# Interim Report January-March 2012

## Highlights during the first quarter

- Net asset value amounted to SEK 167.0 bn. (SEK 220 per share) on March 31, 2012, an increase by SEK 10.9 bn., (SEK 15 per share) during the quarter.
- Investor acquired EUR 183 m. of Mölnlycke Health Care's mezzanine debt.
- SEK 300 m. was contributed in equity financing to Aleris in order to strengthen its capital structure to finance recent acquisitions and to enable further growth.
- On April 24, Investor announced that it has accumulated 6.4 percent in Wärtsilä for a total consideration of EUR 317 m. The average acquisition price adjusted for dividends is EUR 24.9 per share. Investor and current main owner Fiskars will merge their respective ownership interests in Wärtsilä in a joint company. Wärtsilä will be a new core investment.
- Investor received a net distribution of SEK 1.4 bn. from EQT. Investor Growth Capital's distribution was SEK 257 m., excluding the final cash contribution of SEK 750 m. from Investor.
- On April 17, Investor's Annual General Meeting approved the proposed SEK 6.00 dividend per share. In total, SEK 4,563 m. will be distributed in the second quarter.

## Financial information

- Net asset value amounted to SEK 167,008 m. (SEK 220 per share) on March 31, 2012, compared to SEK 156,070 m. (SEK 205 per share) at year-end 2011, corresponding to a change of 7 percent for the first quarter (0). Over the past 20 years, annual net asset value growth, with dividend added back, has been 13 percent.
- Consolidated net profit for the period, including unrealized change in value, was SEK 10,913 m. (SEK 14.36 per share), compared to SEK 346 m. for the same period 2011 (SEK 0.51 per share).
- Core Investments contributed SEK 9,784 m. to net asset value for the period (-1,028), of which Listed SEK 9,802 m. (-786).
- Financial Investments contributed SEK 1,423 m. to net asset value for the period (1,514).
- Leverage (net debt/total assets) was 10.2 percent as of March 31, 2012 (9.8).
- The total return on the Investor share was 14 percent during the first quarter (6). The Stockholm Stock Exchange's Total Return Index (SIXRX) was 11 percent (-1). The total annual return averaged 0 percent over the past 5-year period, 6 percent over the past 10-year period and 12 percent over the past 20-year period.

# Net Asset Value Overview

| | Number of shares 3/31 2012[1] | Ownership 3/31 2012 capital/votes[2] (%) | Share of total assets 3/31 2012 (%) | Value, SEK/share 3/31 2012 | Value, SEK m. 3/31 2012[3] | Contribution to net asset value YTD | Value, SEK m. 12/31 2011[3] |
|---|---|---|---|---|---|---|---|
| ***Core Investments[4]*** | | | | | | | |
| Listed | | | | | | | |
| Atlas Copco | 206 895 611 | 16.8/22.3 | 18 | 43 | 32 893 | 2 528 | 30 365 |
| ABB | 179 030 142 | 7.8/7.8 | 13 | 32 | 24 312 | 1 124 | 23 188 |
| SEB | 456 089 264 | 20.8/20.9 | 12 | 28 | 21 430 | 3 946 | 18 282 |
| AstraZeneca | 51 587 810 | 4.1/4.1 | 8 | 20 | 15 208 | -413 | 16 302 |
| Ericsson | 174 303 252 | 5.3/21.5 | 6 | 16 | 11 836 | -310 | 12 112 |
| Electrolux | 47 866 133 | 15.5/29.9 | 4 | 9 | 6 692 | 1 766 | 5 237 |
| Saab | 32 778 098 | 30.0/39.5 | 2 | 6 | 4 048 | -590 | 4 638 |
| Husqvarna | 97 052 157 | 16.8/30.3 | 2 | 5 | 3 859 | 943 | 3 062 |
| NASDAQ OMX | 18 954 142 | 10.9/10.9 | 2 | 4 | 3 249 | 33 | 3 216 |
| Sobi | 107 594 165 | 40.3/40.5 | 1 | 3 | 2 389 | 775 | 1 614 |
| | | | ***68*** | ***166*** | ***125 916*** | | ***118 016*** |
| Subsidiaries | | | | | | | |
| Mölnlycke Health Care | | 96/93 | 8 | 20 | 15 075 | 16 | 13 436 |
| Aleris | | 98/99 | 2 | 5 | 3 654 | 12 | 3 342 |
| Grand Hôtel | | 100/100 | 1 | 1 | 1 194 | -14 | 1 208 |
| | | | ***11*** | ***26*** | ***19 923*** | | ***17 986*** |
| | | | **79** | **192** | **145 839** | | **136 002** |
| ***Financial Investments*** | | | | | | | |
| EQT | | n/a | 7 | 16 | 12 309 | 495 | 13 214 |
| Investor Growth Capital | | 100/100 | 6 | 15 | 11 332 | 651 | 10 188 |
| *Partner-owned investments* | | | | | | | |
| Gambro Holding | | 49/49 | 3 | 7 | 5 226 | -13 | 5 239 |
| Lindorff | | 58/50 | 2 | 6 | 4 372 | 35 | 4 337 |
| 3 Scandinavia | | 40/40 | 1 | 3 | 2 382 | -13 | 2 395 |
| Other Partner-owned investments | | n/a | 0 | 0 | 180 | 0 | 180 |
| Other Investments[5] | | | 2 | 5 | 3 649 | 286 | 2 076 |
| | | | **21** | **52** | **39 450** | | **37 629** |
| *Other Assets and Liabilities* | | | *0* | *1* | *722*[6] | | *-651* |
| **Total Assets** | | | **100** | **245** | **186 011** | | **172 980** |
| **Net debt** | | | **-10** | **-25** | **-19 003** | | **-16 910** |
| **Net Asset Value** | | | **90** | **220** | **167 008** | | **156 070** |

1) Holdings, including any shares on loan.
2) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF). ABB, AstraZeneca and NASDAQ OMX in accordance with Swiss, British and U.S. regulations.
3) Includes market value of derivatives related to investments if applicable.
4) 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.
5) Includes among others the holding in Wärtsilä of SEK 2,151 m. (8,599,206 shares).
6) Dividends from listed core investments of SEK 1,255 m. was pending over the end of the quarter and have been accounted for as a receivable in Other Assets and Liabilities.

## President's comments

During the first quarter, the Stockholm Stock Exchange's return index, SIXRX, advanced by 11 percent. Our net asset value grew by 7 percent, and the total return on our share was 14 percent.

**Core Investments – several investments made**

Our listed Core Investments are generally in good shape. We expect to receive dividends of SEK 4.7 bn. during 2012, an increase from the SEK 4.0 bn. received during 2011.

Mölnlycke Health Care continues to perform well. Growth in the quarter was a bit slower in Europe, primarily due to austerity measures in Southern Europe. North America and the Asia-Pacific continued to show good growth. Growth in the Surgical division has picked up. Mölnlycke continues to invest in R&D to sustain a solid pace of new product introductions and technology leadership, as well as putting more "feet on the street".

During the quarter, we acquired EUR 183 m. of Mölnlycke Health Care's mezzanine debt, paying interest at EURIBOR + 7.25 percent on the nominal value, of which half is paid in kind. Not only is this an attractive investment, but it also increases our flexibility about the future capital structure in the company. We now own EUR 208 m. in total, providing us with an attractive interest income.

In Aleris, the integration process of recent major acquisitions, Proxima (Sweden) and Hamlet (Denmark), continued successfully, with synergies gradually realized.

Around the end of the quarter, Aleris closed on three tuck-in acquisitions with good strategic fit. On April 2, Aleris took over the operations of the Bollnäs hospital, a contract that spans up to nine years. We injected SEK 300 m. in equity into Aleris to finance acquisitions and to maintain a balanced debt-to-equity ratio.

The tender for the S:t Göran hospital was won by the incumbent operator Capio. Of course, we do not like losing a bid, but now we can focus on all other available opportunities instead. SEK 6 m. in costs related to the bid was expensed this quarter.

**Solid progress in EQT and IGC**

Investor Growth Capital (IGC) had another strong quarter with several successful exits, resulting in a SEK 257 m. distribution to Investor. Following our final SEK 750 m. capital contribution in early 2012, IGC is now a self-sustaining operation. EQT also performed well, generating SEK 1.4 bn. in net cash flow to Investor.

3 Scandinavia continues to make good progress and added 84,000 subscribers during the quarter, mainly driven by sustained demand for smartphones. As operating leverage remains strong, continued growth is strongly value-creating.

Gambro's Board and the new CEO, has established a plan to accelerate growth and improve margins. The plan includes strengthening the monitor platform, investments in dialyzer production capacity and expansion of the sales force in the Acute business, an area in which Gambro is the undisputed leader. It also includes increased emphasis on developing the presence in emerging markets, where growth in the patient population is expected to remain high. We will financially support the execution of the plan as we are convinced that it will strengthen Gambro and create significant value. We expect to inject up to EUR 150 m. over the coming years to realize the plan.

**Cost reductions**

Our cost reduction program continues. During the program, approximately one third of Investor's employees, slightly less than 50 people, has left or will leave the company. We are still incurring significant extra costs for simplifying our legal structure. In addition, the cost during the first quarter was impacted by costs for our LTI program from 2009, driven by IFRS accounting. We continue to expect to reach the full run rate effect of our cost reductions by year end 2012. We are targeting to be close to SEK 350 m. in annual run-rate during the end of the year, down from the annualized run-rate of SEK 450 m. during the first quarter.

**Wärtsilä - a new core investment**

During the last three quarters, we have acquired 4.4 percent in Wärtsilä for a total consideration of EUR 198 m. We have also received dividend of EUR 8 m. on these shares. After the end of the quarter, we announced the acquisition of another 2.08 percent from Fiskars, Wärtsilä's main shareholder, for EUR 127 m. Following this, we now control 6.4 percent in Wärtsilä for a total dividend-adjusted investment of EUR 317 m. corresponding to EUR 24.9 per share. Our holding has so far been accounted for in Financial Investments.

We have a joint ownership agenda with Fiskars and have decided to pool our respective interests in a joint company. All details will be implemented over the coming four quarters. Together, we now own 19.4 percent of Wärtsilä.

We are convinced of the long-term prospects of Wärtsilä. It has leading global market positions, high emerging market exposure and a large aftermarket business. We support its current strategy and see good long-term growth potential driven by environmental regulations, smart power generation and an increased penetration of natural gas powered engines.

We have a long-term ownership view on our investment. Therefore it will be a core investment. I am very happy that we have been able to build an ownership position in a new core Investment with great potential to generate an attractive long-term contribution to growing our net asset value. We look forward to partnering with Fiskars in realizing this potential.

**Our goal intact**

In total, we have so far this year invested SEK 2.0 bn. in our core investments and an additional, dividend adjusted, SEK 2.0 bn. in Wärtsilä, of which SEK 0.9 bn. during the first quarter. Our balance sheet remains strong. Although our leverage now exceeds 10 percent, slightly above our target leverage range of 5-10 percent over a business cycle, we believe that we have acquired shares at long-term attractive valuations, and we feel comfortable with our future cash flow generation.

Our objective remains to grow net asset value, operate efficiently and pay a steadily rising dividend. Our dedication to this objective should allow us to generate an attractive total return to our shareholders.



Börje Ekholm

# Net asset value

During the first quarter, the net asset value increased from SEK 156.1 bn. to SEK 167.0 bn. The change in net asset value was 7 percent during the first quarter (0)[1)]. During the same period, the total return of the Stockholm Stock Exchange (SIXRX) was 11 percent.

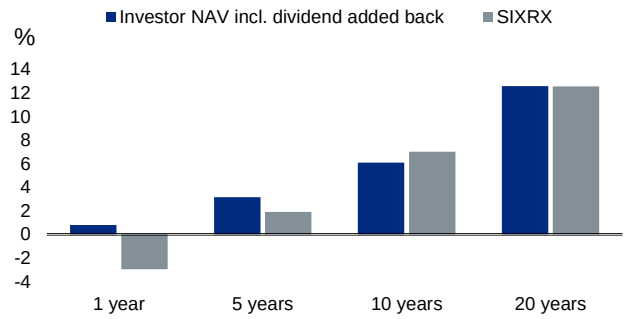
1) For balance sheet items, figures in parentheses refer to year-end 2011 figures. For income items, the figures in parentheses refer to the same period last year.

### Change in Net asset value, Investor Group

| SEK m. | 1/1-3/31 2012 | 1/1-3/31 2011 |
|---|---|---|
| Changes in value | 9 265 | -541 |
| Dividends | 2 077 | 1 313 |
| Other operating income[1)] | 124 | 118 |
| Management costs | -113 | -307[2)] |
| Other items[3)] | -440 | -237 |
| **Profit (+)/Loss (-)** | **10 913** | **346** |
| Non-controlling interest | 10 | 43 |
| Other effects on equity | 15 | -212 |
| **Total** | **10 938** | **177** |

1) Includes interest received on loans to associates.
2) Includes a restructuring charge of SEK 150 m. during the first quarter of 2011.
3) Other items include among other share of results of associates.

### Annual net asset value performance, with dividend added back




### Contribution to Net asset value, Investor Group

| SEK m. | 1/1-3/31 2012 | 1/1-3/31 2011 |
|---|---|---|
| Core Investments | 9 784 | -1 028 |
| Financial Investments | 1 423 | 1 514 |
| Investor groupwide | -269 | -309 |
| **Total** | **10 938** | **177** |

# Net debt

Net debt totaled SEK 19,003 m. on March 31, 2012 (16,910), corresponding to leverage of 10.2 percent (9.8). The average maturity of the debt financing is 11.7 years (11.2). There are no maturities before 2016.

### Investor's net debt

| SEK m. | 1/1-3/31 2012 | 1/1-12/31 2011 |
|---|---|---|
| **Opening net debt** | **-16 910** | **-11 472** |
| ***Core Investments*** | | |
| Dividends | 681[1)] | 3 998 |
| Net investments | -1 959 | -5 066 |
| ***Financial Investments*** | | |
| Dividends | 323[2)] | 951 |
| Net investments | -526[3)] | 115 |
| ***Investor groupwide*** | | |
| Other | -612 | -1 634 |
| Dividends paid | - | -3 802 |
| **Closing net debt** | **-19 003** | **-16 910** |

1) Dividends from listed core investments of SEK 1,255 m. was pending over the end of the quarter and has been accounted for as a receivable in Other Assets and Liabilities.
2) Includes a dividend of SEK 59 m. from Wärtsilä.
3) Includes investments in Wärtsilä of SEK 951 m.

# Core Investments

Core Investments contributed to the net asset value with SEK 9,784 m. during the first quarter (-1,028). The listed holdings contributed with SEK 9,802 m. (-786), and the subsidiaries contributed with SEK 14 m. (-201).

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

## Investments and divestments

*First quarter*

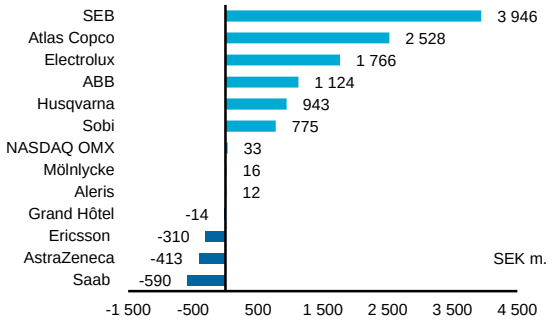
SEK 1,959 m. was invested, of which SEK 34 m. in listed Core Investments and SEK 1,925 m. in the subsidiaries. Within the subsidiaries, SEK 1,625 m. was invested in Mölnlycke Health Care debt instruments, and SEK 300 m. in equity was contributed to Aleris.

## Net asset value

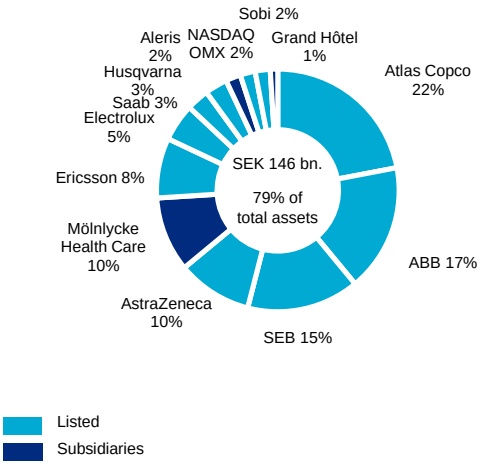
**Contribution to net asset value, Core Investments**

| SEK m. | 1/1-3/31 2012 | 1/1-3/31 2011 |
|---|---|---|
| Changes in value, listed | 7 866 | -2 089 |
| Dividends, listed | 1 936 | 1 303 |
| Change in reported value, subsidiaries | 14 | -201 |
| Management cost | -32 | -41 |
| **Total** | **9 784** | **-1 028** |

**Core Investments contribution to net asset value 1/1-3/31 2012**




**Split of Core Investments, 3/31, 2012**




| Business Area Overview | Type of investment | Type of ownership | Valuation methodology | Goal |
|---|---|---|---|---|
| Core Investments – *Listed* | Well-established, global companies. Long ownership horizon. | Significant minority ownership for strategic influence. | Share price (bid). | 8-9 percent long term annual return. |
| Core Investments – *Subsidiaries* | Medium- to large-size companies with international operations. Long ownership horizon. | Majority ownership for strategic influence. | Subsidiaries are valued according to the acquisition method. | 8-9 percent long term annual return. |

# Core Investments

## *Listed*

Listed Core Investments contributed to net asset value with SEK 9,802 m. during the first quarter (-786). The combined total return for the listed holdings amounted to 8 percent.

Read more at www.investorab.com under “Our Investments” >>

### Investments and divestments

*First quarter*

574,550 shares were purchased in Ericsson for a total SEK 34 m.

On April 24, Investor announced that it has acquired 6.4 percent in Wärtsilä. For more information, please see the President´s comments on page 3 and “Events occurring after the end of the quarter” on page 20. From now on, Wärtsilä will be reported as a core investment.

### Dividends

Dividends from listed Core Investments totaled SEK 1,936 m. in the first quarter (1,303), of which SEK 1,255 m. (Electrolux, Husqvarna and SEB) was pending and was reported in Other Assets and Liabilities. We expect to receive a total SEK 4.7 bn. in 2012.

**Total return, Listed Core Investments**

| | Total return for Investor[1] 2012 (%) |
|---|---|
| ABB | 4.8 |
| AstraZeneca | -2.5 |
| Atlas Copco | 8.3 |
| Electrolux | 33.7 |
| Ericsson | -2.6 |
| Husqvarna | 30.8 |
| NASDAQ OMX | 1.0[2] |
| Saab | -12.7 |
| SEB | 21.6 |
| Sobi | 48.0 |

1) Calculated as the sum of share price changes and dividends added back, including add-on investments and/or divestments.
2) The corresponding return in USD terms was 5.6 percent for the period.

Read more at www.atlascopco.com >>

A global leader in compressors, construction and mining equipment, power tools and assembly systems. The group operates in more than 170 countries.

### Activities during the quarter

- Atlas Copco announced two smaller acquisitions in the quarter, adding sales of approximately SEK 175 m.
- Ahead of the 2012 AGM, Peter Wallenberg Jr. has been nominated to the Board of Directors while Jacob Wallenberg has declined re-election.

### Brief facts, Atlas Copco

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 32 893 |
| Investor's ownership (capital), % | 16.8 |
| Share of Investor's total assets, % | 18 |

**Investor's view:** Atlas Copco has world leading market positions and a strong corporate culture. For quite some time, the company has had best-in-class operational performance and has generated a total return significantly higher than its peers. Over the last few years, Atlas Copco has focused on building strong positions in key growth markets such as China, India and Brazil, and on building world class aftermarket operations. These initiatives have been instrumental to the company's strong performance. Going forward, the company's strong market positions, a flexible business model and focus on innovation provide an excellent platform for capturing business opportunities and continuing to outperform its peers. Thanks to its strong cash flow, the company can distribute significant capital to shareholders, while simultaneously retaining the flexibility to act on its growth strategy.

Read more at www.abb.com >>

A global leader in power and automation technologies that enable utility and industry customers to improve performance while lowering environmental impact.

### Activities during the quarter

- ABB announced a USD 3.9 bn. bid for Thomas & Betts, a listed US manufacturer of low-voltage electrical products. The acquisition strengthens ABB's position in the large US low-voltage market through addition of a highly complementary product range and access to a large base of distributors.

### Brief facts, ABB

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 24 312 |
| Investor's ownership (capital), % | 7.8 |
| Share of Investor's total assets, % | 13 |

**Investor's view:** ABB has a strong brand and market leading positions in attractive industries. Both the power and automation industries have significant exposure to emerging markets and structural growth drivers in terms of electricity build-out and increased focus on energy efficiency. Over the last few years, ABB has made considerable operational improvement which has resulted in strong profitability even in a power market facing price pressure. ABB was early to establish a presence in China and India with strong local product offerings, which is critical to long-term success. In recent years, the company has further strengthened its positions through numerous acquisitions, which now must be successfully integrated. ABB's balance sheet remains strong, supporting further growth and continued distribution to shareholders.

Read more at www.seb.se >>

A leading Nordic financial services group. SEB is present in some 20 countries, with main focus on the Nordic countries, Germany and the Baltics.

### Activities during the quarter

- SEB has tightened its cost program further by SEK 1 bn., targeting flat costs at SEK 23.1 bn. until 2014.
- SEB's capitalization remains solid and the core tier 1 ratio was 13.7 percent by the end of Q4.
- SEB was ranked best bank for Large Corporates and Institutions in the Nordics in Prospera's survey from April.

### Brief facts, SEB

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 21 430 |
| Investor's ownership (capital), % | 20.8 |
| Share of Investor's total assets, % | 12 |

**Investor's view:** With the sale of the German retail operation and some improvement in the Baltic economies, we believe that SEB is well positioned to meet both challenges and capture opportunities. The SEB franchise and customer relationships have remained strong throughout the crisis, which should support SEB's business model as a leading relationship bank going forward. Swedish regulators have announced new capital requirements that are stricter than the proposed Basel III rules. While some uncertainty remains regarding the final regulatory outcome, our view is that SEB is well capitalized and prepared to meet the new requirements. SEB should be able to continue to focus on growth within the small- and medium-sized enterprises segment in Sweden as well as on the corporate segments outside Sweden.

Read more at www.astrazeneca.com >>

A global biopharmaceutical business with focus on the discovery, development and commercialization of prescription medicines.

### Activities during the quarter

- AstraZeneca and partner Bristol-Myers Squibb announced that the U.S. Food and Drug Administration has issued a complete response letter regarding the new drug application for type 2 diabetes treatment Dapagliflozin. In Europe, Dapagliflozin was recommended for approval by the European Medicines Agency (EMA).
- AstraZeneca announced that Leif Johansson will be proposed to shareholders for election as a Non-Executive Director at the company's AGM, and that it is the Board's intention that he will be appointed Chairman with effect from September 1, 2012. In addition, Graham Chipchase and Geneviève Berger will be proposed to shareholders for election as Non-Executive Directors at the AGM.
- AstraZeneca announced new restructuring initiatives designed to improve productivity and strengthen the company's commercial operations and R&D capabilities. The new program is expected to deliver an estimated USD 1.6 bn. in annual benefits by the end of 2014, at an estimated total cost of USD 2.1 bn. AstraZeneca expects that this restructuring program will affect approximately 7,300 positions. As a part of the program, the Södertälje R&D site will be closed.
- AstraZeneca and Amgen announced an agreement to jointly develop and commercialize five products currently being developed by Amgen.

### Brief facts, AstraZeneca

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 15 208 |
| Investor's ownership (capital), % | 4.1 |
| Share of Investor's total assets, % | 8 |

**Investor's view:** Conditions remain difficult in the pharmaceutical industry. AstraZeneca must cope with upcoming patent expirations for some of its key products strengthen its research pipeline. Improved R&D productivity remains the most important driver of long-term value for AstraZeneca and the pharmaceutical industry. It is also important that AstraZeneca continues to expand in emerging markets and strives for operational excellence.

Read more at www.ericsson.com >>

The world's leading provider of technology and services for telecom operators. Ericsson is the leader in 2G, 3G and 4G mobile technologies.

### Activities during the quarter

- Ericsson announced a new strategy and name for Business unit Multimedia, which will now be known as Business unit Support Solutions and focus on providing business systems to operators, and on TV distribution technology.
- Ericsson announced the acquisition of BelAir Networks (Wi-Fi equipment for telecom operators), the acquisition of an additional 25 percent of LG-Ericsson (the South Korean JV), and the acquisition of the Broadcast Services Division of Technicolor. Ericsson also completed the divestment of its 50 percent stake in Sony Ericsson to Sony, and completed the acquisition of Telcordia.
- Alexander Izosimov was proposed as a new member of the Board of Directors.

### Brief facts, Ericsson

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 11 836 |
| Investor's ownership (capital), % | 5.3 |
| Share of Investor's total assets, % | 6 |

**Investor's view:** As the global leader, Ericsson is well positioned to benefit from the secular growth of mobile data traffic. In the short and medium term, a key priority is to manage the ongoing modernization of customers' networks into newer data enabling technologies. Sustaining technological leadership and continuously improving cost and capital efficiency is fundamental to Ericsson's long-term competitiveness. Continuing growth in the services business and gaining a strategic position in other growth segments are also important to Ericsson's future value creation, as is improving the performance of the ST Ericsson joint venture.

Read more at www.saabgroup.com >>

Serves the global market with world-leading products, services and solutions for military defense and civil security.

### Activities during the quarter

- The Swedish Armed Forces presented their intention to upgrade 60-80 Gripen aircraft to the new version E/F and gave a clear commitment to Gripen as the backbone of the Swedish Air Force.
- The Swedish Defence and Security Export Agency confirmed that Hungary made a strategic decision to continue operating Gripen. Sweden and Hungary are extending the cooperation for another ten years, until 2026.
- Combitech, a division of Saab, acquired Sörman Intressenter AB, parent company of Sörman Information AB, which is a consulting firm that provides services and solutions within qualified technical information management.

### Brief facts, Saab

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 4 048 |
| Investor's ownership (capital), % | 30.0 |
| Share of Investor's total assets, % | 2 |

**Investor's view:** Saab is well positioned in many niche markets. However, it is still highly dependent on binary outcomes in large defense contract tenders. As Swedish defense spending has decreased over the last decade, Saab has developed cost efficient products, which in the current environment of political pressure and fiscal austerity can be a competitive advantage. With top-quality products, continued focus on operational efficiency and with a solid balance sheet, Saab has a strong platform for the future. Going forward, growth outside of Sweden continues to be imperative, as well as the ability to generate a good gross margin to support internal R&D and marketing efforts.

Read more at www.electrolux.com >>

Electrolux is a global leader in household appliances and appliances for professional use, selling more than 40 million products to customers in more than 150 markets every year.

### Activities during the quarter

- At the 2012 AGM, Ronnie Leten and Fredrik Persson were elected as new members of the Board of Directors.

### Brief facts, Electrolux

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 6 692 |
| Investor's ownership (capital), % | 15.5 |
| Share of Investor's total assets, % | 4 |

**Investor's view:** The appliances industry is intensely competitive, with low growth in mature markets. The company's historic operating profit margin has been below its targeted level. Successful execution of Electrolux's strategy focusing on innovative products, a strong global brand and an improved position through globalization and modularization has good potential to structurally improve the long-term operating margin. Recently, Electrolux has made two acquisitions in growth markets to improve future growth prospects. Successful integration of these acquisitions will be important.

Read more at www.husqvarna.com >>

The world's largest producer of outdoor power products, a world leader in cutting equipment and diamond tools, European leader in consumer watering products.

### Activities during the quarter

- At the 2012 AGM, Katarina Martinson was elected to the Board of Directors.

### Brief facts, Husqvarna

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 3 859 |
| Investor's ownership (capital), % | 16.8 |
| Share of Investor's total assets, % | 2 |

**Investor's view:** Husqvarna has world-leading market positions, strong brands and a global sales organization. In recent years, however, the company has struggled with both weak market development and operational performance. As a consequence, the total return has been below both peers and our return requirement. We believe in Husqvarna's long-term potential based on its world-leading position in the global market for outdoor equipment. To improve performance, Husqvarna has invested in new innovative products and streamlined its brand portfolio. This, in combination with a strong focus on operational performance, is important for performance going forward.

Read more at www.nasdaqomx.com >>

One of the world's largest exchange operators, which offers listings, trading, exchange technology and public company services across six continents.

### Activities during the quarter

- The European Commission decided to prohibit the proposed merger between NASDAQ OMX's peers NYSE Euronext and Deutsche Boerse, due to anti-trust issues in trading and clearing of European derivatives.

### Brief facts, NASDAQ OMX

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 3 249 |
| Investor's ownership (capital), % | 10.9 |
| Share of Investor's total assets, % | 2 |

**Investor's view:** NASDAQ OMX has strong market positions and a unique brand in an industry that we know well. An exchange is at the core of the financial system's infrastructure and we believe that more financial products will become standardized and thus traded on exchanges. Our view is that continued focus on capturing growth opportunities, such as expansion into new asset classes and adjacent businesses, should create value. The company's strong cash flow enables continued cash distribution to its shareholders.

Read more at www.sobi.com >>

A Swedish integrated biopharma company with international market presence, developing and commercializing pharmaceuticals for patients with rare diseases.

### Activities during the quarter

- Sobi and Pfizer extended the supply agreement for hemophilia A treatment ReFacto until December 2020. The previous agreement expired in 2015. In a separate agreement, Sobi and Pfizer agreed that Sobi will return the co-promotion rights for ReFacto and hemophilia B treatment BeneFIX in the Nordic region to Pfizer in exchange for a payment to Sobi of USD 47.5 m.
- Sobi announced a revised agreement with the sellers of Arexis AB (a 2005 acquisition), whereby Sobi will pay SEK 77 m. to the sellers of Arexis. The sellers of Arexis had previously made a claim against Sobi of SEK 325 m.

### Brief facts, Sobi

| | |
|---|---|
| Market value, Investor's holding, SEK m. | 2 389 |
| Investor's ownership (capital), % | 40.3 |
| Share of Investor's total assets, % | 1 |

**Investor's view**: Sobi is well positioned to benefit from opportunities in attractive segments of the pharmaceutical market. Near-term, improving operational performance and successfully completing the post-merger integration of Biovitrum and Swedish Orphan International, which should result in improved cost and capital efficiency, is very important. Longer-term, securing the full commercial potential of Sobi's late stage development pipeline is the key focus for the company.

# Core Investments

## *Subsidiaries*

The subsidiaries contributed to the net asset value with SEK 14 m. during the first quarter (-201).

Read more at www.investorab.com under “Our Investments” >>

### Investments and divestments

*First quarter*

Investor acquired an additional EUR 183 m. of Mölnlycke Health Care’s mezzanine debt (EUR 183 m. in nominal value), maturing during the first quarter 2017. Prior to this acquisition, Investor had invested EUR 11.4 m. (EUR 25.4 m. in nominal value) in the mezzanine debt. The annual interest rate is EURIBOR + 7.25 percent on the nominal value. Approximately half of the interest paid is cash, while the remaining part is capitalized and added to the reported mezzanine debt.

After the end of the quarter, Investor will acquire shares in Mölnlycke Health Care from participants in the company’s share investment program (MPP) for a total SEK 865 m. For more information, see “Events occurring after the end of the quarter” on page 20.

Investor contributed SEK 300 m. in equity financing to Aleris in order to strengthen its capital structure to finance recent acquisitions and to enable further growth.

**Net asset value, subsidiaries**

| | 3/31 2012 | | 12/31 2011 | |
|---|---|---|---|---|
| | SEK/share | SEK m. | SEK/share | SEK m. |
| Mölnlycke Health Care | 20 | 15 075 | 18 | 13 436 |
| *Of which mezzanine debt* | | *1 871* | | *249* |
| Aleris | 5 | 3 654 | 4 | 3 342 |
| Grand Hôtel | 1 | 1 194 | 2 | 1 208 |
| **Total** | **26** | **19 923** | **24** | **17 986** |

**Contribution to net asset value, subsidiaries**

| SEK m. | 1/1-3/31 2012 | 1/1-3/31 2011 |
|---|---|---|
| Mölnlycke Health Care | 16[1)] | -193[1)] |
| Aleris | 12[2)] | 9[2)] |
| Grand Hôtel | -14 | -17 |
| **Total** | **14** | **-201** |

1) Affected by SEK -139 m. deriving from acquisition related amortizations on intangible assets (-204). In addition the contribution to net asset value during the first quarter 2011 was affected by SEK -274 relating to the consumption of the acquisition related market value of inventory.
2) Affected by SEK -35 m. deriving from acquisition related amortizations on intangible assets (-22).

MÖLNLYCKE HEALTH CARE

Read more at www.molnlycke.com >>

A world-leading manufacturer of single-use surgical and wound care products and services for the professional health care sector.

## Activities during the quarter

- North America and Asia-Pacific remained strong. Several markets in Europe, such as the UK and Iberia, were soft, due to public austerity measures, while many other European markets remained solid.
- The Wound Care Division had a somewhat softer development in EMEA, while North America and Asia-Pacific remained strong. Conventional Wound Care showed good growth. Mölnlycke Health Care acquired the burn and wound care business from U.S. Brennen Medical.
- The Surgical Division had a strong quarter with an improved growth rate. In particular, Procedure Pak and Gloves grew strongly.
- Growth remained healthy and the EBITDA margin remained at a high level. Net debt increased slightly due to seasonal swings in net working capital and the acquisition from Brennen Medical.
- Two new members have joined the Mölnlycke Health Care Board: Clare Hollingsworth from the UK, with experience as CEO of the BUPA health care system; and Fred Colen, with a strong background in medical technology, e.g. as Chief Technology Officer for Boston Scientific.

**Key figures, Mölnlycke Health Care**

| Income statement items | Q1 2012 | Q1 2011 | Rolling 4 quarters |
|---|---|---|---|
| Sales, EUR m. | 267 | 244 | 1 037 |
| Sales growth, % | 9 | 9 | |
| Sales growth, constant currency, % | 6 | 6 | |
| EBITDA, EUR m. | 71 | 67[1)] | 300 |
| EBITDA % | 27 | 27 | 29 |

| Balance sheet items | Q1 2012 | Q4 2011 |
|---|---|---|
| Net debt, EUR m. | 1 500 | 1 482 |

| Cash flow items, EUR m. | Q1 2012 | Q1 2011 |
|---|---|---|
| EBITDA, | 71 | 67[1)] |
| Change in working capital | -26 | -31 |
| Capital expenditures | -8 | -5 |
| **Operating cash flow** | **37** | **31** |
| Acquisitions/divestments | -18 | - |
| Shareholder contribution/distribution | - | - |
| Other[2)] | -37 | -31 |
| **Increase(-)/decrease (+) in net debt** | **-18** | **0** |

| *Key ratios* | | | *Rolling 4 quarters* |
|---|---|---|---|
| Working capital/sales, % | | | 11 |
| Capital expenditures/sales, % | | | 4 |
| Number of employees | 6 750 | 6 985 | |

1) Excluding the purchase price allocation, performed in conjunction with the acquisition of the majority in Mölnlycke Health Care, allocating EUR 49 m. to inventory. The consumption of this market value impacted EBITDA negatively by EUR 45 m. during the first quarter 2011.
2) Includes effects of exchange rate changes, interest, tax, value change of derivatives and other non-cash items.

**Brief facts, Mölnlycke Health Care**

| | |
|---|---|
| Initial investment year | 2007 |
| Capital invested, SEK m. | 12 288[1)] |
| Investor's ownership (capital), % | 96 |
| Share of Investor's total assets, % | 8 |
| Reported value, Investor's share, SEK m. | 15 075 |
| *Of which mezzanine debt, SEK m.* | *1 871* |

1) Of which SEK 1,743 m. in mezzanine debt.

**Investor's view**: Mölnlycke Health Care is a strongly performing company and a true leader in its industry segments. Since our acquisition, the company has outperformed most of its key competitors in terms of growth, profitability and cash conversion. Its highly competitive product offering, strong market positions, exciting product pipeline and the expansion of its sales force, both in existing and new markets, create a robust platform for continued growth. It is important that the company continues to develop new innovative products and capture growth opportunities in Asia and other growth regions.

Aleris

Read more at www.aleris.se >>

A leading provider of health care and care services in the Nordic region on behalf of municipalities, county councils and insurance companies.

## Activities during the quarter

- The Diagnostic Division continued its strong performance. The Care Division also showed good and stable performance during the quarter.
- Within the Health Care Division, focus remained on synergy realization and the integration of Proxima. On April 2, Aleris took over the operations of the Bollnäs Hospital, which is now being integrated with the primary care unit at the same site. Aleris participated in the tender for the S:t Göran hospital in Stockholm, but the incumbent operator, Capio, was awarded the contract.
- In Norway, operations developed well. In Denmark, volumes in the health care market are weak.
- During the quarter, a primary care operator in central Stockholm was acquired. After the end of the quarter two further acquisitions were completed; Xyrinx, a radiology provider in Gothenburg and Södermalms Hemtjänst, providing home care services in central Stockholm. The acquisitions combined will contribute SEK 175 m. in revenues on an annual basis.
- Reported sales growth amounted to 55 percent. In constant currency, organic revenue growth was 11 percent. The reported EBITDA margin remained flat at 8 percent. EBITDA was negatively affected by SEK 6 m. related to the tender for S:t Göran's Hospital.

**Key figures, Aleris**

| **Income statement items, SEK m.** | **Q1 2012** | **Q1 2011** | **Rolling 4 quarters** |
|---|---|---|---|
| Sales | 1 656 | 1 071 | 5 708 |
| Sales growth, % | 55 | 5 | |
| Organic growth, constant currency, % | 11 | 9 | |
| EBITDA | 130 | 81 | 459 |
| EBITDA % | 8 | 8 | 8 |

| **Balance sheet items, SEK m.** | **Q1 2012** | **Q4 2011** |
|---|---|---|
| Net debt | 2 532 | 2 811 |

| **Cash flow items, SEK m.** | **Q1 2012** | **Q1 2011** |
|---|---|---|
| EBITDA | 130 | 81 |
| Change in working capital | -40 | -39 |
| Capital expenditures | -29 | -25 |
| **Operating cash flow** | **61** | **17** |
| Acquisitions/divestments | -40 | - |
| Shareholder contribution/distribution | 300 | - |
| Other[1)] | -42 | 11 |
| **Increase(-)/decrease(+) in net debt** | **279** | **28** |

| ***Key ratios*** | ***Rolling 4 quarters*** |
|---|---|
| Working capital/sales, % | -2 |
| Capital expenditures/sales, % | 2 |

| | | |
|---|---|---|
| Number of employees | 5 360 | 3 825 |

1) Other includes effects of exchange rate changes, interest, tax, value change of derivatives and other non-cash items.

**Brief facts, Aleris**

| | |
|---|---|
| Initial investment year | 2010 |
| Capital invested, SEK m. | 3 840 |
| Investor's ownership (capital), % | 98 |
| Share of Investor's total assets, % | 2 |
| Reported value, Investor's share, SEK m. | 3 654 |

**Investor's view**: Aleris has a strong market position in Scandinavia and significant long-term growth potential that fits well into our ownership philosophy. The Scandinavian healthcare and care market is a large industry with long-term sustainable growth potential, where private providers can outgrow the overall market given the ongoing outsourcing and deregulation trend. Aleris is an attractive platform for continued organic growth derived from demographic changes, successful tenders and deregulation initiatives such as "free choice" for patients. Aleris also provides a good platform for additional acquisitions. Delivering high-quality service is the main differentiating and sustainable factor for this business over the long term, which is why efforts to constantly improve quality and service for patients and payers is the top priority.

GRAND HÔTEL
STOCKHOLM – SWEDEN

Read more at www.grandhotel.se >>

Scandinavia's leading five-star hotel, opened in 1874. It occupies a landmark building with a unique location on the waterfront in central Stockholm.

## Activities during the quarter

- The demand for hotel rooms in the Stockholm region grew but was offset by the increasing number of available hotel rooms.
- The hotel operations saw a modest volume increase and improved mix during the quarter. The Food and Beverages business had a strong quarter with good revenue growth, primarily driven by conferences and banqueting.
- The ongoing Investments to upgrade all the hotel rooms continued.
- Revenues increased 10 percent during the quarter and EBITDA turned positive.

### Key figures, Grand Hôtel

| **Income statement items** | **Q1 2012** | **Q1 2011** | **Rolling 4 quarters** |
|---|---|---|---|
| Sales, SEK m. | 77 | 70 | 403 |
| Sales growth, % | 10 | -4 | |
| EBITDA, SEK m. | 5 | -2 | 74 |
| EBITDA % | 6 | -3 | 18 |

| **Balance sheet items** | **Q1 2012** | **Q4 2011** |
|---|---|---|
| Net debt, SEK m. | 564 | 545 |

| **Cash flow items SEK m.** | **Q1 2012** | **Q1 2011** |
|---|---|---|
| EBITDA | 5 | -2 |
| Change in working capital | -13 | 10 |
| Capital expenditures | -5 | -25 |
| **Operating cash flow** | **-13** | **-17** |
| Acquisitions/divestments | - | - |
| Shareholder contribution/distribution | - | - |
| Other[1)] | -6 | -8 |
| **Increase(-)/decrease(+) in net debt** | **-19** | **-25** |

| ***Key ratios*** | ***Rolling 4 quarters*** |
|---|---|
| Working capital/sales, % | -7 |
| Capital expenditures/sales, % | 22 |

| | | |
|---|---|---|
| Number of employees | 245 | 255 |

1) Includes interest, tax, group contribution and dividends received/paid.

### Brief facts, Grand Hôtel

| | |
|---|---|
| Initial investment year | 1968 |
| Capital invested, SEK m. | 577 |
| Investor's ownership (capital), % | 100 |
| Share of Investor's total assets, % | 1 |
| Reported value, Investor's share, SEK m. | 1 194 |

**Investor's view**: Grand Hôtel has a unique brand, location, and property. In recent years, wide-scale renovations have been made to the hotel, new facilities have been opened and various initiatives have been implemented in order to cope with the challenging economic climate. It is important that Grand Hôtel continues to develop its offering, reach new customer segments, increase the occupancy rate, and focus on efficiency, without compromising its status as a superior hotel. Further investments in the property are important to sustain a superior product and build long-term value.

# Financial Investments

Financial Investments contributed to the net asset value with SEK 1,423 m. in the first quarter (1,514). The positive contributions during the period came mainly from the strong performance within EQT and Investor Growth Capital.

Read more at www.investorab.com under “Our Investments” >>

## Investments and divestments

*First quarter*

SEK 2,362 m. was invested. Proceeds amounted to SEK 2,159 m.

The previously announced SEK 350 m. investment in Madrague Capital Partner’s equity fund was made during the quarter.

**Net asset value, Financial Investments**

| | 3/31 2012 | | 12/31 2011 | |
|---|---|---|---|---|
| | SEK/Share | SEK m. | SEK/Share | SEK m. |
| EQT | 16 | 12 309 | 17 | 13 214 |
| Investor Growth Capital | 15 | 11 332 | 13 | 10 188 |
| *Partner-owned* | | | | |
| Gambro Holding | 7 | 5 226 | 7 | 5 239 |
| Lindorff | 6 | 4 372 | 6 | 4 337 |
| *Of which mezzanine debt* | | *285* | | *279* |
| 3 Scandinavia | 3 | 2 382 | 3 | 2 395 |
| Other Partner-owned | 0 | 180 | 0 | 180 |
| Other[1)] | 5 | 3 649 | 3 | 2 076 |
| **Total** | **52** | **39 450** | **49** | **37 629** |

1) Includes among others Wärtsilä with SEK 2,151 m. (8,599,206 shares), trading, smaller holdings and land & real estate.

**Contribution to net asset value, Financial Investments**

| SEK m. | Q1 2012 | Q1 2011 |
|---|---|---|
| EQT | 495 | 1 522 |
| Investor Growth Capital | 651 | -36 |
| *Partner-owned* | | |
| Gambro Holding | -13 | -53 |
| Lindorff | 35 | 77 |
| 3 Scandinavia | -13 | 37 |
| Other partner-owned | 0 | -2 |
| Other | 286 | 42 |
| Management cost | -18 | -73 |
| **Total** | **1 423** | **1 514** |

**Business Area Overview**

| | Type of investment | Type of ownership | Valuation methodology | Goal |
|---|---|---|---|---|
| Financial Investments | EQT | Largest investor in EQT’s funds. | Unlisted holdings at multiple or third-party valuation, less a discount, listed shares at share price (bid). | 15 percent annual return on average for the business area. |
| | Investor Growth Capital | Leading minority ownership in expansion stage companies. | Unlisted holdings at multiple or third-party valuation, less a discount, listed shares at share price (bid). | |
| | Partner-owned investments | Significant minority ownership for strategic influence. | Equity method. Income and balance sheet items reported with one month’s delay. | |

EQT

Read more at www.eqt.se >>

The EQT funds invest in companies in Northern and Eastern Europe, Asia and the U.S., in which EQT can act as a catalyst to transform and grow operations.

## Activities during the quarter

- After the end of the quarter, EQT III announced the divestment of Leybold Optics.
- After the end of the quarter, EQT VI announced the acquisition of Anticimex Group.
- EQT Expansion Capital II invested in internetstores AG.
- EQT Greater China II, together with Econ Investment, launched cash offer for China Healthcare.
- EQT Opportunity divested the holding in Lundhags.
- The reported value change of Investor's investments in EQT funds was 4 percent. In constant currency, the value change was 5 percent.
- Investor's total outstanding commitments to EQT funds amounted to SEK 4.2 bn. as of March 31, 2012 (2.3).

**Change in net asset value, EQT**

| SEK m. | 1/1-3/31 2012 | 1/1-3/31 2011 |
|---|---|---|
| Net asset value, beginning of period | 13 214 | 10 858 |
| Contribution to net asset value (value change) | 495 | 1 522 |
| Draw-downs (investments and management fees) | 311 | 1 048 |
| Proceeds to Investor (divestitures, fee surplus and carry) | -1 711 | -12 |
| **Net asset value, end of period** | **12 309** | **13 416** |

As of March 31, 2012, the five largest investments were (in alphabetical order): Dako (Denmark), Gambro (Sweden), ISS (Denmark), Sanitec (Finland), and Springer Science+Business Media (Germany) representing 35 percent of the total value of Investor's investments in EQT funds.

**Brief facts, EQT**

| | |
|---|---|
| Initial investment year | 1994/1995 |
| Investor's share of funds, % | 6-64 |
| Market value, Investor's holding, SEK m. | 12 309 |
| Share of Investor's total assets, % | 7 |

**Investor's view**: Investor has been a sponsor of EQT's funds since its inception more than 15 years ago. Since then, EQT has delivered top investment performance in its industry and we have received returns on our limited partner interest in the top quartile of the industry. As a sponsor, we also have an ownership interest in the general partners of the funds, allowing us to capture a portion of the carry and of any surplus from management fees. This represents a significant enhancement of our total return from the respective funds over time. Although "lumpy" by nature, depending on whether the funds are in an investment or divestment phase, our investments in the EQT funds are expected to continue to generate strong cash flow.

# Investor Growth Capital

Read more at www.investorab.com >>

Investor Growth Capital makes expansion stage venture capital investments in growth companies within technology and healthcare in the U.S. and China.

In early 2012, Investor contributed a final SEK 750 m. to Investor Growth Capital (IGC), which since July 1, 2011 is a stand-alone entity, wholly-owned by Investor.

## Activities during the quarter

- IGC's largest holding Greenway Medical, a provider of electronic medical record systems, completed an IPO on NASDAQ. Tangoe, a provider of telecommunications expense management solutions, priced a secondary offering in which IGC participated.
- ID Analytics, a provider of identity and credit risk management, was divested to Lifelock.
- Paratek, a developer of tunable antennas for mobile devices, was acquired by Research in Motion.
- The holding in public U.S. biotechnology company Achillion was divested.
- U.S. holdings Cameron Health (Cardiac devices) and Clairmail (mobile banking technology) announced agreements to be acquired subject to closing conditions.
- An investment was made in Chinese online outlet retailer Fclub.
- Investor received a SEK 257 m. capital distribution from IGC. This distribution is calculated as 50 percent of exit proceeds generated by IGC net of transaction related costs and operating costs.
- IGC's value change was 6 percent. In constant currency, the value change was 10 percent.

**Change in net asset value, Investor Growth Capital**

| SEK m. | 1/1-3/31 2012 | 7/1-12/31 2011[1)] |
|---|---|---|
| Net asset value, beginning of period | 10 188 | 8 694 |
| Contribution to net asset value (value change) | 651 | 1 031 |
| Capital contribution from Investor | 750 | 1 137 |
| Distribution to Investor | -257 | -674 |
| **Net asset value, end of period** | **11 332** | **10 188** |
| *Of which net cash* | *2 395* | *1 453* |

1) The corresponding time period (Q1 2011) is not applicable since IGC became a stand-alone entity as of July 1, 2011.

As of March 31, 2012, the U.S., Asian and European portfolios represented 64, 16, and 20 percent of the total value. 24 percent of the market value was composed by listed holdings.

The five largest investments were (in alphabetical order): Aerocrine (Sweden), China Greens (China), Greenway Medical Technologies (U.S.), Memira Holdings (Sweden), and Mindjet Corporation (U.S.). In total, these holdings represented 29 percent of the total portfolio value.

**Brief facts, Investor Growth Capital**

| | |
|---|---|
| Initial investment year | 1995 |
| Investor's ownership (capital), % | 100 |
| Market value, Investor's holding, SEK m. | 11 332 |
| Share of Investor's total assets, % | 6 |

**Investor's view**: Investor Growth Capital's new structure and focus on the U.S. and China, where the track record and return prospects are strongest, creates a solid platform for continued strong performance. The structural change leads to a clarified capital commitment from Investor and also creates the basis for a more sustainable cash flow to us.

Read more at www.gambro.com >>

A global medical technology company and a leader in developing, manufacturing and supplying products and therapies for Kidney and Liver dialysis, Myeloma Kidney Therapy and other extracorporeal therapies for Chronic and Acute patients.

## Activities during the quarter

- Demand for Gambro's products and services was healthy in the Americas and APAC, while EMEA continued to be weak for both business areas Chronic and Acute. In constant currency and adjusted for divestitures, sales were down 4 percent.
- EBITDA was down substantially. During January and February, the EBITDA margin was in line with the corresponding period last year. However, December 2011 was negatively impacted, mainly by an increased bad debt reserve and an inventory write-down.
- The business area Chronic continued to face challenges in EMEA due to austerity measures and price pressure in key markets.
- The business area Acute was also affected by a slower market in EMEA. Sales growth for the quarter was mainly driven by strong performance in APAC.
- Operating cash flow was weak. Net working capital increased due to extended payment terms in Southern Europe. This is the main explanation to the increase in the net debt.

### Key figures, Gambro[1)]

| Income statement items | Q1 2012 (Dec-Feb) | Q1 2011 (Dec-Feb) | Rolling 4 quarters |
|---|---|---|---|
| Sales, SEK m. | 2 716 | 2 809 | 10 835 |
| Sales growth, % | -3 | -8 | |
| Sales growth, constant currency, % | -5 | -1 | |
| Normalized EBITDA, SEK m. | 318 | 520 | 1 839 |
| Normalized EBITDA, % | 12 | 19 | 17 |

| Balance sheet items | Q1 2012 | Q4 2011 |
|---|---|---|
| Net debt, SEK m. | 8 606 | 8 572 |

| | Q1 2012 | Q1 2011 |
|---|---|---|
| Number of employees | 7 075 | 7 380 |

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

### Brief facts, Gambro

| | |
|---|---|
| Initial investment year | 2006 |
| Capital invested, SEK m. | 4 246 |
| Investor's ownership (capital), % | 49 |
| Share of Investor's total assets, % | 3 |
| Reported value, Investor's share, SEK m. | 5 226 |

**Investor's view**: The restructuring of Gambro has been challenging and taken longer than we originally anticipated. During 2011, Gambro took important steps to ensure operational efficiency and strengthen the focus on its core activities. We continue to believe that the improvement potential, both when it comes to revenue growth and margins, is substantial. We will provide additional equity financing if deemed value-creating.

Read more at www.lindorff.com >>

A leading credit management company in Europe. The company has operations in Denmark, Estonia, Finland, Germany, Latvia, Lithuania, The Netherlands, Norway, Russia, Spain and Sweden.

## Activities during the quarter

- The business area Collection recorded a good quarter with stable solution rates. The number of collection cases remained relatively flat compared to the previous quarter.
- The performance within the business area Capital was stable. Lindorff closed one large portfolio acquisition in Spain.
- Lindorff signed a large 3rd party contract with a financial portfolio investor, in conjunction Lindorff also co-invested in the portfolio.
- After the end of the quarter, Lindorff acquired a portfolio from entities belonging to a leading German financial institute and entered into a two-year contract to purchase future terminated claims for a total investment exceeding EUR 200 m. Lindorff also acquired a collection unit from Santander Group in Spain and also entered into a service agreement with the seller. With this acquisition, Lindorff becomes the market leader in Spain.

### Key figures, Lindorff[1)]

| Income statement items | Q1 2012 (Dec-Feb) | Q1 2011 (Dec-Feb) | Rolling 4 quarters |
|---|---|---|---|
| Sales, EUR m. | 84[2)] | 85 | 336 |
| Sales growth, % | -1 | 8 | |
| Sales growth, constant currency, % | 1 | 4 | |
| EBITdA[3)], EUR m. | 20[2)] | 22 | 94 |
| EBITdA[3)], % | 24 | 26 | 28 |

| Balance sheet items | Q1 2012 | Q4 2011 |
|---|---|---|
| Net debt, EUR m. | 680 | 669 |

| | Q1 2012 | Q1 2011 |
|---|---|---|
| Number of employees | 2 460 | 2 485 |

1) Income statement items and balance sheet items are reported with one month's delay.
2) Including impairment write-downs of EUR 9.3 m. in Q1 2012.
3) EBITdA = EBITDA after portfolio depreciation.

### Brief facts, Lindorff

| | |
|---|---|
| Initial investment year | 2008 |
| Capital invested, SEK m. | 3 969[1)] |
| Investor's ownership (capital), % | 58 |
| Share of Investor's total assets, % | 2 |
| Reported value, Investor's share, SEK m. | 4 372 |
| *Of which mezzanine debt, SEK m.* | *285* |

1) Of which SEK 234 m. in mezzanine debt

**Investor's view**: Lindorff has a good business mix with its two business areas: Collection and Capital. Collection's service-driven business model has low capital requirements and provides a stable earnings base. Capital has the capacity and ability to pursue portfolio acquisitions with good yield. The growth rate can be adapted to Lindorff's growth ambitions and market opportunities. We expect Lindorff to act on value creating opportunities in Europe. Internally, Lindorff should continue to focus on improving efficiency and operational excellence. We remain confident in Lindorff's long-term growth potential.

Read more at www.tre.se >>

A mobile operator providing mobile voice and broadband services in Sweden and Denmark. The company has more than 2 million subscribers and is well-recognized for its high-quality network.

## Activities during the quarter

- The subscriber base grew by 84,000 during the quarter, of which 58,000 in Sweden and 26,000 in Denmark. Subscriber growth in both countries was driven by continued demand for smartphones. 3 Sweden launched an attractive bundled offer at the end of February, further driving the penetration of smartphones and the postpaid offering.
- ARPU during the quarter decreased by 6 percent compared to the same period last year. The Swedish ARPU decreased slightly, by 1 percent, while the Danish ARPU decreased by 11 percent. ARPU is negatively affected by continued price pressure in the Danish market.
- In April, LTE (4G) was launched in Sweden. The roll-out of LTE now continues in both Sweden and Denmark.
- Sales grew by 7 percent compared to the same period last year. The sales growth was 14 percent in Sweden and -4 percent in Denmark.
- In 2011, 3 Scandinavia changed the recognition method of handset sales. During a transition period, the EBITDA is positively impacted by the early recognition of handset revenue from new and prolonged subscribers, while treatment of the existing subscriber base remains unchanged. This effect is fading out as subscriber contracts signed prior to the change expire. Consequently, reported EBITDA for the first quarter 2012 was lower than during the first quarter 2011.

### Key figures, 3 Scandinavia[1)]

| **Income statement items** | **Q1 2012 (Dec-Feb)** | **Q1 2011 (Dec-Feb)** | **Rolling 4 quarters** |
|---|---|---|---|
| Sales, SEK m. | 2 260 | 2 107 | 9 064 |
| *Sweden, SEK m.* | *1 490* | *1 304* | *5 948* |
| *Denmark, DKK m.* | *645* | *673* | *2 577* |
| Sales growth, % | 7 | | |
| *Sweden* | *14* | | |
| *Denmark* | *-4* | | |
| EBITDA, SEK m. | 493 | 609 | 2 281 |
| *Sweden, SEK m.* | *327* | *416* | *1 692* |
| *Denmark, DKK m.* | *139* | *167* | *483* |
| EBITDA, % | 22 | 29 | 25 |
| *Sweden* | *22* | *32* | *28* |
| *Denmark* | *22* | *25* | *19* |

| **Balance sheet items** | **Q1 2012** | **Q4 2011** |
|---|---|---|
| Net debt, SEK m. | 10 353 | 10 472 |

| | **Q1 2012** | **Q1 2011** |
|---|---|---|
| Number of employees | 2 155 | 2 255 |

| **Other key figures[2)]** | **3/31 2012** | **3/31 2011** |
|---|---|---|
| Subscribers | 2 236 000 | 1 911 000 |
| *Sweden* | *1 428 000* | *1 246 000* |
| *Denmark* | *808 000* | *665 000* |
| ARPU[3)], SEK | 306 | 325 |
| *Sweden, SEK* | *304* | *308* |
| *Denmark, DKK* | *254* | *286* |
| Non-voice ARPU[3)] % | 46 | 44 |
| Postpaid/prepaid ratio | 85/15 | 87/13 |

1) Income statement items and balance sheet items are reported with one month's delay.
2) Other key figures are reported without delay.
3) Average Monthly Revenue Per User (ARPU) refers to the past 12-month period.

### Brief facts, 3 Scandinavia

| | |
|---|---|
| Initial investment year | 1999 |
| Capital invested, SEK m. | 6 366 |
| Investor's ownership (capital), % | 40 |
| Share of Investor's total assets, % | 1 |
| Reported equity value, Investor's share, SEK m. | 2 382 |

**Investor's view**: Over the past few years, 3 Scandinavia's strategic focus on building a high-quality mobile network has proven successful, as illustrated by strong subscriber intake and improved operating performance. With strong cost control in place, growth remains the key value driver, and 3 Scandinavia should continue to increase its market share and capture additional growth opportunities. Having acquired additional spectrum during 2011, the company has secured its position as the premier network provider. Future revenue and profit growth should translate into enhanced cash flow generation.

**Unlisted Investments – key figures overview**

| | Q1 2012 | FY 2011 | Q4 2011 | Q3 2011 | Q2 2011 | Q1 2011 | FY 2010 | Q4 2010 | Q3 2010 | Q2 2010 | Q1 2010 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ***Core Investments - Subsidiaries*** | | | | | | | | | | | |
| ***Mölnlycke Health Care (EUR m.)*** | | | | | | | | | | | |
| Sales | 267 | 1 014 | 267 | 250 | 253 | 244 | 949 | 246 | 241 | 239 | 223 |
| EBITDA[1)] | 71 | 296 | 82 | 76 | 71 | 67 | 269 | 74 | 70 | 65 | 60 |
| EBITDA (%) | 27 | 29 | 31 | 30 | 28 | 27 | 28 | 30 | 29 | 27 | 27 |
| Net debt | 1 500 | 1 482 | 1 482 | 1 506 | 1 527 | 1 578 | 1 578 | 1 578 | 1 638 | 1 678 | 1 690 |
| Employees | 6 750 | 6 755 | 6 755 | 6 835 | 6 880 | 6 985 | 6 985 | 6 985 | 6 910 | 6 930 | 6 735 |
| ***Aleris[2)] (SEK m.)*** | | | | | | | | | | | |
| Sales | 1 656 | 5 123 | 1 593 | 1 334 | 1 125 | 1 071 | 4 120 | 1 068 | 952 | 1 076 | 1 024 |
| EBITDA | 130 | 410 | 138 | 103 | 88 | 81 | 296 | 65 | 59 | 93 | 79 |
| EBITDA (%) | 8 | 8 | 9 | 8 | 8 | 8 | 7 | 6 | 6 | 9 | 8 |
| Net debt | 2 532 | 2 811 | 2 811 | 2 630 | 2 233 | 1 997 | 2 025[3)] | 2 025[3)] | 1 952 | 1 505 | 1 523 |
| Employees | 5 360 | 5 150 | 5 150 | 4 975 | 4 865 | 3 825 | 3 775 | 3 775 | 3 760 | 3 650 | 3 700 |
| ***Grand Hôtel (SEK m.)*** | | | | | | | | | | | |
| Sales | 77 | 396 | 123 | 98 | 105 | 70 | 393 | 108 | 109 | 103 | 73 |
| EBITDA | 5 | 67 | 25 | 19 | 25 | -2 | 95 | 21 | 37 | 28 | 9 |
| EBITDA (%) | 6 | 17 | 20 | 19 | 24 | -3 | 24 | 19 | 34 | 27 | 12 |
| Net debt | 564 | 545 | 545 | 555 | 542 | 506 | 481 | 481 | 482 | 492 | 493 |
| Employees | 245 | 260 | 260 | 250 | 245 | 255 | 295 | 295 | 275 | 265 | 240 |
| ***Financial Investments*** | | | | | | | | | | | |
| ***EQT (SEK m.)*** | | | | | | | | | | | |
| Reported value | 12 309 | 13 214 | 13 214 | 13 162 | 14 753 | 13 416 | 10 858 | 10 858 | 9 587 | 10 667 | 9 433 |
| Reported value change % | 4 | 31 | -1 | 0 | 15 | 14 | 13 | 12 | -6 | 12 | -5 |
| Value change, constant currency % | 5 | 31 | 1 | -2 | 13 | 16 | 28 | 13 | 0 | 13 | 2 |
| Draw-downs from Investor | 311 | 2 515 | 325 | 306 | 836 | 1 048 | 2 016 | 223 | 419 | 457 | 917 |
| Proceeds to Investor | 1 711 | 3 519 | 120 | 1 903 | 1 484 | 12 | 1 503 | 59 | 921 | 334 | 189 |
| ***Investor Growth Capital (SEK m.)*** | | | | | | | | | | | |
| Reported value | 11 332 | 10 188 | 10 188 | 10 252 | 8 694 | 8 380 | 8 468 | 8 468 | 7 864 | 8 080 | 8 288 |
| Reported value change % | 6 | 10 | 2 | 10 | -2 | 0 | 4 | 9 | -8 | -2 | 5 |
| Value change, constant currency % | 10 | 6 | 1 | 4 | -3 | 5 | 8 | 8 | 5 | -9 | 5 |
| Capital contribution from Investor | 750 | 1 137 | - | 1 137 | - | - | - | - | - | - | - |
| Distribution to Investor | 257 | 674 | 229 | 445 | - | - | - | - | - | - | - |
| ***Partner-owned investments*** | | | | | | | | | | | |
| ***Gambro[4)] (SEK m.)*** | | | | | | | | | | | |
| Sales | 2 716 | 10 928 | 2 732 | 2 667 | 2 720 | 2 809 | 12 152 | 2 998 | 3 045 | 3 070 | 3 039 |
| Normalized EBITDA | 318 | 2 041 | 477 | 496 | 548 | 520 | 2 395 | 611 | 571 | 668 | 545 |
| Normalized EBITDA (%) | 12 | 19 | 17 | 19 | 20 | 19 | 20 | 20 | 19 | 22 | 18 |
| Net debt [5)] | 8 606 | 8 572 | 8 572 | 8 169 | 7 806 | 23 592 | 25 380 | 25 380 | 25 981 | 26 529 | 25 476 |
| Employees | 7 075 | 7 205 | 7 205 | 7 270 | 7 335 | 7 380 | 7 650 | 7 650 | 7 725 | 7 780 | 7 930 |
| ***Lindorff[4)] (EUR m.)*** | | | | | | | | | | | |
| Sales | 84 | 337 | 81 | 84 | 87 | 85 | 309 | 76 | 80 | 74 | 79 |
| EBITdA[6)] | 20 | 96 | 21 | 31 | 22 | 22 | 89 | 16 | 30 | 21 | 22 |
| EBITdA[6)] (%) | 24 | 28 | 26 | 37 | 25 | 26 | 29 | 21 | 38 | 28 | 28 |
| Net debt | 680 | 669 | 669 | 661 | 680 | 689 | 615 | 615 | 578 | 549 | 547 |
| Employees | 2 460 | 2 470 | 2 470 | 2 595 | 2 550 | 2 485 | 2 465 | 2 465 | 2 315 | 2 270 | 2 295 |
| ***3 Scandinavia[4, 7)]*** | | | | | | | | | | | |
| Sales | 2 260 | 8 911 | 2 337 | 2 270 | 2 197 | 2 107 | - | - | - | - | - |
| *Sweden, SEK m.* | 1 490 | 5 762 | 1 529 | 1 480 | 1 449 | 1 304 | - | - | - | - | - |
| *Denmark, DKK m.* | 645 | 2 605 | 655 | 648 | 629 | 673 | - | - | - | - | - |
| Sales growth, % | 7 | - | - | - | - | - | - | - | - | - | - |
| *Sweden* | 14 | - | - | - | - | - | - | - | - | - | - |
| *Denmark* | -4 | - | - | - | - | - | - | - | - | - | - |
| EBITDA | 493 | 2 397 | 565 | 595 | 628 | 609 | - | - | - | - | - |
| *Sweden, SEK m.* | 327 | 1 781 | 398 | 478 | 489 | 416 | - | - | - | - | - |
| *Denmark, DKK m.* | 139 | 511 | 125 | 96 | 123 | 167 | - | - | - | - | - |
| EBITDA, % | 22 | 27 | 24 | 26 | 29 | 29 | - | - | - | - | - |
| *Sweden* | 22 | 31 | 26 | 32 | 34 | 32 | - | - | - | - | - |
| *Denmark* | 22 | 20 | 19 | 15 | 20 | 25 | - | - | - | - | - |
| Net debt, SEK m. | 10 353 | 10 472 | 10 472 | 10 333 | 10 408[8)] | 10 241 | 9 910 | 9 910 | 9 723 | 10 071 | 10 172 |
| Employees | 2 155 | 2 235 | 2 235 | 2 280 | 2 265 | 2 255 | 2 245 | 2 245 | 2 160 | 2 080 | 2 065 |

1) Excluding the purchase price allocation, performed in conjunction with the acquisition of the majority in Mölnlycke Health Care, allocating EUR 49 m. to inventory. The consumption of this market value impacted EBITDA negatively by EUR 4 m. during the fourth quarter 2010 and EUR 45 m. during the first quarter 2011.
2) The acquisition of Aleris was finalized in August 2010.
3) Numbers have been restated.
4) Income and balance sheet items are reported with one month's delay.
5) Net debt reported under Gambro Holding until the second quarter 2011.
6) EBITdA=EBITDA after portfolio depreciation.
7) The effect on the result prior to the first quarter 2011 has not been assessed.

# Group

## Net debt

Net debt totaled SEK 19,003 m. on March 31, 2012 (16,910). Debt financing of the subsidiaries within Core Investments and the partner-owned investments within Financial Investments, is arranged on an independent ring-fenced basis and hence not included in Investor's net debt. Investor guarantees SEK 4.2 bn. of 3 Scandinavia's external debt, which is not included in Investor's net debt.

### Net Debt, 3/31 2012

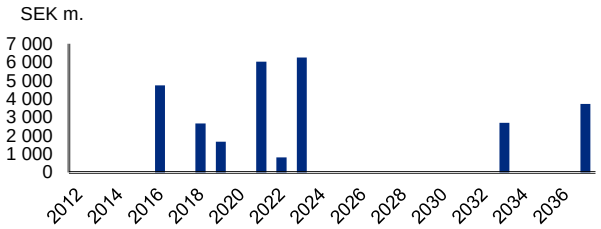
| SEK m. | Consolidated balance sheet | Deductions related to Core Investments subsidiaries[1] and IGC | Investor's net debt |
|---|---|---|---|
| Other financial instruments | 1 763 | -24 | 1 739[2] |
| Cash, bank and short-term investments | 11 744 | -3 015 | 8 729[2] |
| Receivables included in net debt | 475 | -14 | 461[3] |
| Loans | -45 575 | 15 854 | -29 721[3] |
| Provision for pensions | -670 | 459 | -211[3] |
| **Total** | **-32 263** | **13 260** | **-19 003** |

1) Mölnlycke Health Care, Aleris and Grand Hôtel.
2) Included in cash and readily available placements.
3) Included in gross debt.

Cash and readily available placements amounted to SEK 10,468 m. on March 31, 2012 compared to SEK 13,102 m. at year-end 2011. Investor's short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt for Investor amounted to SEK 29,471 m. at the end of the period (30,012).

The average maturity of the debt portfolio was 11.7 years on March 31, 2012 (11.2), excluding the debt of Mölnlycke Health Care, Aleris and Grand Hôtel.

### Maturity profile, 3/31 2012




### Net Financial Items, 3/31 2012

| SEK m. | Group - Net Financial Items | Deductions related to Core Investments subsidiaries[1] | Investor's Net Financial Items |
|---|---|---|---|
| Interest income | 57 | -2 | 55 |
| Interest expenses | -606 | 287 | -319 |
| Unrealized result from revaluation of loans and swaps | 118 | 0 | 118 |
| FX result | -146 | 14 | -132 |
| Other | -11 | 22 | 11 |
| **Total** | **-588** | **321** | **-267** |

1) Mölnlycke Health Care, Aleris and Grand Hôtel.

The foreign exchange result consists primarily of unrealized currency translation differences from loans to Lindorff and Mölnlycke Health Care.

## Management cost

### Management cost, Investor Group

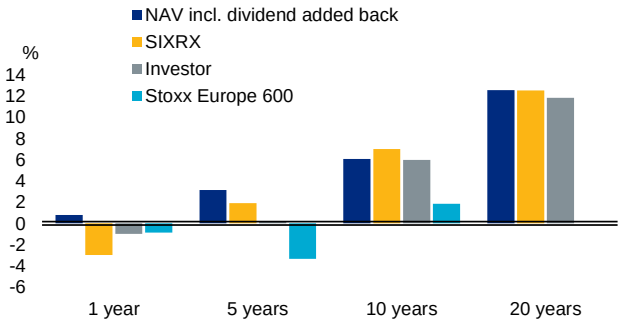
| SEK m. | 1/1-3/31 2012 | 1/1-3/31 2011 | 1/1-12/31 2011 |
|---|---|---|---|
| Core Investments | 32 | 41 | 137 |
| Financial Investments | 18 | 73[1] | 190[2] |
| Investor groupwide | 63 | 43 | 179 |
| **Total before restructuring cost** | **113** | **157** | **506** |
| Restructuring cost | - | 150 | 150 |
| **Total** | **113** | **307[1]** | **656[2]** |

1) Including cost relating to Investor Growth Capital (IGC) of SEK 38 m.
2) Up until June 30, 2011, costs relating to IGC were included in Investor's management cost. IGC costs not included in the management costs were SEK 70 m. for H2 2011.

# The Investor share

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

### Average Total Return




The price of the Investor A-share and B-share was SEK 143.40 and SEK 146.70 respectively on March 31, 2012, compared to SEK 123.20 and SEK 128.40 on December 31, 2011. Total market capitalization of Investor, adjusted for repurchased shares, was SEK 110,538 m. as of March 31, 2012 (96,028).

# Parent Company

## Share capital

Investor's share capital amounted to SEK 4,795 m. on March 31, 2012 (4,795).

**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 March 31, 2012, Investor owned a total of 6,669,158 of its own shares (6,669,158).

## Results and investments

The Parent Company's result after financial items was SEK 9,630 m. (-574). Value changes of equity-related holdings reported at fair value amounted to SEK 7,834 m. (-2,100). Result from participations in Group companies and associates amounted to SEK 0 m. (520), and SEK -39 m. respectively (-88). During the quarter, the Parent Company invested SEK 1,743 m. in financial assets (3,573), of which SEK 1,670 m. was in Group companies (3,237) and purchases in listed Core Investments of SEK 34 m (278). Total debt decreased by SEK 1,969 m. since the beginning of the year. Shareholders' equity totaled SEK 152,269 m. on March 31, 2012, compared to SEK 142,633 m. at year end 2011.

# Risks and Risk management

The main risks that the Group and the Parent Company are exposed to are 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 uncertain market situation also affects the various unlisted holdings' opportunities for new investments and divestments. The turbulent development of the markets reflects the uncertainty about how the continuing global imbalances of the world economy, with risk of serious consequences for various states' deteriorating creditworthiness, will affect the economic situation at both macro and micro levels.

The Core Investments subsidiaries: Mölnlycke Health Care, Aleris and Grand Hôtel are, like Investor, exposed to commercial risks, financial risks, and market risks. In addition, through their business activities, i.e. their offerings of products and services, within respective sector, these companies are also exposed to legal/regulatory risks and political risks, for example political decisions on healthcare budgets and industry regulations.

Financing of Investor's Core Investments subsidiaries and the partner-owned investments are made on a ring-fenced basis, without guarantees from Investor, the guarantee to 3 Scandinavia being the exception. In order to keep credit risks at low levels, credit risk exposure is only permitted if the counterparties have high creditworthiness.

Whatever the economic situation is in the world, operational risk management requires continued high level of awareness and focused work in line with stated policies and instructions. Investor AB's risk management, risks and uncertainties, and those related to its Core Investments subsidiaries, are described in detail in the Annual Report 2011, see the Administration report and Note 31. Any significant changes have not been made subsequently, aside from changes in current macroeconomic risks.

# Accounting policies

For the Group, this Interim 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. The accounting policies that have been applied for the Group and Parent Company are in agreement with the accounting policies used in the preparation of the company's most recent annual report.

### New and changed accounting policies in 2012

New or revised IFRSs and interpretations from IFRIC have had no effect on the profit/loss, financial position or disclosures for the Group or Parent Company.

## Acquisitions (business combinations)

During February Aleris acquired Stureplans Husläkarmottagning AB and Mölnlycke Health Care acquired the burn and wound care business from Brennen Medical in the U.S.

The purchase price allocations for Aleris acquisitions made in 2011 are still preliminary.

### Purchase price allocation in Group companies 2012

**Preliminary Purchase Price Allocations of controlling interest**

| SEK m. | Other | Total |
|---|---|---|
| Intangible assets | 112 | 112 |
| Inventory | 3 | 3 |
| Accounts receivables | 6 | 6 |
| Other current assets | 5 | 5 |
| Cash and cash equivalents | 10 | 10 |
| Current liabilities | -2 | -2 |
| Net identifiable assets and liabilities | 134 | 134 |
| Consolidated goodwill | 97 | 97 |
| **Consideration** | **231** | **231** |

Due to the fact that the acquisitions are relatively small, no further information, in accordance with IFRS 3 is presented in this report. The Annual Report of 2012 will include details of all acquisitions completed in 2012.

## Purchase price allocation in Group companies 2011

**Preliminary Purchase Price Allocations of controlling interest**

| SEK m. | Proxima Intressenter AB | Hamlet A/S | Other | Total |
|---|---|---|---|---|
| Intangible assets | 356 | 2 | | 358 |
| Property, plant and equipment | 69 | 73 | 2 | 144 |
| Deferred tax assets | 8 | 31 | 1 | 40 |
| Non-current assets | 2 | 11 | | 13 |
| Accounts receivables | 70 | 46 | 10 | 126 |
| Other current assets | 70 | 22 | 4 | 96 |
| Cash and cash equivalents | 44 | 9 | 43 | 96 |
| Non-current liabilities and provisions | -437 | -194 | -3 | -634 |
| Deferred tax liabilities | -98 | | | -98 |
| Current liabilities | -154 | -82 | -33 | -269 |
| Net identifiable assets and liabilities | -70 | -82 | 24 | -128 |
| Consolidated goodwill | 812 | 339 | 227 | 1 378 |
| **Consideration** | **742** | **257** | **251** | **1 250** |

The purchase price allocations are preliminary due to the fact that business is conducted in a large number of companies and the valuation of intangible assets is complex.

### Acquisitions after the end of the quarter

After the end of the quarter, Aleris completed two further acquisitions: Xyrinx, a radiology provider in Gothenburg and Södermalms Hemtjänst in central Stockholm. Since the acquisitions were completed close to the release of Investor´s interim report, complete information regarding the acquisitions has not yet been obtained. Further information will be provided in the interim report for the second quarter.

## Related party transactions

During the quarter the Group has not entered into any new significant transactions or commitments with related parties, other than recurring business transactions as presented in the Annual Report 2011.

## Pledged Assets and contingent liabilities

No significant changes of pledged assets and contingent liabilities occurred during the first quarter.

## Events occurring after the end of the quarter

### Acquisition of shares in Mölnlycke Health Care

In Mölnlycke Health Care there is a Management Participation Program, aimed at getting the Board, Management and certain key personnel, some 100 participants in total, to invest in the company to become shareholders, thus aligning interest. Participants in the program have the possibility to sell up to 50 percent of their respective holding to new participants or to Investor at predetermined occasions. The transaction opportunities occur every other year (2012, 2014 and so forth). The acquisitions and divestitures of shares in the program are made on the basis of a market valuation, to which an external fairness opinion is obtained.

In April 2012, when the participants in Mölnlycke Health Care's Management Participation Program had an agreed possibility to sell shares under the program, the Board member Gunnar Brock sold a part of his holding of shares to Investor for approximately SEK 10.6 m. In connection with the position as Chairman of the Board of Mölnlycke Health Care in 2007, prior his election to the Board of Directors of Investor in 2009, Gunnar Brock acquired shares for an amount of approximately SEK 6.4 m. under the program. In total, Investor acquired shares in Mölnlycke Health Care from more than 100 participants for SEK 865 m., of which SEK 469 m. from the Board (including Gunnar Brock) and Management. The program was also described in Investor's Annual Report 2011.

### Wärtsilä new core investment

Up until the end of the first quarter, 2012, Investor had acquired 8,599,206 shares over the market in Wärtsilä for a total of EUR 190 m. (dividend adjusted). Today, April 24, Investor announced it had acquired an additional 4,102,615 shares in Wärtsilä from Fiskars Group for a total of EUR 127 m. After this transaction Investor holds 12,701,821 shares in Wärtsilä, corresponding to an ownership of 6.4 percent. Wärtsilä will be included in Investors reporting going forward as a core investment. For more information see separate press release on www.investorab.com.

## Financial calendar

| | |
|---|---|
| July 17, 2012 | Interim Report January-June 2012 |
| Oct. 17, 2012 | Interim Report Jan-Sep 2012 |
| Jan. 29, 2013 | Year-End Report 2012 |
| April 23, 2013 | Interim Report January-March 2013 |

Stockholm, April 24, 2012



Börje Ekholm
*President and Chief Executive Officer*


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

The information in this interim report is such that Investor is required to disclose under Sweden's Securities Market Act.

The report was released for publication at 08:15 CET on April 24, 2012.

This Interim report and additional information is available on www.investorab.com

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

## Consolidated Income Statement, in summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-3/31 |
|---|---|---|
| Dividends | 2 077 | 1 313 |
| Other operating income | 124 | 118 |
| Changes in value | 9 265 | -541 |
| Net sales | 4 090 | 3 309 |
| Cost of goods and services sold | -2 708 | -2 446 |
| Sales and marketing costs | -642 | -713 |
| Administrative, research and development and other operating costs | -381 | -299 |
| Management costs | -113 | -157 |
| Restructuring costs | - | -150 |
| Share of results of associates | -147 | 248 |
| **Operating profit/loss** | **11 565** | **682** |
| Net financial items | -588 | -596 |
| **Profit/loss before tax** | **10 977** | **86** |
| Taxes | -64 | 260 |
| **Profit/loss for the period** | **10 913** | **346** |
| **Attributable to:** | | |
| Owners of the Parent Company | 10 923 | 389 |
| Non-controlling interest | -10 | -43 |
| **Profit/loss for the period** | **10 913** | **346** |
| **Basic earnings per share, SEK** | **14.36** | **0.51** |
| **Diluted earnings per share, SEK** | **14.35** | **0.51** |
| Basic average number of shares, million | 760.5 | 760.5 |
| Diluted average number of shares, million | 761.1 | 761.3 |

## Consolidated Statement of Comprehensive Income, in summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-3/31 |
|---|---|---|
| Profit for the period | 10 913 | 346 |
| Other comprehensive income for the period, including taxes | | |
| Cash flow hedges | 52 | 55 |
| Foreign currency translation adjustment | -115 | -15 |
| Actuarial gains and losses on defined benefit pension plans | 0 | 6 |
| Share of other comprehensive income of associates | 88 | -260 |
| **Total other comprehensive income for the period** | **25** | **-214** |
| **Total comprehensive income for the period** | **10 938** | **132** |
| **Attributable to:** | | |
| Owners of the Parent Company | 10 947 | 168 |
| Non-controlling interest | -9 | -36 |
| **Total comprehensive income for the period** | **10 938** | **132** |

## Consolidated Balance Sheet, in summary

| Amounts in SEK m. | 2012 3/31 | 2011 12/31 | 2011 3/31 |
|---|---|---|---|
| **ASSETS** | | | |
| Goodwill | 24 504 | 24 619 | 23 070 |
| Other intangible assets | 9 512 | 9 750 | 10 245 |
| Tangible assets | 3 977 | 3 995 | 3 502 |
| Shares and participations | 155 419 | 147 897 | 159 775 |
| Other financial investments | 1 763 | 1 967 | 1 352 |
| Long-term receivables included in net debt | 461 | 795 | 211 |
| Other long-term receivables | 5 997 | 5 937 | 5 605 |
| **Total non-current assets** | **201 633** | **194 960** | **203 760** |
| Inventories | 1 164 | 1 141 | 1 110 |
| Shares and participations in trading operation | 2 325 | 1 094 | 2 400 |
| Short-term receivables included in net debt | 14 | 9 | 32 |
| Other current receivables | 5 035 | 3 331 | 4 016 |
| Cash, bank and short-term investments | 11 744 | 13 072 | 8 808 |
| **Total current assets** | **20 282** | **18 647** | **16 366** |
| **TOTAL ASSETS** | **221 915** | **213 607** | **220 126** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | **167 657** | **156 719** | **170 191** |
| Long-term interest bearing liabilities | 43 947 | 44 693 | 38 115 |
| Provisions for pensions and similar obligations | 670 | 673 | 617 |
| Other long-term provisions and liabilities | 3 798 | 3 748 | 3 564 |
| **Total non-current liabilities** | **48 415** | **49 114** | **42 296** |
| Short-term interest bearing liabilities | 1 628 | 3 479 | 2 851 |
| Other short-term provisions and liabilities | 4 215 | 4 295 | 4 788 |
| **Total current liabilities** | **5 843** | **7 774** | **7 639** |
| **TOTAL EQUITY AND LIABILITIES** | **221 915** | **213 607** | **220 126** |

**NET DEBT/NET CASH**

| Amounts in SEK m. | 2012 3/31 | 2011 12/31 | 2011 03/31 |
|---|---|---|---|
| Other financial investments | 1 763 | 1 967 | 1 352 |
| Receivables included in net debt | 475 | 804 | 243 |
| Cash, bank and short-term investments | 11 744 | 13 072 | 8 808 |
| Long-term interest bearing liabilities | -43 947 | -44 693 | -38 115 |
| Provisions for pensions and similar obligations | -670 | -673 | -617 |
| Short-term interest bearing liabilities | -1 628 | -3 479 | -2 851 |
| Adjustment related to subsidiaries[1)] | 13 260 | 16 092 | 17 482 |
| **Total net debt/net cash** | **-19 003** | **-16 910** | **-13 698** |

## Consolidated Statement of Changes in Equity, in Summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-12/31 | 2011 1/1-3/31 |
|---|---|---|---|
| **Opening balance** | **156 719** | **170 051** | **170 051** |
| Profit for the period | 10 913 | -9 288 | 346 |
| Other comprehensive income for the period | 25 | -265 | -214 |
| **Total comprehensive income for the period** | 10 938 | -9 553 | 132 |
| Dividends | - | -3 802 | - |
| Changes in non-controlling interest | - | 10 | - |
| Repurchase/sales of own shares | - | 2 | - |
| Effect of long-term share-based remuneration | 0 | 11 | 8 |
| **Closing balance** | **167 657** | **156 719** | **170 191** |
| **Attributable to:** | | | |
| Owners of the Parent Company | 167 008 | 156 070 | 169 563 |
| Non-controlling interest | 649 | 649 | 628 |
| **Total equity** | **167 657** | **156 719** | **170 191** |

1) Deductions relating to the ringfenced subsidiaries Aleris, Grand Hôtel, Mölnlycke Health Care and Investor Growth Capital.

## Consolidated Statement of Cash Flows, in summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-3/31 |
|---|---|---|
| **Operating activities** | | |
| Core Investments | | |
| Dividends received | 681 | 619 |
| Cash receipts | 3 938 | 3 141 |
| Cash payments | -3 473 | -2 792 |
| Financial Investments and management cost | | |
| Dividends received | 149 | 36 |
| Cash receipts/payments, net effect on cash flows | -1 089 | -4 |
| **Cash flows from operating activities before net interest and income tax** | **206** | **1 000** |
| Interest received/paid | -603 | -516 |
| Income tax paid | -88 | -93 |
| **Cash flows from operating activities** | **-485** | **391** |
| | | |
| **Investing activities** | | |
| Acquisitions | -968 | -2 955 |
| Divestments | 2 150 | 198 |
| Increase in long-term receivables | - | 0 |
| Decrease in long-term receivables | 39 | 21 |
| Acquisitions of subsidiaries, net effect on cash flow | -192 | 0 |
| Sale of subsidiaries, net effect on cash flow | - | 8 |
| Increase in other financial investments | - | -545 |
| Decrease in other financial investments | 210 | 370 |
| Net changes, short-term investments | 3 913 | 2 161 |
| Acquisitions of property, plant and equipment | -106 | -104 |
| Proceeds from sale of other investments | 1 | 1 |
| **Net cash used in investing activities** | **5 047** | **-845** |
| | | |
| **Financing activities** | | |
| Borrowings | 1 789 | 26 |
| Repayment of borrowings | -3 714 | -92 |
| **Net cash used in financing activities** | **-1 925** | **-66** |
| | | |
| **Cash flows for the period** | **2 637** | **-520** |
| **Cash and cash equivalents at the beginning of the year** | **4 312** | **2 684** |
| Exchange difference in cash | -4 | 7 |
| **Cash and cash equivalents at the end of the period** | **6 945** | **2 171** |

## Operating Segments

PERFORMANCE BY BUSINESS AREA 1/1-3/31 2012

| Amounts in SEK m. | Core Investments | Financial Investments | Investor groupwide | Elimination | Total |
|---|---|---|---|---|---|
| Dividends | 1 936 | 141 | - | - | 2 077 |
| Other operating income[1)] | 5 | 124 | - | -5 | 124 |
| Changes in value | 7 861 | 1 395 | - | 9 | 9 265 |
| Net sales | 4 094 | 7 | - | -11 | 4 090 |
| Cost of goods and services sold | -2 705 | -13 | - | 10 | -2 708 |
| Sales and marketing cost | -642 | - | - | - | -642 |
| Administrative, research and development and other operating cost | -344 | -37 | - | - | -381 |
| Management cost | -32 | -18 | -63 | 0 | -113 |
| Share of results of associates | 1 | -148 | - | - | -147 |
| **Operating profit/loss** | **10 174** | **1 451** | **-63** | **3** | **11 565** |
| Net financial items | -326 | - | -259 | -3 | -588 |
| Income tax | 46 | 1 | -111 | - | -64 |
| **Profit/loss for the period** | **9 894** | **1 452** | **-433** | **-** | **10 913** |
| Non controlling interest | 10 | - | - | - | 10 |
| **Net profit/loss for the period attributable to the Parent Company** | **9 904** | **1 452** | **-433** | **-** | **10 923** |
| Other effects on equity | -120 | -29 | 164 | - | 15 |
| **Contribution to net asset value** | **9 784** | **1 423** | **-269** | **-** | **10 938** |
| **Net asset value by business area 3/31 2012** | | | | | |
| Carrying amount | 145 839 | 39 450 | 722 | - | 186 011 |
| Net debt | - | - | -19 003 | - | -19 003 |
| **Total net asset value** | **145 839** | **39 450** | **-18 281** | **-** | **167 008** |

PERFORMANCE BY BUSINESS AREA 1/1-3/31 2011

| Amounts in SEK m. | Core Investments | Financial Investments | Investor groupwide | Elimination | Total |
|---|---|---|---|---|---|
| Dividends | 1 303 | 10 | - | - | 1 313 |
| Other operating income[1)] | 7 [2)] | 111 [2)] | - | - | 118 |
| Changes in value | -2 088 [2)] | 1 547 [2)] | - | - | -541 |
| Net sales | 3 309 | 8 | - | -8 | 3 309 |
| Cost of goods and services sold | -2 447 | -7 | - | 8 | -2 446 |
| Sales and marketing cost | -713 | - | - | - | -713 |
| Administrative, research and development and other operating cost | -299 | - | - | - | -299 |
| Management cost | -41 | -73 | -43 | - | -157 |
| Restructuring cost | - | - | -150 | - | -150 |
| Share of results of associates | - | 248 | - | - | 248 |
| **Operating profit/loss** | **-969** | **1 844** | **-193** | **-** | **682** |
| Net financial items | -310 | - | -286 | - | -596 |
| Income tax | 196 | - | 64 | - | 260 |
| **Profit/loss for the period** | **-1 083** | **1 844** | **-415** | **-** | **346** |
| Non controlling interest | 43 | - | - | - | 43 |
| **Net profit/loss for the period attributable to the Parent Company** | **-1 040** | **1 844** | **-415** | **-** | **389** |
| Other effects on equity | 12 | -330 | 106 | - | -212 |
| **Contribution to net asset value** | **-1 028** | **1 514** | **-309** | **-** | **177** |
| **Net asset value by business area 3/31 2011** | | | | | |
| Carrying amount | 152 088 | 30 998 | 175 | - | 183 261 |
| Net debt | - | - | -13 698 | - | -13 698 |
| **Total net asset value** | **152 088** | **30 998** | **-13 523** | **-** | **169 563** |

1) Includes interest on loans to associates.

2) Move of mezzanine loans to Core Investments from Financial Investments.

## Parent Company Income Statement, in summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-3/31 |
|---|---|---|
| Dividends | 1 936 | 1 303 |
| Changes in value | 7 834 | -2 100 |
| Net sales | 1 | 2 |
| Operating cost | -110 | -117 |
| Result from participations in Group companies | - | 520 |
| Impairment of associates | -39 | -88 |
| **Operating profit/loss** | **9 622** | **-480** |
| **Profit/loss from financial items** | | |
| Other financial items | 8 | -94 |
| **Profit/loss after financial items** | **9 630** | **-574** |
| Income tax | - | - |
| **Profit/loss for the period** | **9 630** | **-574** |

## Parent Company Statement of Comprehensive Income, in summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-3/31 |
|---|---|---|
| Profit for the period | 9 630 | -574 |
| Other comprehensive income for the period, including tax | | |
| Change in fair value of cash flow hedges | 6 | -1 |
| **Total other comprehensive income for the period** | **6** | **-1** |
| **Total comprehensive income for the period** | **9 636** | **-575** |

## Parent Company Balance Sheet, in summary

| Amounts in SEK m. | 2012 3/31 | 2011 12/31 | 2011 3/31 |
|---|---|---|---|
| **ASSETS** | | | |
| Intangible assets and Property, plant and equipment | 35 | 38 | 38 |
| Financial assets | 191 397 | 182 520 | 196 335 |
| **Total non-current assets** | **191 432** | **182 558** | **196 373** |
| Current receivables | 2 044 | 3 247 | 3 440 |
| Cash and cash equivalents | 0 | 0 | 0 |
| **Total current assets** | **2 044** | **3 247** | **3 440** |
| **TOTAL ASSETS** | **193 476** | **185 805** | **199 813** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | **152 269** | **142 633** | **162 597** |
| Provisions | 297 | 293 | 247 |
| Non-current liabilities | 27 664 | 26 544 | 19 284 |
| **Total non-current liabilities** | **27 961** | **26 837** | **19 531** |
| **Total current liabilities** | **13 246** | **16 335** | **17 685** |
| **TOTAL EQUITY AND LIABILITIES** | **193 476** | **185 805** | **199 813** |

| ASSETS PLEDGED AND CONTINGENT LIABILITIES | 2012 3/31 | 2011 12/31 | 2011 3/31 |
|---|---|---|---|
| Assets pledged | 85 | 23 | 856 |
| Contingent liabilities | 10 204 | 10 208 | 10 261 |

## Parent Company Statement of Changes in Equity, in summary

| Amounts in SEK m. | 2012 1/1-3/31 | 2011 1/1-12/31 | 2011 1/1-3/31 |
|---|---|---|---|
| **Opening balance** | **142 633** | **163 164** | **163 164** |
| Profit/loss for the period | 9 630 | -16 725 | -574 |
| Other comprehensive income for the period | 6 | -17 | -1 |
| **Total comprehensive income for the period** | **9 636** | **-16 742** | **-575** |
| Dividends | - | -3 802 | - |
| Stock options exercised by employees | -11 | -20 | -2 |
| Equity-settled share-based payment transactions | 11 | 31 | 10 |
| Repurchases of own shares | - | 2 | - |
| **Closing balance** | **152 269** | **142 633** | **162 597** |