Year-End Report 2001

Investor's net asset value on December 31, 2001 amounted to SEK 118,284 m. (SEK 154 per share), compared with SEK 144,433 m. on December 31, 2000 (SEK 188 per share). In the fourth quarter, Investor's net asset value increased SEK 16,266 m.

The value of all Investor's holdings was SEK 129,366 m. on December 31, 2001, as against SEK 154,561 m. at year-end 2000. Net debt amounted to SEK 11,082 m. on December 31, 2001, corresponding to 9 percent of total assets.

The value of Investor's Core Holdings changed by SEK -22,065 m. during the year. Ericsson and ABB accounted for a substantial part, SEK -14,767 m. and SEK -8,157 m., respectively. The value of Investor's Core Holdings appreciated SEK 15,553 m. in the fourth quarter.

Investor increased its holdings in Ericsson and SEB during the year and divested holdings in SAS, SKF and Stora Enso at the same time.

The value of New Investments decreased SEK 2,474 m. during 2001. In the fourth quarter, the value of New Investments increased SEK 686 m. During the year shares were purchased for a total of SEK 6,893 m. and shares were sold for a total of SEK 3,820 m.

Income of the Investor Group after tax amounted to SEK 8,156 m. in 2001, compared with SEK 13,459 m. last year. Income in the fourth quarter totaled SEK 483 m.

The total return on Investor shares was -15 percent during the year, compared with +20 percent last year.

The proposed ordinary dividend to shareholders is SEK 3.00 per share (3.00). An extraordinary dividend of SEK 2.50 per share (2.50) is also proposed.

Investor's key figures

	12/31 2001	12/31 2000
Assets, SEK bn.	129	155
Net debt, SEK bn.	11	10
Net asset value, SEK bn.	118	144
Net asset value per share, SEK	154	188

Development during the year/quarter	2001	2000	Oct.-Dec. 2001	Oct.-Dec. 2000
Change in net asset value, SEK bn.	-26	-4	16	-12
Change in net asset value, percent	-18	-3	16	-8
Income after tax, SEK bn.	8	13	0.5	-1
Total return, percent	-15	20	14	3

The year-end report can also be accessed on the Internet at www.investorab.com

Investor AB is Sweden's largest listed industrial holding company with a total net asset value of approximately USD 11.1 billion (December 31, 2001). The company's business concept is to create shareholder value through long-term active ownership and investment activities. The average annual total return to shareholders has been in excess of 20 percent during the past 20 years. Investor is a leading shareholder in a number of public multinational companies, including ABB, AstraZeneca, Atlas Copco, Ericsson, Electrolux, Gambro, OM, Saab AB, Scania, SEB and WM-data. Investor is headquartered in Stockholm and has offices in Amsterdam, Hong Kong, New York and Palo Alto.

President's comments

Balanced performance in a declining market

The year 2001 distinguished itself by extraordinary events in both the political and economic arenas. Developments on the world's stock exchanges were characterized by unusual volatility between quarters within a downward, overall trend. For example, the Stockholm Stock Exchange, the S&P 500 and Nasdaq experienced declines in the first and third quarters, but gains in the second and fourth. As a whole, 2001 was a weak year, with downturns on virtually all of the world's exchanges. It is worth noting that the Stockholm exchange declined two years in a row for the first time in 25 years, following a seven-year upward trend prior to 2000.

On an aggregate basis, the global economy showed little or no growth during 2001. The outlook for 2002 remains uncertain. The aggressive easing of monetary policy by the U.S. Federal Reserve was reflected in a record number of interest rate cuts, 11 times in succession. Rate reductions were also implemented in many other countries during the year, in combination with tax cuts and increased public spending. This combination of fiscal and monetary stimulation should have a positive impact on the global economy. Predicting the time horizon is more difficult, however. Nonetheless, the industrial economies are still burdened by the effects of overinvestment mainly in telecommunications and information technology, the risks of lower private consumption and higher unemployment. The year 2002 will involve many challenges across the international economy.

For Investor, the year was characterized by active work to support and position portfolio companies. Investor's Core Holdings portfolio was also further streamlined. Holdings in Ericsson and SEB were increased and holdings in SAS, SKF and Stora Enso were divested. This long-term and strategically important transaction sharpened Investor's focus on the telecommunications and financial services business segments. During the year Investor sold its remaining interest in Saab Automobile and Investor's own convertible debenture loans were retired. This has further concentrated the portfolio. It should also be noted that Investor's active portfolio management operations (securities trading) generated attractive returns during the year, despite the unstable financial markets. New Investments' representation in Investor's portfolio increased during 2001, which was in line with the previously announced strategy and represented yet another step in the process to focus on companies with high growth and profit potential. As a whole, Investor's diversified portfolio, consisting of companies of varying size that operate in different sectors, has contributed to the portfolio's balanced development.

AstraZeneca, Investor's largest holding, had a positive impact on Investor's net asset value in both 2000 and 2001. The company's progress in the research area, and successful work to create synergies since the merger in 1999, have been gratifying and have strengthened Investor's conviction that the merger was both right for the business and shareholders. Atlas Copco, Electrolux and Saab recorded higher share prices for the year, which was particularly pleasing in a declining market.

Ericsson, as well as ABB, OM and WM-data, are continuing to work intensively on their restructuring and cost reduction programs. These companies face a number of challenges to ensure long-term value creation. After the aborted merger between SEB and Swedbank, SEB is focusing on becoming a more customer-driven and profitable bank in Northern Europe.

The significance of constant renewal is worth emphasizing again and is important for Investor's portfolio companies, and well as for Investor. The ability to reinvent is also one of the criteria used to analyze Investor's Core Holdings. In this respect, Investor's new investments play an important role for the future of the portfolio. In order to fully benefit from Investor's network and achieve appropriate balance in the portfolio, the New Investments business is divided into two main operations – one focused on early-expansion IT and healthcare companies, and one concentrating on more mature companies with high return potential which are in a number of business sectors.

All major venture capital markets in the United States, Europe and Asia experienced sharp downturns during 2001. Investment activity in these markets declined dramatically, in the range of 40 to 60 percent, at the same time as fewer exits were made. During 2001 new funds raised for venture capital investments decreased to about one-third the level of 2000. Investor Growth Capital has been conservative about its pace of new investments and its valuations of existing holdings. Companies were written down if their future performance was difficult to predict, or if their progress was not in line with earlier projections. During 2001 EQT closed on a number of deals and Investor Growth Capital gradually stepped up its investment rate during the latter part of the year.

Hi3G, partly owned by Investor, is continuing to build a cost-effective organization for Sweden and Denmark. In January 2002, it was announced that Orange joined the Hi3G and Europolitan joint venture company for building and sharing a UMTS network outside Sweden's major metropolitan areas. Hi3G has made 3G phone calls in its network since mid-December. Hi3G's future development will be exciting to follow, since the company is expected to launch its first services towards the end of 2002.

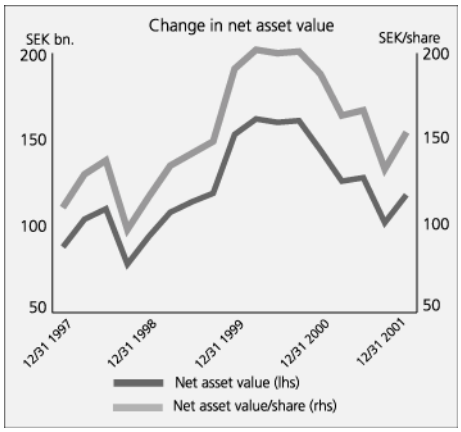
The year 2002 will involve a number of challenges for Investor, as well as opportunities. With a focused portfolio of core holdings representing 85 percent of Investor's assets, and an established venture capital and private equity business, the prerequisites are in place for continuing long-term, high returns for shareholders. Investor's strong financial position provides stability in a fluctuating market and constitutes a solid platform for future initiatives. Historically, Investor has been able to generate competitive returns during times of both economic downturn and upturn. This remains our goal for the future.

Marcus Wallenberg

Change in net asset value

On December 31, 2001, Investor's net asset value (NAV) amounted to SEK 118,284 m. (144,433), corresponding to SEK 154 per share (188).

During the year the change in net asset value was -18 percent (-3) or SEK -26,149 m. (-4,144). The net asset value developed positively in the fourth quarter, increasing SEK 16,266 m., or 16 percent.



Investor's net asset value

	12/31 2001		12/31 2000	
	SEK/share	SEK m.	SEK/share	SEK m.
Core Holdings	144	110 518	171	130 844
New Investments	16	12 410	15	11 692
Other Holdings	7	4 893	12	9 409
Other Operations	3	2 063	3	2 601
Other assets and liabilities	-1	-518	-	15
Total assets	**169**	**129 366**	**201**	**154 561**
Net debt	-15	-11 082	-13	-10 128
Total net asset value	**154**	**118 284**	**188**	**144 433**

Of the change in net asset value during the year, SEK -19,907 m. (-4,066) was attributable to the Core Holdings and SEK -2,733 m. (496) to New Investments. The corresponding figures for the fourth quarter were SEK 15,506 m. (-12,567) for Core Holdings and SEK 586 m. (-1,211) for New Investments.

The change in NAV, together with net investments, add up to the net asset value shown in the table "Investor's net asset value".

Investor shares

The total return[1)] on Investor shares in 2001 was -15 percent (20). In the fourth quarter, the total return was 14 percent (3).

During the past 20-year period, the average annual total return on Investor shares has been 22 percent.



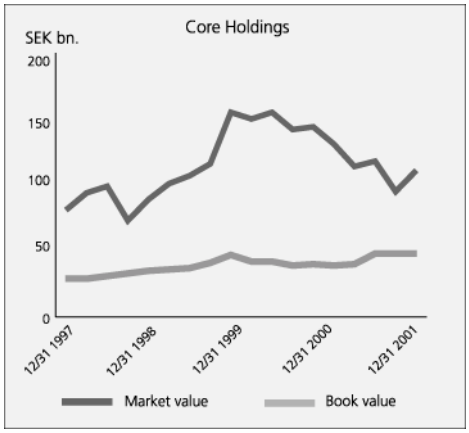
The discount to net asset value was 26 percent on December 31, 2001, compared with 25 percent at year-end 2000.

1) Total return is the sum of share price appreciation and reinvested dividends.

Total assets per sector and business segment

SEK m.	Technology	Healthcare	Engineering	Financial Services	Other	**Total**
Core Holdings	25 803	50 232	19 575	14 908	-	**110 518**
New Investments, listed	1 196	843	50	-	108	**2 197**
New Investments, unlisted	5 257	1 644	929	47	2 336	**10 213**
Other	358	-	2 933	-	3 147	**6 438**
Total	**32 614**	**52 719**	**23 487**	**14 955**	**5 591**	**129 366**
(%)	(25%)	(41%)	(18%)	(12%)	(4%)	(100%)

Core Holdings



During 2001 shares in Core Holdings were purchased for a total of SEK 15,095 m. (1,304). Shares were sold for a total of SEK 13,556 m. (13,838).

In the fourth quarter, 160,000 shares in OM were purchased for SEK 14 m.

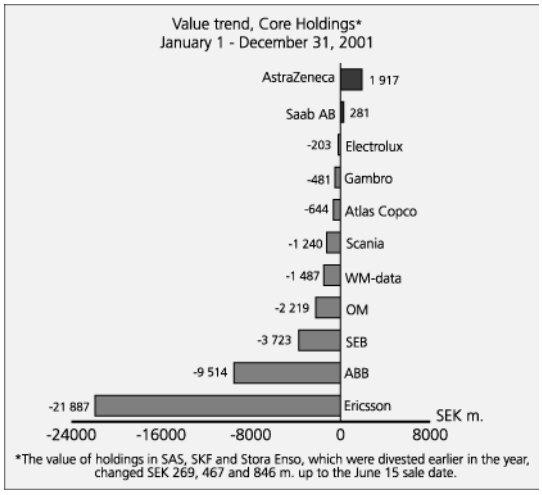
In June 2001, Investor increased its holding in Ericsson by 109,172,096 A shares and its holding in SEB by 64,568,615 A shares. Investor also divested its holdings in SAS, SKF and Stora Enso. The total value of the transaction was SEK 13,640 m. and Investor booked a capital gain of SEK 7,008 m.

In addition, purchases in the first quarter comprised 2,665,500 shares in AstraZeneca for SEK 1,143 m. and 1,350,000 shares in OM for SEK 298 m.

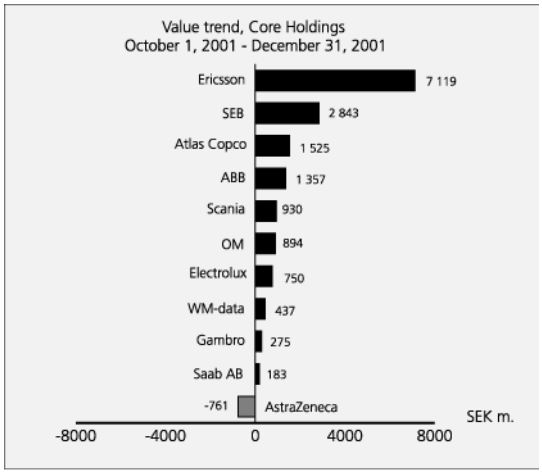
During 2001 the value trend[1)] of Core Holdings affected Investor's net asset value by SEK -22,065 m. (-5,941), of which Ericsson and ABB accounted for a substantial portion: SEK -14,767 m. and SEK -8,157 m.

The largest contribution to the value trend was from AstraZeneca with appreciation of SEK 1,156 m. Saab AB's and Electrolux's share prices increased the most, with each appreciating 28 percent.

1) Value trend is the sum of realized gains and changes in surplus values (taking purchasing and sales proceeds into account).



In the fourth quarter, the value trend of Core Holdings amounted to SEK 15,553 m.



For more information: ch.investorab.com

Net asset value, Core Holdings

Company	Number of shares[1] 12/31 2001	Net asset value SEK/ share[2] 12/31 2001	Market value SEK m. 12/31 2001	Share price perform-ance 2001[3] (%)	Share of Core Holdings (%)	Share of capital[4] (%)	Share of voting rights[4] (%)	Net asset value SEK/share[2] 12/31 2000	Market value SEK m. 12/31 2000
Technology									
Ericsson	382 678 896	29	22 198	-47	20	5	39	39	29 771
Saab AB[5]	21 611 925	3	2 150	+28	2	20	36	2	1 686
WM-data	55 302 500	2	1 455	-42	1	14	7	3	2 505
		34	**25 803**		**23**				**33 962**
Engineering									
ABB	57 750 880	7	5 833	-58	5	5	5	18	13 990
Atlas Copco	31 454 971	10	7 376	+14	7	15	21	8	6 495
Scania	18 170 073	4	3 439	-9	3	9	15	5	3 749
Electrolux	19 613 190	4	2 927	+28	3	6	24	3	2 380
		25	**19 575**		**18**				**26 614**
Healthcare									
AstraZeneca	95 085 810	60	45 736	+2	41	5	5	57	43 437
Gambro	68 638 225	6	4 496	-2	4	20	26	6	4 702
		66	**50 232**		**45**				**48 139**
Financial Services									
SEB	135 372 295	17	12 928	-8	12	19	20	10	7 363
OM	14 350 507	2	1 980	-41	2	17	17	4	2 992
		19	**14 908**		**14**				**10 355**
Holdings divested during 2001[6]	-	-	-	-	-	-	-	16	11 774
									11 774
Total		**144**	**110 518**		**100**			**171**	**130 844**

[1] Holdings, adjusted for any shares on loan.
[2] Calculated on the basis of 767.2 million Investor shares.
[3] Most heavily traded class of share.
[4] After full dilution.
[5] Reclassified from Engineering to Technology.
[6] SAS, SKF and Stora Enso.

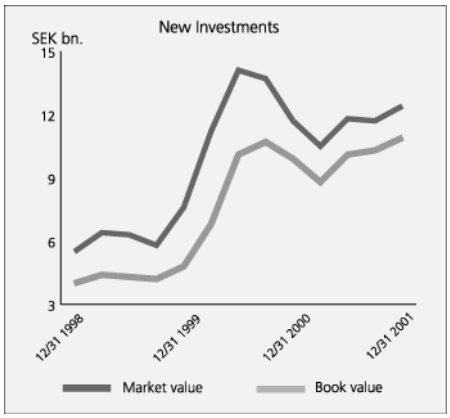
New Investments

A total of SEK 6,893 m. (8,074) was invested during the year, of which SEK 2,868 m. was in the fourth quarter. Shares were sold for a total of SEK 3,820 m. (4,490), of which SEK 2,796 m. was in the fourth quarter. Divestments during the year generated capital gains totaling SEK 447 m. (2,667), of which SEK 373 m. was in the fourth quarter.

Net asset value, New Investments

	SEK/share	Market Value (SEK m.)	Book value (SEK m.)
Investor Growth Capital	10	8 121	7 129
Investor Capital Partners – Asia Fund[1]	2	1 357	1 070
EQT	4	2 932	2 702
Total	**16**	**12 410**	**10 901**

[1] Includes all Investor Group investments in Asia.



The value of New Investments decreased SEK 2,474 m. (+484) during the year but increased SEK 686 m. in the fourth quarter.

During the year Investor took write-downs amounting to SEK 2,802 m., of which SEK +123 m. in the fourth quarter.

During the period January 1, 1998 up to December 31, 2001, the New Investments business grew net asset value by SEK 1,966 m. The return on realized investments met the return requirement of 20 percent during this period.

Investor Growth Capital

Every meaningful venture capital industry statistic was down in the United States, Europe and Asia during 2001. New investment activity declined dramatically, compared with the previous year, and exits have been few since IPOs and M&A activity have dropped sharply. New funds raised for venture capital investments decreased to about one-third of the level in 2000. However, in a longer historical perspective, investment activity in 2001 remained high and clearly exceeded levels before 1998.

Private company valuations continued to decline during the fourth quarter of 2001, reaching historically average levels. These lower valuations not only reflected the uncertain business and financial market environment, but also weaker investor demand as many withdrew from making new commitments or left the business. Many industrial sponsors of venture capital operations have also withdrawn from the market.

As longer term-oriented investors, Investor Growth Capital views the current environment as attractive to increase the pace of new investments. The deal flow is substantial and of high quality. After closing on just one new investment during the first half of the year, five were closed during the second half, of which three were in the latter months of 2001. Investments in these six companies totaled USD 43 million. Follow-on investments in portfolio companies were also made for USD 234 m. during the year.

In the fourth quarter, investments were made in WatchMark, Sandburst and White Rock Networks. Investments were also made in NTRU, Princeton Optronics and Paratek Microwave during the year.

New Investments – 10 largest listed companies[1)]

Company	Sector	Owner-ship (%)	Share price performance 2001 (%)	Market value[2)] (SEK m.) 12/31 2001	Market value[2)] (SEK m.) 12/31 2000
imGO	IT	26.0	-15	495	522
Axcan	HC	8.7	37	388	289
ASM Pacific	IT	4.3	35	282	189
Intuitive Surgical	HC	7.1	18	242	184
Amkor	IT	0.6	3	152	118
Medtronic	HC	0.0	-15	124	168
Lerado	OTH	11.2	-9	87	86
Lycos Europe	IT	4.4	-82	82	391
Intrabiotics	HC	10.7	-73	70	257
Edison Schools	IT	1.0	-39	66	764
Other, listed		-	-	209	823
Total, listed		-	-	**2 197**	**3 791**
Other, unlisted		-	-	10 213	7 901
Total, New Investments				**12 410**	**11 692**

[1)] Purchases and sales were made in certain holdings during the year.
[2)] After a discount of 10 or 20 percent, depending on the liquidity of the company's shares.

Contribution by New Investments to growth in net asset value, 1998 – 2001

SEK m.	1998	1999	2000	2001	**Total 1998 – 2001**
Capital gains, net (incl. dividends)	709	2 399	3 004	524	**6 636**
Write-downs, net	-344	14	-1 228	-2 802	**-4 360**
Operating costs	-210	-249	-325	-336	**-1 120**
Operating result	**155**	**2 164**	**1 451**	**-2 614**	**1 156**
Change in surplus value	1 162	722	-955	-119	**810**
Contribution to net asset value	**1 317**	**2 886**	**496**	**-2 733**	**1 966**

In the fourth quarter, follow-on investments were made in Gyros, Medicarb, StepStone, Songbird and Kyphon. Earlier in 2001, add-on investments were also made in Aerocrine, Affibody, Bredbandsbolaget (B2), Intenna, Lycos Europe, Neos Robotics, Popwire, Projectplace, Quisic and Umetrics, among other companies. In several cases, new investors participated in these new financing rounds, in which company valuations clearly exceeded Investor's book values.

In the fourth quarter, Investor Growth Capital increased its ownership in b-business partners, which currently amounts to approximately 75 percent. Investor Growth Capital increased its stake by acquiring 90 percent of ABB's shares for EUR 188 m. Investor also took over the corresponding share of ABB's future capital commitments. In addition, b-business partners decided, in view of the market's development, to temporarily return part of the capital that its owners paid in earlier. The two previously described transactions had a positive net effect of EUR 25 m. on Investor's cash flow. b-business partners' total capital commitment is unchanged and still amounts to EUR 728 m. Of this committed amount, EUR 270 m. has been paid in to b-business partners, of which EUR 60 m. has been invested. The remainder will be drawn down as additional financing needs arise.

During the year b-business partners continued to broaden its ownership base of multinational companies with the entrance of Hewlett-Packard as a partner company.

Investor Growth Capital – New investments in 2001

Company	Sector	Description
Paratek Microwave	IT	Tunable solutions for wireless communications networks.
Princeton Optronics	IT	Active components for next-generation fiber-optic networks.
NTRU	IT	Security solutions for digital consumer devices and applications.
White Rock Networks	IT	Optical transport systems for telecom and datacom carriers.
Sandburst	IT	Semiconductor design company.
WatchMark	IT	Service-assurance software for wireless telecom service providers and other network operators.

In the fourth quarter, 100 percent of the holding in Amira Medical was sold to Roche. In addition, holdings in Esperion Therapeutics, Edison Schools and Scan were partially divested. Earlier in the year, positions in Edison Schools, Medtronic, NTL and Sylvan Learning Systems were sold, among other companies. Certain fund-related holdings were also sold during the year.

For more information: igc.investorab.com

EQT

In the beginning of the year, EQT established EQT Northern Europe, receiving capital commitments totaling EUR 2,000 m.

In the fourth quarter, EQT Northern Europe acquired Leybold Optics (Germany). The company is a world-leading manufacturer of vacuum coating equipment for optical components.

Earlier during the year, EQT Northern Europe acquired the Plantasjen Group, 50 percent of the shares in Duni (Duni is now wholly owned by EQT Northern Europe and EQT Scandinavia I) and Dometic Appliances (Electrolux's leisure appliances business).

In 2001, EQT Scandinavia I sold its holding in Struers A/S.

EQT's funds have total commitments of approximately SEK 30 billion. Investor is one of the major investors in the funds, with total commitments amounting to approximately SEK 8 billion. On December 31, 2001, the book value of Investor's existing holdings in EQT's funds totaled SEK 2,702 m.

For more information: www.eqt.se

Investor Capital Partners – Asia Fund

Investor Capital Partners – Asia Fund has committed capital totaling USD 322 m., of which USD 60 m. has been invested. Investor's commitment is USD 200 m.

For more information visit: icp.investorab.com

EQT's funds 12/31 2001

	Currency (millions)	Capital commitment	Investor's share of capital commitments	Total invested amount	Book value of Investor's existing holdings	Major investments
Scandinavia I	SEK	2 908	393	2 824	189	Sabroe[2)], Perlos[2)], Duni (40%), FlexLink, Struers[2)], TAC (62%)
Scandinavia II[1)]	SEK	6 156	928	5 258	794	Dahl, Thule, HemoCue, Findus, TAC
Denmark	DKK	1 017	179	504	83	Contex, Nordic Info Group, Nederman
Finland	FIM	823	206	87	20	ADR Haanpää
Northern Europe	EUR	2 000	635	540	169	Dometic Appliances, Duni (60%), Plantasjen, Leybold Optics
Total[3)]	**SEK**	**30 375**	**7 819**	**13 912**	**2 702**	

[1)] The commitment includes SEK 420 m. in funds added in 2001.
[2)] Refers to investments that are no longer included in the portfolio.
[3)] The following rates were used to translate to SEK: DKK = 1.2598, FIM = 1.5758, EUR = 9.3665.

Investor Growth Capital *is wholly owned by Investor and focuses on direct investments in young high-growth companies in an expansion phase. The focus is on European and U.S. companies in the information technology and healthcare sectors. Investor Growth Capital has offices in Stockholm, New York, Palo Alto and Amsterdam.*

Investor Capital Partners – Asia Fund *is a private equity fund with a focus on buyouts and growth investments in Asia, excluding Japan and India. The investment adviser is Investor's wholly owned subsidiary Investor Asia Limited.*

EQT *takes control positions in medium-sized companies that are normally unlisted and have a high return potential through various forms of restructuring. EQT is operated in the form of a number of LBO[*)] funds with capital from Investor and external investors. Investor is the principal owner of the investment adviser EQT Partners AB.*

[*)] Leveraged buyout

Other Holdings

Net asset value, Other Holdings

	12/31 2001		12/31 2000	
	SEK/share	SEK m.	SEK/share	SEK m.
Saab Automobile, subordinated loan	-	-	5	4 050
Volvo	3	2 460	4	3 366
Syngenta	2	1 240	2	1 162
Hi3G	1	358	0	40
Other	1	835	1	791
Total, Other Holdings	**7**	**4 893**	**12**	**9 409**

Saab Automobile

In the first quarter of 2001, General Motors made the agreed payment of SEK 4,050 m. to acquire Investor's subordinated loan to Saab Automobile. Investor booked a capital gain of SEK 1,160 m. on the transaction.

Volvo

In the fourth quarter of 2001, 4,500,000 shares in Volvo were sold for SEK 788 m. Earlier during the year, 3,000,000 shares in Volvo were sold for SEK 562 m. Investor's remaining holding in Volvo amounted to 1,155,240 A shares and 12,864,480 B shares on December 31, 2001.

Hi3G

During the year Hi3G built up a functioning organization and approximately 300 people are working for the company today. After being awarded a UMTS license in Denmark, Hi3G is now developing service offerings for Swedish and Danish customers.

Hi3G is collaborating with other 3G operators in the Hutchison Whampoa group in the terminal and service areas. The rollout of the 3G network in Sweden is proceeding on schedule and the first call was made in Hi3G's network in December.

On January 15, 2002, it was announced that Orange joined the Hi3G and Europolitan joint venture company for network construction – 3G Infrastructure Services (3GIS). The addition of Orange as a partner will further reduce investment costs for Hi3G, and thereby, Investor's commitment.

Hi3G's financing needs, of which a substantial portion involves debt financing, will increase as the network is rolled out, and as services are launched. As of December 31, 2001, Investor had provided a total of SEK 358 m. to Hi3G in capitalization.

For more information: www.hi3gaccess.se

Other Operations

Net asset value, Other Operations

	12/31 2001		12/31 2000	
	SEK/share	SEK m.	SEK/share	SEK m.
Securities trading	1	599	1	1 165
Grand Hôtel Holdings	1	1 075	1	1 075
Land and real estate	1	350	1	350
Other	0	39	0	11
Total, Other Operations	**3**	**2 063**	**3**	**2 601**

Securities trading

Investor's securities trading recorded a gain of SEK 955 m. (650).

Grand Hôtel Holdings

The year started out favorably, but at the end of summer business declined because of the economic downturn and the events of September 11. Group sales totaled SEK 406 m., which was on last year's level. Income after financial items was SEK 17 m. (67) for the year. Major renovation work was also carried out during the year, for which SEK 41 m. was booked as a cost.

For more information: www.grandhotel.se

Consolidated results

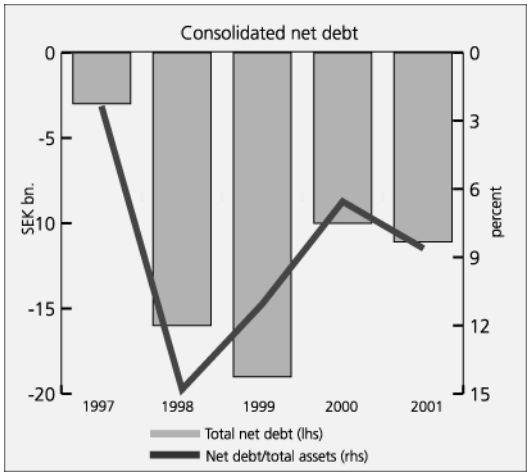
Investor's income after financial items, excluding unrealized increases in value, amounted to SEK 8,646 m. (13,478). Income for the year (after tax) was SEK 8,156 m. (13,459). Income (after tax) in the fourth quarter was SEK 483 m. (-1,324).

Income for the year includes a capital gain of SEK 7,008 m. on the sale of shares in SAS, SKF and Stora Enso.

A more detailed description of operations is provided as a table in Appendix 1.

Consolidated net debt

Consolidated net debt at the end of the year was SEK 11,082 m., as against SEK 10,128 m. at year-end 2000. Net debt thus increased SEK 954 m. during the year. Investor's net debt thereby amounted to 9 percent of total assets, compared with 7 percent at year-end 2000.



Share capital

Investor AB's convertible debenture loans from 1991 and 1992 matured in 2001. The share capital on December 31, 2001 amounted to SEK 4,795 m., compared with SEK 4,782 m. at the beginning of the year.

Structure of share capital

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**

Parent Company Investor AB

Income after financial items was SEK 10,053 m. (8,665) in 2001. During the year net share purchases amounted to SEK 1,053 m.

Proposed dividend

The Board of Directors and the President propose a dividend to shareholders of SEK 3.00 (3.00) per share for fiscal 2001. An extraordinary dividend of SEK 2.50 per share (2.50) is also proposed.

Investor's dividend policy is to distribute a large portion of the dividends it receives in the form of an ordinary dividend to shareholders. This dividend should also develop steadily over time. In addition to the ordinary dividend, extraordinary dividends can be paid, depending on the current tax situation. During the year the Swedish parliament approved a reduction of the standard income rate, which comprises the basis for taxation of holding companies, from 2 percent to 1.5 percent of total assets, effective fiscal 2002.

Repurchase of own shares

As in the past two years, the Board of Directors has decided to propose to the Annual General Meeting that it should extend the authorization of the Board to decide on the repurchase of the company's shares. Under such mandate, the Board would be given the opportunity until the next Annual General Meeting – provided they deem this appropriate – to decide on the repurchase of the company's shares.

In accordance with current legislation, these repurchases can amount up to 10 percent of the total shares outstanding in Investor. Such purchases may be effected over the stock exchange or through offerings to shareholders. It is also proposed that the Board's mandate include the possibility to transfer repurchased shares.

Other

Annual General Meeting

The Annual General Meeting of Investor AB will be held at 2:00 p.m. on Tuesday, April 16, 2002, in Victoriahallen, Stockholmsmässan (Stockholm International Fairs), Älvsjö. Investor's audited Annual Report will be made available at the company's headquarters at Arsenalsgatan 8c in Stockholm.

Accounting principles

This year-end report has been prepared in accordance with Sweden's Annual Accounts Act and the recommendations of the Swedish Financial Accounting Standards Council. It should be noted, however, that the net asset value per share is stated instead of income per share, since it reflects the development of Investor as an industrial holding company in a more relevant way.

Holdings in associated companies are reported in accordance with the acquisition value method. The consolidated accounts in accordance with the equity method (income statement, balance sheet and specification of equity) will be made available on Investor's website as of February 28, 2002.

Valuation principles for New Investments

The valuation of listed holdings is based on the share price of each company on the last business day of the reporting period, less 10 or 20 percent, depending on the liquidity of the company's shares.

For unlisted holdings, Investor uses a valuation method in which the holdings are valued at acquisition cost, less any write-downs. The valuation, and if relevant, any need for write-downs, is determined quarterly on the basis of the market's development and the performance of each company in relation to its plan and budget.

Financial Calendar 2002

- April 16 Annual General Meeting
- April 16 Interim Report, January – March
- July 10 Interim Report, January – June
- Oct. 10 Interim Report, January – September

Stockholm, January 24, 2002

Marcus Wallenberg
President and Chief Executive Officer

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

INVESTOR GROUP

CONSOLIDATED INCOME STATEMENT

Acquisition value method

SEK m.	2001 1/1-12/31	2000 1/1-12/31	2001 9/30-12/31	2000 9/30-12/31
Dividends	2 351	2 090		20
Capital gains, net	7 008	10 202		
Operating costs	-193	-215	-47	-66
Net income - Core Holdings	**9 166**	**12 077**	**-47**	**-46**
Dividends	246	632	3	61
Capital gains, net	-672	1 216	1 203	-1 563
Operating costs	-344	-333	-105	-101
Net income - New Investments and Other Holdings	**-770**	**1 515**	**1 101**	**-1 603**
Net income, securities trading	955	650	-212	221
Net sales	597	556	124	190
Cost of goods and services sold	-519	-452	-198	-143
Operating costs	-119	-106	-17	-30
Net income - Other Operations	**914**	**648**	**-303**	**238**
Groupwide operating costs	-84	-86	-24	-22
Operating income	**9 226**	**14 154**	**727**	**-1 433**
Net financial items	-580	-676	-212	-136
Income after financial items	**8 646**	**13 478**	**515**	**-1 569**
Actual tax	-264	-9	73	307
Deferred tax	-212	-10	-102	-55
Minority interest	-14		-3	-7
Income for the period	**8 156**	**13 459**	**483**	**-1 324**

INVESTOR GROUP

CONSOLIDATED BALANCE SHEET

Acquisition value method

SEK m.	2001 12/31	2000 12/31
Assets		
Equipment and real estate, etc.	1 490	1 499
Shares and participations	65 482	57 594
Receivables	1 851	4 196
Cash and short-term investments	4 345	7 480
Total assets	**73 168**	**70 769**
Shareholders' equity and liabilities		
Shareholders' equity	52 986	48 782
Convertible debenture loans		1 322
Provision for pensions	196	189
Loans	14 257	15 662
Other liabilities	5 729	4 814
Total shareholders' equity and liabilities	**73 168**	**70 769**

Net debt		
Cash and short-term investments [1)]	3 371	5 723
Loans	-14 257	-15 662
Provision for pensions	-196	-189
Total net debt	**-11 082**	**-10 128**
1) The calculation of net debt was adjusted by: since corresponding items have been included in other liabilities, which are not included in the calculation of net debt.	-974	-1 757

CHANGES IN SHAREHOLDERS' EQUITY

Acquisition value method

SEK m.	2001 12/31	2000 12/31
Opening balance	48 782	37 868
Effect of accounting principle changes:		
Deferred tax		27
Hedging of employee stock option program	-96	-
Dividend to shareholders	-4 218	-2 596
Conversions	74	41
Translation differences in subsidiaries, etc.	288	-17
Income for the period	8 156	13 459
Closing balance	52 986	48 782

INVESTOR GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

SEK m.	2001 1/1-12/31	2000 1/1-12/31
Cash flow from operating activities		
Core holdings		
Dividends received	2 351	2 052
New Investments and Other Holdings		
Dividends received	246	632
Securities trading, Other Operations and operating costs		
Payments received	85 604	62 169
Payments made	-84 337	-61 973
Cash flow from operating activities before net interest income/expense and income taxes	**3 864**	**2 880**
Interest received/paid	-570	-661
Income taxes paid	-150	-76
Cash flow from operating activities	**3 144**	**2 143**
Cash flow from investing activities		
Core holdings		
Purchases	-15 095	-1 304
Sales	13 556	13 578
New Investments and Other Holdings		
Purchases	-8 035	-9 372
Sales	9 716	6 404
Investments in tangible fixed assets	-54	-85
Sold tangible fixed assets	23	12
Cash flow from investing activities	**111**	**9 233**
Cash flow from financing activities		
Long-term loans repaid/raised	-1 901	1 586
Increase/Decrease in short-term financial liabilities	497	-5 669
Dividends paid	-4 218	-2 596
Cash flow from financing activities	**-5 622**	**-6 679**
Cash flow for the period	**-2 367**	**4 697**
Liquid assets, opening balance	**5 723**	**1 020**
Translation difference in liquid assets	**15**	**6**
Liquid assets, closing balance [1)]	**3 371**	**5 723**
1) Adjusted by since corresponding items have been included in other liabilities, which are not included in the calculation of net debt.	-974	-1 757

APPENDIX 1 – INVESTOR'S PERFORMANCE BY SEGMENT

PERFORMANCE PER SEGMENT 1/1-12/31 2001

(SEK m.)	Core Holdings	New Investments	Other Holdings	Other Operations	Investor groupwide	Total
Dividends	2 351	77	169	113		2 710
Capital gains, net						
Realized profit/loss	7 008	447	-458	909		7 906
Write-downs, net		-2 802	2 141	-67		-728
Other revenues and expenses				78		78
Operating costs	-193	-336	-8	-119	-84	-740
Operating income	**9 166**	**-2 614**	**1 844**	**914**	**-84**	**9 226**
Net financial items					-580	-580
Taxes and minority interest					-490	-490
Income for the period	***9 166***	***-2 614***	***1 844***	***914***	***-1 154***	***8 156***
Change in surplus value	-29 073	-323	-1 034	239	-58	-30 249
Other		204			-42	162
Dividends paid					-4 218	-4 218
Contribution to NAV growth	**-19 907**	**-2 733**	**810**	**1 153**	**-5 472**	**-26 149**

ASSETS BY SEGMENT 12/31 2001

Book value	47 617	10 901	4 376	1 634	-460	64 068
Accumulated surplus value	62 901	1 509	517	429	-58	65 298
Net debt					-11 082	-11 082
Total net asset value	***110 518***	***12 410***	***4 893***	***2 063***	***-11 600***	***118 284***

PERFORMANCE PER SEGMENT 1/1-12/31 2000*

(SEK m.)	Core Holdings	New Investments	Other Holdings	Other Operations	Investor groupwide	Total
Dividends	2 090	337	295	66		2 788
Capital gains, net						
Realized profit/loss	10 202	2 667	1 274	584		14 727
Write-downs, net		-1 228	-1 497			-2 725
Other revenues and expenses				104		104
Operating costs	-215	-325	-8	-106	-86	-740
Operating income	**12 077**	**1 451**	**64**	**648**	**-86**	**14 154**
Net financial items					-676	-676
Taxes and minority interest					-19	-19
Income for the period	***12 077***	***1 451***	***64***	***648***	***-781***	***13 459***
Change in surplus value	-16 143	-955	1 946	145		-15 007
Other						
Dividends paid					-2 596	-2 596
Contribution to NAV growth	**-4 066**	**496**	**2 010**	**793**	**-3 377**	**-4 144**

ASSETS BY SEGMENT 12/31 2000

Book value	38 871	9 860	7 858	2 410	15	59 014
Accumulated surplus value	91 973	1 832	1 551	191		95 547
Net debt					-10 128	-10 128
Total net asset value	***130 844***	***11 692***	***9 409***	***2 601***	***-10 113***	***144 433***

*During the year Investor's own holding of convertible debenture loans was retired. Comparative figures have been adjusted in net asset value calculations to take this into account.

Annual General Meeting of Investor AB

Investor AB's Annual General Meeting will be held on Tuesday, April 16, 2002, at 2:00 p.m. at Stockholmsmässan (Stockholm International Fairs), Mässvägen 1, Älvsjö, Sweden.

Participation

To be entitled to participate in the business of the Meeting, shareholders

must be recorded in the register of shareholders maintained by VPC AB (the Swedish Securities Register Center) on Friday, April 5, 2002, and

must notify the Company of their intention to attend the Meeting no later than 1:00 p.m. on Wednesday, April 10, 2002, by writing to Investor AB, SE-103 32 Stockholm, Sweden, or by calling +46 8 611 29 10.