Year-End Report 2018

Highlights during the fourth quarter

- Adjusted net asset value* amounted to SEK 372,004 m. (SEK 486 per share) on December 31, 2018, a decrease of SEK 48,566 m., or 12 percent during the quarter.
- Reported net asset value[1)]* amounted to SEK 327,508 m. (SEK 428 per share) on December 31, 2018, a decrease of SEK 44,863 m., or 12 percent, during the quarter.
- Listed Core Investments generated a total return* of -15 percent. Shares in Electrolux were purchased for a net SEK 518 m. SEK 1,844 m. was invested in Saab's rights issue.
- Based on estimated market values, the value of Patricia Industries, excluding cash, decreased by 3 percent during the quarter.
- Pro forma sales growth for the major subsidiaries amounted to 16 percent, of which 5 percent organic in constant currency. Mölnlycke's organic sales growth amounted to 6 percent in constant currency. Excluding Aleris, which is undergoing a major restructuring, EBITA grew by 18 percent. Distributions to Patricia Industries totaled SEK 2.8 bn.
- The value of Investor's investments in EQT increased by 14 percent in constant currency, positively impacted by EQT AB-related transactions.
- The Board of Directors proposes a dividend per share of SEK 13.00 (12.00), to be paid in two installments, SEK 9.00 per share in May 2019, and SEK 4.00 per share in November, 2019.

Financial information, 2018

- Adjusted net asset value growth and reported net asset value growth, including dividend added back, amounted to -1 percent and 0 percent, respectively.
- Contribution to reported net asset value amounted to SEK -8,755 m. (36,185), of which; Listed Core Investments SEK -6,398 m. (42,636), Patricia Industries SEK 4,510 m. (766) and EQT SEK 4,868 m. (3,144). Investor's total dividend paid amounted to SEK 9,179 m.
- Leverage* (net debt/reported total assets) was 6.1 percent on December 31, 2018 (3.5).
- Consolidated net sales for the year was SEK 42,492 m. (34,381). Consolidated profit/loss was SEK -2,299 m. (SEK -2.94 basic earnings per share), compared to SEK 44,298 m. (SEK 57.96 basic earnings per share) 2017.

Overview annual average performance

		Total return	
	NAV (%)**	**Investor B (%)**	**SIXRX (%)**
Q4 2018	-12.0	-7.6	-14.1
1 year	0.3	3.5	-4.4
5 years	11.9	14.6	8.0
10 years	14.2	16.2	13.8
20 years	9.0	11.0	8.5

***Reported NAV, incl. dividend added back*

	12/31 2018
Adjusted NAV, SEK per share*	486
Reported NAV, SEK per share*	428
Share price (B-share), SEK	375.60

* Financial measures that are not defined or specified in the applicable financial reporting framework. For more information, see page 19 and 30.
1) In the reported net asset value, the wholly-owned subsidiaries and partner-owned investments within Patricia Industries are reported according to the acquisition and equity method respectively.

CEO statement

Dear fellow shareholders,

In 2018, a volatile and tough year for many stock markets, our adjusted net asset value was almost unchanged, declining by only 1 percent, including the dividend added back. Credit should be given to our companies, with many of them growing profits and generating strong cash flow. The operational performance was, however, offset by a significant market multiple contraction during the latter part of the year as the uncertainty about the global economic outlook increased. In this challenging environment, our total shareholder return was 4 percent, outperforming the Swedish stock market by 8 percentage points (SIXRX return index -4 percent).

During 2018, our companies and Investor itself took several important steps that we believe will create long-term value:

- ***Structural actions***: Atlas Copco successfully completed its split and Epiroc became our 12th listed core investment. ABB announced the divestiture of Power Grids, and Sobi diversified its operations through two significant acquisitions. Aleris agreed to divest its Care business, thereby strengthening its balance sheet.
- ***Attractive investments***: We acquired more shares in Ericsson and Electrolux and participated in Saab's rights issue. Patricia Industries acquired two new subsidiaries, Piab and Sarnova, who both have performed well since the acquisitions.
- ***Agility****:* Many of our companies continued their work to increase agility and prepare for potentially tougher times ahead. At Investor, we issued a EUR 500 m. 12-year bond at attractive terms, strengthening our financial flexibility.
- ***Strong cash flow creates strategic flexibility***: Despite significant investments during the year, our balance sheet and liquidity remain strong, supported by good cash flow from Listed Core Investments and Patricia Industries. Our Board of Directors proposes a dividend of SEK 13 per share, an increase of 8 percent from last year.

Listed Core Investments
Listed Core Investments' total return was -2 percent during 2018, of which -15 percent in the fourth quarter.

In December, ABB announced the divestiture of the majority of its Power Grids division and a simplification of its organization. We fully support the divestiture, as we believe that it has industrial logic, takes place at the right time and allows ABB to focus on its automation and electrification businesses. We also find the simplification and decentralization important to further improve ABB's performance.

During the quarter, we increased our share of the capital in Electrolux by almost 1 percentage point through net purchases of SEK 0.5 bn. at SEK 185 average per share. In addition, we invested SEK 1.8 bn. in Saab's rights issue, which will strengthen the company's balance sheet and its prospects of winning new strategic orders.

Patricia Industries
Based on estimated market values, the value of Patricia Industries, excluding cash, increased by 1 percent during 2018. In the fourth quarter, the value change was -3 percent, negatively affected by multiple contraction.

During the fourth quarter, pro forma sales growth for the major subsidiaries was 16 percent, of which 5 percent organic in constant currency. EBITA grew by 18 percent, adjusted for Aleris, whose results are currently affected by significant restructuring. Distributions to Patricia Industries totaled SEK 2.8 bn., including the first from BraunAbility of USD 138 m.

Mölnlycke grew 6 percent organically in constant currency during the quarter, with all major geographies showing healthy growth. Profitability was impacted by increased sales and marketing costs as well as currency effects. Mölnlycke distributed EUR 100 m. to Patricia Industries.

Permobil's organic sales declined slightly, while profitability improved sharply due to cost-cutting initiatives. Permobil distributed SEK 581 m. to Patricia Industries.

Laborie reported solid organic growth in constant currency, with continued good profitability. 2018 was a transformative year with the major acquisition of Cogentix Medical and the restructuring of the European operations. Following these actions, we believe that Laborie has a strong platform to further develop its business in the years ahead.

Our new subsidiaries Piab and Sarnova continued to perform well, both reporting organic sales growth of 5 percent in constant currency and strong profitability.

Aleris completed the divestiture of its Care business after the end of the quarter. The company is now going through a major restructuring, with full focus on improving the performance within Healthcare.

EQT
For the full year, the value of our EQT investments increased by 25 percent in constant currency. Net cash flow to Investor amounted to SEK 0.2 bn. During the fourth quarter, the value change amounted to 14 percent in constant currency, positively impacted by the steps taken by EQT AB to simplify its ownership structure as part of its ongoing strategic review to strengthen its balance sheet.

2019 and beyond
Today's world is characterized by significant uncertainty and rapid change. To be able to generate sustainable profitable growth and adapt quickly in this environment, it is critical that companies have clear values, well-defined strategies and never compromise on necessary R&D and talent development.

In this context, knowing your purpose is essential. Investor's purpose, "We create value for people and society by building strong and sustainable businesses", reflects our role as an engaged owner with the ambition to build and develop best-in-class companies. I am confident that our companies and Investor are well positioned to capture attractive opportunities for long-term value creation, regardless of market conditions.

We will continue to work hard to realize these opportunities. Our operating priorities; to grow net asset value, operate efficiently and pay a steadily rising dividend remain firm.This is how we create value for you, dear fellow shareholders.



Johan Forssell

Net asset value overview

	Number of shares	Ownership capital/votes[1] (%)	Reported values				Adjusted values[5]	
			Share of total assets (%)	Contribution to net asset value, SEK m.	Value, SEK m.[2]	Value, SEK m.[2]	Value, SEK m.	Value, SEK m.
	12/31 2018	12/31 2018	12/31 2018	2018	12/31 2018	12/31 2017	12/31 2018	12/31 2017
Listed Core Investments[3]								
Atlas Copco[7]	207 645 611	16.9/22.3	12	-7 793	43 373	72 877	43 373	72 877
ABB	232 165 142	10.7/10.7	11	-9 830	39 480	50 891	39 480	50 891
SEB	456 198 927	20.8/20.8	11	-1 875	39 206	43 705	39 206	43 705
AstraZeneca	51 587 810	4.1/4.1	10	6 685	34 806	29 302	34 806	29 302
Sobi	107 594 165	39.4/39.4	6	8 645	20 696	12 051	20 696	12 051
Ericsson	239 901 348	7.2/22.5	5	6 052	18 552	11 737	18 552	11 737
Epiroc[7]	207 645 611	17.1/22.7	5	-1 378	17 219	-	17 219	-
Wärtsilä	104 599 632	17.7/17.7	4	-2 616	14 902	18 013	14 902	18 013
Nasdaq	19 394 142	11.8/11.8	4	2 196	14 187	12 268	14 187	12 268
Saab	40 972 622	30.2/39.7	4	-2 120	12 576	13 033	12 576	13 033
Electrolux	50 666 133	16.4/28.3	3	-3 281	9 459	12 613	9 459	12 613
Husqvarna	97 052 157	16.8/33.0	2	-973	6 351	7 542	6 351	7 542
Total Listed Core Investments			**78**	**-6 398[4]**	**270 807**	**284 030**	**270 807**	**284 030**
Patricia Industries	***Total exposure (%)***							
Subsidiaries								
Mölnlycke[9]	99		6	3 466	19 637	19 681	55 845	58 637
Permobil[9]	96		1	87	4 209	4 402	9 946	8 784
Piab[9]	96		2	-41	5 470	-	5 511[8]	-
Laborie	98		1	115	4 817	4 492	4 846	4 657[8]
Sarnova	86		1	164	4 637	-	4 479[8]	-
Vectura	100		1	296	2 848	2 552	3 406	2 902
BraunAbility	95		1	227	1 942	2 921	3 163	3 002
Aleris	100		1	-248	2 831	3 008	1 844	3 493
Grand Group	100		0	-10	187	197	343	701
			13	**4 055**	**46 578**	**37 252**	**89 382**	**82 176**
Three Scandinavia	40/40		1	102	4 108	4 197	5 801	7 758
Financial Investments			2	605	7 277	7 164	7 277	7 164
Total Patricia Industries excl. cash			**17**	**4 510[4]**	**57 963**	**48 614**	**102 459**	**97 099**
Total Patricia Industries incl. cash					*70 980*	*67 982*	*115 476*	*116 467*
EQT			**6**	**4 868[4]**	**20 828**	**16 165**	**20 828**	**16 165**
Other Assets and Liabilities			0	-11 734[6]	-660[6]	-323	-660	-323
Total Assets excl. cash Patricia Industries			**100**		**348 938**	**348 486**	**393 435**	**396 971**
Gross debt*					-32 724	-31 123	-32 724	-31 123
Gross cash*					11 294	18 899	11 294	18 899
Of which Patricia Industries					*13 017*	*19 368*	*13 017*	19 368
Net debt					**-21 430**	**-12 224**	**-21 430**	**-12 224**
Net Asset Value				**-8 755**	**327 508**	**336 262**	**372 004**	**384 747**
Net Asset Value per share					**428**	**440**	**486**	**503**

1) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF). ABB, AstraZeneca, Nasdaq and Wärtsilä in accordance with Swiss, British, U.S. and Finnish regulations.
2) Includes market value of derivatives related to investments if applicable. Subsidiaries and partner-owned investments within Patricia Industries are reported according to the acquisition method and equity method respectively.
3) Valued according to the class of share held by Investor, with the exception of Saab and Electrolux, for which the most actively traded class of share is used.
4) Including management costs, of which Listed Core Investments SEK 109 m., Patricia Industries SEK 252 m., EQT SEK 9 m. and Groupwide SEK 108 m.
5) As supplementary information, major wholly-owned subsidiaries and partner-owned investments within Patricia Industries are presented at estimated market values.
6) Including dividend to shareholders of SEK 9,179 m.
7) On the Annual General Meeting on April 24, 2018 the shareholders in Atlas Copco decided to distribute Epiroc. The first day of trading was June 18, 2018. SEK 18,598 m. has been transferred from the value of Atlas Copco to the value of Eprioc on the date of the distribution.
8) Valued at investment amount as the acquisition was made less than 18 months ago.
9) Including receivables related to Management Participation Program foundations. For Mölnlycke, the receivable corresponds to less than 1 percentage point of the total exposure, for Permobil to approximately 4 percentage points and for Piab to approximately 4 percentage points.

Valuation methodology

Listed Core Investments	Share price (bid) for the class of shares held by Investor
Patricia Industries	
Subsidiaries	Reported value based on the acquisition method. The estimated market values are mainly based on valuation multiples for relevant listed peers and indices. Other methodologies may also be used, for example relating to real estate assets. New investments are valued at invested amount during the first 18 months following the acquisition.
Partner-owned investments	Reported value based on the equity method. The estimated market values are mainly based on valuation mulitples for relevant listed peers and indices. New investments are valued at invested amount during the first 18 months following the acquisition.
Financial investments	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid).
EQT	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid).

Patricia Industries – valuation overview

In addition to reported values, which are in accordance with IFRS, Investor provides estimated market values of the wholly-owned subsidiaries and partner-owned investments within Patricia Industries in order to facilitate the evaluation of Investor's net asset value. This supplementary, non-GAAP, information also increases the consistency between the valuation of Listed Core Investments and our major wholly-owned subsidiaries and Three Scandinavia.

While the estimated market values might not necessarily reflect our view of the intrinsic values, they reflect how the stock market values similar companies.

The estimated market values are mainly based on valuation multiples, typically Enterprise Value (EV)/LTM[1)] operating profit, for relevant listed peers and indices. While we focus on EBITA when evaluating the performance of our companies, for valuation purposes, EBITDA multiples are more commonly available, and therefore often used. From the estimated EV, net debt is deducted, and the remaining equity value is multiplied by Patricia Industries' share of capital.

Operating profit is adjusted to reflect, for example, pro forma effects of closed add-on acquisitions and certain non-recurring items. An item is only viewed as non-recurring if it exceeds a certain amount set for each company, is unlikely to affect the company again, and does not result in any future benefit or cost.

Investments made less than 18 months ago are valued at the invested amount.

1) Last twelve months

Patricia Industries – valuation overview

	Estimated market value, Patricia Industries' 12/31, 2018	Comments
Subsidiaries		
Mölnlycke	55 845	Applied EV/reported LTM EBITDA 16.0x
Permobil	9 946	Applied EV/adjusted LTM EBITDA 16.8x
Piab	5 511	Valued at investment amount as the acquisition was made less than 18 months ago
Laborie	4 846	Applied EV/adjusted LTM EBITDA 18.1x. Adjustments have been made for costs related to the acquisition of Cogentix due to its transformative nature. The acquisition of Cogentix will be valued at acquisition cost during the integration period
Sarnova	4 479	Valued at investment amount as the acquisition was made less than 18 months ago
Vectura	3 406	Valuation mainly based on the estimated market value of the property portfolio
BraunAbility	3 163	Applied EV/adjusted LTM EBITDA 11.5x
Aleris	1 844	Applied EV/adjusted LTM EBITDA 10.4x
Grand Group	343	Applied EV/reported LTM EBITDA 10.1x
Partner-owned investments		
Three Scandinavia	5 801	Applied EV/adjusted LTM EBITDA 6.3x. Profit and balance sheet adjustments related to one-time impact from Swedish VAT ruling during the fourth quarter 2018
Financial Investments	7 277	Unlisted holdings at multiple or third-party valuation, listed shares at share price (bid)
Total	**102 459**	

Overview

Net asset value

During 2018, reported net asset value decreased from SEK 336.3 bn. to SEK 327.5 bn. The change in reported net asset value, with dividend added back, was 0 percent (15), of which -12 percent during the fourth quarter (0). The corresponding total return of the Stockholm Stock Exchange (SIXRX) was -4 percent and -14 percent respectively.

For balance sheet items, figures in parentheses refer to year-end 2017 figures. For income statement items and cash flow items, the figures in parentheses refer to the same period last year.

Net debt

Net debt* totaled SEK 21,430 m. on December 31, 2018 (12,224), corresponding to leverage of 6.1 percent (3.5).

Investor's net debt

SEK m.	2018
Opening net debt	**-12 224**
Listed Core Investments	
Dividends	8 656
Other capital distributions	1 661
Investments, net of proceeds	-3 382
Management cost	-109
Total	**6 825**
Patricia Industries	
Proceeds	6 387
Investments	-10 886
Internal transfer to Investor	-1 580
Management cost	-252
Other[1)]	-20
Total	**-6 351**
EQT	
Proceeds (divestitures, fee surplus and carry)	4 228
Drawdowns (investments and management fees)	-4 014
Management costs	-9
Total	**205**
Investor groupwide	
Dividend to shareholders	-9 179
Internal transfer from Patricia Industries	1 580
Management cost	-108
Other[2)]	-2 179
Closing net debt	**-21 430**

1) Incl. currency related effects and net interest paid.
2) Incl. currency related effects, revaluation of debt and net interest paid.

Performance by business area in summary

Q4 2018 SEK m.	Listed Core Investments	Patricia Industries	EQT	Investor Groupwide	Total
Dividends	418	0	627	0	**1 045**
Other operating income		2			**2**
Changes in value	-47 366	-480	1 916	6	**-45 924**
Net sales		11 982			**11 982**
Management cost	-32	-75	-3	-29	**-139**
Other profit/loss items		-11 890	-2	-190	**-12 082**
Profit/loss for the period	**-46 981**	**-460**	**2 538**	**-213**	**-45 115**
Non-controlling interest		21		0	**21**
Other effects on equity		248	-28	10	**230**
Contribution to net asset value	**-46 981**	**-191**	**2 510**	**-202**	**-44 864**
Net asset value by business area 12/31 2018					
Carrying amount	270 807	57 963	20 828	-660	**348 938**
Investor's net debt/cash		13 017		-34 447	**-21 430**
Total net assets including net debt/cash	**270 807**	**70 980**	**20 828**	**-35 107**	**327 508**

Q4 2017 SEK m.	Listed Core Investments	Patricia Industries	EQT	Investor Groupwide	Total
Dividends	891	3	0	0	**894**
Other operating income		2			**2**
Changes in value	-1 827	-215	1 002	24	**-1 016**
Net sales		8 950			**8 950**
Management cost	-29	-59	-2	-44	**-135**
Other profit/loss items		-8 964	-2	-744	**-9 710**
Profit/loss for the period	**-966**	**-283**	**998**	**-765**	**-1 016**
Non-controlling interest		8			**8**
Other effects on equity		1 163	372	154	**1 688**
Contribution to net asset value	**-966**	**887**	**1 370**	**-611**	**681**
Net asset value by business area 12/31 2017					
Carrying amount	284 030	48 614	16 165	-323	**348 486**
Investor's net debt/cash		19 368		-31 592	**-12 224**
Total net assets including net debt/cash	**284 030**	**67 982**	**16 165**	**-31 915**	**336 262**

Listed Core Investments

Listed Core Investments contributed to the reported net asset value with SEK -6,398 m. during 2018 (42,636), of which SEK -46,981 m. during the fourth quarter (-966).

Read more at www.investorab.com under "Our Investments" >>

Contribution to net asset value, Listed Core Investments

SEK m.	Q4 2018	2018	2017
Changes in value	-47 366	-14 944	34 418
Dividends	418	8 656	8 319
Management cost	-32	-109	-100
Total	**-46 981**	**-6 398**	**42 636**

The combined total return amounted to -2 percent during 2018, of which -15 percent during the fourth quarter.

Dividends

Dividends received totaled SEK 8,656 m. during 2018 (8,319), of which SEK 418 m. during the fourth quarter.

Redemption program

In the second quarter 2018, a redemption program was carried out in Atlas Copco, in which Investor sold 207,645,611 redemption rights for SEK 1,661 m. in total.

Contribution to net asset value and total return

		Q4 2018		2018	
	Value, SEK m.	Contribution to net asset value, SEK m.	Total return Investor[1] (%)	Contribution to net asset value, SEK m.	Total return Investor[1] (%)
Atlas Copco	43 373	-9 716	-18.3	-7 793	-14.7
ABB	39 480	-9 623	-19.6	-9 830	-19.5
SEB	39 206	-6 097	-13.5	-1 875	-4.3
AstraZeneca	34 806	-1 455	-4.0	6 685	23.4
Sobi	20 696	-7 290	-26.0	8 645	71.7
Ericsson	18 552	-596	-3.1	6 052	52.5
Epiroc	17 219	-3 363	-16.3	-1 378	-7.4
Wärtsilä	14 902	-3 231	-17.8	-2 616	-15.2
Nasdaq	14 187	-477	-3.2	2 196	17.8
Saab	12 576	-3 920	-26.8	-2 120	-16.2
Electrolux	9 459	-260	-2.6	-3 281	-26.3
Husqvarna	6 351	-920	-12.6	-973	-13.2
Total	**270 807**	**-46 948**		**-6 288**	

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

Investments and divestments

Fourth quarter

3,800,000 B-shares were purchased and 1,000,000 A-shares were divested in Electrolux for a total net of SEK 518 m.

Investor subscribed for 8,194,524 shares in Saab's rights issue for SEK 1,844 m.

Earlier during the year

19,554,000 shares were purchased in Ericsson for SEK 1,002 m.

Listed Core Investments

ABB	A provider of electrification products, robotics and motion, industrial automation and power grids	www.abb.com
AstraZeneca	A global, innovation-driven, integrated biopharmaceutical company	www.astrazeneca.com
Atlas Copco	A provider of compressors, vacuum solutions and air treatment systems, construction equipment, power tools and assembly systems	www.atlascopco.com
Electrolux	A provider of household appliances and appliances for professional use	www.electrolux.com
Epiroc	A productivity partner for the mining, infrastructure and natural resoucres industries	www.epiroc.com
Ericsson	A provider of communication technologies and services	www.ericsson.com
Husqvarna Group	A provider of outdoor power products, consumer watering products, cutting equipment and diamond tools	www.husqvarnagroup.com
Nasdaq	A provider of trading, exchange technology, information and public company services	www.nasdaq.com
Saab	A provider of products, services and solutions for military defense and civil security	www.saabgroup.com
SEB	A financial services group with the main focus on the Nordic countries, Germany and the Baltics	www.sebgroup.com
Sobi	A specialty healthcare company developing and delivering innovative therapies and services to treat rare diseases	www.sobi.com
Wärtsilä	A provider of complete lifecycle power solutions for the marine and energy markets	www.wartsila.com

PATRICIA INDUSTRIES
a part of Investor AB

Patricia Industries contributed to the reported net asset value with SEK 4,510 m. during 2018 (766), of which SEK -191 m. during the fourth quarter (887).

Read more at www.patriciaindustries.com >>

During 2018, sales growth for the major subsidiaries (including Piab, Sarnova and Aleris Healthcare pro forma) amounted to 11 percent. Organic growth was 5 percent in constant currency. EBITA amounted to SEK 5,848 m., an increase of 8 percent (13 percent excluding Laborie and Aleris, as their full-year results do not reflect the underlying performance).

During the fourth quarter, sales growth (including Piab, Sarnova and Aleris Healthcare pro forma) amounted to 16 percent, of which 5 percent organically in constant currency. EBITA amounted to SEK 1,551 m., an increase of 11 percent (18 percent excluding Aleris).

Investments, divestments and distributions

Investments totaled SEK 53 m. during the quarter. Divestments totaled SEK 411 m. For the full year, investments and divestments totaled SEK 10,892 m. and SEK 755 m. respectively. Distributions totaled SEK 2,801 m. during the fourth quarter and SEK 5,634 m. for the full year 2018.

For information regarding Alternative Performance Measures related to Patricia Industries and its investments, see page 19. Definitions can be found on Investor's website.

Patricia Industries, net cash

SEK m.	Q4 2018	2018	2017
Beginning of period	10 002	19 368	14 389
Net cash flow	3 160	-4 499	7 326
Internal transfer to Investor	-	-1 580	-1 605
Other[1)]	-146	-273	-742
End of period	**13 017**	**13 017**	**19 368**

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

Patricia Industries, reported net asset value

SEK m.	Q4 2018	2018	2017
Beginning of period	61 189	48 614	54 806
Investments	53	10 892	406
Divestments	-411	-755	-1 725
Distributions	-2 801	-5 634	-6 014
Changes in value	-67	4 846	1 141
End of period	**57 963**	**57 963**	**48 614**
Total, incl. cash	***70 980***	***70 980***	***67 982***

Patricia Industries, contribution to reported net asset value

SEK m.	Q4 2018	2018	2017
Changes in value	-67	4 846	1 141
Management cost	-75	-252	-225
Other items	-49	-84	-150
Total	**-191**	**4 510**	**766**

Major subsidiaries, performance[1)]

Q4 2018

SEK m.	Sales	EBITDA	EBITDA %	EBITA[2)]	EBITA, %	Operating cash flow
Mölnlycke	4 041	1 127	28	1 019	25	1 371
Permobil	1 120	257	23	220	20	233
Piab	335	101	30	96	29	78
Laborie	458	121	27	113	25	19
Sarnova	1 357	156	12	144	11	62
Vectura	70	37	52	10	15	-103
BraunAbility	1 619	76	5	61	4	134
Aleris[3)]	1 532	-55	-4	-113	-7	n/a
Grand Group	164	11	6	0	0	-33
Total	**10 698**	**1 831**	**17**	**1 551**	**15**	**1 761**
Reported growth y/y, %	*16*	*9*		*11*		
Organic growth, y/y, %	*5*					

Major subsidiaries, performance[1)]

2018

SEK m.	Sales	EBITDA	EBITDA, %	EBITA[2)]	EBITA, %	Operating cash flow
Mölnlycke	14 895	4 288	29	3 817	26	3 835
Permobil	4 162	780	19	634	15	649
Piab	1 255	354	28	338	27	216
Laborie	1 574	195	12	166	11	-174
Sarnova	5 189	601	12	557	11	424
Vectura	233	142	61	58	25	-298
BraunAbility	5 614	393	7	346	6	477
Aleris[3)]	5 778	154	3	-62	-1	n/a
Grand Group	603	34	6	-5	-1	-42
Total	**39 303**	**6 942**	**18**	**5 848**	**15**	**5 088**
Reported growth y/y, %	*11*	*8*		*8*		
Organic growth, y/y, %	*5*					

1)This table presents the performance of the major subsidiaries within Patricia Industries. Smaller subsidiaries and internal eliminations not included.
2)EBITA is defined as operating profit before acquisition-related amortizations.
3)Pro forma excluding Aleris Care. Pro forma cash flow items not available for historical periods.

Read more at www.molnlycke.com >>

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

Activities during the quarter

- Organic sales growth amounted to 6 percent in constant currency. Wound Care grew by 8 percent and Surgical by 4 percent. Emerging Markets had the strongest growth, but the U.S. reported a high growth rate as well.
- Profitability was lower compared to last year, primarily driven by increased sales and marketing costs and negative currency effects.
- Mölnlycke distributed EUR 100 m. to Patricia Industries. Financial flexibility remains strong.
- After the end of the quarter, Mölnlycke announced the acquisition of M&J Airlaid, a manufacturer of a key component in Mölnlycke's best-selling wound care dressings. The company has annual sales of approximately EUR 14 m. The acquisition supports Mölnlycke's growth ambitions and adds critical R&D capabilities.

Key figures, Mölnlycke

Income statement items, EUR m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	392	1 452	368	1 443
Sales growth, %	7	1	-1	1
Organic growth, constant currency, %	6	3	2	2
EBITDA	109	418	109	400
EBITDA, %	28	29	30	28
EBITA	99	372	97	355
EBITA, %	25	26	26	25

Balance sheet items, EUR m.	12/31 2018	12/31 2017
Net debt	1 193	1 084

Cash flow items, EUR m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	109	418	109	400
Change in working capital	38	0	33	-26
Capital expenditures	-14	-44	-13	-48
Operating cash flow	**133**	**374**	**128**	**326**
Acquisitions/divestments	-4	-23	-	-6
Shareholder contribution/distribution	-100	-350	-	-450
Other[1)]	-11	-110	-8	-44
Increase(-)/decrease(+) in net debt	**19**	**-109**	**120**	**-175**

Key ratios	
Working capital/sales, %	13
Capital expenditures/sales, %	3

	12/31 2018	12/31 2017
Number of employees	7 895	7 570

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

Read more at www.permobil.com >>

A provider of advanced mobility and seating rehab solutions

Activities during the quarter

- Organic sales growth amounted to -2 percent in constant currency. Power Products declined, while Seating & Positioning and Manual products grew. Regionally, EMEA declined, North America was flat and APAC grew.
- Profitability improved significantly driven by initiatives to reduce costs.
- Permobil introduced the ROHO® AGILITY® Active series of back supports.
- Permobil distributed SEK 600 m. to the owners, of which SEK 581 m. to Patricia Industries, enabled by strong cash generation.

Key figures, Permobil

Income statement items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	1 120	4 162	1 048	3 649
Sales growth, %	7	14	12	9
Organic growth, constant currency, %	-2	1	9	4
EBITDA	257	780	203	692
EBITDA, %	23	19	19	19
EBITA	220	634	169	558
EBITA, %	20	15	16	15

Balance sheet items, SEK m.	12/31 2018	12/31 2017
Net debt	3 088	2 141

Cash flow items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	257	780	203	692
Change in working capital	-13	-69	13	36
Capital expenditures	-11	-62	-35	-123
Operating cash flow	**233**	**649**	**181**	**605**
Acquisitions/divestments	-	-549	-256	-325
Shareholder contribution/distribution	-600	-600	-	-
Other[1)]	-100	-448	-51	80
Increase(-)/decrease(+) in net debt	**-467**	**-947**	**-126**	**360**

Key ratios	
Working capital/sales, %	16
Capital expenditures/sales, %	1

	12/31 2018	12/31 2017
Number of employees	1 565	1 620

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

Read more at www.piab.com >>

A provider of gripping and moving solutions for automated manufacturing and logistics processes

Activities during the quarter

- Organic sales growth amounted to 5 percent in constant currency. Europe was the key growth driver while the Americas declined. The decline in the Americas was primarily due to lower demand from the U.S. automotive sector.
- The underlying EBITA margin increased due to operational leverage. The margin in the same quarter last year was negatively impacted by an adjustment in the cost allocation.
- A new line of robotic End-Of-Arm-Tooling (EOAT) was introduced and the recently launched piCOBOT, EOAT for collaborative robots, continued to see strong demand.
- CEO Anders Lindqvist will be leaving Piab during the second quarter 2019 and a process to appoint a successor is ongoing.

Key figures, Piab[1)]

Income statement items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	335	1 255	293	1 028
Sales growth, %	14	22	38	32
Organic growth, constant currency, %	5	9	18	16
EBITDA	101	354	66	289
EBITDA, %	30	28	22	28
EBITA	96	338	62	275
EBITA, %	29	27	21	27

Balance sheet items, SEK m.	12/31 2018	12/31 2017
Net debt	1 064	1 525

Cash flow items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	101	354	66	289
Change in working capital	-13	-106	26	-21
Capital expenditures	-10	-32	-8	-23
Operating cash flow	**78**	**216**	**83**	**245**
Acquisitions/divestments	-	-96	-92	-97
Shareholder contribution/distribution	-	455	-	-375
Other[2)]	-11	-115	-64	-122
Increase(-)/decrease(+) in net debt	**67**	**460**	**-74**	**-349**
Key ratios				
Working capital/sales, %				15
Capital expenditures/sales, %				3

	12/31 2018	12/31 2017
Number of employees	465	425

1)Consolidated as of June 14, 2018.
2)Includes effects of exchange rate changes, interest and tax.

Read more at www.laborie.com >>

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

Activities during the quarter

- Organic sales growth amounted to 6 percent in constant currency. Growth was driven by strong performance in the urology business.
- Profitability improved. Laborie continued to focus on the integration of Cogentix Medical and the restructuring of Laborie's European business.

Key figures, Laborie

Income statement items, USD m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	51	181	36	134
Sales growth, %	43	35	13	9
Organic growth, constant currency, %	6	7	7	5
EBITDA	14	22	7	29
EBITDA, %	27	12	19	22
EBITA	13	19	6	26
EBITA, %	25	11	16	19

Balance sheet items, USD m.	12/31 2018	12/31 2017
Net debt	278	57

Cash flow items, USD m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	14	22	7	29
Change in working capital	2	-20	3	2
Capital expenditures	-13	-23	-5	-8
Operating cash flow	**2**	**-20**	**5**	**23**
Acquisitions/divestments	-	-207	-	-5
Shareholder contribution/distribution	-	25	-	-
Other[1)]	-9	-19	-2	-7
Increase(-)/decrease(+) in net debt	**-6**	**-222**	**4**	**10**
Key ratios				
Working capital/sales, %				6
Capital expenditures/sales, %				12

	12/31 2018	12/31 2017
Number of employees	580	470

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

Read more at www.sarnova.com >>

A provider of innovative healthcare products to national emergency care providers, hospitals, schools, businesses and federal government agencies

Activities during the quarter

- Organic sales growth amounted to 5 percent in constant currency, driven by strong growth in the Acute Care segment.
- Sarnova continued to invest in additional sales resources, new products, warehouse optimization and online enhancements, including the recently launched Emergency Preparedness website.
- Sarnova continued to expand its offering of Curaplex private label products and pre-assembled custom kits, with new product launches in the quarter.

Key figures, Sarnova[1)]

Income statement items, USD m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	150	597	142	555
Sales growth, %	5	8	14	10
Organic growth, constant currency, %	5	7	13	9
EBITDA	17	69	16	61
EBITDA, %	12	12	11	11
EBITA	16	64	15	57
EBITA, %	11	11	11	10

Balance sheet items, USD m.	12/31 2018	12/31 2017
Net debt	307	328

Cash flow items, USD m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	17	69	16	61
Change in working capital	-8	-14	-9	-19
Capital expenditures	-3	-6	-1	-14
Operating cash flow	**7**	**49**	**6**	**29**
Acquisitions/divestments	-	-	-	-
Shareholder contribution/distribution	-	-	-	-
Other[2)]	-8	-27	-7	-36
Increase(-)/decrease(+) in net debt	**-2**	**21**	**-1**	**-7**

Key ratios		
Working capital/sales, %		16
Capital expenditures/sales, %		1
	12/31 2018	**12/31 2017**
Number of employees	620	605

1)Consolidated as of April 4, 2018.
2)Includes effects of exchange rate changes, interest and tax.

Read more at www.vecturafastigheter.se >>

Develops and manages real estate in community service, office and hotel

Activities during the quarter

- Adjusting for a profit-neutral, non-recurring revenue, sales growth amounted to 13 percent, primarily driven by the opening of the Royal Office (located by the Grand Hôtel in Stockholm).
- The adjusted EBITA margin increased due to growth in rental income and operating leverage.
- Vectura initiated the construction of a combined elderly care and preschool facility in Mönsterås, to be operated by the municipality. Vectura also initiated the construction of two elderly care facilities in Malmö.

Key figures, Vectura

Income statement items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	70	233	53	208
Sales growth, %	32	12	8	13
EBITDA	37	142	32	134
EBITDA, %	52	61	60	65
EBITA adjusted[1)]	10	58	6	48
EBITA adjusted, %	15	25	11	23
EBITA	1	19	0	25
EBITA, %	1	8	0	12

Balance sheet items, SEK m.	12/31 2018	12/31 2017
Net debt	2 166	1 809

Cash flow items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	37	142	32	134
Change in working capital	74	98	-63	-6
Capital expenditures	-213	-538	19	-323
Operating cash flow	**-103**	**-298**	**-11**	**-194**
Acquisitions/divestments	-31	-31	-128	-128
Shareholder contribution/distribution	-	-	-	-
Other[2)]	-20	-29	-14	-31
Increase(-)/decrease(+) in net debt	**-154**	**-358**	**-153**	**-354**

	12/31 2018	12/31 2017
Number of employees	22	17

1)EBITA adjusted for depreciation of surplus values related to properties.
2)Includes effects of interest and tax.

Read more at www.braunability.com >>

A manufacturer of wheelchair accessible vehicles and wheelchair lifts

Activities during the quarter

- Organic sales growth amounted to 17 percent in constant currency.
- The EBITA margin was impacted by continued investments in supply chain optimization initiatives.
- In conjunction with a debt refinancing, BraunAbility distributed USD 145 m. to the owners, of which USD 138 m. to Patricia Industries. Financial flexibility remains strong.

Key figures, BraunAbility[1)]

Income statement items, USD m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	180	646	135	531
Sales growth, %	33	22	17	17
Organic growth, constant currency, %	17	15	2	1
EBITDA	8	45	9	36
EBITDA, %	5	7	7	7
EBITA	7	40	6	29
EBITA, %	4	6	4	6

Balance sheet items, USD m.	12/31 2018	12/31 2017
Net debt	195	58

Cash flow items, USD m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
EBITDA	8	45	9	36
Change in working capital	10	16	1	-4
Capital expenditures	-3	-7	-1	-5
Operating cash flow	**15**	**55**	**9**	**27**
Acquisitions/divestments	-11	-35	-	-39
Shareholder contribution/distribution	-145	-145	-	-
Other[2)]	-4	-13	0	-3
Increase(-)/decrease(+) in net debt	**-145**	**-137**	**9**	**-16**

Key ratios	
Working capital/sales, %	11
Capital expenditures/sales, %	1

	12/31 2018	12/31 2017
Number of employees	1 685	1 310

1)Restated to align with industry practice. Parts of interest-bearing debt have been reclassified as working capital, reducing net debt and interest expenses, while increasing operating expenses.

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

Read more at www.aleris.se >>

A provider of healthcare services in Scandinavia

Activities during the quarter

- On January 21, 2019, Aleris completed the divestiture of Aleris Care, strengthening its balance sheet. Following the divestiture, the information below excludes Aleris Care.
- Adjusting for restructuring costs related to the divestiture of Aleris Care, EBITDA and EBITA would have been SEK 2 m. and SEK -56 m. respectively. Profitability was further negatively impacted by significant provisions for unprofitable contracts, following a thorough review of the portfolio, along with continued investments in Doktor24.
- During the quarter, Doktor24 won the award, “IT i vården”, recognizing its efforts of integrating digital and physical care, thus improving the processes for both patients and healthcare professionals.
- Selandiaklinikken in Ringsted, Denmark, was acquired, strengthening Aleris’ offering within radiology, physiotherapy and medical consultations in Denmark.

Key figures, Aleris[1)]

Income statement items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	1 532	5 778	1 466	5 542
Sales growth, %	4	4	0	6
Organic growth, constant currency, %	0	1	3	1
EBITDA	-55	154	46	350
EBITDA, %	-4	3	3	6
EBITA	-113	-62	-11	128
EBITA, %	-7	-1	-1	2

Balance sheet items, SEK m.	12/31 2018	12/31 2017
Net debt	344	n/a

	12/31 2018	12/31 2017
Number of employees	3 360	3 410

1)Pro forma excluding Aleris Care. Pro forma cash flow and balance sheet items not available for historical periods. Net debt as of December 31, 2018, includes estimated net proceeds from the divestiture of Aleris Care.

Read more at www.grandhotel.se and www.lydmar.com >>

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

Activities during the quarter

- The underlying sales growth amounted to -1 percent. Reported growth of -3 percent was impacted by a change in the accounting for commissions.
- The EBITA margin declined due to increased personnel costs and start-up costs in the recently acquired Hotel Drottning Kristina.
- Hotel Drottning Kristina is undergoing renovations and will be re-opened under the new name The Sparrow Hotel in early 2019.

Key figures, Grand Group

Income statement items, SEK m.	2018 Q4	2018 YTD	2017 Q4	2017 YTD
Sales	164	603	170	646
Sales growth, %	-3	-7	1	2
EBITDA	11	34	13	55
EBITDA, %	6	6	8	9
EBITA	0	-5	2	24
EBITA, %	0	-1	1	4
Balance sheet items, SEK m.		**12/31 2018**		**12/31 2017**
Net debt		4		-42
	2018		**2017**	
Cash flow items, SEK m.	**Q4**	**YTD**	**Q4**	**YTD**
EBITDA	11	34	13	55
Change in working capital	-23	-7	-33	-23
Capital expenditures	-21	-69	-23	-84
Operating cash flow	**-33**	**-42**	**-43**	**-52**
Acquisitions/divestments	-	-	-	-
Shareholder contribution/distribution	-	-	-	-
Other[1)]	1	-5	7	5
Increase(-)/decrease(+) in net debt	**-32**	**-47**	**-36**	**-46**
Key ratios				
Working capital/sales, %				-6
Capital expenditures/sales, %				11
		12/31 2018		**12/31 2017**
Number of employees		380		355

1)Includes effects of interest and tax.

Read more at www.tre.se >>

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

Activities during the quarter

- The subscription base increased by 37,000 during the quarter, primarily driven by continued strong momentum for the Hallon and Oister brands.
- Results in the quarter were impacted by a negative decision by the Swedish Tax Authority in an ongoing case regarding value added tax. As a result of the decision, Three Scandinavia will be required to make a SEK 1,552 m. payment of value added tax relating to previous periods. The negative one-time effect on the fourth quarter EBITDA amounted to SEK 1,385 m. Three Scandinavia does not agree with the decision.
- Service revenue decreased by 1 percent compared to the same period last year, negatively impacted by the VAT ruling in Sweden. On an underlying basis, service revenue was flat.
- Excluding charges related to value added tax rulings, EBITDA amounted to SEK 772 m. in the quarter, compared to SEK 762 m. last year. EBITDA, which was also impacted by the change in accounting principles stipulated by IFRS 15 and a non-recurring expense related to a group strategy project, increased by 1 percent on an underlying basis.
- After the end of the quarter, Three Scandinavia distributed SEK 900 m. to the owners, of which SEK 360 m. to Patricia Industries.
- After the end of the quarter, Haval van Drumpt was appointed new CEO of Three Sweden, effective February 8, 2019.
- Three Sweden and Three Denmark were the first operators on their respective markets to launch e-sim for iPhone. After the end of the quarter, Three launched 3Världen, Sweden's most comprehensive roaming offer with roam like home in 80 countries worldwide.

Key figures, Three Scandinavia

Income statement items	2018 Q4	2018 YTD	2017[1)] Q4	2017[1)] YTD
Sales, SEK m.	2 602	10 728	3 035	11 444
Sweden, SEK m.	*1 606*	*7 004*	*2 028*	*7 723*
Denmark, DKK m.	*719*	*2 707*	*756*	*2 865*
Service revenue[2)], SEK m.	1 630	6 604	1 652	6 723
Sweden, SEK m.	*1 030*	*4 232*	*1 081*	*4 419*
Denmark, DKK m.	*433*	*1 724*	*431*	*1 776*
EBITDA,SEK m.	-613	1 899	200	2 639
Sweden, SEK m.	*-804*	*1 025*	*524*	*2 280*
Denmark, DKK m.	*137*	*634*	*-239*	*292*
EBITDA, %	-24	18	7	23
Sweden	*-50*	*15*	*26*	*30*
Denmark	*19*	*23*	*-32*	*10*
Balance sheet items, SEK m.		**12/31 2018**		**12/31 2017**
Net debt		3 253		4 101
		12/31 2018		**12/31 2017**
Number of employees		1 975		2 070
Key ratios				
Capital expenditures/sales, %				15
Other key figures		**12/31 2018**		**12/31 2017**
Subscriptions		3 407 000		3 297 000
Sweden		*2 036 000*		*1 986 000*
Denmark		*1 371 000*		*1 311 000*
Postpaid/prepaid ratio		69/31		74/26

1)Not restated according to IFRS 15.
2)Mobile service revenue excluding interconnect revenue.

Financial Investments

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

Activities during the quarter

The holdings in Spigit and Innovative Micro Technology were fully exited.

Change in net asset value, Financial Investments

SEK m.	Q4 2018	2018	2017
Net asset value, beginning of period	7 959	7 164	10 024
Investments	53	266	397
Divestments/distributions	-411	-765	-1 736
Changes in value	-324	611	-1 519
Net asset value, end of period	**7 277**	**7 277**	**7 164**

As of December 31, 2018, European, U.S. and Asian holdings represented 22, 53, and 25 percent of the total value of the Financial Investments, respectively.

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

Five largest Financial investments, December 31, 2018

Company	Region	Business	Listed/ unlisted	Reported value SEK m.
NS Focus	Asia	IT	Listed	1 497
Madrague	Europe	Hedge fund	Unlisted	755
Acquia	U.S.	IT	Unlisted	422
CDP Holding	Asia	IT	Unlisted	413
Atlas Antibodies	Europe	Healthcare	Unlisted	360
Total				**3 446**

The five largest investments represented 47 percent of the total value of the Financial Investments.

Patricia Industries – key figures overview[1)]

	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2016	Q4 2016
Mölnlycke (EUR m.)												
Sales	1 452	392	351	359	350	1 443	368	345	365	366	1 429	372
EBITDA	418	109	99	108	101	400	109	94	100	98	428	111
EBITDA, %	29	28	28	30	29	28	30	27	27	27	30	30
EBITA[2)]	372	99	83	99	92	355	97	78	90	89	392	101
EBITA, %	26	25	24	28	26	25	26	23	25	24	27	27
Net debt	1 193	1 193	1 211	1 264	1 073	1 084	1 084	1 204	841	891	909	909
Employees	7 895	7 895	7 795	7 715	7 650	7 570	7 570	7 735	7 740	7 475	7 505	7 505
Permobil (SEK m.)												
Sales	4 162	1 120	1 062	1 065	915	3 649	1 048	860	905	837	3 335	939
EBITDA	780	257	192	202	129	692	203	192	160	137	682	206
EBITDA, %	19	23	18	19	14	19	19	22	18	16	20	22
EBITA[2)]	634	220	156	165	93	558	169	158	126	105	552	172
EBITA, %	15	20	15	15	10	15	16	18	14	13	17	18
Net debt	3 088	3 088	2 621	2 799	2 682	2 141	2 141	2 015	2 166	2 384	2 501	2 501
Employees	1 565	1 565	1 590	1 700	1 660	1 620	1 620	1 390	1 375	1 355	1 375	1 375
Piab[3)] (SEK m.)												
Sales	1 255	335	312	309	299	1 028	293	243	251	241		
EBITDA	354	101	93	83	78	289	66	80	75	68		
EBITDA, %	28	30	30	27	26	28	22	33	30	28		
EBITA[2)]	338	96	89	79	74	275	62	77	72	65		
EBITA, %	27	29	28	26	25	27	21	32	29	27		
Net debt	1 064	1 064	1 132	1 123	1 640	1 525	1 525	1 451	1 507	1 197		
Employees	465	465	475	475	460	425	425	395	385	370		
Laborie (USD m.)												
Sales	181	51	50	47	33	134	36	32	32	34	123	31
EBITDA	22	14	13	-4	0	29	7	7	9	7	23	5
EBITDA, %	12	27	26	-9	0	22	19	22	27	19	19	14
EBITA[2)]	19	13	12	-5	-1	26	6	6	8	6	20	4
EBITA, %	11	25	24	-11	-2	19	16	20	25	18	17	12
Net debt	278	278	272	267	67	57	57	60	65	68	67	67
Employees	580	580	640	675	495	470	470	475	440	435	425	425

	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2016	Q4 2016
Sarnova[4] (USD m.)												
Sales	597	150	144	148	155	555	142	135	137	140		
EBITDA	69	17	16	18	18	61	16	14	15	17		
EBITDA, %	12	12	11	12	12	11	11	10	11	12		
EBITA[2]	64	16	15	16	18	57	15	12	14	16		
EBITA, %	11	11	10	11	11	10	11	9	11	11		
Net debt	307	307	305	314	316	328	328	327	326	326		
Employees	620	620	605	605	675	605	605	595	605	590		
Vectura (SEK m.)												
Sales	233	70	64	56	44	208	53	56	54	45	184	49
EBITDA	142	37	46	36	23	134	32	39	39	25	115	30
EBITDA, %	61	52	72	66	52	65	60	69	72	55	62	60
EBITA[2]	19	1	18	8	-7	25	0	13	11	0	10	2
EBITA, %	8	1	28	14	-16	12	0	24	21	1	5	4
Net debt	2 166	2 166	2 013	1 999	1 917	1 809	1 809	1 656	1 549	1 496	1 456	1 456
Employees	22	22	21	22	18	17	17	17	19	18	16	16
BraunAbility (USD m.)												
Sales	646	180	167	168	131	531	135	154	132	110	454	116
EBITDA	45	8	11	16	10	36	9	13	9	5	40	9
EBITDA, %	7	5	7	9	7	7	7	8	7	4	9	7
EBITA[2]	40	7	10	15	9	29	6	11	8	4	36	8
EBITA, %	6	4	6	9	7	6	4	7	6	3	8	7
Net debt	195	195	50	55	68	58	58	66	82	84	42	42
Employees	1 685	1 685	1 575	1 530	1 295	1 310	1 310	1 335	1 320	1 300	1 075	1 075
Aleris[5] (SEK m.)												
Sales	5 778	1 532	1 265	1 504	1 476	5 542	1 466					
EBITDA	154	-55	-3	109	104	350	46					
EBITDA, %	3	-4	0	7	7	6	3					
EBITA[2]	-62	-113	-59	57	52	128	-11					
EBITA, %	-1	-7	-5	4	4	2	-1					
Net debt	344	344	n/a	n/a	n/a	n/a	n/a					
Employees	3 360	3 360	3 390	3 350	3 390	3 410	3 410					
Grand Group (SEK m.)												
Sales	603	164	173	163	102	646	170	187	170	120	635	168
EBITDA	34	11	22	15	-13	55	13	35	15	-7	51	10
EBITDA, %	6	6	13	9	-13	9	8	19	9	-6	8	6
EBITA[2]	-5	0	12	6	-23	24	2	28	8	-14	24	2
EBITA, %	-1	0	7	3	-23	4	1	15	5	-12	4	1
Net debt	4	4	-28	-30	-14	-42	-42	-79	-56	-65	-89	-89
Employees	380	380	345	345	305	355	355	355	350	330	360	360
Three Scandinavia												
Sales	10 728	2 602	2 744	2 720	2 662	11 444	3 035	2 795	2 804	2 811	11 480	2 933
Sweden, SEK m.	*7 004*	*1 606*	*1 779*	*1 819*	*1 800*	*7 723*	*2 028*	*1 880*	*1 930*	*1 885*	*7 374*	*1 915*
Denmark, DKK m.	*2 707*	*719*	*691*	*651*	*647*	*2 865*	*756*	*713*	*672*	*724*	*3 242*	*783*
EBITDA	1 899	-613	852	838	822	2 639	200	783	831	825	3 063	821
Sweden, SEK m.	*1 025*	*-804*	*603*	*601*	*625*	*2 280*	*524*	*568*	*584*	*604*	*2 255*	*580*
Denmark, DKK m.	*634*	*137*	*178*	*171*	*147*	*292*	*-239*	*168*	*190*	*172*	*633*	*185*
EBITDA, %	18	-24	31	31	31	23	7	28	30	29	27	28
Sweden	*15*	*-50*	*34*	*33*	*35*	*30*	*26*	*30*	*30*	*32*	*31*	*30*
Denmark	*23*	*19*	*26*	*26*	*23*	*10*	*-32*	*24*	*28*	*24*	*20*	*24*
Net debt, SEK m.	3 253	3 253	3 193	3 862	4 341	4 101	4 101	3 803	4 452	729	1 372	1 372
Employees	1 975	1 975	1 955	1 960	1 980	2 070	2 070	2 050	2 075	2 105	2 160	2 160
Financial Investments (SEK m.)												
Net asset value, beginning of period	7 164	7 959	8 029	7 608	7 164	10 024	7 289	7 900	9 219	10 024	12 850	10 293
Investments	266	53	119	50	44	397	239	57	59	41	611	155
Divestments/distribution	-765	-411	-139	-71	-143	-1 736	-352	-584	-500	-299	-2 368	-447
Changes in value	611	-324	-49	441	543	-1 519	-12	-84	-877	-546	-1 070	21
Net asset value, end of period	7 277	7 277	7 959	8 029	7 608	7 164	7 164	7 289	7 900	9 219	10 24	10 024

1)For information regarding Alternative Performance Measures in the table, see page 19. Definitions can be found on Investor's website.
2)EBITA is defined as operating profit before acquisition-related amortizations.
3)Consolidated as of June 14, 2018.
4)Consolidated as of April 4, 2018.
5)Pro forma excluding Aleris Care. Pro forma balance sheet items not available for historical periods. Net debt as per Q4 2018 includes estimated net proceeds from the divestiture of Aleris Care.

Our investments in EQT contributed to the reported net asset value with SEK 4,868 m. during 2018 (3,144), of which SEK 2,510 m. during the fourth quarter (1,370).

Read more at www.eqt.se >>

An investment firm with portfolio companies in Europe, Asia and the U.S.

Activities during the quarter

- Net cash flow to Investor amounted to SEK 58 m.
- In constant currency, the value change of Investor's investments in EQT was 14 percent. The reported value change was 14 percent. The increase was positively impacted by the steps taken by EQT AB to simplify its ownership structure as part of its ongoing strategic review to strengthen its balance sheet.
- Investor's total outstanding commitments to EQT funds amounted to SEK 16.5 bn. as of December 31, 2018 (16.6).
- Christian Sinding was appointed new Managing Partner and CEO of EQT, effective January 1, 2019.
- EQT VIII announced a bid for Karo Pharma AB and acquired Cast & Crew.
- EQT Mid Market Asia invested in Artwall.
- EQT Ventures divested its holding in Small Giant Games.
- EQT Real Estate announced a bid for Stendörren and expanded its French portfolio.
- EQT Mid Market Credit II was closed at EUR 2.3 bn.

Change in net asset value, EQT

SEK m.	Q4 2018	2018	2017
Net asset value, beginning of period	18 377	16 165	13 996
Contribution to net asset value (value change)	2 510	4 868	3 144
Drawdowns (investments, management, fees and management cost)	1 464	4 023	3 781
Proceeds to Investor (divestitures, fee surplus and carry)	-1 522	-4 228	-4 757
Net asset value, end of period	**20 828**	**20 828**	**16 165**

Investor's investments in EQT, December 31, 2018

	Fund size EUR m.	Investor's share (%)	Investor's remaining commitment SEK m.	Reported value SEK m.
Fully invested funds[1)]	20 344		1 741	10 056
EQT VII	6 817	5	812	3 687
EQT VIII	10 750	5	5 636	
EQT Infrastructure III	4 000	5	894	1 629
EQT Credit Opportunities III	1 272	10	1 139	128
EQT Ventures[2)]	461	11	250	434
EQT Midmarket Asia III	630	27	1 275	591
EQT Midmarket US	616	30	382	1 522
EQT Midmarket Europe	1 616	9	954	663
EQT Real Estate I	420	18	274	424
EQT new funds			3 110	
EQT AB		19		1 694
Total	**46 925**		**16 467**	**20 828**

1) EQT V, EQT VI, EQT Expansion Capital I and II, EQT Greater China II, EQT Infrastructure I and II, EQT Credit Fund I and II, EQT Mid Market.
2) Fund commitment excluding the EQT Ventures Co-Investment Schemes and the EQT Ventures Mentor Funds.

Investor's investments in EQT, key figures overview

SEK m.	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017	FY 2016	Q4 2016
Reported value	20 828	20 828	18 377	19 406	16 794	16 165	16 165	13 891	14 116	13 956	13 996	13 996
Reported value change, %	30	14	-4	11	7	22	10	1	6	5	15	4
Value change, constant currency, %	25	14	-2	9	3	21	7	3	6	5	10	4
Drawdowns from Investor	4 023	1 464	1 076	1 088	396	3 781	2 149	872	414	345	2 864	976
Proceeds to Investor	4 228	1 522	1 414	383	910	4 757	1 336	1 212	1 160	1 050	3 874	873
Net cash flow to Investor	**205**	**58**	**338**	**-705**	**514**	**976**	**-813**	**340**	**745**	**704**	**1 010**	**-104**

Group

Net debt

Net debt totaled SEK 21,430 m. on December 31, 2018 (12,224). Debt financing of the subsidiaries within Patricia Industries is arranged without guarantees from Investor and hence not included in Investor's net debt. Within Patricia Industries, Investor guarantees SEK 0.7 bn. of Three Scandinavia's external debt, but this is not included in Investor's net debt. Pending dividends from investments and approved but not yet paid dividend to shareholders are not included in Investor's net debt either.

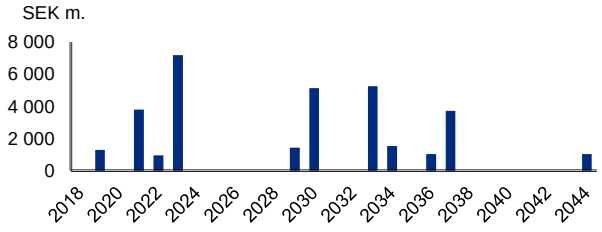
Net debt, 12/31 2018

SEK m.	Consolidated balance sheet	Deductions related to Patricia Industries	Investor's net debt
Other financial investments	2 998	-152	2 845
Cash, bank and short-term investments	13 918	-5 470	8 449
Receivables included in net debt	1 841	-	1 841
Loans	-67 711	33 244	-34 467
Provision for pensions	-962	863	-98
Total	**-49 916**	**28 486**	**-21 430**

Investor's gross cash amounted to SEK 11,294 m. as of December 31, 2018 (18,899). The short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt, excluding pensions for Investor, amounted to SEK 32,626 m. as of December 31, 2018 (31,030).

The average maturity of Investor AB's debt portfolio was 10.3 years on December 31, 2018 (9.9), excluding the debt of Mölnlycke, Laborie, Aleris, Permobil, BraunAbility, Grand Group, Vectura, Sarnova and Piab.

Debt maturity profile, 12/31 2018



Net financial items, 2018

SEK m.	Group - Net financial items	Deductions related to Patricia Subsidiaries	Investor's net financial items
Interest income	27	-27	0
Interest expenses	-1 827	822	-1 004
Results from revaluation of loans, swaps and short-term investments	-36	-49	-86
Foreign exchange result	-389	-77	-466
Other	-140	96	-44
Total	**-2 365**	**764**	**-1 601**

The Investor share

The price of the A-share and B-share was SEK 378.00 and SEK 375.60 respectively on December 31, 2018, compared to SEK 367.50 and SEK 374.10 on December 31, 2017.

The total shareholder return amounted to 4 percent during 2018 (13), of which -8 percent during the fourth quarter (-7).

The total market capitalization of Investor, adjusted for repurchased shares, was SEK 288,107 m. as of December 31, 2018 (284,048).

Parent Company

Share capital

Investor's share capital amounted to SEK 4,795 (4,795) m. on December 31, 2018.

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, 2018, Investor owned a total of 2,108,682 of its own shares (2,392,938). The net decrease in holdings of own shares is attributable to the purchase of own shares and transfer of shares and options within Investor's long-term variable remuneration program.

Results and investments

The Parent Company's result after financial items was SEK -7,148 m. (37,056). The result is mainly related to Listed Core Investments which contributed to the result with dividends amounting to SEK 7,884 m. (7,657) and value changes of SEK -13,902 m. (30,242).

During 2018, the Parent Company invested SEK 7,010 m. in financial assets (2,447), of which SEK 3,448 m. in Group companies (1,184) and purchases in Listed Core Investments of SEK 3,561 m. (1,246). The Parent Company divested SEK 5,344 m. in Group companies (13,928) and 1,858 m. (0) in Listed Core Investments. The Parent Company issued a new bond with a nominal amount of EUR 500 m. and bought back outstanding bond with a nominal amount of EUR 230 m. A bond with a nominal amount of EUR 200 m. matured during 2018. By the end of the period, shareholder's equity totaled SEK 262,864 m. (279,149).

Other

Proposed dividends

The Board of Directors proposes a dividend to the shareholders of SEK 13.00 per share for fiscal year 2018 (12.00). The dividend is proposed to be paid out in two instalments, SEK 9.00 with record date May 10, 2019 and SEK 4.00 with record date November 11, 2019.

The dividend level proposed is based on the stated dividend policy to distribute a large percentage of the dividends received from the listed core investments, as well as to make a distribution from other net assets corresponding to a yield in line with the equity market. The goal is to pay a steadily rising dividend.

Annual General Meeting

Investor AB's Annual General Meeting will be held at 3.00 p.m., May 8, 2019, at the City Conference Center, Barnhusgatan 12-14, Stockholm. The Registration commences at 1.30 p.m.

Notification of participation in the Annual General Meeting can be given starting March 29, until May 2, 2019. Notification can be given through Investor's website (www.investorab.com), or by calling +46 8 611 2910. Additional information about Investor's Annual General Meeting is available on Investor's website.

Investor's audited Annual Report in Swedish will be made available at the company's head office and website no later than April 17, 2019.

Acquisitions (business combinations)

Investor's acquisition of Sarnova

On April 4, 2018, Patricia Industries, a part of Investor AB, acquired 86 percent of the leading U.S. healthcare product specialty distributor Sarnova Holdings, Inc. With its long-term value creation objectives and experience within both healthcare products and services, Patricia Industries is well positioned to support Sarnova in its progress. The consideration amounted to SEK 4,297 m. and was paid in cash.

In the purchase price allocation, goodwill amounted to SEK 4,117 m. The goodwill recognized for the acquisition corresponds to Sarnova's position, with support from Patricia Industries, to further strengthen its capacity to serve its customers, vendors and employees and fulfill its mission to save and improve patients' lives. The goodwill recognized is not expected to be deductible for income tax purposes. There are agreements with the other shareholders of Sarnova that give rise to a put option for their holdings. Due to this, no non-controlling interest is reported. The part of the value of Sarnova attributable to the other shareholders is instead reported as a long-term liability in the consolidated Balance Sheet.

Transaction related costs amounted to SEK 182 m. and derive from external legal fees and due diligence expenses. The costs have been included in the line item Administrative, research and development and other operating cost in the Group's consolidated income statement.

For the period from the acquisition date until December 31, 2018, Sarnova contributed net sales of SEK 3,787 m. and profit of SEK -129 m. to the Group's result. If the acquisition had occurred on January 1, 2018, management estimates that consolidated net sales for the Investor Group would have increased by SEK 1,402 m. and consolidated profit/loss for the year would have decreased by SEK 180 m. The profit/loss for the year includes significant seller's costs related to Patricia Industries' acquisition of Sarnova.

Investor's acquisition of Piab

On June 14, 2018, Patricia Industries, a part of Investor AB, acquired shares corresponding to 89 percent of the votes in the Swedish company Piab Group AB. Piab is a leading gripping and moving solutions company that develops and manufactures a complete line of products such as vacuum pumps and ejectors, suction cups and vacuum conveyors used for gripping and moving applications in automated manufacturing and logistics processes. With its broad network of seasoned industrialists and experience within the engineering sector, Patricia Industries is well positioned to support Piab in its progress. The consideration amounted to SEK 4,713 m. and was paid in cash.

In the purchase price allocation, goodwill amounted to SEK 3,640 m. The goodwill recognized for the acquisition corresponds to Piab's position, with support from Patricia Industries, to increase penetration in existing markets and to broaden the product portfolio. The goodwill recognized is not expected to be deductible for income tax purposes. There are agreements with the majority of the other shareholders of Piab that give rise to a put option for their holdings. This part of the other shareholder's holdings is therefore measured at fair value and reported as a long-term liability in the consolidated Balance Sheet. The part of the shareholder's holdings without put options is reported as "non-controlling interest".

Transaction related costs amounted to SEK 108 m. and derive from external legal fees and due diligence expenses. The costs have been included in the line item Administrative, research and development and other operating cost in the Group's consolidated income statement.

For the period from the acquisition date until December 31, 2018, Piab contributed net sales of SEK 758 m. and profit of SEK -125 m. to the Group's result. If the acquisition had occurred on January 1, 2018, management estimates that consolidated net sales for the Investor Group would have increased by SEK 497 m. and consolidated profit/loss for the year would have increased by SEK 29 m. The profit/loss for the year includes significant seller's costs related to Patricia Industries' acquisition of Piab.

Laborie's acquisition

On April 23, 2018, Laborie completed the acquisition of Cogentix Medical, a global medical technology company that provides proprietary, innovative technologies to a number of specialty markets including urology. The acquisition significantly strengthens Laborie's product offering within urology diagnostics and therapeutics and also adds channel scale. The consideration amounted to SEK 2,083 m. and was paid using cash and debt.

In the preliminary purchase price allocation, goodwill amounted to SEK 1,119 m. The goodwill recognized for the acquisition corresponds to the complementary strengths of the companies in the field of urology diagnostics and therapeutics. The goodwill recognized is not expected to be deductible for income tax purposes.

Transaction related costs amounted to SEK 175 m. and derive from external legal fees and due diligence expenses. The costs have been included in the line item Administrative, research and development and other operating cost in the Group's consolidated income statement.

For the period from the acquisition date until December 31, 2018, Cogentix contributed net sales of SEK 344 m. and profit of SEK -91 m. to the Group's result. If the acquisition had occurred on January 1, 2018, management estimates that consolidated net sales for the Investor Group would have increased by SEK 156 m. and consolidated profit/loss for the period would have decreased by SEK 81 m.

Other acquisitions

During the year, Permobil acquired 100 percent of MaxMobility and Ottobock´s seating business. The acquisitions are in line with Permobil´s strategy to drive access to care and to expand its product offering. The aggregated consideration amounted to SEK 657 m. and goodwill amounted to SEK 138 m. Transaction related costs amounted to SEK 10 m. Patricia Industries acquired additional shares in Atlas Antibodies. Mölnlycke acquired SastoMed GmbH. BraunAbility acquired additional shares in AutoAdapt. The aggregated purchase price amounted to SEK 657 m. and preliminary goodwill amounted to a total of SEK 423 m.

Identifiable assets acquired and liabilities assumed

SEK m.	Sarnova	Piab	Cogentix	MaxMobility and Ottobock	Other	Total
Intangible assets	3 348	3 868	847	494	356	8 913
Property, plant and equipment	160	62	21	1	57	301
Other financial investments	20				124	143
Inventories	800	169	49	11	300	1 328
Trade receivables	518	214	60	18	111	920
Other current receivables	111	60	26	0	24	221
Cash and cash equivalents	459	165	208	4	145	981
Long-term interest bearing liabilities	-3 613	-2 129	-7		-13	-5 762
Deferred tax liabilities	-819	-939	-123		-122	-2 003
Other liabilities	-804	-305	-116	-10	-215	-1 451
Net identifiable assets and liabilities	**180**	**1 163**	**964**	**519**	**767**	**3 592**
Fair value of previously held share					-386	-386
Non-controling interest		-90			-146	-236
Consolidated goodwill	4 117	3 640	1 119	138	423	9 437
Consideration	**4 297**	**4 713**	**2 083**	**657**	**657**	**12 407**

Pledged assets and contingent liabilities

Total pledged assets amount to SEK 13.3 bn. (9.4), of which SEK 10.6 bn. refers to pledged assets in the subsidiaries BraunAbility, Laborie and Sarnova, related to outstanding loans corresponding to SEK 2.0 bn., SEK 2.6 bn. and SEK 3.2 bn.

Investor AB's subsidiaries have historically claimed deductions for interest expenses, some have been denied by the tax authorities. As stated earlier, Investor believes that these deductions have been claimed rightfully and has appealed the cases, tried in court, to the Supreme Administrative Court. However, the costs that were previously reported as other contingent liabilities, SEK 740 m. (740), have been expensed because of the restrictiveness of the Supreme Administrative Court in allowing cases to be tried. Interest deductions that has been challenged by the tax authorities, not yet tried in court, where facts diverge from the cases tried in court in a significant way, are treated as contingent liabilities, SEK 224 m.

There were no other material changes in contingent liabilities during the period.

Risk and risk management

The main risks that the Group and the Parent Company are exposed to are primarily related to the value changes of the listed assets due to market price fluctuations. The development of the global economy is an important uncertainty factor in assessment of near-term market fluctuations. The development of the financial markets also affects the various unlisted holdings' businesses and opportunities for new investments and divestments.

Investor and its subsidiaries are exposed to commercial risks and financial risks, such as share price risks, interest rate risks and currency risks. In addition, the subsidiaries, through their business activities within respective sector, also are exposed to legal/regulatory risks and political risks, for example political decisions on healthcare budgets and industry regulations.

Whatever the economic situation in the world, operational risk management requires a continued high level of awareness and focused work to mitigate current risks in line with stated policies and instructions.

Investor's risk management, risks and uncertainties are described in detail in the Annual Report, (Administration report and Note 3). No significant changes have been assessed subsequently, aside from changes in the current macroeconomy and thereto related risks.

Accounting policies

For the Group, this Year-End Report was prepared in accordance with IAS 34 Interim Financial Reporting and applicable regulations in the Swedish Annual Accounts Act, and for the Parent Company in accordance with Sweden's Annual Accounts Act, chapter 9 Interim report. Except where stated below, the accounting policies that have been applied for the Group and Parent Company, are in agreement with the accounting policies used in preparation of the company's most recent annual report.

New accounting policies applied from 2018

The new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers are applied from January 1, 2018. The new accounting policies are described below. For tables presenting the effects of the new accounting policies, see page 29.

IFRS 9 Financial Instruments has replaced IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 presents a model for classification and measurement of financial instruments and an expected loss model for the impairment of financial assets and introduces significant changes to hedge accounting.

Classification and measurement of financial assets related to debt instruments is based on the business model for managing the financial asset and the characteristics of the contractual cash flows of the asset. Investments in equity instruments are classified as measured at fair value through profit or loss. Besides some changes in category names, these changes have had no effect on the valuation of Investor's financial assets. The IFRS 9 accounting model for financial liabilities is broadly the same as that in IAS 39.

A loss allowance is recognized for all financial assets classified as measured at amortized cost. This loss allowance is based on expected credit losses and has had no significant impact on the accounting for Investor's financial assets.

IFRS 9 relaxes the requirements for hedge effectiveness and makes it possible to define the currency basis spread as a cost of hedging. Investor applies this definition from January 1, 2018. The currency basis spread is therefore accounted for in Other Comprehensive Income instead of in the financial net as before. It is also accumulated in a separate reserve for hedging costs in equity. There has been no restatement of comparatives.

IFRS 15 Revenue from Contracts with Customers is a new standard for revenue that has replaced all existing standards and interpretations on revenue. Revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

The new standard has not had any significant effect for the Group, neither with regard to the amounts recognized as revenue, nor the timing of when revenue is recognized. Areas most impacted are classification and accrual of dealer commissions. Investor has applied the new standard prospectively and therefore used the transition method to apply the standard retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings as of January 1, 2018.

New IFRS regulations to be applied in 2019

The new standard IFRS 16 Leases will be applied from January 1, 2019. IFRS 16 concerns the accounting for rental and lease agreements for both lessors and lessees. Investor will use the new standard prospectively and therefore use the transition method to apply the standard retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings as of January 1, 2019. Comparative information will therefore not be restated.

'The new standard will have a significant effect on Investor's tangible assets and interest-bearing liabilities. The effect on tangible assets is expected to be around SEK 3 bn. and on interest-bearing liabilities, SEK 3 bn. The major part of the increase in tangible assets will affect Buildings and land.

The effect on the Consolidated Income Statement will not be significant. However due to leasing costs being reversed and instead being accounted for as depreciation and interest expense, applying an effective interest method, the profit/loss before tax for the year will decrease with approximately SEK 60 m. in the near term.

Other known changes to IFRS and IFRIC to be applied in the future are not expected to have any significant impact on the Group's reporting.

Alternative Performance Measures

Investor applies the ESMA Guidelines on Alternative Performance Measures (APMs). An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. For Investor's consolidated accounts, this framework typically means IFRS.

Definitions of all APMs used are found in the Annual Report 2017 and on www.investorab.com/investors-media/investor-in-figures/definitions.

Reconciliations to the financial statements for the APMs that are not directly identifiable from the financial statements and considered significant to specify, are disclosed on page 30. Reconciliations of APMs for individual subsidiaries or business areas are not disclosed, since the purpose of these are to give deeper financial information without being directly linked to the financial information for the Group, that is presented according to the applicable financial reporting framework.

Roundings

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

Financial calendar

Apr. 24, 2019	Interim Management Statement January-March 2019
May 8, 2019	Annual General Meeting
Jul. 17, 2019	Interim Report January-June 2019
Oct. 18, 2019	Interim Management Statement January-September 2019
Jan. 22, 2020	Year-End Report 2019

Stockholm, January 24, 2019



Johan Forssell
President and Chief Executive Officer

For more information:

Helena Saxon,
Chief Financial Officer:
+46 8 614 2000
helena.saxon@investorab.com

Viveka Hirdman-Ryrberg,
Head of Corporate Communication and Sustainability:
+46 8 614 2058, +46 70 550 3500
viveka.hirdman-ryrberg@investorab.com

Magnus Dalhammar,
Head of Investor Relations:
+46 8 614 2130, +46 73 524 2130
magnus.dalhammar@investorab.com

Address:

Investor AB (publ) (CIN 556013-8298)
SE-103 32 Stockholm, Sweden
Visiting address: Arsenalsgatan 8C
Phone: +46 8 614 2000
Fax: + 46 8 614 2150
www.investorab.com

Ticker codes:

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

This information is information that Investor AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:15 CET on January 24, 2019.

This Year-End Report and additional information is available on www.investorab.com

Review Report

Introduction

We have reviewed the Year-End Report of Investor AB (publ), corporate identity number 556013-8298, for the period January 1-December 31, 2018. The Board of Directors and the President are responsible for the preparation and presentation of this Year-End Report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this Year-End Report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity.* A review consists of making inquiries, primarily of 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 International Standards on Auditing (ISA) and other generally accepted auditing practices. 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 based on a review does not give the same level of assurance as a conclusion expressed based on 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 24, 2019

Deloitte AB



Thomas Strömberg

Authorized Public Accountant

Consolidated Income Statement, in summary

SEK m.	1/1-12/31 2018	1/1-12/31 2017	7/1-12/31 2018	7/1-12/31 2017	10/1-12/31 2018	10/1-12/31 2017
Dividends	9 342	8 404	1 836	1 726	1 045	894
Other operating income	7	17	4	4	2	2
Changes in value	-11 364	36 054	-22 127	2 964	-45 924	-1 016
Net sales	42 492	34 381	22 998	17 254	11 982	8 950
Cost of goods and services sold	-27 416	-22 060	-14 884	-11 138	-7 836	-5 790
Sales and marketing cost	-5 246	-4 157	-2 854	-2 013	-1 479	-1 012
Administrative, research and development and other operating cost	-5 748	-5 142	-3 107	-3 080	-1 573	-2 132
Management cost	-478	-455	-250	-230	-139	-135
Share of results of associates	-139	390	-278	72	-397	-64
Operating profit/loss	**1 450**	**47 433**	**-18 661**	**5 560**	**-44 318**	**-302**
Net financial items	-2 365	-2 891	-441	-1 212	-577	-860
Profit/loss before tax	**-914**	**44 542**	**-19 103**	**4 348**	**-44 895**	**-1 163**
Income taxes	-1 385	-244	-412	10	-220	147
Profit/loss for the period	**-2 299**	**44 298**	**-19 515**	**4 358**	**-45 115**	**-1 016**
Attributable to:						
Owners of the Parent Company	-2 252	44 318	-19 488	4 370	-45 094	-1 007
Non-controlling interest	-47	-20	-27	-13	-21	-8
Profit/loss for the period	**-2 299**	**44 298**	**-19 515**	**4 358**	**-45 115**	**-1 016**
Basic earnings per share, SEK	-2.94	57.96	-25.47	5.71	-58.94	-1.32
Diluted earnings per share, SEK	-2.94	57.90	-25.50	5.70	-58.94	-1.32

Consolidated Statement of Comprehensive Income, in summary

SEK m.	1/1-12/31 2018	1/1-12/31 2017	7/1-12/31 2018	7/1-12/31 2017	10/1-12/31 2018	10/1-12/31 2017
Profit/loss for the period	-2 299	44 298	-19 515	4 358	-45 115	-1 016
Other comprehensive income for the period, including tax						
Items that will not be recycled to profit/loss for the period						
Revaluation of property, plant and equipment	326	400	289	370	289	370
Re-measurements of defined benefit plans	-65	14	-65	2	-73	19
Items that may be recycled to profit/loss for the period						
Cash flow hedges	-480	20	-480	0	-	0
Hedging costs	-170	-	-6	-	7	-
Foreign currency translation adjustment	2 768	-334	-623	180	29	1 173
Share of other comprehensive income of associates	146	76	-3	51	-20	98
Total other comprehensive income for the period	**2 524**	**175**	**-888**	**604**	**233**	**1 661**
Total comprehensive income for the period	**225**	**44 473**	**-20 403**	**4 961**	**-44 882**	**645**
Attributable to:						
Owners of the Parent Company	269	44 494	-20 378	4 973	-44 862	653
Non-controlling interest	-44	-21	-25	-12	-20	-8
Total comprehensive income for the period	**225**	**44 473**	**-20 403**	**4 961**	**-44 882**	**645**

Consolidated Balance Sheet, in summary

SEK m.	12/31 2018	12/31 2017
ASSETS		
Goodwill	43 387	33 859
Other intangible assets	24 722	15 966
Property, plant and equipment	10 460	9 171
Shares and participations	303 186	311 875
Other financial investments	2 998	5 389
Long-term receivables included in net debt	1 838	1 894
Other long-term receivables	1 744	1 024
Total non-current assets	**388 334**	**379 179**
Inventories	4 748	3 343
Shares and participations in trading operation	294	266
Short-term receivables included in net debt	3	-
Other current receivables	6 348	5 328
Cash, bank and short-term investments	13 918	20 450
Assets held for sale	2 382	-
Total current assets	**27 693**	**29 387**
TOTAL ASSETS	**416 028**	**408 567**
EQUITY AND LIABILITIES		
Equity	**327 690**	**336 326**
Long-term interest bearing liabilities	63 866	55 303
Provisions for pensions and similar obligations	962	865
Other long-term provisions and liabilities	10 166	6 362
Total non-current liabilities	**74 993**	**62 531**
Current interest bearing liabilities	3 845	2 092
Other short-term provisions and liabilities	8 762	7 617
Liabilities directly associated with assets held for sale	738	-
Total current liabilities	**13 345**	**9 710**
TOTAL EQUITY AND LIABILITIES	**416 028**	**408 567**

Consolidated Statement of Changes in Equity, in summary

SEK m.	1/1-12/31 2018	1/1-12/31 2017
Opening balance	336 326	300 141
Adjustment for changed accounting policies	108	-
Opening balance adjusted for changed accounting policies	336 434	300 141
Profit for the period	-2 299	44 298
Other comprehensive income for the period	2 524	175
Total comprehensive income for the period	**225**	**44 473**
Dividend to shareholders	-9 179	-8 411
Changes in non-controlling interest	164	21
Effect of long-term share-based remuneration	46	101
Closing balance	**327 690**	**336 326**
Attributable to:		
Owners of the Parent Company	327 508	336 262
Non-controlling interest	182	64
Total equity	**327 690**	**336 326**

Consolidated Cash Flow, in summary

SEK m.	1/1-12/31 2018	1/1-12/31 2017
Operating activities		
Dividends received	9 289	8 411
Cash receipts	42 310	33 738
Cash payments	-36 057	-28 919
Cash flows from operating activities before net interest and income tax	**15 543**	**13 230**
Interest received/paid	-2 235	-1 847
Income tax paid	-1 374	-520
Cash flows from operating activities	**11 934**	**10 863**
Investing activities		
Acquisitions	-7 660	-5 270
Divestments	6 154	6 435
Increase in long-term receivables	-981	-70
Decrease in long-term receivables	441	1 714
Acquisitions of subsidiaries, net effect on cash flow	-12 138	-1 042
Increase in other financial investments	-7 728	-11 852
Decrease in other financial investments	10 267	10 221
Net change, short-term investments	1 705	986
Acquisitions of property, plant and equipment	-1 776	-1 377
Proceeds from sale of property, plant and equipment	46	59
Net cash used in investing activities	**-11 669**	**-196**
Financing activities		
New share issue	30	170
Borrowings	13 411	5 689
Repayment of borrowings	-9 640	-2 981
Repurchases of own shares	-109	-
Dividends	-9 179	-8 411
Net cash used in financing activities	**-5 487**	**-5 533**
Cash flows for the period	**-5 221**	**5 134**
Cash and cash equivalents at the beginning of the year	**16 260**	**11 250**
Exchange difference in cash	377	-124
Cash and cash equivalents at the end of the period	**11 416**	**16 260**

Changes in liabilities arising from financing activities

			Non-cash changes				
Group 12/31 2018, SEK m.	**Opening balance**	**Cash flows**	**Acquisitions**	**Foreign exchange movements**	**Fair value changes**	**Other**	**Closing balance**
Long-term interest bearing liabilities	55 194	5 577	4 562	2 016	-85	-3 506	63 759[1)]
Current interest bearing liabilities	2 528	-1 790	154	-236	161	3 069	3 887[2)]
Long-term financial leases	109	-4	1	9		-9	106[1)]
Current financial leases	19	-12		1		9	16[2)]
Assets held to hedge long-term liabilities	-1 894				56		-1 838[3)]
Total liabilities from financing activities	**55 957**	**3 771**	**4 718**	**1 790**	**133**	**-437**	**65 932**

			Non-cash changes				
Group 12/31 2017, SEK m.	**Opening balance**	**Cash flows**	**Acquisitions**	**Foreign exchange movements**	**Fair value changes**	**Other**	**Closing balance**
Long-term interest bearing liabilities	53 165	4 211		248	-523	-1 907	55 194[1)]
Current interest bearing liabilities	1 779	-1 482		91	-3	2 143	2 528[2)]
Long-term financial leases	148	-21		-18			109[1)]
Current financial leases	16			3			19[2)]
Assets held to hedge long-term liabilities	-2 402				508		-1 894[3)]
Total liabilities from financing activities	**52 706**	**2 708**		**325**	**-18**	**236**	**55 957**

1)Included in Balance sheet item Long-term interest bearing liabilities.
2)Included in Balance sheet item Current interest bearing liabilities and Other short-term provisions and liabilities.
3)Included in Balance sheet item Long-term receivables included in net debt.

Operating segment

PERFORMANCE BY BUSINESS AREA 1/1-12/31 2018

SEK m.	Listed Core Investments	Patricia Industries	EQT	Investor Groupwide	Total
Dividends	8 656	10	676	0	**9 342**
Other operating income[1)]	-	7	-	-	**7**
Changes in value	-14 944	108	3 516	-44	**-11 364**
Net sales	-	42 492	-	-	**42 492**
Cost of goods and services sold	-	-27 416	-	-	**-27 416**
Sales and marketing cost	-	-5 246	-	-	**-5 246**
Administrative, research and development and other operating cost	-	-5 707	-7	-33	**-5 748**
Management cost	-109	-252	-9	-108	**-478**
Share of results of associates	-	-51	-	-88	**-139**
Operating profit/loss	**-6 398**	**3 945**	**4 176**	**-273**	**1 450**
Net financial items	-	-764	-	-1 601	**-2 365**
Income tax	-	-745	-	-640	**-1 385**
Profit/loss for the period	**-6 398**	**2 436**	**4 176**	**-2 514**	**-2 299**
Non-controlling interest	-	47	-	-	**47**
Net profit/loss for the period attributable to the Parent Company	**-6 398**	**2 483**	**4 176**	**-2 514**	**-2 252**
Dividend to shareholders	-	-	-	-9 179	**-9 179**
Other effects on equity	-	2 026	692	-42	**2 676**
Contribution to net asset value	**-6 398**	**4 510**	**4 868**	**-11 734**	**-8 755**
Net asset value by business area 12/31 2018					
Carrying amount	270 807	57 963	20 828	-660	**348 938**
Investors net debt/-cash	-	13 017	-	-34 447	**-21 430**
Total net asset value including net debt/-cash	**270 807**	**70 980**	**20 828**	**-35 107**	**327 508**

PERFORMANCE BY BUSINESS AREA 1/1-12/31 2017

SEK m.	Listed Core Investments	Patricia Industries	EQT	Investor Groupwide	Total
Dividends	8 319	5	81	-	**8 404**
Other operating income[1)]	-	17	-	-	**17**
Changes in value	34 418	-1 099	2 703	33	**36 054**
Net sales	-	34 381	-	-	**34 381**
Cost of goods and services sold	-	-22 060	-	-	**-22 060**
Sales and marketing cost	-	-4 157	-	-	**-4 157**
Administrative, research and development and other operating cost	-	-5 112	-5	-25	**-5 142**
Management cost	-100	-225	-9	-121	**-455**
Share of results of associates	-	403	-	-13	**390**
Operating profit/loss	**42 636**	**2 153**	**2 770**	**-126**	**47 433**
Net financial items	-	-986	-	-1 905	**-2 891**
Income tax	-	-210	-	-34	**-244**
Profit/loss for the period	**42 636**	**957**	**2 770**	**-2 066**	**44 298**
Non-controlling interest	-	20	-	-	**20**
Net profit/loss for the period attributable to the Parent Company	**42 636**	**977**	**2 770**	**-2 066**	**44 318**
Dividend to shareholders	-	-	-	-8 411	**-8 411**
Other effects on equity	-	-211	374	114	**278**
Contribution to net asset value	**42 636**	**766**	**3 144**	**-10 362**	**36 185**
Net asset value by business area 12/31 2017					
Carrying amount	284 030	48 614	16 165	-323	**348 486**
Investors net debt/-cash	-	19 368	-	-31 592	**-12 224**
Total net asset value including net debt/-cash	**284 030**	**67 982**	**16 165**	**-31 915**	**336 262**

1)Includes interest on loans.

Parent Company Income Statement, in summary

SEK m.	1/1-12/31 2018	1/1-12/31 2017	7/1-12/31 2018	7/1-12/31 2017
Dividends	7 884	7 657	753	1 393
Changes in value	-13 902	30 242	-18 222	514
Net sales	12	13	5	6
Operating cost	-371	-365	-190	-190
Operating profit/loss	**-6 378**	**37 548**	**-17 654**	**1 724**
Profit/loss from financial items				
Net financial items	-770	-492	-46	-123
Profit/loss after financial items	**-7 148**	**37 056**	**-17 700**	**1 601**
Income tax	-	-	-	-
Profit/loss for the period	**-7 148**	**37 056**	**-17 700**	**1 601**

Parent Company Balance Sheet, in summary

SEK m.	12/31 2018	12/31 2017	6/
ASSETS			
Intangible assets and Property, plant and equipment	15	17	
Financial assets	309 702	323 964	3
Total non-current assets	**309 717**	**323 981**	
Current receivables	1 580	548	
Cash and cash equivalents	-	-	
Total current assets	**1 580**	**548**	
TOTAL ASSETS	**311 297**	**324 529**	
EQUITY AND LIABILITIES			
Equity	**262 864**	**279 149**	
Provisions	160	209	
Non-current liabilitites	41 204	41 613	
Total non-current liabilities	**41 363**	**41 822**	
Current liabilities	7 070	3 559	
Total current liabilities	**7 070**	**3 559**	
TOTAL EQUITY AND LIABILITIES	**311 297**	**324 529**	

Financial instruments

Except changes due to IFRS 9 as described on page 19 and page 29, the numbers below are based on the same accounting and valuation policies as used in the preparation of the company's most recent annual report. For information regarding financial instruments in level 2 and level 3, see Note 29, Financial Instruments, in Investor's Annual Report 2017.

Valuation techniques, level 3

Group 12/31 2018	Fair value, SEK m.	Valuation technique	Input	Range
Shares and participations	25 936	Last round of financing	n/a	n/a
		Comparable companies	EBITDA multiples	n/a
		Comparable companies	Sales multiples	1.3 – 4.3
		Comparable transactions	Sales multiples	2.1 – 6.4
		NAV	n/a	n/a
Other financial investments	67	Discounted cash flow	Market interest rate	n/a
Long-term receivables	2 553	Discounted cash flow	Market interest rate	n/a
Long-term interest bearing liabilities	47	Discounted cash flow	Market interest rate	n/a
Other provisions and liabilities	2 884	Discounted cash flow		n/a

All valuations in level 3 are based on assumptions and judgments that management considers to be reasonable based on the circumstances prevailing at the time. Changes in assumptions may result in adjustments to reported values and the actual outcome may differ from the estimates and judgments that were made.

The unlisted part of Financial Investments' portfolio companies, corresponds to 72 percent of the portfolio value. Part of the unlisted portfolio is valued based on comparable companies, and the value is dependent on the level of the multiples. The multiple ranges provided in the note show the minimum and maximum value of the actual multiples applied in these valuations. A 10 percent change of the multiples would have an effect on the Financial Investments portfolio value of approximately SEK 200 m. For the derivatives, a parallel shift of the interest rate curve by one percentage point would affect the value by approximately SEK 1,000 m.

Financial assets and liabilities by level

The table below indicates how fair value is measured for the financial instruments recognized at fair value in the Balance Sheet. The financial instruments are presented in three categories, depending on how the fair value is measured:
Level 1: According to quoted prices in active markets for identical instruments
Level 2: According to directly or indirectly observable inputs that are not included in level 1
Level 3: According to inputs that are unobservable in the market

Financial instruments - fair value

Group 12/31 2018, SEK m.	Level 1	Level 2	Level 3	Other[1)]	Total carrying amount
Financial assets					
Shares and participations	271 213	1 785	25 936	4 253	303 186
Other financial investments	2 848		67	83	2 998
Long-term receivables included in net debt		265	1 572		1 838
Other long-term receivables			981	763	1 744
Shares and participations in trading operation	294				294
Short-term receivables included in net debt		3			3
Other current receivables	33	1		6 314	6 348
Cash, bank and short-term investments	9 096			4 822	13 918
Total	**283 484**	**2 054**	**28 556**	**16 235**	**330 328**
Financial liabilities					
Long-term interest bearing liabilities		307	47	63 512	63 866[2)]
Other long-term provisions and liabilities			2 798	7 368	10 166
Short-term interest bearing liabilities		158		3 687	3 845
Other short-term provisions and liabilities	254	15	86	8 407	8 762
Total	**254**	**480**	**2 931**	**82 973**	**86 638**

1)To enable reconciliation with balance sheet items, financial instruments not valued at fair value as well as other assets and liabilities that are included within balance sheet items have been included within Other.
2)The Group's loans are valued at amortized cost. Fair value on long-term loans amounts to SEK 67,702 m.

Changes in financial assets and liabilities in Level 3

Group 12/31 2018, SEK m.	Shares and participations	Other financial investments	Long-term receivables included in net debt	Long-term interest bearing liabilities	Other long-term provisions and liabilities	Other current liabilities
Opening balance	21 383		1 509	45	1 700	
Total gain or losses in profit or loss statement						
in line Changes in value	4 456				-9	
in line Net financial items			63	2	428	-42
Reported in other comprehensive income						
in line Foreign currency translation adjustment	1 055	2	1		46	3
Acquisitions	3 643	66	980		69	
Divestments and Settlements	-4 193				-19	-47
Revaluation in Equity					593	
Transfer in to Level 3						171
Transfer out of Level 3	-409[1)]				-11	
Carrying amount at end of period	**25 936**	**67**	**2 553**	**47**	**2 798**	**86**
Total gains/losses for the period included in profit/loss for instruments held at the end of the period (unrealized results)						
Changes in value	1 507		63	2		
Net financial items						
Total	**1 507**		**63**	**2**		

1)The reasons for transfer from level 3 are listing of investment and company becoming a subsidiary.

Revenue from contracts with customers

Group 12/31 2018, SEK m.	Field of operation					
	Health care equipment	Health care services	Hotel	Real estate	Gripping and moving solutions	Total
Geografical market:						
Sweden	737	5 210	601	39	21	6 608
Scandinavia, excl. Sweden	1 160	5 818			20	6 999
Europe, excl. Scandinavia	8 532	5			329	8 866
U.S.	16 673				168	16 842
North America, excl. U.S.	617				80	698
South America	301				23	323
Africa	355				2	357
Australia	712				4	716
Asia	973	1			110	1 084
Total	**30 059**	**11 035**	**601**	**39**	**758**	**42 492**
Category:						
Sales of products	29 792				758	30 550
Sales of services	226	11 017	601			11 845
Revenues from Leasing	41			26		67
Other income		17		13		30
Total	**30 059**	**11 035**	**601**	**39**	**758**	**42 492**
Sales channels:						
Through distributors	18 806	137	361		417	19 720
Directly to customers	11 254	10 898	241	39	341	22 773
Total	**30 059**	**11 035**	**601**	**39**	**758**	**42 492**
Timing of revenue recognition:						
Goods and services transferred at a point of time	29 838	11 022			720	41 580
Goods and services transferred over time	221	13	601	39	38	912
Total	**30 059**	**11 035**	**601**	**39**	**758**	**42 492**

Effects of changes in accounting policies

From January 1, 2018 Investor applies IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with customers. Below, tables presenting the effects of the new accounting policies are disclosed. On page 19 the new accounting policies are described.

Effects on equity due to changes in accounting policies:

SEK m.	Reported as per 12/31 2017	Adjustment due to IFRS 9	Adjustment due to IFRS 15	Adjusted as per 1/1 2018
Share capital	4 795			4 795
Other contributed equity	13 533			13 533
Reserves	4 897	307[1)]		5 203
Retained earnings, including profit/loss for the year	313 036	-307	108[2)]	312 839
Equity attributable to shareholders of the Parent Company	336 262	0	108	336 371
Non-controlling interest	64			64
Total equity	**336 326**	**0**	**108**	**336 434**

1)Adjustment for currency basis spread accounted for as hedging cost from 1/1 2018.
2)Mainly adjustment for capitalized costs directly connected to obtaining customer contracts.

Balance sheet items affected by changes in accounting policies:

SEK m.	Reported as per 12/31 2017	Adjustment due to IFRS 9	Adjustment due to IFRS 15	Adjusted as per 1/1 2018
Shares and participations	311 875		108[2)]	311 983
Other current receivables	5 328	0[1)]		5 328
Equity	**336 326**	**0**	**108**	**336 434**

1)Increased loss allowance for expected credit losses.
2)Increase in shares and participations in associates due to the effect of changed accounting policy in Three Scandinavia.

IFRS 9 Financial Instruments

Effects on measurement categories and carrying amounts determined under IAS 39 and new measurement categories and carrying amounts determined under IFRS 9:

	Reported as per 12/31 2017 under IAS 39						Adjustment due to IFRS 9	Adjusted as per 1/1 2018 under IFRS 9		
Category	Fair value option	Held for trading	Derivatives used in hedge accounting	Financial assets available-for-sale	Loans and receivables			Hold to collect	Other	
Measurement	Fair value through profit/loss			Fair value through Other Compre-hensive Income	Amortized cost	**Total carrying amount**		Amortized cost	Fair value through profit/loss	**Total carrying amount**
Assets, SEK m.										
Shares and participations	307 520			2	14	**307 535**			307 535	**307 535**
Other financial investments	5 286				104	**5 389**		104	5 286	**5 389**
Long-term receivables included in net debt			1 894			**1 894**			1 894	**1 894**
Other long-term receivables					321	**321**		155	166	**321**
Shares and participations in trading operation		266				**266**			266	**266**
Other current receivables		14			4 570	**4 584**	0	4 570	14	**4 584**
Cash, bank and short-term investments	20 450					**20 450**		8 037	12 413	**20 450**

IFRS 15 Revenue from Contracts with Customers

Investor applies IFRS 15 prospectively and have therefore used the transition method to apply the standard retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings. Below Net sales and Cost of goods and services sold are disclosed for the period 1/1-12/31 2018 both as determined under IFRS 15 and as determined under previous accounting policies.

SEK m.	1/1-12/31 2018
Reported Net sales	42 492
Adjustment due to IAS 18	
Increase due to reclassification of dealer commissions	185
Adjusted Net sales under previous standards	**42 677**
Reported Cost of goods and services sold	-27 416
Adjustment due to IAS 18	
Increase due to reclassification of dealer commissions	-185
Adjusted Cost of goods and services sold under previous standards	**-27 601**

Reconciliations of significant Alternative Performance Measures

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

APMs are disclosed when they complement performance measures defined by IFRS. The basis for disclosed APMs are that they are used by management to evaluate the financial performance and in so believed to give analysts and other stakeholders valuable information.

Investor AB discloses the definitions of all APMs used on www.investorab.com/investors-media/investor-in-figures/definitions and in the Annual Report 2017. Below reconciliations of significant APMs to the most directly reconcilable line item, subtotal or total presented in the financial statements of the corresponding period are disclosed.

Gross cash

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

Group 12/31 2018, SEK m.	Consolidated balance sheet	Deductions related to Patricia Industries	Investor's gross cash
Other financial investments	2 998	-152	2 845
Cash, bank and short-term investments	13 918	-5 470	8 449
Gross cash	**16 916**	**-5 622**	**11 294**

Group 12/31 2017, SEK m.	Consolidated balance sheet	Deductions related to Patricia Industries	Investor's gross cash
Other financial investments	5 389	-139	5 251
Cash, bank and short-term investments	20 450	-6 802	13 648
Gross cash	**25 839**	**-6 940**	**18 899**

Gross debt

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

Group 12/31 2018, SEK m.	Consolidated balance sheet	Deductions related to Patricia Industries	Investor's gross debt
Receivables included in net debt	1 841	-	1 841
Loans	-67 711	33 244	-34 467
Provision for pensions	-962	863	-98
Gross debt	**-66 832**	**34 108**	**-32 724**

Group 12/31 2017, SEK m.	Consolidated balance sheet	Deductions related to Patricia Industries	Investor's gross debt
Receivables included in net debt	1 894	-	1 894
Loans	-57 396	24 472	-32 924
Provision for pensions	-865	773	-93
Gross debt	**-56 367**	**25 245**	**-31 123**

Net debt

Gross debt less gross cash at Balance Sheet date.

Group 12/31 2018, SEK m.	
Investor's gross cash	-11 294
Investor's gross debt	32 724
Investor's net debt	**21 430**

Group 12/31 2017, SEK m.	
Investor's gross cash	-18 899
Investor's gross debt	31 123
Investor's net debt	**12 224**

Total assets

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

Group 12/31 2018, SEK m.	Consolidated balance sheet	Deductions related to non-controlling interest	Investor's net asset value
Equity	327 690	-182	327 508
Investor's net debt			21 430
Total assets			**348 938**

Group 12/31 2017, SEK m.	Consolidated balance sheet	Deductions related to non-controlling interest	Investor's net asset value
Equity	336 326	-64	336 262
Investor's net debt			12 224
Total assets			**348 486**

Net debt ratio (leverage)

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

Group 12/31 2018, SEK m.	Investor's net asset value	Net debt ratio
Investor's net debt	21 430	**=6.1%**
Total assets	348 938	

Group 12/31 2017, SEK m.	Investor's net asset value	Net debt ratio
Investor's net debt	12 224	**= 3.5%**
Total assets	348 486	

Reported net asset value/SEK per share

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

Group 12/31 2018, SEK m.	Investor's net asset value	Net asset value/SEK per share
Investor's reported net asset value	327 508	**=428**
Number of shares, excluding own shares	765 066 348	

Group 12/31 2017, SEK m.	Investor's net asset value	Net asset value/SEK per share
Investor's reported net asset value	336 262	**= 440**
Number of shares, excluding own shares	764 782 092	

Adjusted net asset value/SEK per share

Total assets, including estimated market values for Patricia Industries' major subsidiaries and partner-owned investments, less net debt in relation to the number of shares outstanding at the Balance Sheet date.

Group 12/31 2018, SEK m.	Investor's net asset value	Net asset value/SEK per share
Investor's adjusted net asset value	372 004	**=486**
Number of shares, excluding own shares	765 066 348	

Group 12/31 2017, SEK m.	Investor's net asset value	Net asset value/SEK per share
Investor's adjusted net asset value	384 747	**= 503**
Number of shares, excluding own shares	764 782 092	