INVESTOR AB

INTERIM REPORT

JANUARY - MARCH, 1997

- Investor's total return for the 12-month period up to and including the first quarter ending March 31 amounted to 50 percent.

- During the period shares were bought in S-E-Banken for a total of SEK 2,809 million, putting Investor's holding at 9.2 percent of the capital and 9.6 percent of the votes.

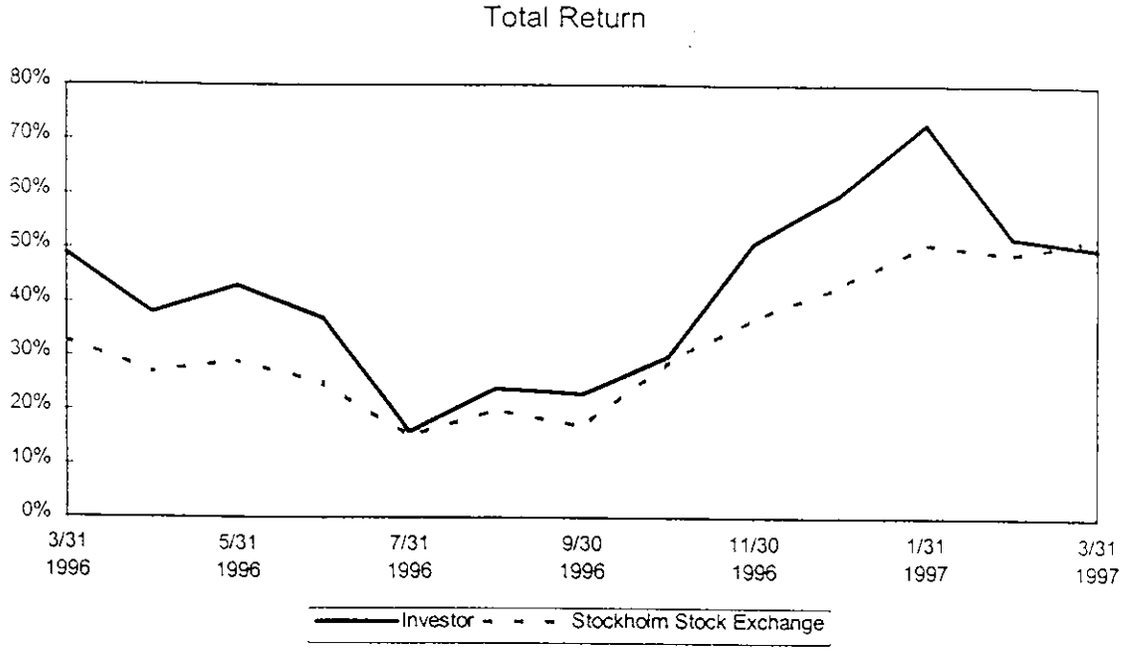
- The value of Investor's main holdings as of March 31, 1997, was SEK 71,474 million. The increase in the value of the main holdings was 11 percent during the period. On April 25, the value was SEK 67,039 million.

- Investor's net worth on March 31, 1997, was SEK 87,087 million, or SEK 435 per share. On April 25 the net worth was SEK 82,334 million, or SEK 412 per share.

- Investor's Annual General Meeting was held on April 14, 1997. In conjunction with the meeting Percy Barnevik was appointed new chairman, succeeding Peter Wallenberg, who was named honorary chairman. Tom Wachtmeister declined re-election, and Michael Treschow joined as a member of the board.

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

INTERIM REPORT
JANUARY - MARCH, 1997



Investor's total return for the moving 12-month period up to and including the first quarter ending March 31, 1997, amounted to 50 percent, compared with 52 percent for the Stockholm Stock Exchange[1]. Investor's net worth[2] amounted to SEK 87,087 million, an increase of 10 percent since the beginning of the year. This corresponds to SEK 435 per share after full conversion. On April 25, the net worth amounted to SEK 82,334 million, equal to SEK 412 per share.

1) Source, SIX AB. 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.

BUSINESS ACTIVITIES

Backed by a strong U.S. economy and an easing in the downturn in Europe, the Stockholm Stock Exchange posted good returns during the first two months of the year. Another important factor in this positive development was a hefty capital inflow on both the American and Swedish stock markets. Uncertainty spread throughout the world's stock markets in March, triggered mainly by concern over the raising of interest rates in the U.S. The uncertainty extended thereafter and led to large price swings for several of Investor's main holdings. The OMX index on the Stockholm Stock Exchange climbed 16 percent during the first quarter. And up to and including April 25, 1997, the rise in share prices was 9 percent.

INVESTOR'S MAIN HOLDINGS

Both during and following the end of the quarter, part of Investor's cash was used to increase holdings in some of the companies in which Investor already held significant ownership. In total, shares were bought for SEK 3,324 million in S-E-Banken, Scania, Astra and Ericsson.

The purchases were apportioned with SEK 2,809 million in S-E-Banken, SEK 198 million in Scania, SEK 192 million in Astra and SEK 125 million in Ericsson. The background to the significantly increased holding in S-E-Banken is, among other things, the possibility for structural changes that are foreseen in the financial sector.

Market value, main holdings

SEK m.	1997 4/25	1997 3/31	1996 12/31
Market value, main holdings	67,039	71,474	61,325

The value of the main holdings increased, after adjustment for net changes, by 11 percent during the quarter. During the same period the OMX index rose by 16 percent. Variance with the index can primarily be explained by the fact that Astra, Scania and Incentive, which are Investor's three largest holdings, performed worse than the average on the Stockholm bourse. This was counterbalanced to a certain extent by Ericsson, S-E-Banken and SKF performing better than the average.

Investors main holdings as of March 31, 1997

Company	Number of shares (000)	Of which on loan (000)	Market value SEK m.	Share price performance 1997, %	Share of portfolio %	Share [3] of voting rights %	Share of [3] capital %
Astra	61,985		22,584	+8	32	12	10
Scania [1]	52,994	330	10,016	+11	14	45	45
Incentive	18,518	45	9,425	+3	13	36	27
Ericsson	26,538	639	7,225	+26	10	22	3
STORA [2]	52,729	23	5,642	+14	8	20	16
Atlas Copco	25,950	14	4,930	+15	7	20	14
S-E-Banken	48,471	713	4,047	+19	6	10	9
SKF	14,955		2,916	+23	4	30	12
WM-data	2,012	24	1,322	+11	2	6	14
OM Gruppen [2]	4,795	1	1,175	+20	1	20	20
SAS	13,156	231	1,105	-2	1	19	19
TV4	4,302	15	637	+6	1	25	22
Electrolux	936		450	+21	1	45	1
Total			**71,474**		**100**		

1) Market price refers to 52,994,181 shares that are not covered by warrants. Share of voting rights and capital refers to Investor's total holding.
2) Dividend detached during the period.
3) After full dilution.

During the year dividends received from Investor's main holdings are expected to amount to SEK 1,640 million. On top of this will be the value of dividends in the form of shares in Gränges through Investor's holding in Electrolux.

SAAB AB

Investor's wholly owned subsidiary Saab AB is the parent company in the Saab Group, which is active in advanced high-technology products for aerospace and defense. The group also includes Saab Combitech, with operations in commercial high-technology niches.

The group's invoicing increased during the first quarter by 13 percent, to SEK 2,306 (2,049) million. The invoicing increase was attributed mainly to invoices for a higher number of military aircraft. Military aircraft invoiced six JAS 39 Gripen, compared with three during the corresponding period last year. A total of 36 Gripen aircraft have been delivered to the Swedish air force. Invoicing in Training Systems increased as a result of higher supplies of laser simulators. Commercial aircraft delivered 7 (7) Saab 340 and 4 (5) Saab 2000, which means somewhat lower invoicing compared with last year's first quarter. Combitech's invoicing grew mainly because of higher invoicing for Saab Ericsson Space and Saab Marine Electronics.

Operating income improved to SEK -97 (-132) million. During the first quarter of the preceding year, income was marked by various write-offs for product development and machinery and inventory, which was not the corresponding case for the first quarter of 1997. Net financial income and expenses amounted to SEK 104 (155) million. The downturn was attributed mainly to lower interest rates. Income after financial items amounted to SEK 7 (23) million.

The group's order bookings for the first quarter amounted to SEK 1,832 (2,681) million and the order backlog amounted to SEK 19,753 (21,543) million by the end of the period. During the period an order was received from the Slovakian airline Tatra Air for two Saab 2000, and the Japanese Civil Aviation Bureau ordered two specially equipped Saab 2000 in February for delivery during 1998.

Combitech Traffic Systems received its largest order to date for an automatic road toll system from Melbourne City Link in Australia. The order includes initial equipment for just over SEK 200 million, with excellent prospects for follow-up orders. This means a breakthrough for Combitech Traffic Systems in this international market niche, which is expected to grow rapidly over the next ten years.

(Saab's interim report is being released on April 29,1997, and may be ordered by phone +46-13-18 71 61 or fax +46-13-18 71 70).

MEDIUM-TERM INVESTMENTS AND OTHER HOLDINGS

The medium-term investments are made in companies that are considered as having some possibility of becoming part of Investor's main holdings in the future. The total value of these investments up to the end of the quarter amounted to SEK 4,372 million, excluding the holding of Investor's own convertible.

Investor's other holdings consist of Scandinavian Equity Partners, Novare Kapital, Saab Aircraft Finance Group, GHH Grand Hôtel Holdings, as well as the real estate operations Newsec, Stockholm-Saltsjön, Näckström and Sickla Udde.

INVESTOR GROUP EARNINGS AND NET CASH

Investor's earnings, before tax, not counting unrealized gains in value, amounted to SEK 114 (12,158) million. Net earnings amounted to SEK 102 (12,134) million.

The Group's net cash totaled SEK 4,524 million at the end of the quarter, compared with a net cash of SEK 9,949 million at the beginning of the year. The difference can be attributed mainly to the purchase of shares but also to a certain extent to changes in debt encumbrance, tied-up working capital and pre-payments received.

CHANGE IN ACCOUNTING PRINCIPLES

This interim report is drawn up in line with previously defined accounting principles. In keeping with the new laws regarding earnings reports, which apply from and including 1997, certain of Investor's main holdings, as associate companies, are being accounted for according to the equity method. This revised group accounting will be done and will be accessible as soon as the figures are made available for the relevant holdings, most likely during the latter part of May 1997.

Stockholm, April 29, 1997

Claes Dahlbäck
President

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

INVESTOR GROUP
NET WORTH

	3/31 1997		12/31 1996	
	SEK/share	SEK m.	SEK/share	SEK m.
Astra	113	22 584	104	20 881
Scania	50	10 016	44	8 826
Incentive	47	9 425	46	9 166
Ericsson	36	7 225	28	5 682
STORA	28	5 642	25	4 957
Atlas Copco	25	4 930	21	4 282
S-E-Banken	20	4 047	5	916
SKF	14	2 916	12	2 341
WM-data	7	1 322	6	1 187
SAS	6	1 105	6	1 131
Other main holdings	11	2 262	9	1 956
Other holdings and equity trading [1]	38	7 628	34	6 756
Total	**395**	**79 102**	**340**	**68 081**
Saab AB [2]	26	5 142	26	5 110
Saab Automobile 50% [3]	14	2 890	14	2 890
Saab Aircraft Finance [4]	1	100	1	129
GHH Grand Hôtel Holdings	4	850	4	850
Land and real estate	4	700	4	700
Other assets and liabilities	1	259	-2	-319
Total investments	**445**	**89 043**	**387**	**77 441**
Net cash excluding Saab AB	10	2 091	28	5 528
Scania shares restricted by warrants [5]	30	5 933	27	5 333
Liabilities, Saab Automobile [6]	-4	-690	-4	-690
Internal debts etc.[7]	-46	-9 290	-44	-8 732
Total net worth	**435**	**87 087**	**394**	**78 880**

1) Including Investor's holding of its own convertibles, market value SEK 2,413 m. (nom. value SEK 1,086 m.) as of March 31, 1997.
2) Shareholders' equity.
3) Subordinated loan.
4) Excluding liquid assets, including internal capital contribution.
5) As of March 31, 1997, 38,093,012 shares valued at market price less market value of warrants.
6) Consists of agreed payment, SEK 690 m., which will be paid in June 1997.
7) Including internal eliminations.

INVESTOR GROUP
CONSOLIDATED INCOME STATEMENT

SEK m.	1997 1/1-3/31	1996 1/1-3/31	1996 1/1-12/31
Net turnover			
Dividend income, main holdings	241	34	1 804
Other operations	7 103	2 879	13 963
Manufacturing-, selling and administrative expenses [1]	-7 263	-2 904	-16 120
Other operating income and expenses			
Capital gain etc.	-	12 400	9 919
Operating income	**81**	**12 409**	**9 566**
Net financial income/expenses	33	-251	32
Income after financial items	**114**	**12 158**	**9 598**
Taxes	-9	-20	-105
Minority interest	-3	-4	-14
Consolidated net income	**102**	**12 134**	**9 479**
1) Whereof administrative expenses for the industrial investments	-140	-91	-456

INVESTOR GROUP
CONSOLIDATED INCOME STATEMENT
PER COMPANY

SEK m.	Industrial investments and other operations	Saab	Investor consolidated 1997 1/1-3/31
Net turnover			
Dividend income, main holdings	241	-	241
Other operations	4 797	2 306	7 103
Manufacturing-, selling- and administrative expenses	-4 860	-2 403	-7 263
Operating income	**178**	**-97**	**81**
Net financial income/expenses	-71	104	33
Income after financial items	**107**	**7**	**114**
Taxes	-7	-2	-9
Minority interest	-1	-2	-3
Consolidated net income	**99**	**3**	**102**

INVESTOR GROUP
BALANCE SHEET AT MARKET VALUE

SEK m.	1997 3/31	1996 12/31
Assets		
Machinery, equipment and real estate, etc.	9 912	9 230
Shares and participations	85 066	73 469
Inventories	4 935	4 838
Receivables	5 121	5 173
Cash and short-term investments	9 783	15 017
Total assets	114 817	107 727
Shareholders' equity and liabilities		
Shareholders' equity	27 980	27 855
Surplus values arising from market valuation	57 736	49 662
Convertible debenture loans	1 371	1 363
Provision for pensions	2 580	2 536
Loan liabilities	2 679	2 532
Advance payments from customers	7 432	8 027
Other liabilities	15 039	15 752
Total shareholders' equity and liabilities	114 817	107 727
Equity/assets ratio [1]	76%	73%
Net cash/net debt		
Cash and short-term investments	9 783	15 017
Short- and long-term loans	-2 679	-2 532
Provision for pensions	-2 580	-2 536
Total net cash/net debt	4 524	9 949

1) Shareholders' equity including convertible debenture loans in relation to total assets.

INVESTOR GROUP
BALANCE SHEET AT MARKET VALUE
PER COMPANY

SEK m.	Industrial investments and other operations	Saab	Elimi-nations	Investor consolidated 3/31 1997
Assets				
Machinery, equipment and real estate, etc.	7 866	2 046		9 912
Shares and participations	85 035	31		85 066
Shareholders' equity Saab AB	5 142	-	-5 142	-
Inventories	5	4 930		4 935
Receivables	3 790	1 331		5 121
Internal receivables	-	7 652	-7 652	-
Cash and short-term investments	4 115	5 668		9 783
Total assets	**105 953**	**21 658**	**-12 794**	**114 817**
Shareholders' equity and liabilities				
Shareholders' equity	27 980	5 142	-5 142	27 980
Surplus values arising from market valuation	57 736	-		57 736
Convertible debenture loans	1 371	-		1 371
Provision for pensions	386	2 194		2 580
Loan liabilities	1 638	1 041		2 679
Internal loan	7 652	-	-7 652	-
Advance payments from customers	-	7 432		7 432
Other liabilities	9 190	5 849		15 039
Total shareholders' equity and liabilities	**105 953**	**21 658**	**-12 794**	**114 817**

INVESTOR GROUP
STATEMENT OF CHANGES IN FINANCIAL POSITION

SEK m.	1997 1/1-3/31	1996 1/1-12/31
Dividend income	241	1 701
Sales, main holdings etc [1]	-	16 905
Operating income before depreciation [2]	-137	-995
Financial income/expense	43	232
Tax paid	-4	-446
Total funds provided	**143**	**17 397**
Ordinary dividends paid	-	-1 713
Extraordinary dividends paid	-	-3 808
Purchases of shares, main holdings	-3 006	-397
Net change in other holdings	-353	-472
Increase/Decrease in working capital	-1 203	1 568
Other investments, net	-867	-561
Receivable from Scania	-	6 833
Other long-term receivables etc.	-139	164
Total funds applied	**-5 568**	**1 614**
Financial deficit/surplus	**-5 425**	**19 011**
Financing		
Decrease/Increase in liquid assets (-/+)	5 234	-10 201
Increase/Decrease in loan liabilities (+/-)	147	-8 949
Increase in provision for pensions (+/-)	44	139
Total financing	**5 425**	**-19 011**

1) The figures for 1996 consist of sale of Scania shares and payments of transactions relating to the agreement with GM/Opel regarding Saab Automobile (remaining payment, SEK 690 m., will be effectuated in June 1997).
2) Excluding dividends, capital gains and equity/trading.

PRESIDENT'S COMMENTS

THANKS TO PETER WALLENBERG FOR 15 YEARS AS CHAIRMAN

"The most intensive period in Investor's 80-year history"

The single most significant event in Investor this year was, of course, the Annual General Meeting on April 14, where close to 2,500 Investor shareholders were present and extended their thanks and appreciation to outgoing Chairman Peter Wallenberg. They also conveyed their thanks to Tom Wachtmeister, who declined re-election to the board. At the same time Percy Barnevik was welcomed to the chairmanship. Michael Treschow was also greeted on joining the board.

Peter Wallenberg has been chairman of Investor for the past 15 years, and it is no exaggeration to say that this was surely the most intensive period in Investor's 80-year history. It has been a time of change and very strong growth.

The number of employees in the companies that make up Investor's main holdings increased between 1982 and 1997 by 65 percent, from 380,000 to 620,000. Total turnover grew by 460 percent, from 140 billion kronor to close to 800 billion. Total earnings increased by 680 percent, from 8.3 billion kronor to 65 billion. Total market value of the companies increased by almost 2,000 percent, from 45 billion kronor to 900 billion.

Most of all, Investor's market value increased. It rose by a full 2,700 percent -- from close to 2.5 billion kronor at the end of 1982 to just over 65 billion in April this year. Even if you exclude acquisitions, mergers, inflation spirals and the effects of devaluation, it is a growth that compares with the best. It is obvious that Peter Wallenberg as chairman had a significant hand in these developments. That the shareholders recognize this contribution was confirmed by the resounding ovation they gave him at the Annual General Meeting.

1997: A divided economic start to the year

The start of 1997 indicated a continuing divided world economy. In Central Europe growth continued to be weak, with rising unemployment as a result. On the other hand, the U.S. showed unexpected strong economic growth, prompting the Federal Reserve to raise short-term interest rates. As such, the global interest-lowering cycle is most likely nearing its end, which can lead to shaky stock market developments.

Active management of our main holdings has been and continues to be the core of Investor's activities. We possess the competence to follow and, in a qualified manner, to analyze the evolution of the companies. One of the most important tasks for Investor as an active owner is to put requirements on our holdings for long-term satisfactory returns while at the same time contributing toward translating these requirements for such returns into operative goals for the activities. Returns for our principal holdings, then, are of crucial significance for Investor's future returns to our own shareholders.

At the same time, we are working intensively on seeking new investment opportunities both inside and outside Sweden. We are expanding our investment organization with offices in Stockholm, Hong Kong, London and New York and with new recruiting, above all, of competent analysts.

As is evident from the quarterly report, during the course of the year so far we increased our ownership in a number of our largest holdings, among them Astra, Ericsson and Scania. The biggest increase, though, was in S-E-Banken, where we bought additional shares for 2.8 billion kronor. That now gives Investor 9.2 percent of the capital and 9.6 percent of the votes in S-E-Banken.

Behind our investments in S-E-Banken is the fact that we see many opportunities in the structural changes that are taking place in the financial markets around the world. It is our intention, as a major owner in S-E-Banken, to contribute toward appropriate changes, not least in asset management, where we see great possibilities for the future. At Investor we have a solid tradition and sound knowledge in this area.

In 1996, the number of shareholders grew by almost 20 percent, and in the course of 1997 so far we had a further boost in the number of shareholders when many owners in Stadshypotek chose to place their capital in Investor.

Naturally, we are very pleased with this growing interest in the Investor share, and we promise to do our best to take care of all our shareholders, the old ones as well as the new ones.

Stockholm, April 29, 1997

Claes Dahlbäck