INVESTOR AB

SIX MONTH INTERIM REPORT 1996

- Investor's total return in the most recent 12-month period up until June 30, 1996, amounted to 37 percent.

- Scania AB was listed on the Stockholm and New York Stock Exchanges on April 1. Investor received cash proceeds of SEK 18,800 m., net, for the Scania shares sold.

- As approved at the Annual General Meeting, Investor's shareholders received, in addition to a regular dividend of SEK 9 per share, a combination of 3-year covered warrants in Scania and a special cash dividend of SEK 20 per Investor share.

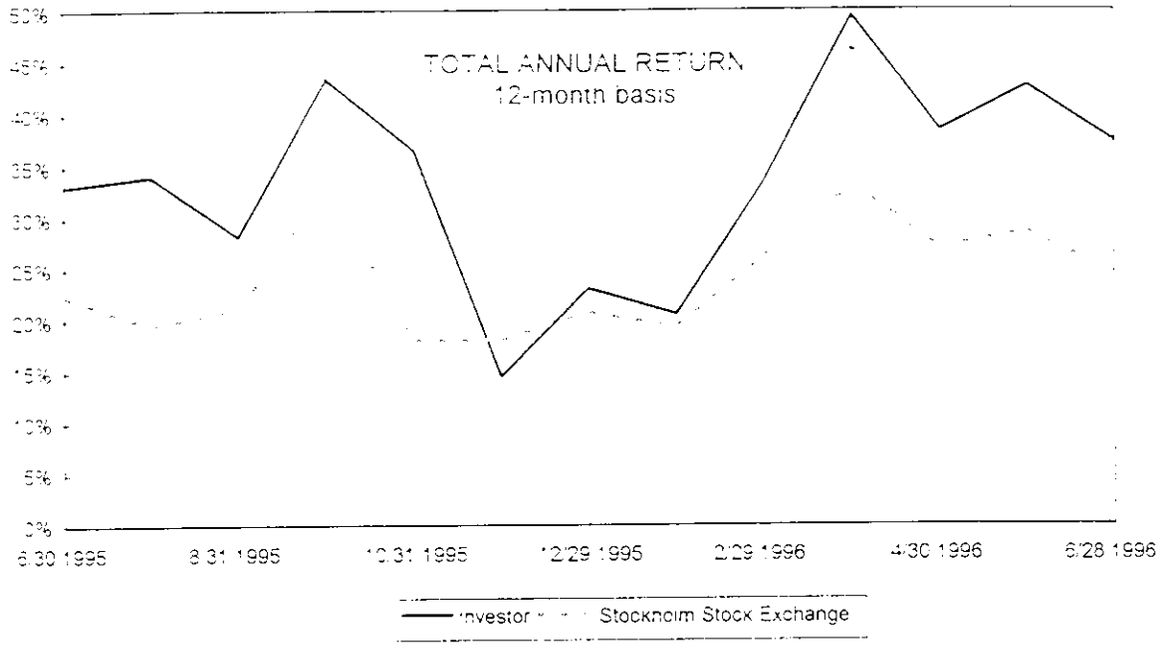
- In June, Investor and GM/Opel reached an agreement on a series of measures designed to ensure expansion plans for Saab Automobile, in which Investor holds a 50-percent interest.

- The value of Investor's main holdings as of June 30, 1996 was SEK 52,597 m. The value on August 16 was SEK 50,962 m. As of April 1, Scania is also included in Investor's main holdings. Excluding Scania, the increase of value for the main holdings amounted to 13 percent during the first half of 1996.

- Investor's net worth at the end of the report period was SEK 72,839 m., equal to SEK 364 per share. The net worth on August 16 was SEK 71,200 m., equal to SEK 356 per share.

The interim report can also be accessed on the Internet (www.investor.se).

SIX MONTH
INTERIM REPORT 1996



Investor's total return in the most recent 12-month period was 37 percent, compared with 24 percent for the Stockholm Stock Exchange[1]. As of June 30, 1996, Investor's net worth[2] amounted to SEK 72,839 m., equal to SEK 364 per share after full conversion. The net worth on August 16 was SEK 71,200 m., equal to SEK 356 per share.

INDUSTRIAL INVESTMENTS

In April, Investor completed the sale of shares in Scania amounting to 55 percent of the voting rights and capital in the company. Investor's cash proceeds from the sale amounted to SEK 18,800 m., net. At the same time, Scania's shares were introduced on the Stockholm Stock Exchange and on the New York Stock Exchange, where Scania became the first Swedish company to be listed. Following this, Investor's holding in Scania now amounts to 45 percent of both the capital and voting rights. Assuming full exercise of the 3-year warrants in Scania that were distributed to Investor's shareholders, Investor's holding in Scania will amount to approximately 25 percent of the share capital and 40 percent of the voting rights. Following the sale of Scania shares, the company is included among Investor's main holdings.

In June, Investor and GM/Opel concluded an agreement on a series of measures designed to secure expansion plans for Saab Automobile, in which Investor holds a 50-percent interest. Saab Automobile is being provided with a total of SEK 3,480 m. in new capital in the form of subordinated loans; of this amount, Investor is contributing SEK 1,740 m. The purpose of the capital contribution is to finance a broadening of the product range and expansion in important key markets.

1) Source: Findata. Total return is defined as appreciation in the share price plus dividend paid.
2) Saab and Saab Automobile are reported at book-value at the end of the period.

Under the terms of the agreement, GM/Opel will be given the right to acquire all or parts of Investor's holding in Saab Automobile during the years 1999-2000. At the same time, Investor has the right to sell up to half of its holding in Saab Automobile to GM/Opel in the year 2000. In this agreement there are terms related to the development of Saab Automobile. The agreement represents a positive value for Investor if GM/Opel or Investor elect to exercise their options. As a result of the overall agreement, Investor will pay GM/Opel an amount of SEK 846 m., which has been charged against income for the period. The portion of the capital contribution that can be converted to shareholders' equity has also been expensed during the period. This was done in view of the fact that the planned expansion program will be expensed, which is expected to affect the profitability negatively during the coming years before the full anticipated effect of the program is realized.

Investor's income before taxes, which does not take unrealized appreciation in value into account, amounted to SEK 11,609 m. This includes an estimated capital gain of SEK 12,400 m. from the sale of shares in Scania. Net income amounted to SEK 11,480 m.

The Group's net cash at the end of the period was SEK 10,846 m. It is estimated that cash dividends received by Investor for full-year 1996 will amount to SEK 1,701 m., plus the value of Diligentia shares that Investor expects to receive through its holding in S-E-Banken.

Investor's industrial investments developed favorably during the first half of 1996, mainly due to the sale of Scania shares. Except for the acquisition of an additional 827,500 WM-data shares at a cost of SEK 254 m., there were no significant changes among the other main holdings.

Market value, main holdings

SEK m.	1996 8/16	1996 6/30	1995 12/31
Market value, main holdings [1]	50,962	52,597	49,275

The value of the main holdings increased, adjusted for net changes, by 12 percent during the first six months of the year, excluding Scania the increase amounted to 13 percent. During the same period the OMX index rose by 14 percent.

[1] As of June 30 and August 16, 1996, 51,897,231 shares in Scania (26%) valued at market price. As of December 31, 1995, 200,000,000 shares in Scania (100%) valued at book-value (including goodwill).

Investor's main holdings as of June 30, 1996

Company	Number of shares (000s)	Of which, loaned (000s)	Market value SEK m.	Share of portfolio %	Share of [2] voting rights %	Share [2] of capital %
Astra	61,582	3	18,040	34	12	10
Scania [3]	51,897		9,553	18	45	45
Incentive	18,518	21	6,537	13	36	27
STORA	52,729	366	4,614	9	20	16
Ericsson	26,538	237	3,869	7	22	3
Atlas Copco	25,950	15	3,205	6	20	14
SKF	14,955		2,303	4	30	12
SAS	13,156	31	1,250	2	19	19
OM Gruppen	4,795	23	873	2	20	20
WM-data	2,012	1	845	2	6	14
S-E-Banken	13,085	1,712	693	1	3	2
TV4	4,302	44	503	1	25	22
Electrolux	936		312	1	45	1
Total			**52,597**	**100**		

[2] Refers to 51,897,231 shares that are not covered by warrants. Share of voting rights and capital refers to Investor's total holding.

[3] After full dilution.

SAAB AND OTHER OPERATIONS

Investor's wholly owned subsidiary Saab AB is the parent company of the Saab Group, whose operations comprise advanced high-technology products used in aviation and defense, as well as in commercial applications.

Compared with the corresponding period the previous year, Group sales increased during the first half of 1996 by SEK 117 m. or 3 percent to SEK 3,735 m. (3,618). Sales of Saab Military Aircraft increased by 45 percent, mainly due to a larger number of invoiced aircraft. During the period, eight JAS 39 Gripen were sold, compared with two during the same period the previous year. During the first half of 1996, 17 (5) Saab 340 and 8 (10) Saab 2000 aircraft were delivered to customers. The number of aircraft invoiced amounted to two Saab 340 and seven Saab 2000. Additional aircraft will be invoiced when financing is completed. Deliveries of laser simulators by Saab Training Systems decreased during the first half of the year from a very high level in the same period the previous year. Sales of Saab Combitech increased mainly through higher deliveries for Saab Ericsson Space and Saab Marine Electronics, together with the acquisition of Innovativ Vision during the last quarter of 1995.

Operating income after depreciation decreased by SEK 32 m. to SEK -224 m. (-192). Financial income and expenses decreased mainly as the result of a lower interest rates and amounted to SEK 283 m. (331). Income after financial income and expenses was SEK 59 m. (139).

During the first half of the year, the order bookings amounted to SEK 3,950 m. (3,153). During the period, Saab Aircraft received orders for a total of 32 new Saab 340, 30 of which were for the American regional airline Mesaba Aviation, and one Saab 2000 for the French operator REGIONAL Airlines. During July, SAS Commuter ordered four new Saab 2000 with an option to order an additional two.

(Saab's own interim report covering operations in the first six months will be released on August 21, 1996.)

Saab Automobile AB, in which Investor and General Motors each hold a 50-percent interest, reported a loss, before taxes, of SEK 428 m. in the first half of 1996, compared with earnings of SEK 195 m. in the corresponding period of 1995. Sales during the period amounted to SEK 10,132 m. (10,989). Results were affected adversely by decreased sales volumes, higher product-development costs, increased investments in marketing and the continuing appreciation of the Swedish krona relative to currencies in Saab's major export markets.

Saab Automobile is treated as a main holding in Investor's accounts.

(Saab Automobile's six month interim report was released on August 16.)

Investor's other operations comprise GHH Grand Hôtel Holdings, Newsec and the real estate management operations conducted by Stockholm-Saltsjön, Näckström and Sickla Udde.

PARENT COMPANY INVESTOR AB

Income after net financial items amounted to SEK 10,608 m. (251), including the capital gain of SEK 8,469 m. from the sale of the Scania shares. During the period, purchases of shares amounted to SEK 39 m. and sales of shares (excluding Scania) totaled SEK 22 m.

On June 30, 1996, cash, short-term investments and current receivables amounted to SEK 12,168 m. (Dec. 31, 1995: 89). Current liabilities amounted to SEK 243 m. (Dec. 31, 1995: 2,081).

Of the Company's convertible debenture loan, a nominal amount of SEK 5,472 m. was converted into shares during the period.

PRESIDENT'S COMMENTS

The successful sale of Scania shares provides strong appreciation in value for our shareholders

The first six months of 1996 was a favorable period for Investor. Most notably, the successful sale of Scania shares means that we can now show an even stronger balance sheet. This gives us the degree of freedom needed to further develop our operations and generate the best possible return for our shareholders.

In order to continue to obtain a high total yield on our investments, in an increasingly competitive international market, it is critically important that we maintain the highest possible level of investment and analytical skills. We will therefor continue the expansion of our investment organization, in the international field in particular.

In addition to our presence in Stockholm, we are strengthening our operations in Hong Kong, New York and London. We will be "on site" in these locations in order to find new investment opportunities in the growth industries on which we focus, such as tele-communications, information technology and health care. The most rapid growth and most of the investment opportunities in these fields are found in the international markets.

An additional reason for being "on site" is to gain increased understanding of foreign investors' decision-making rationale. These investors, particularly large institutions, account for an increasing percentage of the ownership of Swedish companies and thereby influence the value of companies in which we have our main holdings. Ultimately, the valuation of Investor is also affected.

At the same time, I want to emphasize that the internationalization we are implementing does not change our traditional principal focus on a number of large Swedish enterprises with international operations. Our role as an active owner in this area will not change. Indeed, it will be strengthened as a result of our increased expertise.

Together with General Motors, we have reached agreement on how we, as owners, will support Saab Automobile in the long-term perspective. We believe in the company, and our agreement means that comprehensive product and marketing programs can now be undertaken to make the company profitable in the future. We thus consider it natural that GM, with its management responsibility and know-how in the automotive industry, should also have an opportunity to acquire a larger stake in the company. We have already had confirmation, notably in connection with the refinancing of Saab Automobile, that our agreement has been perceived as positive.

With respect to our wholly owned subsidiary Saab AB, problems are still being faced in the commercial aircraft sector. One positive factor is that the Saab 2000 has been ordered and will be flown by SAS. The military aircraft segment and the company's other operations are developing favorably.

With a strong financial position and an efficient organization in which our own skills are effectively combined with external expertise, we have the best prospects for continuing to offer our shareholders a competitive return on their investment.

Claes Dahlbäck

INVESTOR GROUP
NET WORTH

	6/30 1996		12/31 1995	
	SEK/share	SEK m.	SEK/share	SEK m.
Astra	90	18 040	82	16 299
Scania [1]	48	9 553	58	11 531
Incentive	33	6 537	27	5 370
STORA	23	4 614	21	4 113
Ericsson	19	3 869	18	3 597
Atlas Copco	16	3 205	13	2 647
SKF	12	2 303	9	1 877
SAS	6	1 250	8	1540
Other main holdings	16	3 226	11	2 301
Other holdings and equity trading [2]	26	5 222	23	4 495
Total	**289**	**57 819**	**270**	**53 770**
Saab Automobile 50% [3]	14	2 890	15	2 996
Saab AB [4]	30	5 949	30	5 924
GHH Grand Hôtel Holdings	4	850	4	850
Land and real estate	4	700	4	713
Other assets and liabilities	-1	-268	-1	-106
Total investments	**340**	**67 940**	**322**	**64 147**
Net cash excl. Saab	37	7 362	-51	-10 172
Scania shares restricted by call options [5]	28	5 658	-	-
Liabilities, Saab Automobile [3]	-13	-2 586	-	-
Internal debt to Saab	-28	-5 535	-48	-9 583
Receivable from Scania	-	-	34	6 833
Total net worth	**364**	**72 839**	**257**	**51 225**

1) As of June 30, 1996 51,897,281 shares (26%) valued at market price. As of December 31, 1995, 200,000,000 shares (100%) valued at book-value (including goodwill)
2) Including Investor's holding of its own convertibles, market value SEK 1,734 m. (par value SEK 1,059 m.) as of June 30, 1996.
3) Subordinated loan.
4) Shareholders' equity.
5) As of June 30, 1996, 38,102,317 shares valued at market price less market value of call options.
6) Consists of agreed payments of which SEK 1,696 m. will be paid in 1996, and SEK 690 m. in June 1997.

INVESTOR GROUP
CONSOLIDATED INCOME STATEMENT

SEK m.	1996 1/1-6/30	Pro forma [1] 1995 1/1-6/30	1995 1/1-12/31
Dividend income, main holdings	1 701	656	656
Capital gain, Scania	12 400	-	-
Capital contribution to Saab Automobile [2]	-2 482	-	-
Other operating income	5 771	5 158	12 663
Other operating expenses	-5 360	-4 836	-11 923
Group administrative expenses	-188	-169	-322
Depreciation according to plan	-316	-430	-811
Operating income	**11 526**	**379**	**263**
Net financial income/expenses	83	-384	-450
Consolidated net income, Scania 1995	-	2 106	3 280
Income after financial items	**11 609**	**2 101**	**3 093**
Taxes	-122	-53	-77
Minority interest	-7	-3	-8
Consolidated net income	**11 480**	**2 045**	**3 008**

1) Comparative figures for 1995 have been recalculated, where applicable, to reflect the sale of shares in Scania.

2) Including payment to GM.

INVESTOR GROUP
BALANCE SHEET AT MARKET VALUE

SEK m.	1996 6/30	Pro forma [1] 1995 12/31
Assets		
Cash and short-term investments	20 236	4 816
Receivable, Scania	-	6 833
Receivables	5 242	4 699
Inventories	4 169	3 897
Shares and participations	63 502	54 079
Machinery, equipment and real estate, etc.	5 938	5 042
Total assets	**99 087**	**79 366**
Liabilities and shareholders' equity		
Loan liabilities	7 328	11 481
Provision for pensions	2 062	2 016
Advance payments from customers	6 406	6 864
Other liabilities	10 452	7 780
Convertible debenture loans	1 401	6 768
Surplus values arising from market valuation	40 539	24 704
Shareholders' equity	30 899	19 753
Total liabilities and shareholders' equity	**99 087**	**79 366**
Net cash/net debt		
Cash and short-term investments	20 236	4 816
Short- and long-term loans	-7 328	-11 481
Provision for pensions	-2 062	-2 016
Total net cash/net debt	**10 846**	**-8 681**

1 Comparative figures for 1995 have been recalculated, where applicable, to reflect the sale of shares in Scania.

INVESTOR GROUP
CONSOLIDATED INCOME STATEMENT
BY COMPANY

SEK m.	Industrial investments and other operations	Saab	Investor consolidated 1996 1/1-6/30
Dividend income, main holdings	1 701	-	1 701
Capital gain, Scania	12 400	-	12 400
Capital contribution to Saab Automobile	-2 482	-	-2 482
Other operating income	2 035	3 736	5 771
Other operating expenses	-1 695	-3 665	-5 360
Group administrative expenses	-188	-	-188
Depreciation according to plan	-21	-295	-316
Operating income	**11 750**	**-224**	**11 526**
Net financial income/expenses	-200	283	83
Income after financial items	**11 550**	**59**	**11 609**
Taxes	-106	-16	-122
Minority interest	-1	-6	-7
Consolidated net income	**11 443**	**37**	**11 480**

INVESTOR GROUP
BALANCE SHEET AT MARKET VALUE
BY COMPANY

SEK m.	Industrial investments and other operations	Saab	Elimi-nations	Investor consolidated 6/30 1996
Assets				
Cash and short-term investments	13 528	6 708		20 236
Internal receivables		5 535	-5 535	-
Receivables	3 307	1 935		5 242
Inventories	5	4 164		4 169
Other shares and participations	63 477	25		63 502
Shareholders' equity, Saab	5 949		-5 949	
Machinery, equipment and real estate, etc.	1 645	4 293		5 938
Total assets	**87 911**	**22 660**	**-11 484**	**99 087**
Liabilities and shareholders' equity				
Loan liabilities	6 166	1 162		7 328
Internal loan	5 535		-5 535	-
Provision for pensions	83	1 979		2 062
Advance payments from customers		6 406		6 406
Other liabilities	3 288	7 164		10 452
Convertible debenture loans	1 401			1 401
Surplus value arising from market valuation	40 539			40 539
Shareholders' equity	30 899	5 949	-5 949	30 899
Total liabilities and shareholders' equity	**87 911**	**22 660**	**-11 484**	**99 087**

INVESTOR GROUP
STATEMENT OF CHANGES IN FINANCIAL POSITION

SEK m.	1996 1/1-6/30	Pro forma [1] 1995 1/1-12/31
Dividend income	1 701	656
Dividend from subsidiaries [2]	-	800
Sales, Scania shares	18 800	-
Sales, other main holdings	-	389
Operating income before depreciation [3]	-70	-1
Financial income/expense	232	-508
Tax paid	-122	10
Total funds provided	**20 541**	**1 346**
Ordinary dividends paid	-1 713	-1 239
Extraordinary dividends paid	-3 808	-
Purchases of shares, main holdings	-281	-1 429
Net change in other holdings	92	-759
Increase/decrease in working capital (-/+)	-1 084	316
Other investments, net	-1 027	-366
Receivable, Scania	6 833	3 466
Other long-term receivables etc	-26	-65
Total funds applied	**-1 014**	**-76**
Financial surplus	**19 527** [4]	**1 270**
Financing		
Increase/decrease in liquid assets (-/+)	-15 420	-1 939
Increase/decrease in short-term loans (+/-)	-4 208	2 330
Increase/decrease in long-term loans (+/-)	55	-1 708
Increase/decrease in provisions for pensions (+/-)	46	47
Total financing	**-19 527**	**-1 270**

1) The statement of changes in financial position has been recalculated, where applicable, to reflect the sale of shares in Scania.
2) Refers to dividend paid by Scania
3) Excluding dividends, capital gains and equity/trading.
4) Transactions related to the agreement with GM regarding Saab Automobile will be effected during the autumn of 1996 and the spring of 1997. Thus no cash effect has yet appeared and book effects related to this agreement have been eliminated in the statement of changes in financial position.

Structure of share capital and convertible debentures

On June 30, 1996, Investor's share capital amounted to SEK 4,763 m., represented by 191 million shares. On the same date, the total nominal amount of Investor's convertible debenture loans was SEK 1,375 m. Of this amount, SEK 1,060 m. pertained to the loan denominated in Swedish kronor and SEK 315 m. to the loan denominated in ECU. On June 30, 1996, Investor's holding of the loan denominated in Swedish kronor amounted to SEK 893 m., and its holding of the loan denominated in ECU was SEK 166 m.

Structure of Investor's share capital and convertible debentures, June 30, 1996

Before conversion Class of share	No. of shares	No. of voting rights	as % of capital	as % of voting rights
A 1 vote	77,922,711	77,922,711	40.9	87.4
B 1/10 vote	112,590,885	11,259,089	59.1	12.6
	190,513,596	89,181,800	100.0	100.0
Convertible debenture loan [1]				
B 1/10 vote	9,464,487	946,449		
After conversion				
A 1 vote	77,922,711	77,922,711	39.0	86.5
B 1/10 vote	122,055,372	12,205,537	61.0	13.5
	199,978,083	90,128,248	100.0	100.0

1) The nominal amount of the loans is SEK 1,375 m. The loans carry interest of 8% up to and including June 21, 2001. The conversion price is SEK 145.30.

Investor's fifteen largest shareholders June 30, 1996 [2]

Listed by their percentage of the voting rights	% of voting rights	% of capital stock
Knut and Alice Wallenberg Foundation	35.6	16.7
Nordbanken's securities funds	5.6	2.6
Mutual Series Fund Inc.	5.3	6.6
EB Foundation	3.4	2.0
S-E-Banken's securities funds	3.1	1.7
SPP	2.8	3.7
Fifth AP Fund	2.6	1.2
Marianne and Marcus Wallenberg Foundation	2.5	1.4
Folksam incl. AMF-s	1.9	3.3
Skandia	1.4	3.2
AMF-p	1.4	3.8
Trygg-Hansa	1.3	1.6
Marcus and Amalia Wallenberg Foundation	1.3	1.2
SBC Warburg	0.9	1.4
Handelsbanken's securities funds	0.7	1.7
Total	69.8	52.1

Total number of shareholders: 65,193

Holdings outside Sweden: 18.4% of capital stock and 11.3% of voting rights

2) Holdings registered directly and in the name of nominees. Before conversion of outstanding convertibles.

FINANCIAL REPORTS

Nine-month interim report - Release date November 18, 1996

Full-year 1996 report - Release date February 20, 1997

Stockholm, August 21, 1996

Claes Dahlbäck

President

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This interim report has not been subject to specific review by the Company's auditors.