

## Press Release

Stockholm, April 7, 2011

### **Increased focus on Core Investments, restructuring of Investor Growth Capital and cost reductions**

Investor will increase focus on its long-term Core Investments, restructure Investor Growth Capital, wind down Active Portfolio Management, and as a consequence reduce total annual operating costs by SEK 140 m., with full run-rate effect by the end of 2012. The decision was taken by the Board of Directors following a comprehensive strategic review of all operations and structural alternatives for Investor that started in 2010.

*“Over the past few years, we have made significant investments in our Core Investments and added several new holdings, including two operating subsidiaries that over time will generate significant cash flow. We now have a portfolio of strongly performing companies in place. With the changes announced today I am convinced we have established the right structure for future attractive value creation for our shareholders”,* comments CEO Börje Ekholm.

In the new structure, Core Investments, representing 83 percent of assets at year-end 2010, will comprise of listed holdings Atlas Copco, SEB, ABB, AstraZeneca, Ericsson, Electrolux, Husqvarna, NASDAQ OMX, Saab AB and Swedish Orphan Biovitrum, and the operating subsidiaries Mölnlycke Health Care, Aleris and Grand Hôtel. The objective of Core Investments is to generate a return in excess of Investor's long-term cost of capital from dividends, cash flow from operating subsidiaries and value appreciation. Near-term focus will be on developing the existing Core Investments and increased ownership in selected holdings when deemed financially attractive.

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In the new structure, Financial Investments, representing 17 percent of assets at year-end 2010, will consist of unlisted partner-owned companies, Investor Growth Capital and our investments in EQT funds. 3 Scandinavia, Gambro and Lindorff are companies with attractive potential and will over time either be listed, become operating subsidiaries or be divested through a trade sale. Decisions will be taken jointly with the respective partner. The objective of Financial Investments is to achieve annual returns of 15 percent and generate net proceeds to Investor.

Investor Growth Capital will, as of July 1, 2011, become a standalone entity comparable to Investor's other operating subsidiaries, carrying its own costs. To facilitate this transition, Investor will contribute SEK 750 m. in 2011 and SEK 750 m. in 2012, after which no additional funding will be provided. Approximately 50 percent of yearly realized proceeds after operating and transaction related costs will be distributed to Investor, and the remaining part will be available for Investor Growth Capital to reinvest. The office in Stockholm will be wound down. The existing portfolio of European investments will be managed to maximize value and no new investments will be done. The Asian operations will be focused to Beijing and the Hong Kong office closed. All investments and proceeds from divestitures during the first half of 2011 will be included in the above structure.

Active Portfolio Management, Investor's proprietary trading activity, will be wound down. However, a limited trading activity will be maintained to execute Investor's transactions.

At year-end, Investors operating costs amounted to approximately SEK 620 m., including costs for long-term variable remuneration. As a result of the changes, Investor will reduce annual costs by approximately SEK 140 m. with full run-rate effect by the end of 2012. About one-third of the remaining costs is attributable to Investor Growth Capital and will, as they become a stand-alone entity by July 1, 2011, be excluded from Investor's operating costs. A charge for restructuring costs totaling SEK 150 m. has been taken during the first quarter.

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