investor

Year-End Report 2019

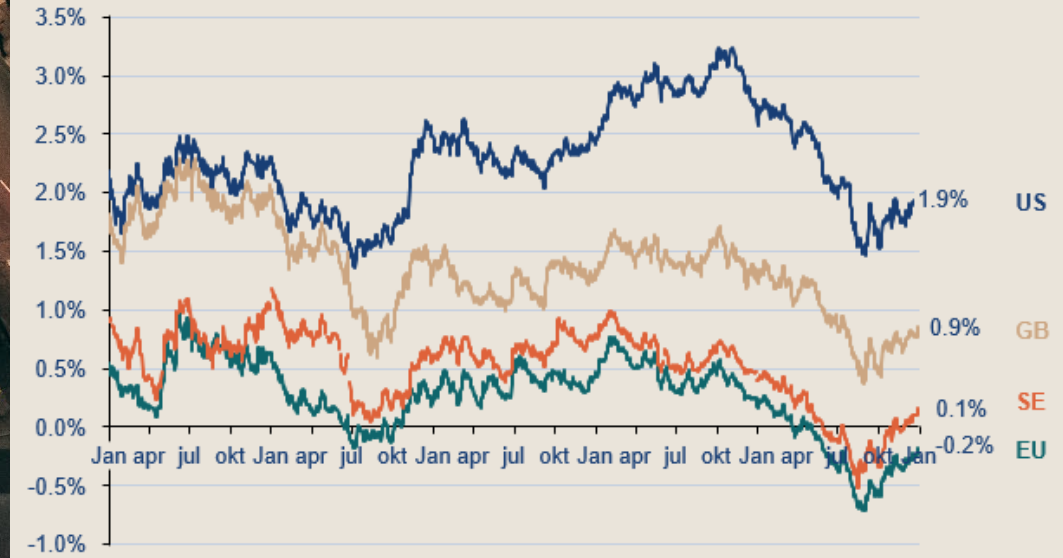
Johan Forssell, CEO
Helena Saxon, CFO

2019 Global Economy

Selected manufacturing PMIs
2015-19



Government 10-year bond yields
2015 - 19



Equity market indices (not adjusted for dividend yield)
2015-19, indexed 100



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40%
Total Shareholder Return, 2019
Investor AB
35%
Total Shareholder Return, 2019
SIXRX


13%
2019 sales growth, of which 4% organic in constant currency, in major subsidiaries
18%
2019 EBITA growth in major subsidiaries

Key activities in 2019



People
Several new CEOs and board members

EQT AB
listed on NASDAQ Stockholm

Electrolux
proposal to list Professional

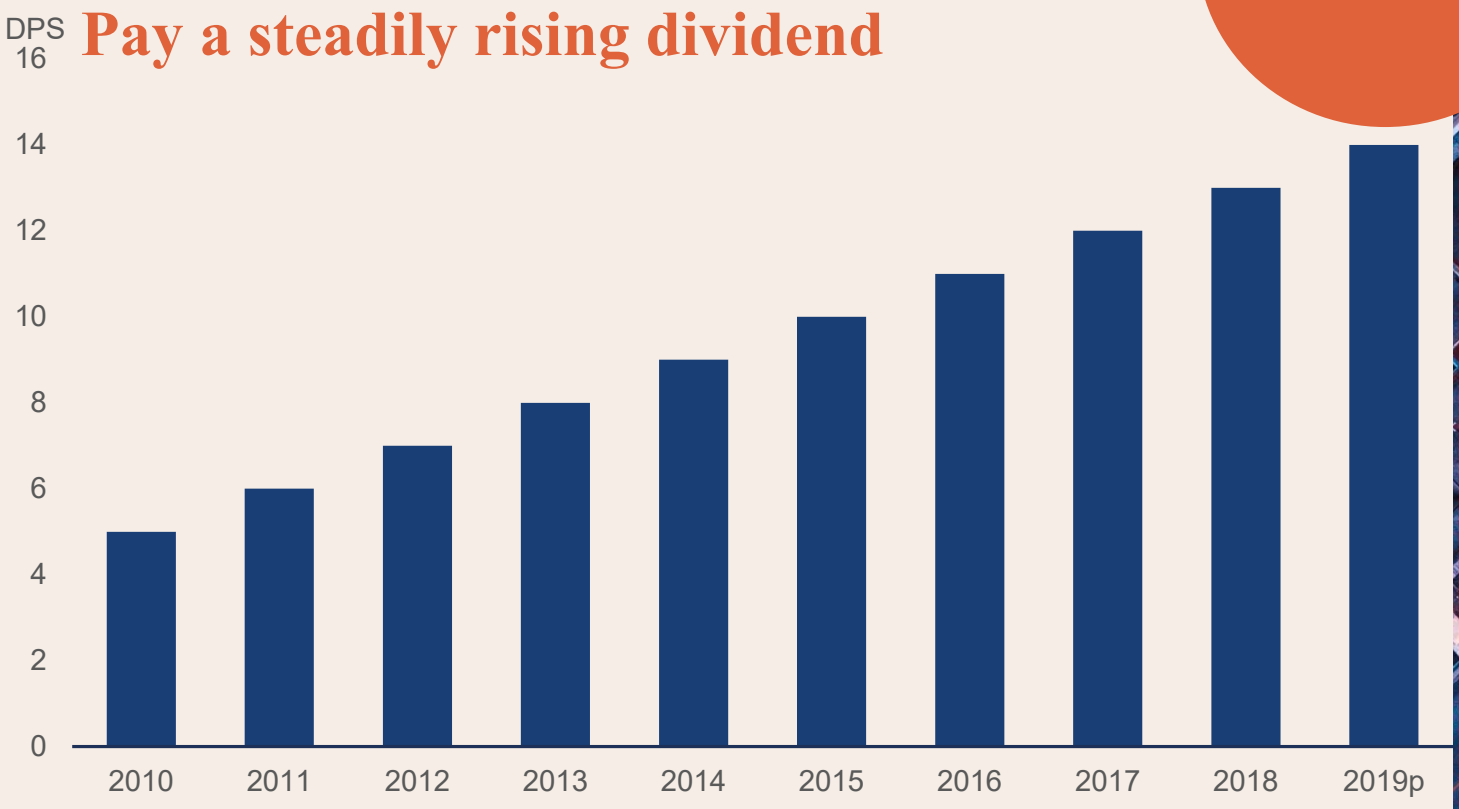
ABB
SEK 4.3bn invested

Strategic acquisitions
In Laborie and Piab

Cash flow
Strong contribution from all business areas

Pay a steadily rising dividend

+ 8%



Q4 2019 Highlights



6%
Adjusted NAV growth
(SIXRX +10%)

7%
TSR
(SIXRX +10%)

ABB
SEK 1.0bn invested

6%
Adjusted EBITA growth in major subsidiaries

Strategic acquisitions
In Laborie and Piab

Patricia Industries

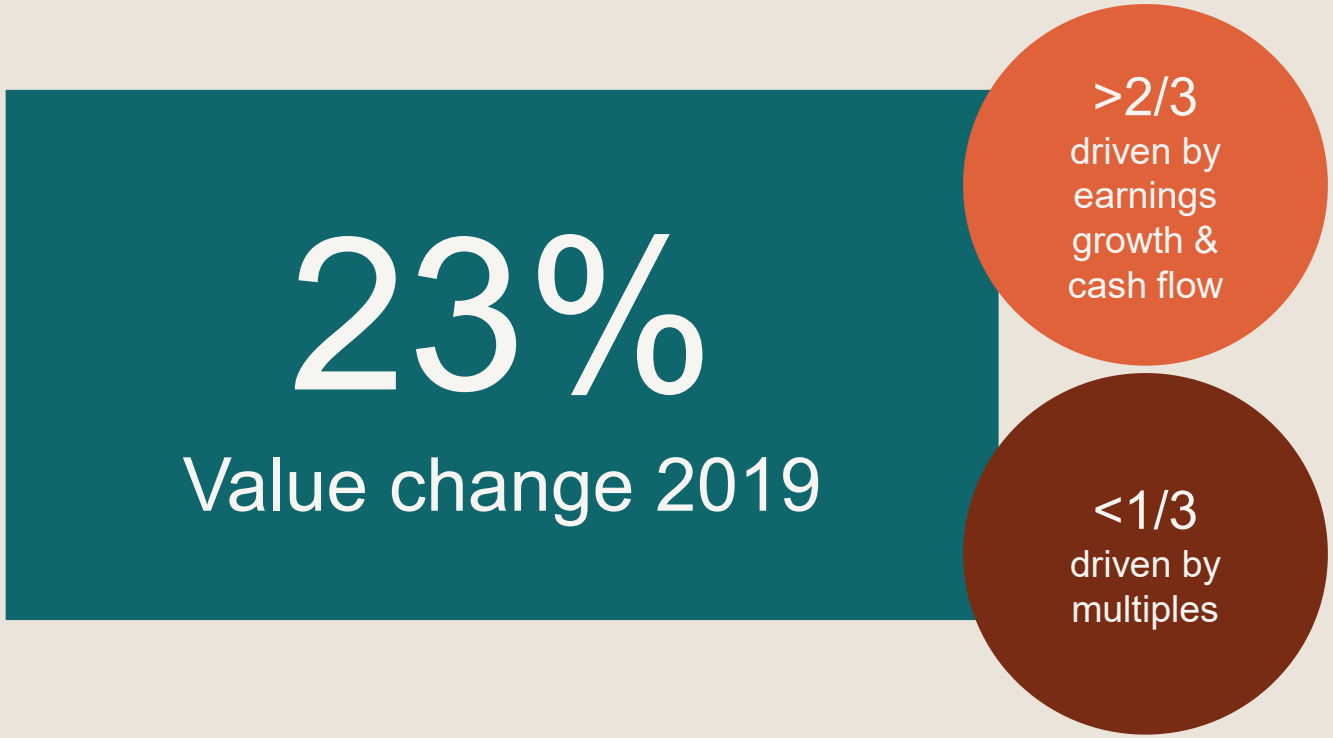
Patricia Industries – development in Q4 2019

-3%

value change (excl. cash)

- Earnings growth and good cash flow impacted positively
- However, multiple contraction and currency impacted negatively

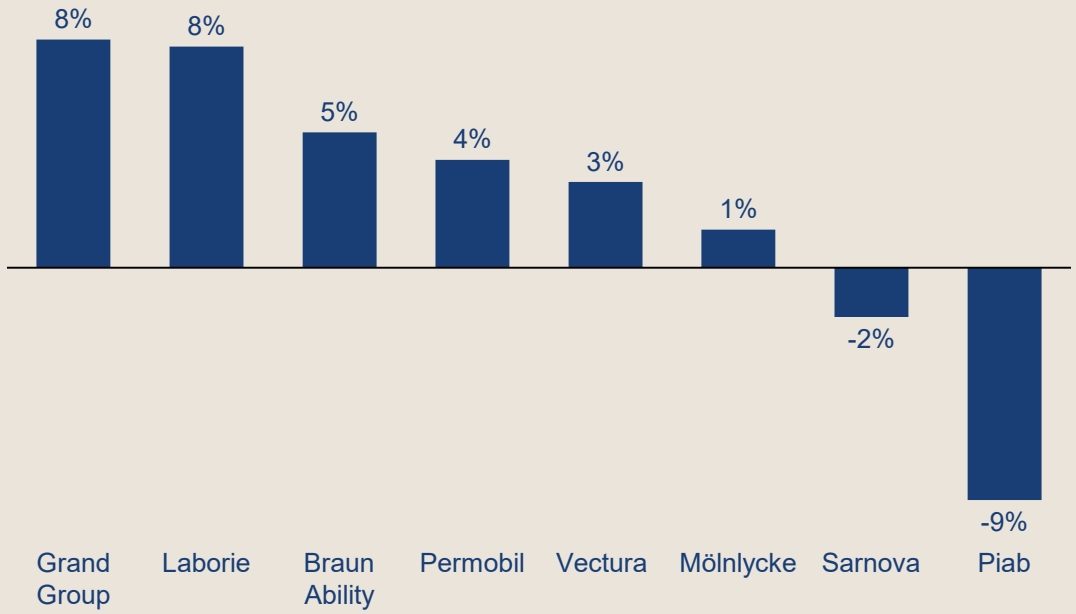
Patricia Industries – value change (excluding cash), 2019



Patricia Industries – operational development Q4 2019

115 SEK bn | **23%** of tot. adjusted assets

2 percent organic sales growth, %



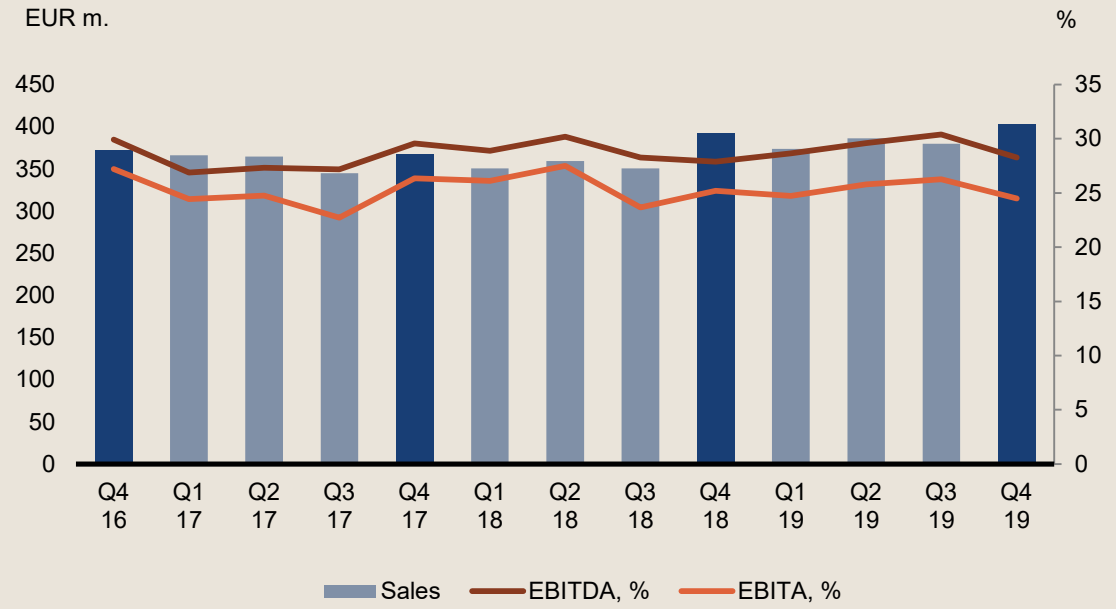
3%
Reported EBITA growth

6%
Adjusted EBITA growth

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

Q4 2019

- Organic sales growth +1 percent in constant currency
  - Wound Care +1 percent
  - Surgical +2 percent driven by Surgical Trays and Antiseptics
- All regions relatively flat, Emerging Markets grew faster than the group, but slower than previously in 2019
- EBITA margin essentially flat
- Strong cash flow, EUR 243m distributed to Patricia Industries



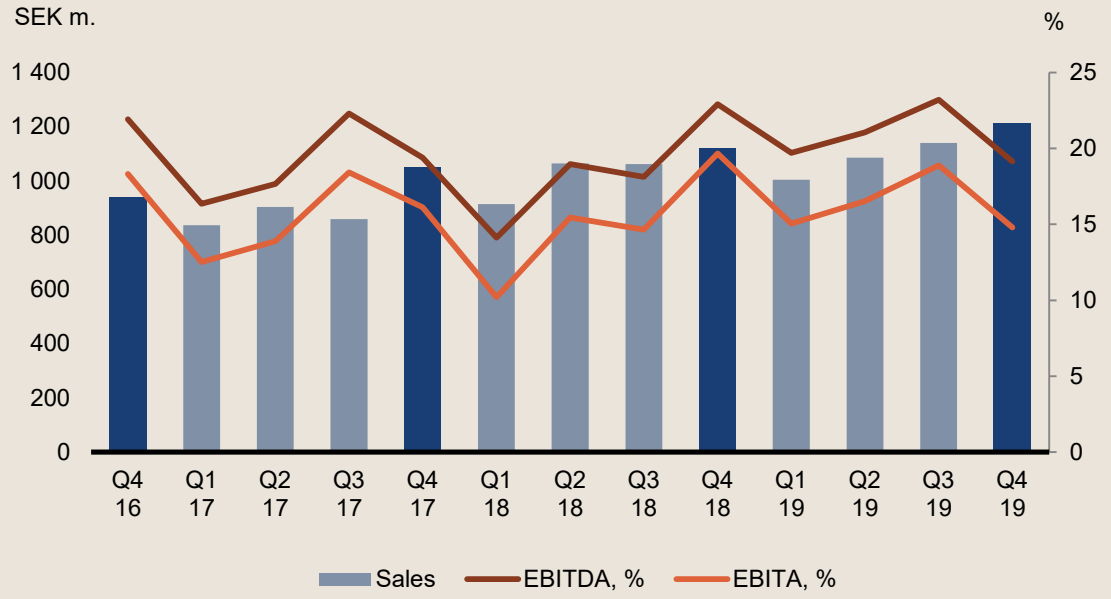
IFRS 16 implemented as of the first quarter 2019

permobil

A provider of advanced mobility and seating rehab solutions

Q4 2019

- Organic sales growth +4 percent in constant currency
- Power and Manual grew, Seating & Positioning declined slightly. North America and APAC grew, EMEA flat
- EBITA margin declined due to increasing OPEX, partly driven by higher sales and marketing expenses. Additional impact from initiatives to reduce cost base
- SEK 500m distributed to owners, of which SEK 484m to Patricia Industries



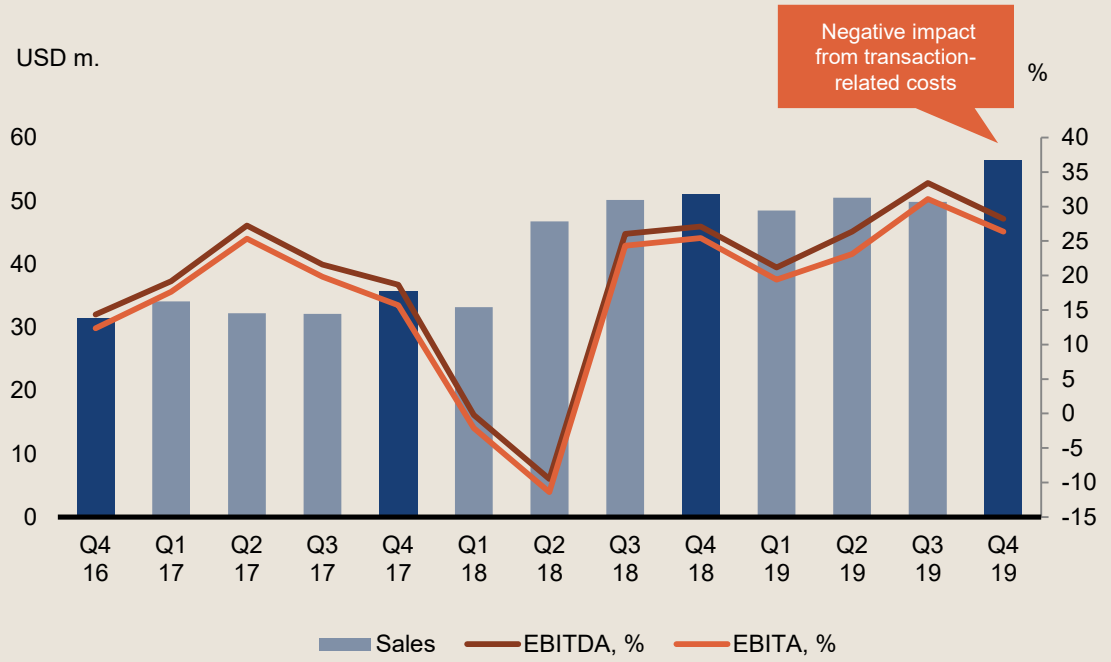
IFRS 16 implemented as of the first quarter 2019

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

Q4 2019

- Organic sales growth +8 percent in constant currency
- Adjusted for USD 6m acquisition costs related to Clinical Innovations, the EBITA margin amounted to 37 percent
- Profitability improved driven by cost savings materializing from Cogentix acquisition and restructuring of the European business
- Agreement to acquire Clinical Innovations, a highly attractive addition to Laborie's existing offering
- Total consideration of USD 525m to be funded mainly by equity from Patricia Industries



IFRS 16 implemented as of the first quarter 2019

Laborie - Clinical Innovations

- Provider of single-use products for hospital labor & delivery and neonatal intensive care units
- Market-leading positions in segments with favorable long-term growth dynamics
  - High-risk births expected to increase
  - Under-penetration in Emerging Markets
- 2019 sales estimated at USD 70m
- Good organic growth, strong profitability and cash conversion

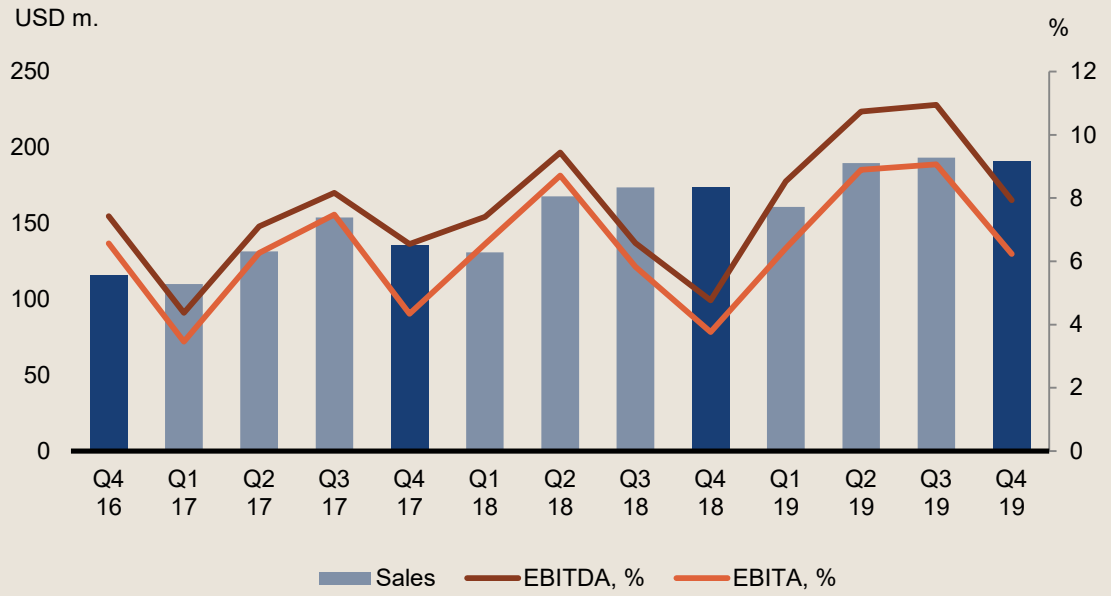


BraunAbility

A manufacturer of wheelchair accessible vehicles and wheelchair lifts

Q4 2019

- Organic sales growth +5 percent in constant currency
- Strong growth in Commercial WAVs, good growth in Consumer WAVs, Lifts down slightly
- EBITA margin improved, driven by operating efficiency improvements and supply chain optimization initiatives
- Strong cash flow driven by good management of working capital

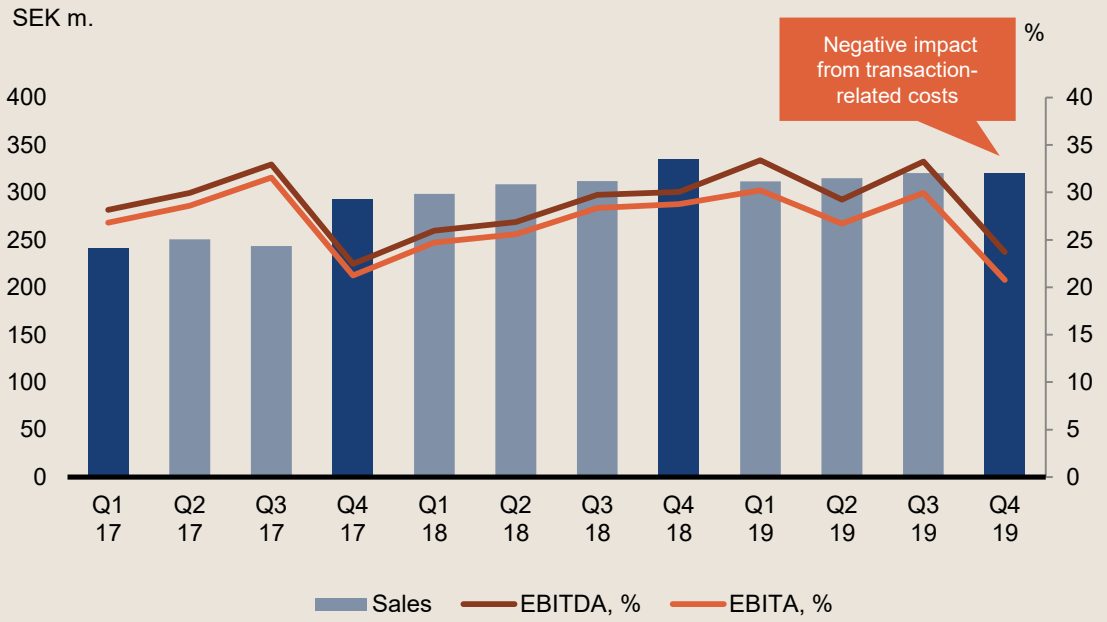


IFRS 16 implemented as of the first quarter 2019

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

Q4 2019

- Organic sales growth -9 percent in constant currency
- Americas grew slightly, Europe and APAC declined. Moderate growth in Vacuum Automation, all other divisions declined. Largest decline in Robotic Gripping
- Adjusted for SEK 9m in transaction costs related to the acquisition of TAWI Group, the adjusted EBITA margin amounted to 24 percent. Profitability declined mainly due to lower sales
- Acquisition of TAWI Group adds more than 25 percent to group sales and makes Piab a world leader within Ergonomic Handling



IFRS 16 implemented as of the first quarter 2019

Piab – TAWI Group

- TAWI - a leading manufacturer of smart lifting solutions with global reach
- SEK 350m sales in 2019 with good profitability
- Strong sales growth and profitability
- E-commerce logistics one of several key growth drivers

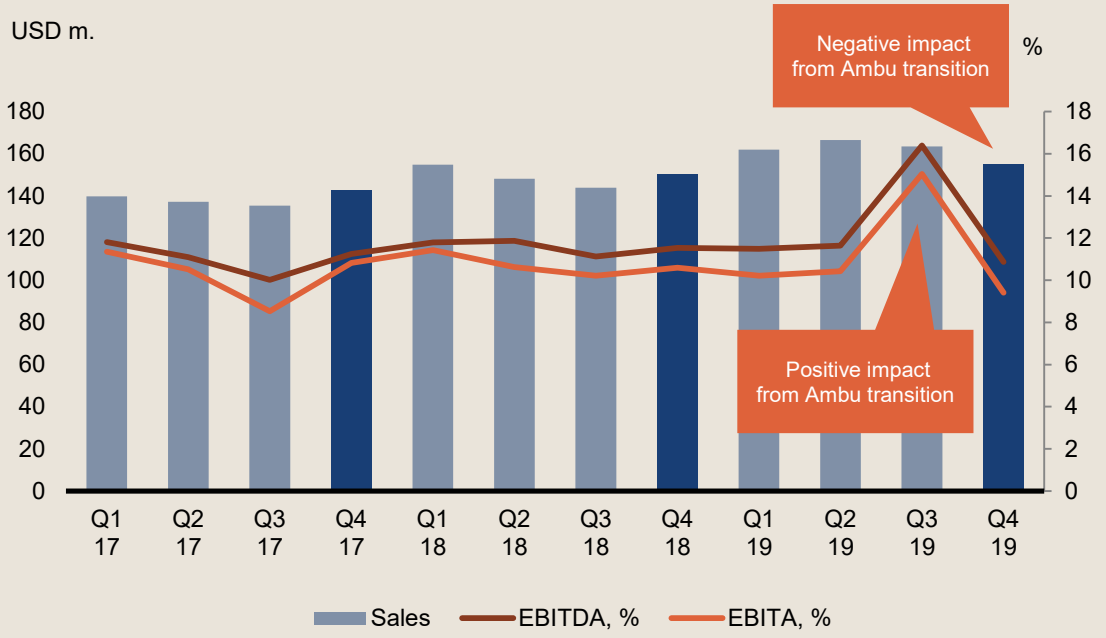


sarnova

A specialty distributor of healthcare products in the U.S.

Q4 2019

- Organic sales growth -2 percent in constant currency, +3 percent adjusted for Ambu-related impact
- Mid-single growth in Emergency Preparedness, Acute down driven by Ambu transition
- Excluding profit impact from Ambu transition, EBITA margin in line with last year
- Continued investments in commercial resources, digital platform enhancements and warehouse optimization

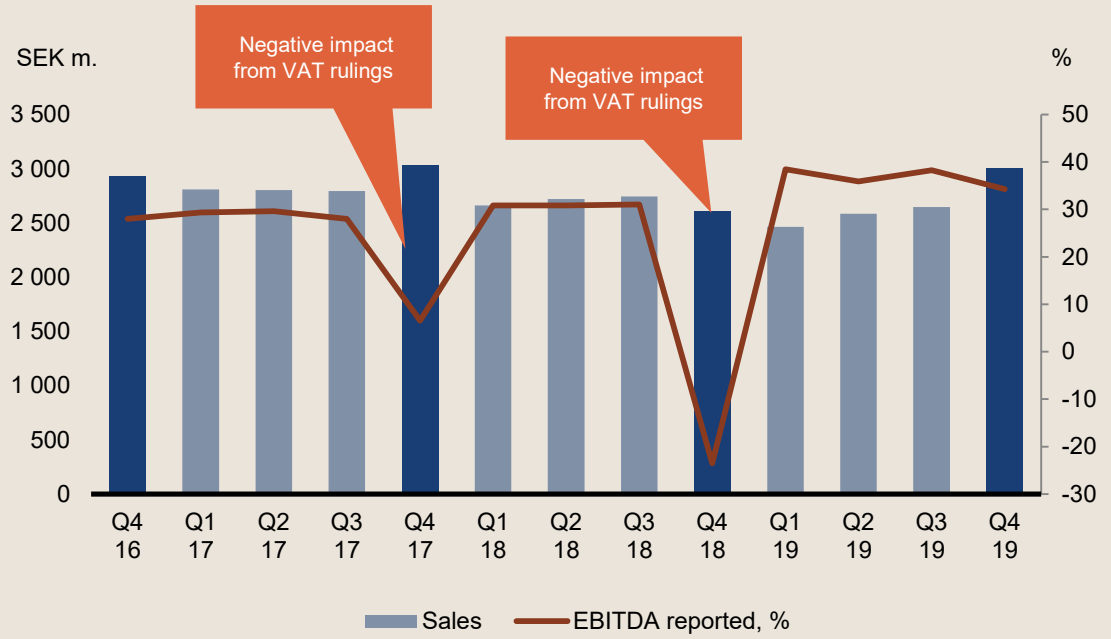


IFRS 16 implemented as of the first quarter 2019

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

Q4 2019

- Subscription base +53,000
- Service revenue +5 percent excluding previously communicated Swedish VAT ruling
- Excl. IFRS 16, Swedish VAT ruling and a non-recurring expense related to a group strategy project last year, EBITDA +8 percent



IFRS 16 implemented as of the first quarter 2019

Investments in EQT

Investments in EQT

37 SEK bn | **7%** of tot. adjusted assets

11%
Total value change constant currency (9% reported)

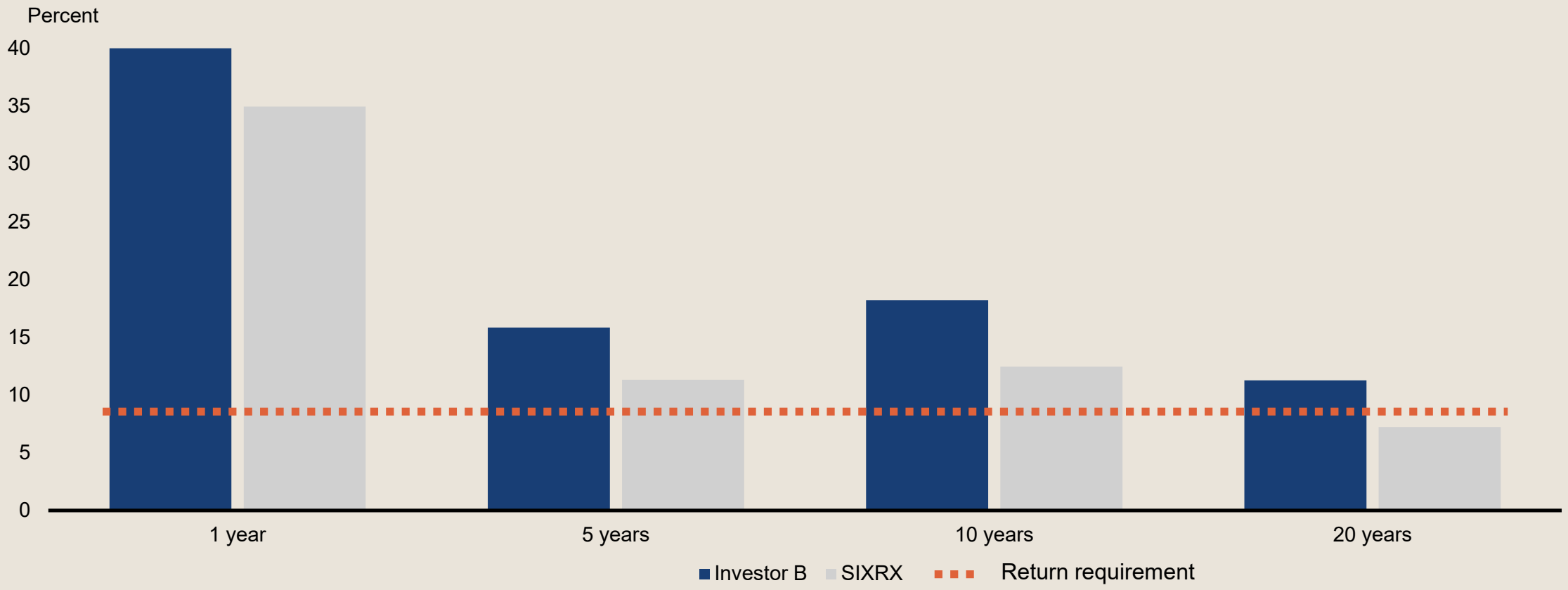
24%
Total Return EQT AB

1%
Value change, constant currency, investments in EQT funds

2.7
SEK bn
Net cash flow Q4

Average annual total shareholder return

As of December 31, 2019

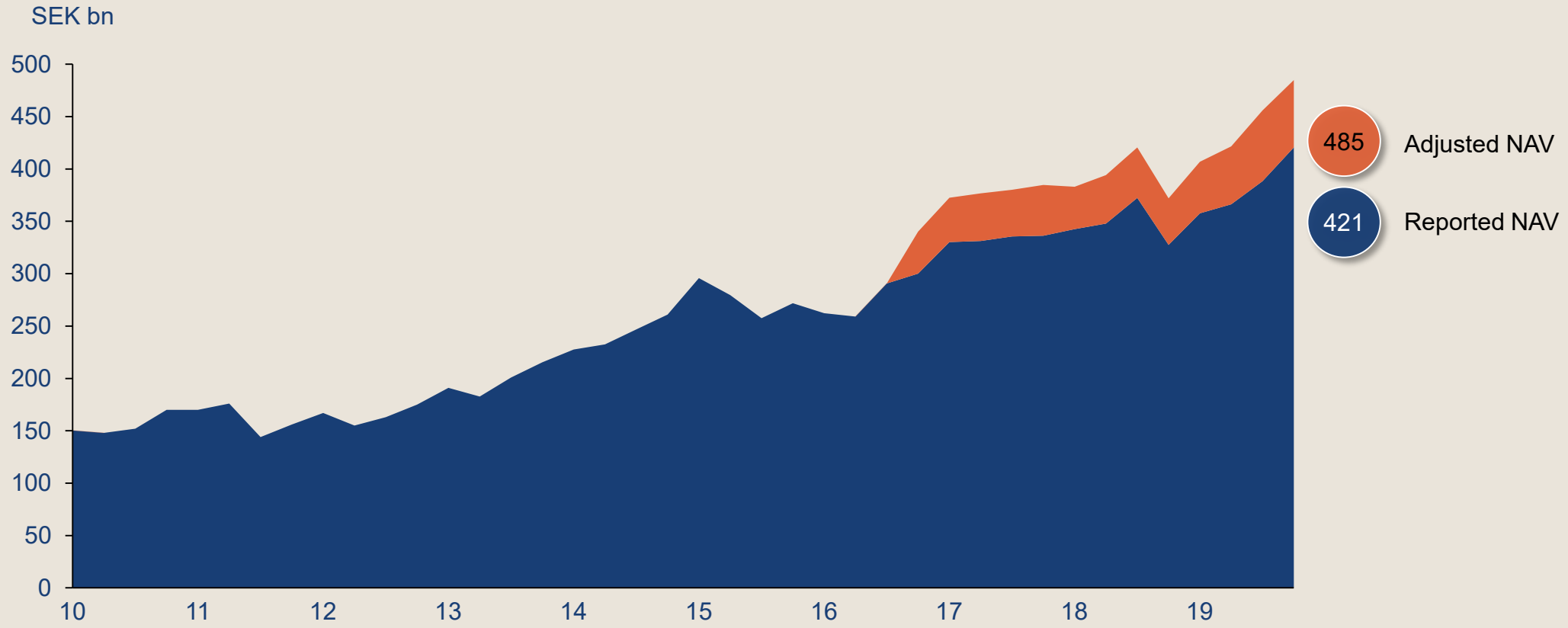


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Year-End Report 2019

Helena Saxon, CFO

10-year Net Asset Value development



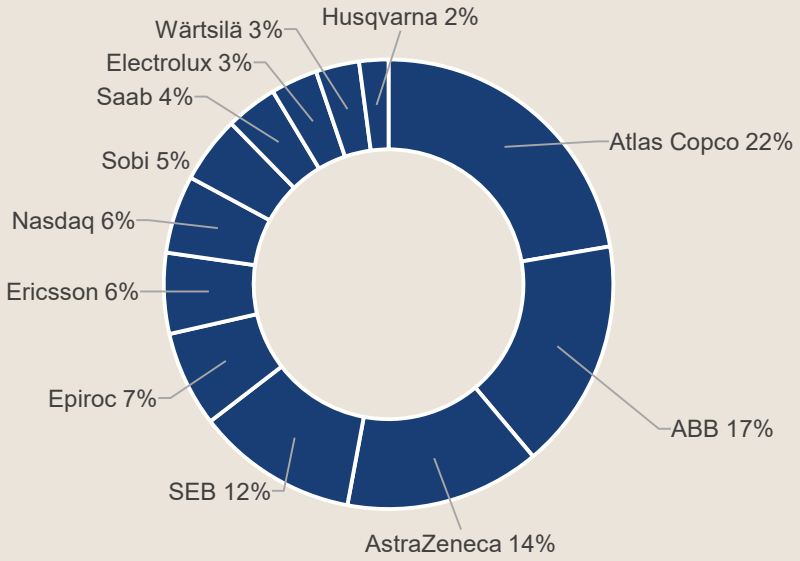
Listed Companies

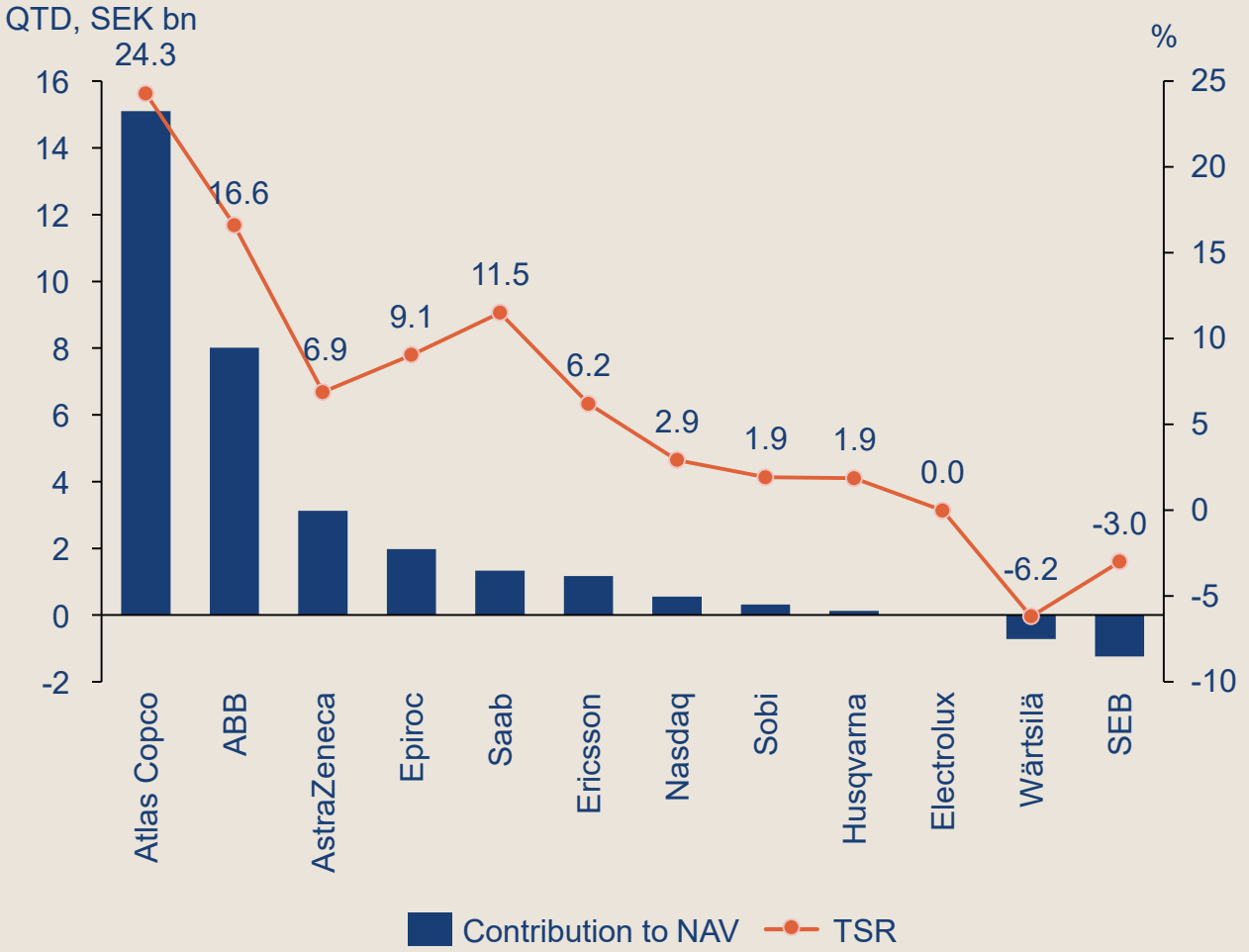
Q4 2019 Summary

345 | 69%

SEK bn **of tot. adjusted assets**

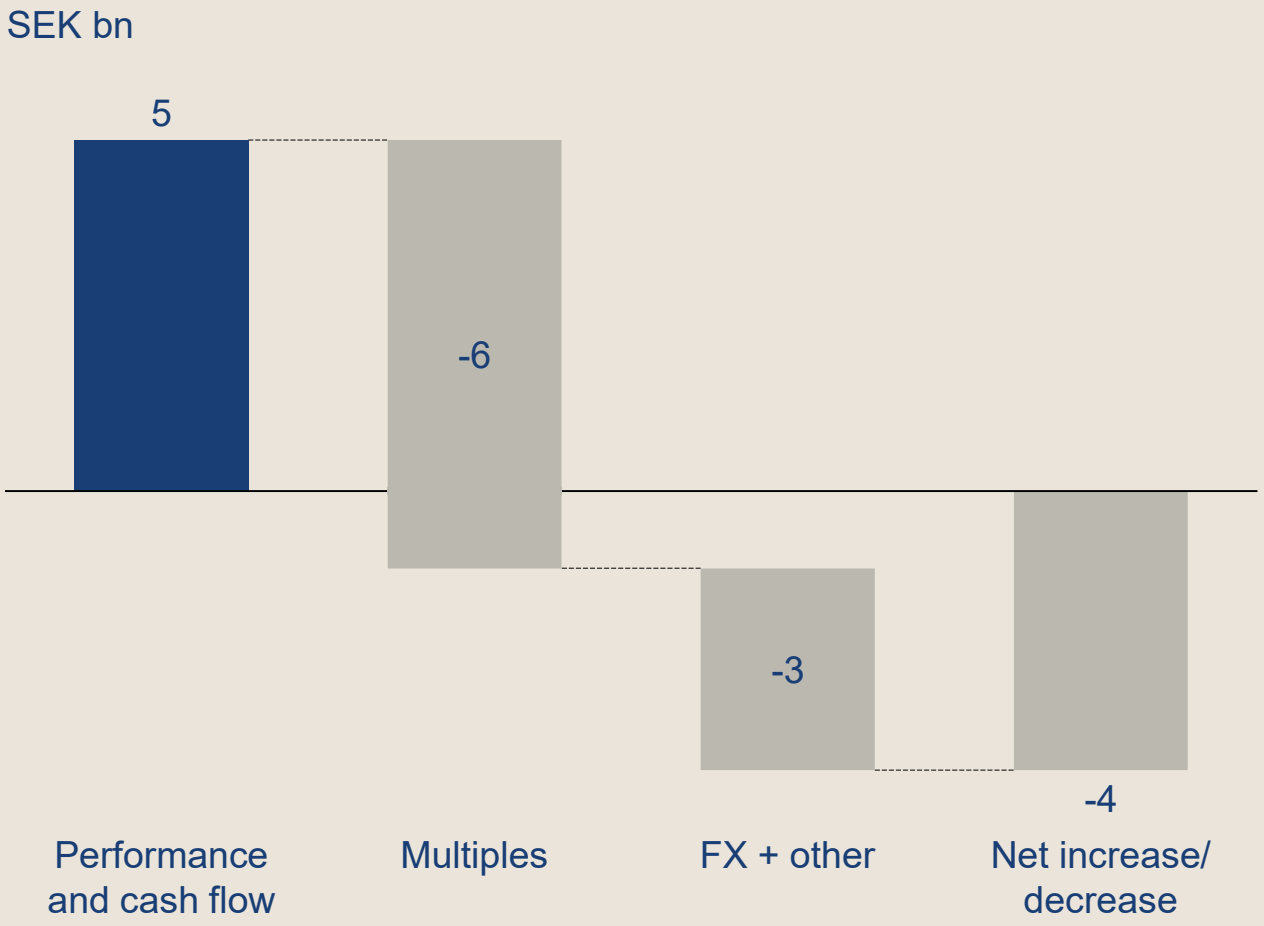
- Total contribution to NAV SEK 30bn
- Listed Companies TSR 9%, SIXRX 10%





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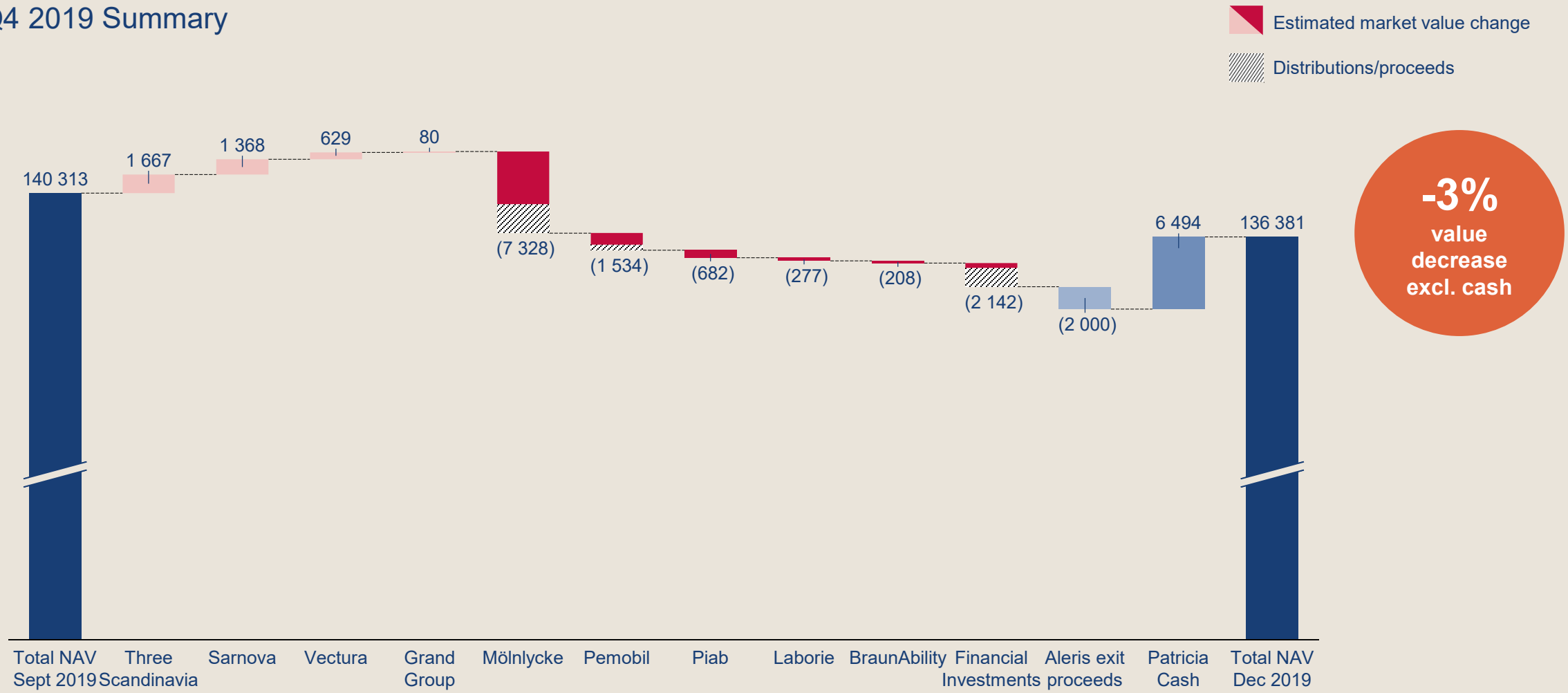
Patricia Industries – value change (excluding cash), Q4 2019



Q4 growth -3%

Patricia Industries – change in Estimated Market Values

Q4 2019 Summary



-3%
value decrease excl. cash

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Major Drivers of Estimated Market Values Q4 2019

Company	Est. market value change Q4 2019 vs. Q3 2019	Major drivers
Mölnlycke	SEK -7.3bn	Lower multiples, currency impacted negatively, partly offset by cash flow. SEK 2.6bn distribution
permobil	SEK -1.5bn	Lower multiples, profit impacted negatively, partly offset by cash flow. SEK 0.5bn distribution
LABORIE	SEK -0.3bn	Strong earnings growth impacted positively, lower multiples and currency impacted negatively
3	SEK +1.7bn	Higher profit, multiples impacted positively
sarnova piab	SEK +0.7bn	First time at estimated market values. Sarnova impacted positively, Piab impacted negatively

Financial Investments

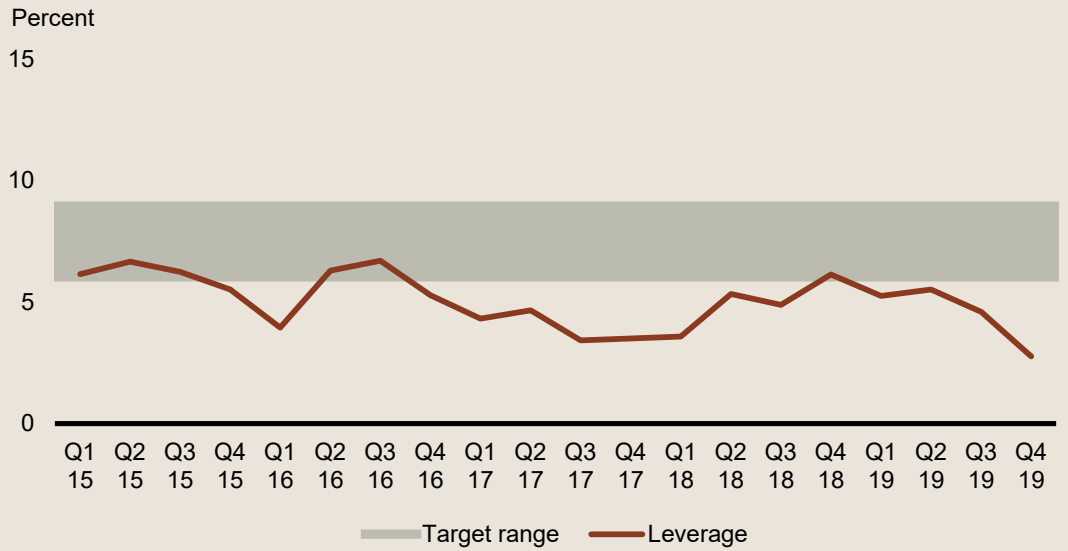
Q4 2019 Summary

- The realization of the portfolio continues
- SEK 1.6bn cash proceeds received from exits of NS Focus, HireVue and Acquia



Financial Position as of December 31, 2019

- Leverage 2.8% (6.1% Dec 31, 2018)
- Net debt SEK 12.0bn
- Gross cash SEK 24.9bn
- Average maturity of the debt portfolio 11.1 years

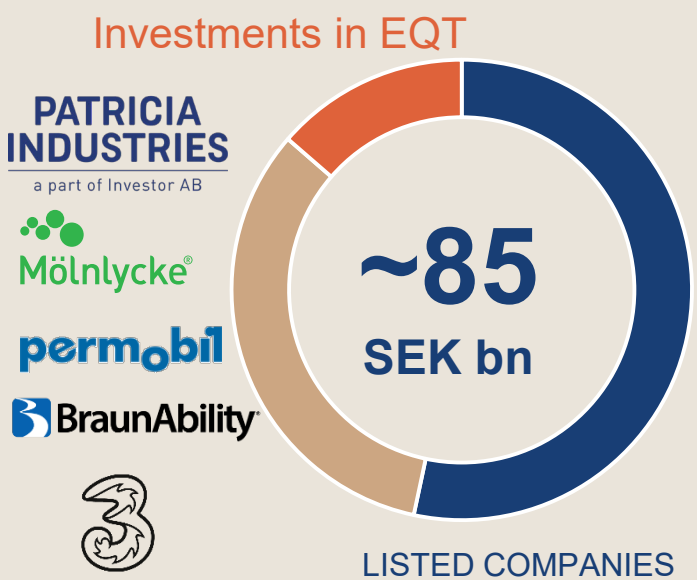


Current rating	
Standard & Poor's	AA-
Moody's	Aa3

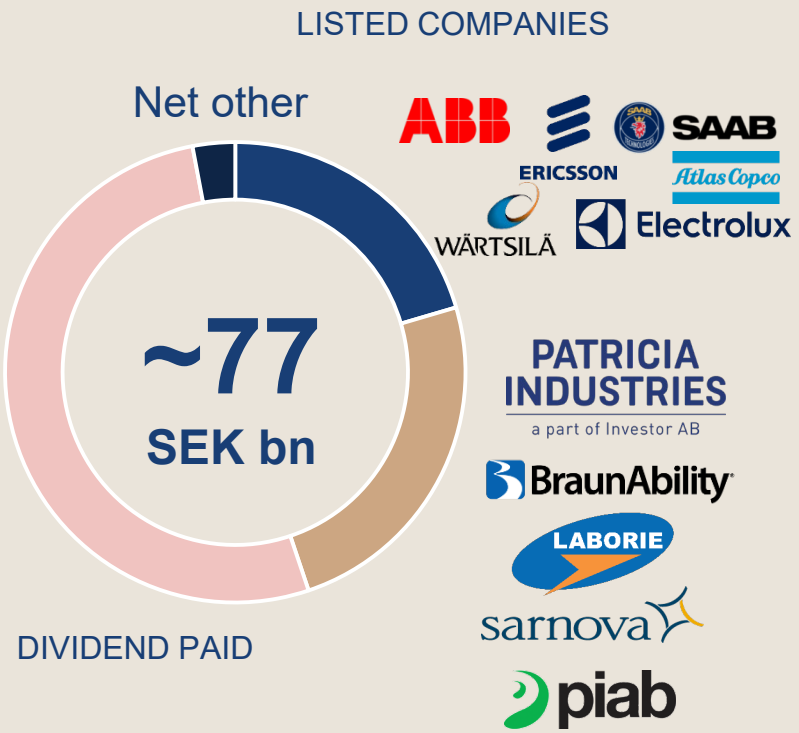
Strong cash flow generation gives great financial flexibility

Cash flow 2015-2019

Sources



Uses



Net debt approximately SEK 8bn lower, leverage down from 7.3 percent to 2.8 percent

*Including divestment of Aleris


We create value
for people and society
by building
strong and sustainable
businesses

Financial Calendar & Contact Details

Event	Date
Interim Management Statement January – March 2020	April 22, 2020
Interim Report January – June 2020	July 17, 2020
Interim Management Statement January-September 2020	October 19, 2020

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