master data management software	U.S.A.
United Information Technology	Network storage system provider	China
Yanhuang Health Media	Media and out-of-home advertising	China
	Healthcare	
Applied Spine Technologies	Spine stabilization system	U.S.A.
Biolex	Proteins and antibodies	U.S.A.
Ception	Biopharmaceuticals for infectious and other diseases	U.S.A.
Ceregene	Gene treatments of neurodegenerative disorders	U.S.A.
Global Health Partner	Specialized healthcare services	Sweden
Heartscape Technologies	Advanced "heart vest" for diagnosing cardiac arrest	U.S.A.
Memira	Refractive laser surgery	Sweden
Sidec	Protein tomography	Sweden
Sirion Therapeutics	Treatment of eye diseases	U.S.A.

EQT's funds

Read more on the Web: www.eqt.se >>

EQT (I and III) sold part of its holding in Duni in connection with the company's initial public offering.

EQT II received the cash proceeds from the previously announced sale of its remaining holding in Salcomp.

EQT V signed an agreement to acquire SAG (Germany) and made a cash offer for Securitas Direct (Sweden) together with a number of other investors.

EQT Denmark divested its remaining holding in Nederman.

Events occurring earlier in the year

EQT II entered into an agreement to sell its remaining shares in Salcomp, listed on the Helsinki Stock Exchange, and sold its holding in Hemocue.

EQT III divested Plantasjen and sold its remaining shares in Symrise.

EQT IV sold part of its holding in Tognum in connection with the company's listing in Germany during the summer.

EQT V invested in Dako, Scandic Hotels and CBR.

EQT Denmark announced that it had reached an agreement to sell Contex Group and Nederman was listed on the Stockholm Stock Exchange.

EQT Greater China II announced the acquisition of PSM International.

OVERVIEW OF EQT'S FUNDS

SEK m.	Investor's share of fund	Total capital commitments	Investor's share of capital commitments	Investor's share of invested capital[1]	Market value of Investor's remaining holdings	Holdings[2]
EQT I*	18%	3 260	587	587	86	Duni
EQT II*	18%	6 193	1 103	973	73	-
EQT III*	32%	18 935	6 070	5 291	2 576	Duni, Aleris, Carl Zeiss, Finn-Power, ISS, Leybold, Munksjö, VTI Technologies
EQT IV*	19%	23 669	4 414	3 505	5 020	BTX, Gambro[3], ISS, Kabel BW, Tognum, Sanitec, SSP
EQT V	12%	40 238	4 805	1 592	1 485	Kabel BW, CBR, Scandic, Dako
EQT Opportunity	25%	3 518	877	169	144	Bodilsen, Pfaff-Silberblau, Norwin, Cimbria
EQT Denmark*	17%	1 291	223	181	10	-
EQT Finland*	32%	622	197	197	2	-
EQT Expansion Capital I	16%	1 751	288	208	85	Stenquist, Aleris, Munksjö, PaloDex, SSP, Pharmazell
EQT Expansion Capital II	15%	4 488	674	5	1	-
EQT Asia*	61%	2 107	1 293	940	598	Global Beauty
EQT Greater China II	37%	3 522	1 297	189	120	Yin Rong, PSM
Total[4]	-	**109 594**	**21 828**	**13 837**	**10 200**	

* Fully invested
1) Also includes capital invested in holdings that have already been sold.
2) Holdings can be jointly owned by two EQT funds.
3) Gambro is valued in the same way as Investor's share of the company in Operating Investments.
4) The following rates were used to translate to SEK: DKK = 1.27 (EQT Denmark), EUR = 9.47 (EQT Finland, EQT III, IV, EQT Expansion Capital I, II, EQT Opportunity), USD = 6.46 (EQT Asia, EQT Greater China II).

INVESTOR'S PRIVATE EQUITY INVESTMENTS

Private equity investments have been made since Investor was established in 1916 but were given their current modern shape and structure in the mid-1990s. The private equity activities generate high returns when exits are implemented, allow for increased diversification of the portfolio, synergies with the core investments and the possibility to discover important new technologies and new business trends early.

Investor conducts two different types of private equity investments: buyouts and venture capital. Buyout activities are conducted through EQT's funds, which are partly owned by Investor. Venture capital activities are conducted by Investor Growth Capital, a wholly owned subsidiary. EQT, partly owned by Investor, has 12 funds focused on companies in Northern Europe and Greater China. Investor Growth Capital is active in the United States, Northern Europe and Asia.

Investments in private equity, which involve more risk by their nature, are made with the objective of realizing an average annualized return (IRR) of 20 percent.

Financial Investments

The business area had an effect of SEK -173 m. on income in 2007, of which SEK -202 m. was in the fourth quarter. Investor's active portfolio management activities had the greatest positive effect with SEK 69 m. The holding in LogicaCMG had the largest negative impact with SEK -219 m.

Read more on investorab.com under "Our Investments" >>

Earnings for the period

Financial Investments had an effect of SEK -173 m. on income in 2007 (258), of which the holding in LogicaCMG accounted for SEK -219 m. The business area had an effect of SEK -202 m. on income in the fourth quarter (168).

Net asset value

FINANCIAL INVESTMENTS

	12/31 2007		12/31 2006	
	SEK/ share	SEK m.	SEK/ share	SEK m.
Active portfolio management	2	1 248	2	1 257
RAM One	1	841	1	786
Other[1)]	1	494	1	965
Total	**4**	**2 583**	**4**	**3 008**

1) Including the holding in LogicaCMG.

Active portfolio management

Investor's active portfolio management activities generated gross operating income (dividends and value changes) of SEK 69 m. in 2007 (205), of which SEK -48 m. was in the fourth quarter (129).

RAM One

The hedge fund RAM One developed positively during 2007, increasing 7 percent, of which -1 percent was in the fourth quarter.

Other

The previously announced purchase of shares in Aker Kvaerner was finalized in the fourth quarter. The investment totaled SEK 101 m. and is expected to meet Investor's return requirement. It will also provide opportunities to deepen relations with Norwegian industry.

Shares in LogicaCMG were sold for SEK 288 m. in the fourth quarter.

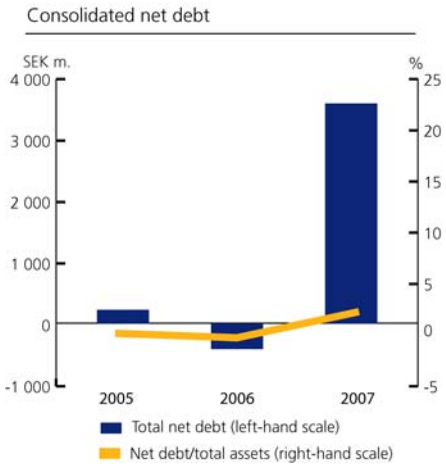
Group

Consolidated net debt

Consolidated net debt totaled SEK -3,583 m. on December 31, 2007, as against net cash of SEK 416 m. at the beginning of the year. Cash flow and the increase in net debt during 2007 reflect the net investments made within the Operating Investments business area (mainly the acquisition of Mölnlycke Health Care), which exceeded net divestments in the Private Equity Investments business area. Holdings in the Operating Investments business area that are not subsidiaries, such as Mölnlycke Health Care and Gambro Holding, are financed in ring-fenced stand-alone structures and are consequently not included in Investor's consolidated net debt. 3 Scandinavia's debt, of which Investor's share is SEK 4.2 bn., is guaranteed by the owners but is not included in consolidated net debt.

Net financial items for the year amounted to SEK -484 m. (-151). Net financial items include interest income of SEK 561 m. (383) and interest expenses totaling SEK -1,061 m. (-1,045). For figures in 2006, the remaining portion consists mainly of revaluations of loans, swaps and the effects of hedges for employee stock option and share programs.

Investor's leverage (net debt as a percentage of total assets) was approximately 2 percent on December 31, 2007, compared with a limited net cash position at year-end 2006.



Cash, bank balances and short-term investments amounted to SEK 15,008 m. on December 31, 2007, as against SEK 18,653 m. at the beginning of the year. The Group's borrowing totaled SEK -19,109 m. at year-end, compared with SEK -18,299 m. on December 31, 2006.

To take advantage of a favorable finance market and extend the average maturity of the debt portfolio, Investor repurchased a public bond in the second quarter amounting to EUR 343 m. and maturing in 2010. The repurchased bonds were financed by issuing a public bond with a maturity of 30 years and totaling GBP 275 m.

The average maturity of the debt portfolio was 13.4 years on December 31, 2007 (8.7).

In the second quarter, dividends in the amount of SEK 3,449 m. were paid to Investor AB shareholders (2,685).

Leverage strategy

Taking into account the portfolio risk, the desired financial flexibility and current tax situation, the optimal leverage is between 5 and 10 percent over a business cycle. Given the nature of Investor's business, leverage can fluctuate above and below the desired level over time. However, leverage is not to exceed 25 percent or decrease to below zero over any long periods of time.

Consolidated costs

Consolidated costs totaled SEK 535 m. in 2007 (521). Costs per business area are shown in the segment reporting section on page 24.

The calculation of commitments within the framework for employee stock option programs and share programs resulted in additional costs of SEK 17 m. during the year (55). Since the programs launched up to 2005 are hedged with derivative instruments, there is a corresponding positive effect of the hedging in net financial items. The purpose of the hedging is to minimize costs for the programs that arise in connection with increases in Investor's share price.

Parent Company

Share capital

Investor's share capital amounted to SEK 4,795 m. on December 31, 2007 (4,795 m.).

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
Total	**767 175 030**	**357 239 262**	**100.0**	**100.0**

On December 31, 2007, Investor owned a total of 1,400,000 of its own shares (700,000), which was the same as the average number of own shares in the fourth quarter. The number of own shares averaged 1,192,877 during 2007 (420,000).

Results and investments

The Parent Company's profit after financial items was SEK 14,159 m. in 2007 (15,215), of which SEK 12,775 m. consisted of changes in the value of equity-related holdings reported at fair value (14,994). The majority of the Core Investments are associated companies and are therefore reported at acquisition cost in the Parent Company. In the Group, the holdings are reported at fair value. This explains the

difference in the value change between the Group and Parent Company for these holdings in 2007. Write-downs and reversals of earlier write-downs of participations in Group companies had an effect of SEK 2,114 m. on net financial items (-349). Write-downs and reversals of earlier write-downs of participations in associated companies totaled SEK -3,013 m. (-1,531).

During the year, the Parent Company invested SEK 17,780 m. in financial assets (16,667), of which SEK 11,230 m. was in Group companies (10,919). Sales of financial assets amounted to SEK 9,427 m. (18,050), of which SEK 3,125 m. was in Group companies (5,634).

Total debt has increased by SEK 10,385 m. since the beginning of the year. The increase is basically due to changes in balances with Group companies. Equity totaled SEK 101,544 m., compared with SEK 91,242 m. on December 31, 2006.

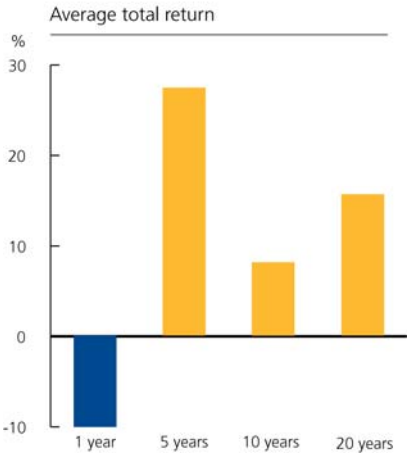
The equity of the Parent Company on December 31, 2006 has been adjusted downwards by SEK 1,932 m., compared with the figure reported in the year-end financial statements for 2006. The correction was attributable to shares in a subsidiary that were stated at an incorrect value. The consolidated balance sheet, consolidated income statement and net asset value were not affected by this.

Investor Shares

Read more on investorab.com under "Investors & Media" >>

The total return (sum of share price changes and reinvested dividends) was -10 percent in 2007 (24), of which -11 percent was in the fourth quarter (10).

The average annualized total return on Investor shares has been 8 percent over the past ten-year period. The corresponding figure for the past 20-year period is 16 percent.



The price of the Investor B-share was SEK 147 on December 31, 2007, compared with SEK 168 on December 31, 2006.

Risks and uncertainties

Significant risks and factors of uncertainty for the Group and Parent Company include commercial risks in the form of high exposure to a certain industry or an individual holding. In addition, there are financial risks mainly in the form of price risks – the risk that the value of a financial instrument might change because of changes in share prices, exchange rates or interest rates. Liquidity risk has increased during 2007 since the percentage of unlisted holdings, and consequently the percentage of illiquid assets, has risen during the year. Apart from this, and in addition to the risks described in Investor's 2006 annual report (see Note 28 of the report for a detailed description of the Group's and Parent Company's risk exposure and risk management), no additional significant events are estimated to have developed.

Other

Events occurring after year-end

The stock market decline in the fourth quarter of 2007 has continued into the beginning of 2008, which affects the majority of Investor's assets since they are listed. In other respects, nothing material has occurred up to the release of this report on January 22, 2008.

Proposed dividend

The Board of Directors and the President propose a dividend to shareholders of SEK 4.75 per share for fiscal 2007 (4.50).

Repurchase of own shares

As in the past eight years, Investor's Board of Directors has decided to propose to the 2008 Annual General Meeting that it should extend the authorization of the board to decide on the repurchase of the company's shares. Under such mandate, the board would be given the opportunity until the next Annual General Meeting – provided they deem this appropriate – to decide on the repurchase of the company's shares. In accordance with current legislation, repurchases can amount up to 10 percent of the total shares outstanding in Investor. Any repurchases may be effected over the stock exchange or through offerings to shareholders. It is also proposed that the board's mandate include the possibility to transfer repurchased shares. See also "Long-term variable remuneration program" below.

Annual General Meeting

Investor AB's Annual General Meeting will be held at 12 noon on Thursday, April 3, 2008, at the City Conference Centre in Stockholm. Investor's audited Annual Report in Swedish will be made available at the company's headquarters, at Arsenalsgatan 8C in Stockholm, as of March 20, 2008.

Notification of participation in the Annual General Meeting can be given starting Monday, February 11, 2008 until Friday, March 28, 2008. Notification can be given on Investor AB's website,

(www.investorab.com), by completing and mailing the invitation, or by phoning +46 8 611 2910.

Information about Investor's Annual General Meeting is also available on Investor AB's website (www.investorab.com).

Long-term variable remuneration program

As in the previous two years, the Board of Directors will propose a long-term variable remuneration program for Investor's employees at the 2008 Annual General Meeting. The program will have, in principle, the same structure as the program for 2007. It is proposed that the long-term variable remuneration program be hedged as before through the repurchase of the company's shares, or through total return swaps. The board's final proposal will be announced in the Notice of the 2008 Annual General Meeting.

Accounting policies

For the Group, this year-end report, as well as previous interim reports released during the 2007 fiscal year, has been prepared in accordance with Sweden's Annual Accounts Act and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with Sweden's Annual Accounts Act. The accounting policies that have been applied for the Group and Parent Company are in agreement with the accounting policies used in the preparation of the company's latest annual report.

The following is a brief description of the accounting policies that are of central importance to the preparation of Investor's financial reports.

Accounting and valuation of holdings

Subsidiaries
Companies that are defined as subsidiaries are consolidated in the Group in accordance with the purchase method and IAS 27 and IFRS 3. In the Parent Company, subsidiaries are reported in accordance with the acquisition value method.

Associated companies
For the Group, Investor's main rule is that associated companies are reported as financial instruments, at fair value, in accordance with IAS 39 and IAS 28, paragraph 1. Associated companies in the Operating Investments business area are reported in accordance with the equity method since Investor is involved in the companies' business activities to a larger extent than in holdings in other business areas. In the Parent Company, associated companies are reported in accordance with the acquisition value method.

Holdings reported within several business areas
In cases when a holding is reported in several business areas, and the measurement and accounting principles differ, the valuation method applied to the relatively largest share of the holding is also used in the other business areas.

Other holdings
All other holdings are reported and valued as financial instruments in accordance with IAS 39. See also below.

Financial instruments

Equity-related investments
In accordance with IAS 39, equity-related investments are reported at fair value through profit and loss. Equity-related investments are valued as follows:

Listed holdings
Listed holdings are valued on the basis of their share price (bid price, if there is one quoted) on the closing date.

Unlisted holdings
Unlisted holdings are valued on the basis of the "International Private Equity and Venture Capital Valuation Guidelines" prepared and published jointly by the venture capital organizations EVCA, BVCA and AFIC. Holdings in the Operating Investments business area are valued either as associated companies or subsidiaries (see above).

For directly owned holdings (i.e. those owned directly by a company in the Investor Group), an overall evaluation is made to determine the valuation method that is appropriate for each specific holding. It is first taken into account whether a recent financing round or "arms length" transaction has been made, after which a valuation is made by applying relevant multiples to the holding's key ratios (for example, EBITDA), derived from a relevant sample of comparable companies, with deduction for individually determined adjustments as a consequence of, for example, the size difference between the company being valued and the sample of comparable companies. An assessment is then made of the above-mentioned methods to determine the one that best reflects the market value of the holding, and the holding is then valued according to that method. In those cases when other valuation methods better reflect the fair value of a holding, this value is used, which means that certain holdings are valued with methods other than the ones described above.

Fund holdings
Holdings in funds are valued at Investor AB's share of the value that the fund manager reports for all holdings in the fund and is normally updated when a new valuation is received. If Investor AB's assessment is that the fund manager's valuation does not sufficiently take into account factors that affect the value of the underlying holdings, or if the valuation is considered to deviate considerably from IFRS principles, the value is adjusted.

Liabilities

Investor AB uses derivatives to control the exposure of the debt portfolio against fluctuations in exchange rates and interest rates. Hedge accounting is applied to reflect this in the consolidated accounts in cases when a derivative and the underlying loan qualify for

this in accordance with IAS 39. When loans and derivatives do not qualify for hedge accounting, loans are valued at the amortized cost and derivatives are reported at fair value through profit and loss.

Other financial instruments

Derivatives and short-term investments are reported at fair value through profit and loss.

Financial instruments other than those noted above are reported at the amortized cost.

Property, plant and equipment

In accordance with alternatives in IAS 16, Investor AB's real estate properties are reported at fair value.

Share-based payment

Investor's employee stock option programs and share programs are reported in accordance with the regulations in IFRS 2 for share-based payments that are equity settled. A value for the program is estimated on the grant date which then comprises the basis for the cost that is distributed over the vesting period of the programs. Provisions for social security costs are reported on a continuous basis in accordance with URA 46 and are thus distributed in the same way as the cost for employee stock option and share programs.

Taxes

The valuation of assets and liabilities at fair value results in temporary differences when the fair value differs from the tax value. In accordance with IAS 12, a deferred tax liability, or deferred tax receivable, is recognized for temporary differences.

Deferred tax receivables resulting from temporary differences, or due to loss carry-forwards, are recognized only to the extent to which it is probable that it can be realized against taxable profits within the near future.

Other

Changes in value

For items that were held in the balance sheet at the beginning and at the close of the period, the value change consists of the difference in value between these two dates. For items in the balance sheet that were realized during the period, the value change consists of the difference between the proceeds received and the value at the beginning of the period. For items in the balance sheet that were acquired during the period, the value change consists of the difference between the value at the close of the period and the acquisition cost.

Financial calendar 2008

April 3	Annual General Meeting in Stockholm
April 10	Interim Report January-March
July 10	Interim Report January-June
October 14	Interim Report January-September

Stockholm, January 22, 2008



Börje Ekholm

President and Chief Executive Officer

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  INVEB SS in Bloomberg
  INVEb.ST in Reuters
  W:ISBF in Datastream

The information in this Year-End Report is that which Investor is required to disclose under Sweden's Securities Market Act and/or Financial Instruments Trading Act. It was released for publication at 8.00 a.m. CET on January 22, 2008.

Review Report

Introduction

We have reviewed Investor AB's Year-End Report (interim report) for the period January - December 31, 2007. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, "Review of Interim Financial Information Performed by the Independent Auditors of the Entity". A review consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Year-End Report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company, in accordance with the Annual Accounts Act.

Stockholm, January 22, 2008

KPMG Bohlins AB



Carl Lindgren
Authorized Public Accountant

Consolidated Income Statement

SEK m.	2007 1/1-12/31	2006 1/1-12/31	2007 10/1-12/31	2006 10/1-12/31
Investing activities				
Dividends	3 474	3 171	51	65
Changes in value	-1 825	28 106	-18 348	11 406
Operating costs	-404	-413	-107	-103
Net profit/loss - Investing activities	**1 245**	**30 864**	**-18 404**	**11 368**
Operating investments				
Dividends etc.	410	131	129	26
Changes in value	291	-	-	-
Net sales	446	699	115	195
Cost of services sold	-427	-693	-133	-207
Operating costs	-55	-51	-14	-28
Share of income of associated companies	-1 544	-1 872	-544	-640
Net profit/loss - Operating investments	**-879**	**-1 786**	**-447**	**-654**
Operating costs, groupwide	-76	-57	-22	-8
Cost of long-term share-based remuneration	-17	-55	7	-26
Operating profit/loss	**273**	**28 966**	**-18 866**	**10 680**
Net financial items	-484	-151	-267	95
Profit/loss before tax	**-211**	**28 815**	**-19 133**	**10 775**
Taxes	-156	-329	-98	-198
Profit/loss for the period	**-367**	**28 486**	**-19 231**	**10 577**
Attributable to:				
Equity holders of the Parent	-365	28 468	-19 238	10 571
Minority interest	-2	18	7	6
Profit/loss for the period	**-367**	**28 486**	**-19 231**	**10 577**
Basic earnings per share, SEK	**-0.48**	**37.13**	**-25.12**	**13.79**
Diluted earnings per share, SEK	**-0.48**	**37.03**	**-25.12**	**13.75**
Average number of shares, million	766.0	766.8	765.8	766.5
Diluted average number of shares, million	767.8	768.8	767.7	768.5

Consolidated Balance Sheet

SEK m.	2007 12/31	2006 12/31
Assets		
Property, plant and equipment and intangible assets	2 464	2 489
Shares and participations	153 781	157 481
Receivables included in net debt	710	261
Other receivables	5 268	2 056
Cash, bank and short-term investments	15 008	18 653
Total assets	**177 231**	**180 940**
Shareholders' equity and liabilities		
Shareholders' equity	155 204	159 320
Pensions and similar commitments	192	199
Loans	19 109	18 299
Other liabilities	2 726	3 122
Total shareholders' equity and liabilities	**177 231**	**180 940**

NET DEBT

SEK m.	2007 12/31	2006 12/31
Cash, bank and short-term investments	15 008	18 653
Receivables included in net debt	710	261
Loans	-19 109	-18 299
Pensions and similar commitments	-192	-199
Total net debt	**-3 583**	**416**

CHANGES IN SHAREHOLDERS' EQUITY

SEK m.	2007 1/1-12/31	2006 1/1-12/31
Opening balance as per balance sheet	**159 320**	**133 945**
Translation reserve, change for the period	170	-270
Revaluation reserve, change for the period	-23	-
Hedging reserve, change for the period	-211	42
Dividends to own shareholders	-3 449 [1)]	-2 685
Minority interest	-7	-9
Repurchase of own shares	-124	-89
Effect of long-term share-based remuneration	-105	-100
Net income for the period	-367	28 486
Closing balance	**155 204**	**159 320**
Attributable to:		
Equity holders of the Parent	155 061	159 167
Minority interest	143	153
Total shareholders' equity	**155 204**	**159 320**

1) The number of shares entitled to dividends on the record date totaled 766,475,030.

Consolidated Statement of Cash Flows

SEK m.	2007 1/1-12/31	2006 1/1-12/31
Operating activities		
Core Investments		
Dividends received	3 161	2 852
Operating Investments		
Dividends received	74	129
Cash receipts	632	622
Cash payments	-544	-556
Private Equity Investments		
Dividends received	256	280
Financial Investments and operating costs		
Dividends received	62	39
Cash receipts	26 728	27 567
Cash payments	-27 349	-29 064
Cash flows from operating activities before net interest and income taxes	**3 020**	**1 869**
Interest received/paid	-365	-624
Income taxes paid	-239	-84
Cash flows from operating activities	**2 416**	**1 161**
Investing activities		
Core Investments		
Acquisitions	-5 567	-3 125
Divestments	6 014	8 980
Operating Investments		
Acquisitions, etc.	-2 690	-4 246
Divestments	292	-
Increase in long-term receivables	-4 208	-1 340
Private Equity Investments		
Acquisitions, etc.	-4 060	-4 798
Divestments	7 401	5 630
Financial Investments		
Acquisitions, etc.	-184	-1
Divestments	366	627
Net changes, short-term investments	3 049	5 952
Acquisitions of property, plant and equipment	-47	-184
Cash flows from investing activities	**366**	**7 495**
Financing activities		
Loans raised	3 960	4 673
Loans repaid	-3 769	-9 154
Repurchases of own shares	-124	-89
Dividends paid	-3 449	-2 685
Cash flows from financing activities	**-3 382**	**-7 255**
Cash flow for the period	**-600**	**1 401**
Cash and cash equivalents at beginning of the year	**5 608**	**4 220**
Exchange difference in cash	2	-13
Cash and cash equivalents at end of the period	**5 010**	**5 608**

Segment Reporting

PERFORMANCE BY BUSINESS AREA 1/1-12/31 2007

SEK m.	Core Investments	Operating Investments	Private Equity Investments	Financial Investments	Investor groupwide	Total
Dividends, etc.	3 161	410 [1]	251	62		3 884
Changes in value	-7 537	291	5 907	-195 [2]		-1 534
Other revenues and expenses		19 [3]				19
Operating costs	-159	-55	-205	-40	-76	-535
Cost of long-term share-based remuneration					-17	-17
Shares of income of associated companies		-1 544				-1 544
Operating profit/loss	**-4 535**	**-879**	**5 953**	**-173**	**-93**	**273**
Net financial items					-484	-484
Tax					-156	-156
Net profit/loss for the period	**-4 535**	**-879**	**5 953**	**-173**	**-733**	**-367**
Other (currency, etc.)		76			-376	-300
Dividends paid					-3 449	-3 449
Effect on net asset value	**-4 535**	**-803**	**5 953**	**-173**	**-4 558**	**-4 116**
Net asset value by business area 12/31 2007						
Carrying amount	127 293	11 806	17 718	2 583	-613	158 787
Net debt					-3 583	-3 583
Total net asset value	**127 293**	**11 806**	**17 718**	**2 583**	**-4 196**	**155 204**

PERFORMANCE BY BUSINESS AREA 1/1-12/31 2006

SEK m.	Core Investments	Operating Investments	Private Equity Investments	Financial Investments	Investor groupwide	Total
Dividends, etc.	2 852	131 [1]	285	34		3 302
Changes in value	27 260		583	263 [2]		28 106
Other revenues and expenses		6 [3]				6
Operating costs	-170	-51	-204	-39	-57	-521
Cost of long-term share-based remuneration					-55	-55
Shares of income of associated companies		-1 872				-1 872
Operating profit/loss	**29 942**	**-1 786**	**664**	**258**	**-112**	**28 966**
Net financial items					-151	-151
Tax					-329	-329
Net profit/loss for the period	**29 942**	**-1 786**	**664**	**258**	**-592**	**28 486**
Other (currency, etc.)		-193			-233	-426
Dividends paid					-2 685	-2 685
Effect on net asset value	**29 942**	**-1 979**	**664**	**258**	**-3 510**	**25 375**
Net asset value by business area 12/31 2006						
Carrying amount	135 274	5 981	15 181	3 008	-540	158 904
Net debt					416	416
Total net asset value	**135 274**	**5 981**	**15 181**	**3 008**	**-124**	**159 320**

1) Refers to financial income from Operating Investments which was previously reported in net financial items.

2) Changes in value include sales referring to active portfolio management amounting to SEK 27,380 m. (28,158).

3) Other revenues and expenses include net sales in the amount of SEK 446 m. (699) which refer primarily to The Grand Group, and for 2006, also to EQT Partners.

Parent Company Income Statement

SEK m.	2007 1/1-12/31	(Restated) 2006 1/1-12/31	2007 10/1-12/31	2006 10/1-12/31
Investing activities				
Dividends	3 193	2 852	-	38
Changes in value	12 775	14 994	313	851
Write-downs of associated companies	-3 013	-1 531	-2 306	-460
Operating costs	-328	-263	-82	-48
Net profit/loss - Investing activities	**12 627**	**16 052**	**-2 075**	**381**
Net sales	26	6	2	2
Operating costs	-120	-210	-24	-108
Operating profit/loss	**12 533**	**15 848**	**-2 097**	**275**
Result from participations in Group companies	2 114	-149 [1)]	2 114	56
Other financial items	-488	-484	-200	-259
Profit/loss after financial items	**14 159**	**15 215**	**-183**	**72**
Taxes	-	-	-	-
Profit/loss for the period	**14 159**	**15 215**	**-183**	**72**

Parent Company Balance sheet

SEK m.	2007 12/31	(Restated) 2006 12/31
Assets		
Property, plant and equipment and intangible assets	29	31
Financial investments	137 480	117 126
Current receivables	1 652	1 377
Cash and cash equivalents	0	0
Total assets	**139 161**	**118 534**
Shareholders' equity and liabilities		
Shareholders' equity	101 544	91 242 [1)]
Provisions	269	329
Non-current liabilities	22 756	16 641
Current liabilities	14 592	10 322
Total shareholders' equity and liabilities	**139 161**	**118 534**

1) In this year-end report, the equity of the Parent Company on December 31, 2006 has been adjusted downwards by SEK 1,932 m. compared with the figure reported in the year-end financial statements for 2006. The correction was attributable to shares in a subsidiary that were stated at an incorrect value. The consolidated balance sheet, consolidated income statement and net asset value have not been affected by this.