

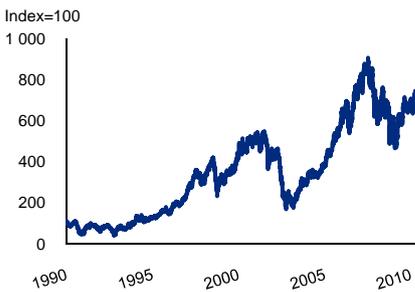
# Interim Report January-June 2010

## Highlights during the second quarter

- Add-on investments were made in Atlas Copco and Husqvarna. The previously announced acquisition of 10 percent of the capital in Saab AB from BAE Systems for SEK 1.1 bn., was completed.
- Our holdings in Operating Investments maintained their solid momentum. The development was particularly strong in Mölnlycke Health Care, 3 Scandinavia and Lindorff.
- Dividend of SEK 3.0 bn. was distributed to shareholders during the quarter.
- After the end of the quarter, Investor acquired healthcare and care service provider Aleris from EQT for an enterprise value of SEK 4.4 bn. Investor's net investment is SEK 1.7 bn. The transaction is not closed, thus Aleris is not yet included in Operating Investments.

## Financial information

- Net asset value amounted to SEK 147,924 m. (SEK 195 per share) on June 30, 2010, compared to SEK 142,673 m. (SEK 187 per share) at year-end 2009, corresponding to a change, with dividend added back, of 6 percent for the first half of 2010 (12).
- Consolidated net profit for the first half of the year, including unrealized change in value, was SEK 8,310 m. (SEK 10.91 per share), compared to SEK 13,830 m. (SEK 18.13 per share) for the same period 2009.
- Core Investments contributed SEK 7,507 m. to growth in net asset value in the period (15,196). Ericsson had the largest positive impact, SEK 3,627 m., while SEB had the largest negative impact, SEK -696 m.
- Operating Investments contributed SEK 685 m. to net asset value for the first half year (-825).
- Private Equity Investments contributed SEK 833 m. to net asset value in the first half of the year (-709).
- Leverage (net debt/total assets) was 4 percent as of June 30, 2010 (0).
- The total return on the Investor share was -2 percent in the first half of the year (6). The total annual return averaged 7 percent over the past 5-year period.

Investor's key figures					Total shareholder return, Investor	
	6/30 2010	12/31 2009	6/30 2009			
Assets, SEK m.	153 410	143 261	123 944			
Net cash (+)/net debt (-), SEK m.	-5 486	-588	1 743			
Net asset value, SEK m.	147 924	142 673	125 687			
Net asset value, SEK/share	195	187	165			
<b>Development during the period</b>	<b>1/1-6/30 2010</b>	<b>1/1-6/30 2009</b>	<b>4/1-6/30 2010</b>	<b>4/1-6/30 2009</b>		
Profit (+)/Loss (-), SEK m.	8 310	13 830	797	16 850		
Basic earnings per share, SEK	10.91	18.13	1.05	22.06		

## Strong portfolio provides unique platform to build on

Our net asset value, with paid dividend added back, increased marginally during the second quarter, thus outperforming the comparative Swedish stock index that was down 2 percent. Our discount grew, however, as our total return was minus 6 percent.

### No risk, no reward

The markets have been unsettled during the second quarter, as the earlier financial crisis has transformed into concerns about fiscal imbalances and soaring governmental deficits. These imbalances must sooner or later be corrected to enable a good and sustainable economic growth in the Western economies. Let's just hope the European austerity packages do not break the back of the recovery.

Times of uncertainty create opportunity, thus it is even more critical to dare to take risks in these times. Whether it is making investments in new innovations or deciding to enter a new market, taking risks inevitably leads to successes as well as failures. It worries me that so many are so eager to point at failures as soon as they can smell one. This seems to be particularly true for Sweden, where we appear to have a culture of not allowing or accepting failures. Failures are an intrinsic part of doing business. We have to accept failures, learn from them, adjust and move on.

Our companies entered 2010 with solid financial positions allowing them to pursue growth opportunities, including acquisitions. It is important to remember that real value is only created when the acquisition price is lower than the discounted value of expected cash flows, including synergies and "negative synergies". Many academic studies point to the low success rate of acquisitions, but they are still an important way to transform a business or industry structure. Despite the risks inherent to acquisitions, we encourage our companies to pursue them in a disciplined fashion. Focus must be on paying the "right" price and execute well on the integration to assure that acquisitions look as good in reality as they do in Powerpoint.

### Positive contribution from Core Investments

Core Investments had a positive contribution to net asset value in the second quarter, mainly driven by in Ericsson and AstraZeneca.

In line with our strategy, we continue to increase our ownership in selected core investments when we find the valuation attractive from a long term perspective and when we are not restricted for one reason or another. We made purchases in Atlas Copco and Husqvarna during the second quarter when the market was under pressure.

In May, we received all necessary approvals and closed the previously announced acquisition of 10 percent of Saab AB from BAE Systems. We now hold 30 percent of the capital and 39.5 percent of the votes and we are now clearly the main owner. In order to reach its margin objectives, Saab is working on a number of cost and efficiency initiatives. Under the leadership of the new CEO, Håkan Buskhe, Saab can now continue its strategic direction to focus the business, reduce complexity and improve its competitiveness.

We sometimes get comments about the brevity of our remarks regarding Core Investments. But, dear shareholder, it is not a reflection of a lack of focus on or dedication to our investments. It is just that most of the Core Investments report after us so we simply cannot comment on their performance. Core Investments is and will continue to be the most important part of our business and portfolio.

### Continued good performance in Operating Investments

CaridianBCT continued its stable performance despite somewhat tougher market conditions during the last few quarters. The company is such a consistent performer that it is easy to take it for granted. But in reality the results reflect a lot

of hard work by a dedicated team. CaridianBCT has continued to make progress with both Mirasol and Atreus, but they are still a drag on the company's overall margins. After the cost reduction program last year, which may have been too aggressive considering the company's growth rate, staffing levels have been increased to ensure that future growth opportunities can be captured.

Organic growth in Gambro was 3 percent during the quarter supported by product innovation. As previously reported, Gambro has had supply problems related to Artis. During the second quarter, Gambro made meaningful advancements toward resolving this. While the company is making encouraging progress overall, a lot still needs to be done, including innovating more products.

Mölnlycke Health Care continues to motor along, maintaining strong top line growth and solid margins. The progress in both the Wound Care and Surgical business are encouraging. During the quarter, the new system for negative wound pressure therapy, Avance, was introduced. Customer interest is strong, but sales cycles are long for a new product category. Thus it does not yet make a meaningful sales contribution. In June, Mölnlycke used its strong cash flow to retire EUR 75 m. in debt ahead of schedule.

Lindorff has shown good development during the second quarter, experiencing both solid growth and profitability improvement. While the full effects of the changed fee regime in Norway aren't expected until the second half of the year, the company has done an excellent job adapting to them. It is also our ambition that Lindorff can continue to exploit the thawing of the market for debt portfolios.

3 Scandinavia continues to further improve performance. During the quarter, the number of subscribers grew by 69,000. Strong operational leverage resulted in further expanding EBITDA. EBITDA in the second quarter alone was close to a quarter of a billion kronor, with good momentum. 3 Scandinavia has fortified its strong market position during the year. The strategy to provide a high quality network is paying off which is confirmed by the awards the company has recently received. During the second quarter we have not injected any new capital, indicating that the company is cash flow break-even. Of course, cash flow is still sensitive to growth rate and network investment decisions, and could thus dip below zero again. Although it is not possible to extrapolate from one observation, it's an encouraging sign on the path to self-sustainability.

Last year we took advantage of the price slump in the debt market to buy back some debt in Mölnlycke and Gambro at good prices. During the second quarter, we were able to buy some additional equity in Mölnlycke at an attractive price and we now own 66 percent of the capital.

After the close of the quarter we signed an agreement to acquire Aleris, a leading healthcare and care service provider in Scandinavia, for an enterprise value of SEK 4.4 bn. from EQT. We will inject SEK 2.5 bn. in equity, or SEK 1.7 bn. net of our existing indirect ownership through EQT. We will employ a conservative capital structure in Aleris, with only senior debt.

Aleris has a strong market position and solid development potential in a sector that we have been looking at for quite a while. Our thesis is that its strong secular growth prospects make it a very attractive match to our long-term perspective. Also, the management and the people in Aleris have a commitment to provide first class healthcare and care services which is an excellent base for future expansion. We do not invest with private equity's typical 3-5 year holding time frame – we think an even better business can be built with a very long term ownership. Naturally, a more conservative capital structure lowers the expected return, but the risk is also correspondingly lower. But more importantly, a stronger equity capital base will better position Aleris to capture opportunities that capitalize on

its strong platform as a high quality provider of both privately and publicly financed care and healthcare services.

#### **Mixed performance within Private Equity Investments**

Investor Growth Capital had a value decline of 9 percent in local currencies during the quarter. The previously announced write-down of Japanese FOI Corporation and adjustments to the valuation of our other Japanese holdings accounted for the largest part, but we also made several adjustments to account for a weaker capital market environment for health care and technology companies. From an operational perspective, the companies continue to perform well. Deal activity continues to be high and six new investments in promising growth companies were completed during the quarter.

We wrote off our 13 percent (SEK 226 m.) holding in FOI when the Tokyo Stock Exchange decided to delist the company during mid-May. FOI is being investigated on suspicion of violating Japanese securities law by allegedly overstating their revenues through a very elaborate scheme. A locksmith once told me: locks do not stop the thieves but they keep the innocent out.

Late last year, we decided to withdraw from Japan as we found few attractive investment opportunities. In fact, we have not made a new investment in Japan since 2008. Additionally, we find the Japanese governance model to be incompatible with our active owner approach which lies at the foundation of our model. We will continue to monitor our remaining few holdings in Japan but have left all boards. Costs, including adjustments to valuations, will be taken in our normal course of business.

Asia remains an important priority for Investor Growth Capital, and we will focus our ongoing investment activities in Asia on China. Longer term, I believe that growth prospects are good in China and we have established a solid base and an emerging track-record over the last several years.

Our EQT investments had a value increase of 13 percent in local currencies during the second quarter. The increase was explained by the increase in value of Aleris, but also improving operations as the holdings are regaining momentum after a tougher period. EQT has also made several new investments to renew the portfolio.

#### **Financial investments**

The objectives of Active Portfolio Management (APM) are to gain market intelligence and to take advantage of shorter-term market opportunities. APM does not invest in exotic instruments – it only invests in listed equities, options and futures. The portfolio is marked-to-market on a daily basis and risk taking is closely monitored. Our ambition is to make money in both up and down markets, with a low risk profile. As with all investment activities, we expect some swings in the performance. However, the loss of SEK 226 m. during the second quarter, after a strong first quarter, was unsatisfactory.

#### **Strategy and portfolio featured at our Capital Markets Day**

In May we held a Capital Markets Day to revisit the strategic steps that we have taken the last few years and to present our Operating Investments.

Within Core Investments we described our efforts to focus the portfolio and the industrial rationale for taking these decisions. Between 2005 and 2009 we released SEK 48 bn. in cash flow from our Core Investments and through our active management of the holdings generated an excess return of SEK 28 bn. compared to the stock market return index. Also, we revisited the recent additions to our holdings in SEB, Husqvarna/Electrolux, Atlas Copco and Saab AB. While the short-term timing of these investments has been good, they should be evaluated over a longer time period. We believe we have a portfolio of solid companies with potential to generate attractive returns for us through continued profitable growth.

The CEOs of Operating Investments CaridianBCT, Gambio, Lindorff, Mölnlycke Health Care, Swedish Orphan Biovitrum and 3 Scandinavia presented their strategies, achievements and product offerings. In a challenging macro environment, our holdings have on average increased sales by 17 percent and expanded their EBITDA margin from 17 to over 22 percent over the last two and a half years. I believe the CEOs of these companies demonstrated that they are well positioned to continue to grow profitably.

#### **Strong portfolio – unique platform**

The Boards of Directors are vital to our governance model. Therefore, a key activity for us is to ensure we always have appropriate Boards in place for our companies. Personal qualities such as integrity, proven business acumen, and a genuine interest in and passion for the business are necessary. But besides this, the right Board composition varies not only from company to company, but also between different points in time within each company. Changes are often needed when companies enter new phases or new challenges. Board positions are rarely a life time assignment. Naturally, as an owner we constantly evaluate our boards.

President Ronald Reagan in his farewell address described America as a “shining city upon a hill”. I often think of our portfolio of companies in much the same way. We have iconic companies made up of truly outstanding people. We are devoted to maintain and further strengthen our holdings and their market positions. At the end of the day, it is having the right people that make the difference. Our international network and our long-term ownership approach give us a unique platform to recruit the best Board members and managers to our companies. In short, we are a very proud owner of our companies. But there is never a time for complacency. We must always be a bit paranoid – somebody is always trying to get ahead of our companies, or us, for that matter.

Since the crisis started 2008, we have invested a total of SEK 16 bn., including the most recent investment in Aleris. Over the last six months alone, we have invested SEK 5 bn. Our financial position remains strong and we will continue our strategy to strengthen ownership in Core Investments, grow Operating Investments and develop Private Equity Investments. This is our way of maximizing shareholder value over time.

Dear shareholders, we also remain committed to “the daily grind” to assure that our companies become and remain best-in-class. If they are not best-in-class, we will work hard to drive them into that position.

Börje Ekholm

# Development of the Group

During the first half of the year, the net asset value increased from SEK 142.7 to SEK 147.9 bn. The profit for the period, including unrealized change in value, was SEK 8.3 bn. (13.8). The corresponding figure for the second quarter was SEK 0.8 bn. (16.9). Investor's net debt amounted to SEK 5.5 bn. at the end of the period (0.6), resulting in leverage of 4 percent (0).

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## Net asset value

The net asset value amounted to SEK 147,924 m. (SEK 195 per share) on June 30, 2010, compared to SEK 142,673<sup>1)</sup> m. (SEK 187 per share) at the end of 2009. The change in net asset value was SEK 5,251 m. during the first half of the year (10,454), and SEK -2,392 m. in the second quarter (15,902). The increase in net asset value, with dividend added back, was 6 percent during the first half of the year (12) and 0 percent during the second quarter (14). During the same period, the total return of the Stockholm Stock Exchange (SIXRX) was 7 percent and -2 percent, respectively.

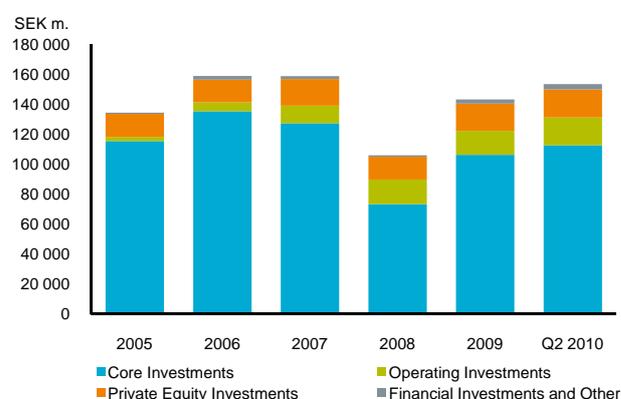
Unlisted assets as a share of total assets amounted to 24 percent at the end of the quarter (26).

## Dividend to the shareholders

The dividend payment of SEK 4.00 per share (4.00), totaling SEK 3,050 m. was distributed to Investor's shareholders in the second quarter (3,059).

1) For balance sheet items, figures in parentheses refer to year-end 2009 figures. For income items, the figures in parentheses refer to the same period last year.

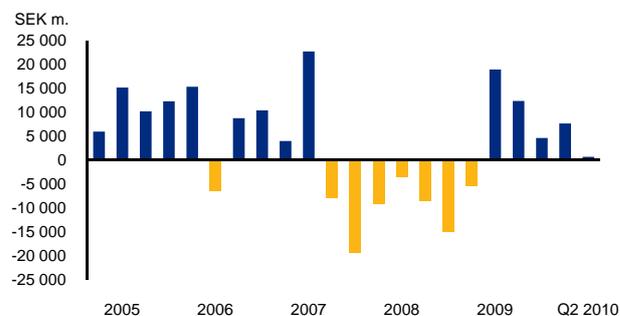
## Total assets divided by business area



## Investor's net asset value

	6/30 2010		12/31 2009	
	SEK/share	SEK m.	SEK/share	SEK m.
Core Investments	148	112 647	139	106 231
Operating Investments	24	18 508	21	15 931
Private Equity Investments	25	18 730	24	18 333
Financial Investments	5	4 103	4	3 283
Other assets and liabilities	0	-578	0	-517
<b>Total assets</b>	<b>202</b>	<b>153 410</b>	<b>188</b>	<b>143 261</b>
Net debt	-7	-5 486	-1	-588
<b>Net asset value</b>	<b>195</b>	<b>147 924</b>	<b>187</b>	<b>142 673</b>

## Net asset value, quarterly change with dividend added back



## Investor's Business Area Structure

	Type of company/operation	Type of ownership	Valuation principle
Core Investments	Well-established, global companies that are listed. Long ownership horizon.	Significant minority ownership for strategic influence.	Stock price (bid).
Operating Investments	Medium-size to large companies with international operations, listed and unlisted. Long ownership horizon.	Majority ownership or significant minority position for strategic influence.	Share of shareholders' equity for unlisted holdings. Stock price (bid) for listed holdings.
Private Equity Investments	Expansion-stage companies (IGC) and leveraged buyouts (EQT), primarily unlisted companies. Ownership horizon: ~3-7 years.	Leading minority ownership in Investor Growth Capital holdings, the largest investor in EQT funds.	Stock price (bid), multiple or third-party valuation.
Financial Investments	Financial holdings/operations with a shorter ownership horizon.	Minority ownership.	Stock price (bid/ask) or third-party valuation.

## Development of earnings

The consolidated profit, including unrealized changes in value, was SEK 8,310 m. in the first six months of the year (13,830) of which SEK 797 m. was in the second quarter (16,850).

Core Investments' contribution to net asset value for the period was SEK 7,507 m. (15,196), Operating Investments' SEK 685 m. (-825), Private Equity Investments' SEK 833 m. (-709) and Financial Investments' SEK 5 (683).

In the second quarter, Core Investments' contribution to net asset value was SEK 694 m. (15,827), Operating Investments' SEK -41 m. (-542), Private Equity Investments' SEK 846 m. (673) and Financial Investments' SEK -401 m. (595).

## Change in net asset value, Investor Group

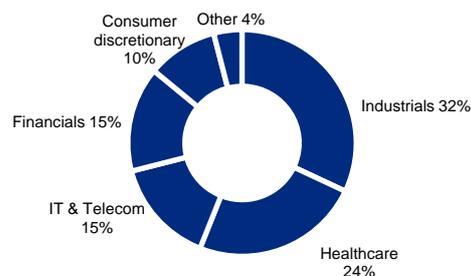
SEK m.	4/1-6/30 2010	1/1-6/30 2010	1/1-6/30 2009
Change in value	-742	6 540	13 486
Dividends	1 881	2 690	2 039
Other operating income	259	511	541
Operating costs <sup>1)</sup>	-153	-324	-318
Other items <sup>2)</sup>	-448	-1 107	-1 918
<b>Profit (+)/Loss (-)</b>	<b>797</b>	<b>8 310</b>	<b>13 830</b>
Dividend	-3 050	-3 050	-3 059
Other	-139	-9	-317
<b>Change in net asset value</b>	<b>-2 392</b>	<b>5 251</b>	<b>10 454</b>

1) Includes costs for long-term share-based remuneration programs. For the period 1/1-6/30, 2010 the total cost was SEK 18 m. (18).

2) Other items include shares of results of associated companies.

See the Operating Segment statement, page 31 for a detailed presentation of each business area's development.

## Total assets by sector, 6/30 2010



## Total assets by sector and business area on 6/30, 2010

SEK m.	Industrials	Healthcare	IT & Telecom	Financials	Consumer discretionary	Other	Total
Core Investments	49 262	18 979	14 020	19 075	11 311	-	112 647
Operating Investments	-	11 822	1 339	3 362	1 070	915	18 508
Private Equity Investments	615	5 988	8 017	-	2 216	1 894	18 730
Financial Investments and Other	-	-	-	-	-	3 525	3 525
<b>Total</b>	<b>49 877</b>	<b>36 789</b>	<b>23 376</b>	<b>22 437</b>	<b>14 597</b>	<b>6 334</b>	<b>153 410</b>

## Overview of Net Asset Value

	Number of shares 6/30 2010 <sup>1)</sup>	Ownership, 6/30 2010 (%) Capital <sup>2)</sup>	Votes <sup>2)</sup>	Share of total assets, 6/30 2010 (%)	Value, SEK/share, 6/30 2010	Value, SEK m. 6/30 2010	Value, SEK m. 12/31 2009
<i>Core Investments<sup>3)</sup></i>							
Atlas Copco	205 471 326	16.7	22.3	15	31	23 471	21 408
ABB	166 330 142	7.3 <sup>4)</sup>	7.3 <sup>4)</sup>	15	30	22 870	22 904
SEB	456 089 264	20.8	20.9	12	25	19 075	20 227
AstraZeneca	51 587 810	3.6 <sup>5)</sup>	3.6 <sup>5)</sup>	12	25	18 979	17 292
Ericsson	164 078 702	5.0	19.3	9	18	14 020	10 721
Electrolux	39 165 071	12.7	29.1	5	9	7 042	6 560
Husqvarna	90 667 692	15.7	28.9	3	6	4 269	4 579
Saab AB	32 778 098	30.0	39.5	2	4	2 921	2 540
				<b>73</b>	<b>148</b>	<b>112 647</b>	<b>106 231</b>
<i>Operating Investments</i>							
Mölnlycke Health Care		66 <sup>6)</sup>	47	4	9	6 662	6 371
Lindorff		57 <sup>6)</sup>	50	2	4	3 362	3 125
Swedish Orphan Biovitrum	86 075 332	41	41	2	4	3 185	971
Gambro Holding (Gambro & CaridianBCT)		49	49	1	3	1 975	2 058
3 Scandinavia		40	40	1	2	1 339	1 350
The Grand Group		100	100	1	1	1 070	1 065
Land and real estate		100	100	0	0	383	384
Other <sup>7)</sup>		-	-	1	1	532	607
				<b>12</b>	<b>24</b>	<b>18 508</b>	<b>15 931</b>
<i>Private Equity Investments</i>							
Investor Growth Capital		100	100	5	11	8 080	9 197
EQT		n/a <sup>8)</sup>	n/a <sup>8)</sup>	7	14	10 650	9 136
				<b>12</b>	<b>25</b>	<b>18 730</b>	<b>18 333</b>
<i>Financial Investments</i>		-	-	<b>3</b>	<b>5</b>	<b>4 103</b>	<b>3 283</b>
<i>Other Assets and Liabilities</i>		-	-	<b>0</b>	<b>0</b>	<b>-578</b>	<b>-517</b>
<b>Total Assets</b>		-	-	<b>100</b>	<b>202</b>	<b>153 410</b>	<b>143 261</b>
<b>Net debt</b>		-	-		<b>-7</b>	<b>-5 486</b>	<b>-588</b>
<b>Net Asset Value</b>		-	-		<b>195</b>	<b>147 924</b>	<b>142 673</b>

1) Holdings, including any shares on loan.

2) Calculated in accordance with the disclosure regulations of Sweden's Financial Instruments Trading Act (LHF), unless otherwise specified.

3) Valued according to the class of share held by Investor, with the exception of Saab AB and Electrolux, for which the most actively traded class of share is used.

4) Calculated in accordance with Swiss disclosure regulations.

5) Calculated in accordance with British disclosure regulations.

6) Capital after full conversion and including shareholder loans.

7) Includes the holdings in Kunskapsskolan, Novare, the newly formed company with SamSari, Lindorff mezzanine loan, as well as acquired debt in Operating Investments holdings.

8) Investor's share of capital in the 13 EQT funds varies from 10 to 64 percent.

# Core Investments

Core Investments contributed to the growth in net asset value by SEK 7.5 bn. in the first half of the year (15.2), of which SEK 0.7 bn. was in the second quarter (15.8). The total return for the business area was 7 percent during the first half of 2010, of which 1 percent during the second quarter.

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Following the advances during the first quarter, the stock market retreated slightly during the second quarter, weighed down by macro related concerns. Core Investments contributed positively to net asset value in the second quarter. The main drivers were AstraZeneca and Ericsson, while ABB had the largest negative contribution

In line with our strategy to increase in selected core investments when we find the valuation long-term attractive and we are not restricted, we added to our positions in Atlas Copco and Husqvarna during the quarter. In addition, the previously announced acquisition of 10.2 percent in Saab AB from BAE Systems was completed.

Overall, we find our holdings well positioned to handle the challenging market environment, but also to pursue growth opportunities when they arise.

## Investments and divestments

The acquisition of 11,166,173 B-shares in Saab AB, corresponding to 10.2 percent of the capital, from BAE Systems was finalized.

During the quarter, 1,000,000 shares were purchased in Husqvarna and 1,087,000 shares in Atlas Copco.

## Events occurring earlier in the year

No investments or divestments were made during the first quarter.

## Dividends

Dividends from Core Investments totaled SEK 2,334 m. in the first six months of the year (1,575), of which SEK 1,536 m. in the second quarter (955).

## Net asset value

Core Investments contributed to the net asset value by SEK 7,507 m. in the first half of the year (15,196), of which SEK 694 m. was in the second quarter (15,827). Ericsson had the largest positive impact during the period of SEK 3,627 m., followed by Atlas Copco of SEK 2,574 m.

## Total returns, Core Investments

	Total return for Investor <sup>1)</sup> 2010 (%)	Average total market return <sup>2)</sup> 5 years (%)
ABB	0	24
AstraZeneca	13	7
Atlas Copco	12 <sup>3)</sup>	20
Electrolux	10	23 <sup>4)</sup>
Ericsson	34	-5
Husqvarna	-6 <sup>3)</sup>	0 <sup>5)</sup>
Saab AB	-25 <sup>3)</sup>	-5
SEB	-3	-7

1) Calculated as the sum of share price changes and reinvested dividends, including add-on investments and/or divestments.

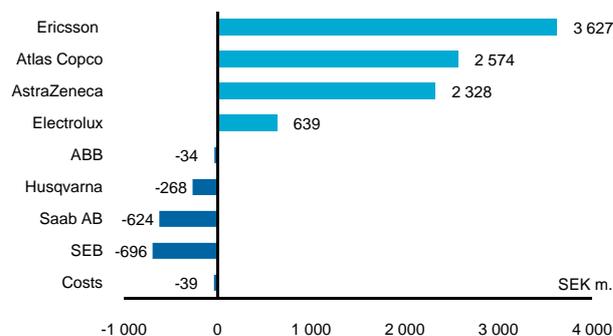
2) Calculated as the sum of share price changes and reinvested dividends (Source AlertIR/Millistream).

3) Adjusted for transactions, Investor's total return for Saab AB, Atlas Copco and Husqvarna would have been -22, 12 and -6 percent respectively.

4) Figure includes Husqvarna up until spin out of the company on June 13, 2006.

5) Average total return since the listing on June 13, 2006.

## Core Investments impact on net asset value, 1/1-6/30, 2010



## Earnings, Core Investments

SEK m.	4/1-6/30 2010	1/1-6/30 2010	1/1-6/30 2009
Change in value	-821	5 212	13 663
Dividends	1 536	2 334	1 575
Operating costs	-21	-39	-42
<b>Contribution to net asset value</b>	<b>694</b>	<b>7 507</b>	<b>15 196</b>

# Operating Investments

Operating Investments contributed to net asset value with SEK 685 m. in the first half of 2010 (-825), of which SEK -41 m. was in the second quarter (-542). During the second quarter, Investor increased its ownership in Mölnlycke Health Care, and after the end of the quarter an agreement was signed to acquire healthcare and care service provider Aleris.

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During the second quarter, the holdings within Operating Investments continued to perform well. In Mölnlycke Health Care, revenue growth remained solid with growing profit. Lindorff posted another quarter with good performance within both Collection and Capital. The market conditions for Gambro are still good although hospital spending constraints are starting to be noticed, particularly in Southern Europe. CaridianBCT maintained its good development with revenue growth and a strong margin. 3 Scandinavia's EBITDA improved during the quarter thanks to continued solid growth and tight cost control. The integration within the recently merged Swedish Orphan Biovitrum proceeded according to plan.

Investor acquired additional equity in Mölnlycke Health Care, taking the share of capital to 66 percent (62).

Investor has increased its ownership to 50 percent in SamSari to form a new group focused on leadership change management. SamSari was previously a holding within Investor Growth Capital.

After the end of the quarter, Investor announced an agreement to acquire Scandinavian healthcare and care service provider Aleris. For more information, see page 16.

## Net asset value

Operating Investments contributed to net asset value by SEK 685 m. during the first half of the year (-825), of which SEK -3 m. was attributable to Mölnlycke (-11), SEK 230 m. to Lindorff (-348), SEK -84 m. to Gambro Holding (-463), SEK -151 m. to 3 Scandinavia (-151) and SEK 690 m. to Swedish Orphan Biovitrum (172).

In the second quarter, Operating Investments had an effect of SEK -41 m. on net asset value (-542), of which SEK -11 m. was attributable to Mölnlycke Health Care (145), SEK 69 m. to Lindorff (-191), SEK 17 m. to Gambro Holding (-507), -30 m. to 3 Scandinavia (-169) and SEK -86 m. to Swedish Orphan Biovitrum (172).

## Debt financing

Investor guarantees SEK 4.2 bn. of 3 Scandinavia's external debt. For all other Operating Investments, debt financing is arranged on an independent ring-fenced basis, without guarantees from Investor. No debt financing or guarantees are included in Investor's net debt.

At the time of investment, the debt financing for each company was structured to take into account the projected growth and stability of earnings and the level of cash conversion. Consequently, the level of debt financing for holdings within Operating Investments varies.

The external debt of 3 Scandinavia matures in late 2012, while the next material loan maturity for the other companies is in 2013.

## Net asset value, Operating Investments

	6/30 2010		12/31 2009	
	SEK/share	SEK m.	SEK/share	SEK m.
Mölnlycke Health Care <sup>1)</sup>	9	6 662	8	6 371
Lindorff <sup>2)</sup>	4	3 362	4	3 125
Swedish Orphan Biovitrum <sup>3)</sup>	4	3 185	1	971
Gambro Holding <sup>4)</sup>	3	1 975	3	2 058
3 Scandinavia <sup>1)</sup>	2	1 339	2	1 350
The Grand Group	1	1 070	1	1 065
Land and real estate	0	383	1	384
Other <sup>5)</sup>	1	532	1	607
<b>Total</b>	<b>24</b>	<b>18 508</b>	<b>21</b>	<b>15 931</b>

1) Refers to Investor's share of equity and shareholders' loans.

2) Refers to Investor's share of equity and convertible debt.

3) Valued at the official stock price on the NASDAQ OMX Nordic Exchange.

4) Refers to Investor's share of equity.

5) Includes, among others, the holdings in Kunskapsskolan, Novare, the newly formed company with SamSari, Lindorff mezzanine loan, as well as acquired debt in Operating Investments.

## Development of net asset value, Operating Investments

SEK m.	1/1-6/30 2010
Net asset value on January 1, 2010	15 931
Investments	2 018
Divestments	-120
Contribution to net asset value	
<i>Effect on income</i>	714
<i>Effect on equity</i>	-29
	685
Effects from holdings on Investor Group level	-6
<b>Net asset value on June 30, 2010</b>	<b>18 508</b>

## Valuation methodology within Operating Investments

In Operating Investments, Investor normally has a large stake with significant influence in the underlying investment. Non-listed Investments classified as associated companies are reported according to the equity method. Investor's share of the holding's equity constitutes the valuation of the holding when the equity method is applied (according to IFRS) and Investor's share of the holding's net result is included in the income statement. Thus, for companies incurring large costs that impact short-term profits negatively, the value of the holding declines in Investor's net asset value. In order to facilitate the market's valuation of these investments, Investor provides comments about their development as well as key operating figures, such as net sales, EBITDA, normalized EBITDA and net debt. In normalized EBITDA, material one-off items, such as restructuring costs, write-downs, and specific investments, are excluded to better reflect the underlying result. For listed holdings the official stock price (bid) on the stock market is used for valuing the holding.

## Activities during the quarter

Mölnlycke Health Care posted another strong quarter. Revenue growth was solid and profits continued to grow at a high pace. The company continues to grow faster than most of its competitors.

Within Wound Care, Advanced Wound Care maintained its very strong momentum, in terms of growth, margins, as well as new product launches. Growth has been particularly strong in Asia-Pacific and the U.S. Within the new business segment Negative Pressure Wound Therapy (NPWT), the launch of Avance™ has been well received by the market.

The integration of the Rynel acquisition is on track.

The business area Surgical showed moderate growth, driven by the O.R. Efficiency Partnership Program which is a service that was developed to demonstrate the added value of the ProcedurePak® offer. The core of the program is a software tool that calculates the efficiency gains a hospital can make from implementing ProcedurePak®. At the end of May, 72 hospitals have signed up for the program across Europe. The Surgical Gloves business is facing a challenging market in the U.S. with continued transition from latex to synthetic. During the quarter, the company has launched three new synthetic gloves which should help capture further growth from this fast-developing segment.

At the end of June, Mölnlycke Health Care repaid EUR 75 m. of debt ahead of schedule.

## Financial performance YTD 2010

During the period, net sales grew by 10 percent in both reported and constant currencies, compared to the corresponding period 2009. EBITDA rose by 17 percent, partially driven by an improved product mix and efficiency gains. The EBITDA margin was 27 percent (25).

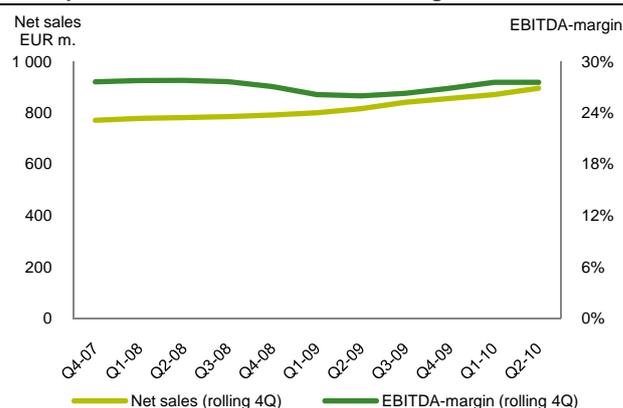
## Key figures, Mölnlycke Health Care<sup>1)</sup>

Income statement items	2010		2009		Rolling 4Q
	Q2	H1	Q2	H1	
Net sales (EUR m.)	237	452	212	412	896
EBITDA (EUR m.)	63	120	56	103	247
EBITDA (%)	27	27	26	25	28

Balance sheet items	Q2 2010	Q4 2009
Net debt (EUR m.)	1 682	1 705

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

## Development of net sales and EBITDA-margin



## Brief facts, Mölnlycke Health Care

Investment year	2007
Investor's ownership (capital incl. shareholder loans) %	66

A world-leading manufacturer and provider of single-use surgical and wound care products and services, primarily for the professional healthcare sector.

	Q2 2010	Q2 2009
Number of employees, end of period	6 800	6 665

## Investor's view of Mölnlycke Health Care

We are encouraged by Mölnlycke Health Care's continued healthy growth. A strong product offering, a promising product pipeline and expanded sales force create a platform for the company to keep growing faster than the overall market. The company's strong cash flow generation opens up for additional growth initiatives, both organic and through acquisitions. With several important products still ramping up, there is room for further profitability improvement.

## Activities during the quarter

Both business areas, Collection and Capital, performed well during the quarter.

Within the Collection business area, growth continued mainly driven by the core markets. Volume growth remained at a healthy level, albeit at a slightly slower pace than in previous quarters. The efficiency and cost savings activities to mitigate the new fee legislation in Norway which was implemented at year-end 2009, have gained traction. The changed legislation has had some effect so far but the full effect will be realized during the second half of 2010.

The Capital business area continued to grow as the economy stabilized somewhat. There has been a noticeable increase in debt portfolios for sale during the quarter and several acquisitions were finalized during the latter part. As a consequence of this growth, net debt increased. However, the pace of acquisitions still needs to pick up in order to support further growth.

## Financial performance YTD 2010

Net sales increased by 13 percent, or 7 percent in constant currencies compared to the corresponding period 2009. EBITdA<sup>3)</sup> increased by 79 percent. Adjusted for the portfolio revaluations with a positive impact on EBITdA of EUR 7 m. reported during the first quarter, the increase was 50 percent, primarily due to improved solution rates both within Collection and Capital.

## Key figures, Lindorff<sup>1)</sup>

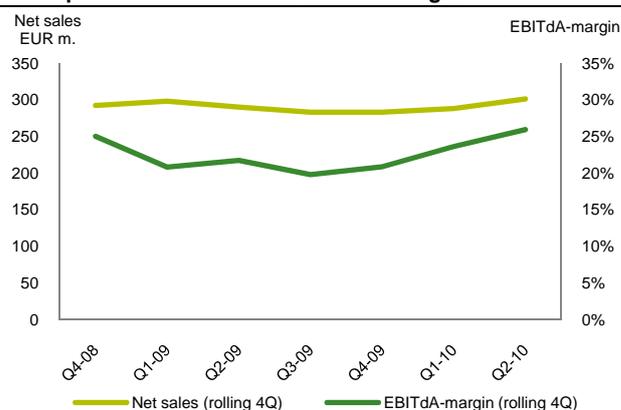
Income statement items	2010		2009		Rolling
	Q2	H1	Q2	H1	4Q
Net sales (EUR m.)	74	155 <sup>2)</sup>	61	137 <sup>2)</sup>	301 <sup>2)</sup>
EBITdA <sup>3)</sup> (EUR m.)	21	43	11	24	78
EBITdA <sup>3)</sup> (%)	28	28	18	18	26

Balance sheet items	Q2 2010	Q4 2009
Net debt (EUR m.)	538	502

- 1) Income statement items and balance sheet items are reported with one month's delay.  
 2) Including amortization and revaluation of surplus value of EUR 0.7 m. for H1 2010, EUR 13 m. for H1 2009 and EUR 14 m. for the rolling 4 quarters period.  
 3) EBITdA=EBITDA after portfolio depreciation.

## Development of net sales and EBITdA-margin



## Brief facts, Lindorff

Investment year	2008
Investor's ownership (capital after full conversion) %	57

A leading credit management company in the Nordic region with a growing European presence. Lindorff has offices in Denmark, Estonia, Finland, Germany, Latvia, Lithuania, the Netherlands, Norway, Russia, Spain and Sweden.

	Q2 2010	Q2 2009
Number of employees, end of period	2 270	2 275

## Investor's view of Lindorff

Lindorff has the capacity to take advantage of an improvement in the market for credit portfolio acquisitions going forward. We expect Lindorff to continue evaluating any value-creating acquisitions in Europe. Lindorff's focus on efficiency improvements remains a key priority, both in its core markets and in more recently established markets. Consequently, we believe Lindorff is well positioned for strong growth.

## Activities during the quarter

Business conditions continue to be good in the Emerging markets and the Americas, while in Europe, the southern parts in particular, hospital spending constraints due to government budget limitations are starting to impact capital equipment purchases and high end disposables sales.

Within the business area Chronic, the hemodialysis monitor Artis™, with new software included, was rolled out at a higher pace than during the first quarter. The Polyflux® Revaclear dialyzer is now being introduced in Southern Europe with positive reception. It complements the overall portfolio and addresses the increasing price pressures.

After launching the new business unit organization separating the responsibilities and focus on Chronic, Acute and Ventures (New Therapies) in January this year, the process to further optimize the business and actively manage the product portfolio is proceeding.

The integration of CHF Solutions is now completed.

## Financial performance YTD 2010

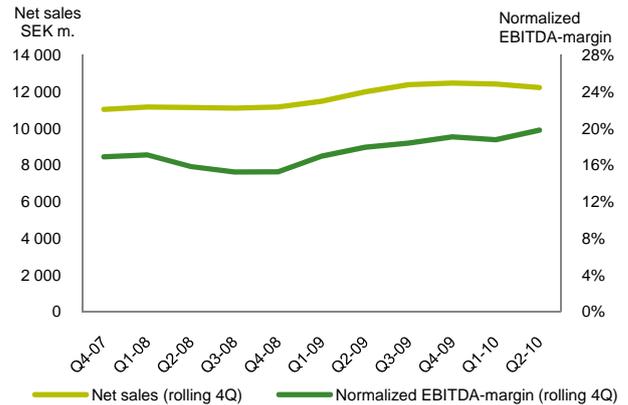
Net sales for the period were down 4 percent compared to the corresponding period last year, partially due to significant one-off revenue during the second quarter last year from a new distributor in Canada. In constant currencies, revenues were up by 2 percent (adjusting for Canada, around 3 percent). EBITDA margins improved to 20 percent (18).

## Key figures, Gambro<sup>1)</sup>

Income statement items	2010		2009		Rolling
	Q2	H1	Q2	H1	4Q
Net sales (SEK m.)	3 070	6 109	3 264	6 355	12 238
Normalized EBITDA (SEK m.)	668	1 213	577	1 171	2 426
Normalized EBITDA (%)	22	20	18	18	20

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

## Development of net sales and normalized EBITDA-margin



## Brief facts, Gambro

Investment year	2006
Investor's ownership (capital) %	49

Gambro is 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.

	Q2 2010	Q2 2009
Number of employees, end of period	7 780	8 085

## Investor's view of Gambro

The continued progress made by Gambro in terms of profitability and accelerated momentum in product roll-outs is encouraging. It is important that focus is maintained on the ongoing restructuring program and quality enhancement efforts. We remain committed to making additional investments, should this be deemed value-creating.

## Activities during the quarter

CaridianBCT continued its solid development during the quarter with good revenue growth and a strong margin. Cash flow generation was also strong.

Despite a challenging market Automated Collections continues to grow, supported by the Asia-Pacific region.

Therapeutic Systems had robust growth during the quarter, both in terms of volumes and pricing. Preparations continued for the launch of the Quantum Cell Expansion System in the second half of 2010. Once launched, the product will be distributed by CaridianBCT on its own and in cooperation with Beckman Coulter in select markets.

For the Whole Blood Process business area, the development during the quarter was in line with the adapted plan.

Within Pathogen Reduction Technologies, several important achievements were made. In Poland, Mirasol® was awarded the national tender for production of all fresh frozen plasma to be produced in that country. It was also announced that the Japanese Red Cross considers the Mirasol System for platelets stored in plasma as the best available technology for Japanese needs. The recommendation is now subject to clinical evaluations.

## Financial performance YTD 2010

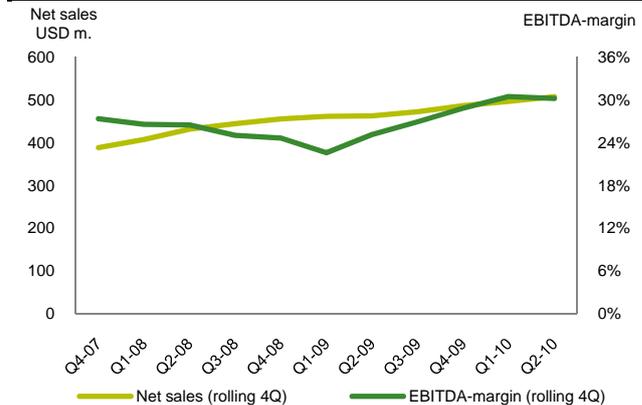
Net sales increased by 9 percent, or 6 percent in constant currencies compared to the corresponding period 2009. EBITDA rose by 20 percent, resulting in an EBITDA margin of 30 percent (27). The main drivers behind the profit improvement were volume growth, price management and cost control.

## Key figures, CaridianBCT<sup>1)</sup>

Income statement items	2010		2009		Rolling
	Q2	H1	Q2	H1	4Q
Net sales (USD m.)	130	256	119	235	507
EBITDA (USD m.)	42	77	40	64	153
EBITDA (%)	32	30	34	27	30

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

## Development of net sales and EBITDA-margin



## Brief facts, CaridianBCT

Investment year 2006  
Investor's ownership (capital) % 49

A leading global provider of technology innovations and services focused on enhancing blood quality, safety, supply and efficiency in the blood banking and transfusion medicine industry.

	Q2 2010	Q2 2009
Number of employees, end of period	2 225	2 150

## Investor's view of CaridianBCT

CaridianBCT's market position is strong. It is the clear global leader in automated apheresis both for blood collection and for therapeutics. Focus should continue to be on capturing growth opportunities in the market, both within the existing business areas and through newer products, such as Mirasol PRT and Quantum CES. Investments should also be made in new geographic areas, e.g. Asia. It is also important that the company continues to reduce manufacturing costs per unit and manage its operating expenses. We believe there is an attractive potential for further sales and profit growth and thus value creation.

## Gambro Holding

Gambro Holding owns Gambro and CaridianBCT. Since net debt of the companies has not been formally distributed, the effect on Investor's net asset value and net debt are reported as a total for the two companies. The change in net debt is mainly attributable to exchange rate fluctuations and a seasonal build-up of working capital.

## Combined key figures, Gambro Holding<sup>1)</sup>

Balance sheet items	Q2 2010	Q4 2009
Net debt (SEK m.)	26 529	25 559

1) Balance sheet items are reported with one month's delay.



Read more on the web: [www.tre.se](http://www.tre.se) >>

## Activities during the quarter

Growth continued to be solid during the second quarter, and together with continued tight cost control, this resulted in sharply improved profitability. The subscriber base grew by 69,000, based on healthy intake of both voice and mobile broadband (ISP) customers. 3 Scandinavia continued to expand its market share within voice.

3 Scandinavia was awarded additional 2.6 GHz spectrum in Denmark at a cost of DKK 7 m., a fraction of what competitors paid. 3 Scandinavia stands well prepared to launch LTE services in Sweden and Denmark when it becomes commercially and technically viable.

3 Scandinavia's focus on building a state-of-the-art high-quality mobile network has once again paid off. Recently the most extensive independent network test in Sweden ranked 3 Scandinavia as the preferred choice in mobile data for the fourth consecutive year. In addition, 3 Scandinavia ranked as the best provider of voice coverage in Stockholm, Gothenburg and mid-Sweden.

## Financial performance YTD 2010

Net sales rose by 21 percent compared to the corresponding period 2009. EBITDA improved by 228 percent to SEK 436 m. (133). The EBITDA margin increased to 13 percent (5).

During the first half of 2010, Investor invested SEK 140 m. (176), of which 0 m. in the second quarter (68). As of June 30, 2010, Investor has invested a total of SEK 6,366 m. in 3 Scandinavia since inception.

## Key figures, 3 Scandinavia<sup>1)</sup>

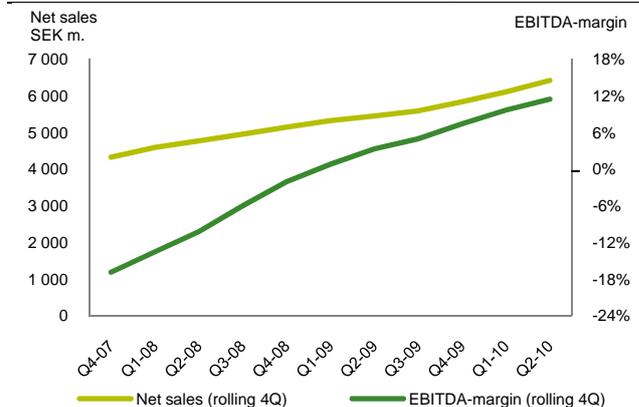
Income statement items	2010		2009		Rolling 4Q
	Q2	H1	Q2	H1	
Net sales (SEK m.)	1 689	3 353	1 376	2 768	6 425
EBITDA <sup>2)</sup> (SEK m.)	236	436	91	133	737
EBITDA (%)	14	13	7	5	11

Balance sheet items	Q2 2010	Q4 2009
Net debt (SEK m.)	10 071	10 230

Other key figures <sup>3)</sup>	6/30 2010	12/31 2009
Subscribers	1 707 000	1 569 000
ARPU <sup>4)</sup> (SEK)	338	348
Non-voice ARPU <sup>4)</sup> (%)	42	42
Postpaid/prepaid ratio	88/12	90/10

- 1) Income statement items and balance sheet items are reported with one month's delay.  
 2) EBITDA for 3 Scandinavia is defined as EBITDA after deducting all customer acquisition and retention costs.  
 3) Other key figures are reported without delay.  
 4) Average monthly revenue per user (ARPU) refers to the past 12-month period.

## Development of net sales and EBITDA-margin



## Brief facts, 3 Scandinavia

Investment year	1999
Investor's ownership (capital) %	40

Mobile operator providing mobile voice and broadband services in Sweden and Denmark. The company also holds a license for the Norwegian market.

	Q2 2010	Q2 2009
Number of employees, end of period	2 080	2 075

## Investor's view of 3 Scandinavia

Focus will remain on developing new attractive services and offerings, as well as ensuring the speed and quality of the network. Investments in this area are key to sustain strong momentum and a market-leading position. Growth and cost control is the key parameter to create value. Having reached EBIT breakeven, focus is on generating sustainable positive cash flow. While the voice business remains the primary revenue contributor, maintaining market leadership in mobile broadband is imperative for continued growth.

Swedish Orphan Biovitrum was created through the merger between listed Biovitrum and privately held Swedish Orphan International. The transaction was completed in January, 2010.

Swedish Orphan Biovitrum is a listed company and consequently valued at the official stock price.

As the company provides information on its own, we refer to [www.sobi.com](http://www.sobi.com) for more information.

Swedish Orphan Biovitrum will publish its interim report for the second quarter on July 20, 2010.

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#### **Brief facts, Swedish Orphan Biovitrum**

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Investment year	2009
Investor's ownership (capital) %	41
Value of Investor's ownership, SEK m. 6/30, 2010	3 185

Swedish Orphan Biovitrum is a Swedish based specialty pharmaceutical company with an international market presence. The company is focused on providing and developing orphan and niche specialist pharmaceuticals to patients with high medical needs.

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#### **Investor's view of Swedish Orphan Biovitrum**

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Focus near-term will be on integrating Biovitrum and Swedish Orphan International and ensuring that cost synergies and longer-term revenue synergies are captured. Simultaneously, the company needs to maintain its growth momentum, which includes expanding sales of key products such as Kineret and Kepivance (acquired from Amgen in 2008) as well as Orfadin. We are highly appreciative of the strong industrial logic and growth potential in the new entity and look forward to contributing to make it a leading international specialty pharmaceuticals company.

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## Activities during the quarter

The hotel business was positively affected by the seasonal upswing in the market during the quarter and in combination with active management, both occupancy and price levels increased.

The restaurants continued to do well. The restaurant Mathias Dahlgren was voted number 25 on the list “The World’s 50 Best Restaurants” and Mathias Dahlgren himself received the award “The Chef of Chefs”, manifesting the excellent selection of international five-star services the Grand Hôtel has to offer.

## Financial performance YTD 2010

Grand Hôtel’s net sales increased by 6 percent compared to the corresponding period 2009. EBITDA improved substantially, resulting in an EBITDA margin of 21 percent (16). The EBITDA improvement is explained by revenue growth and lowered costs following the cost-efficiency program launched during the first quarter of 2009.

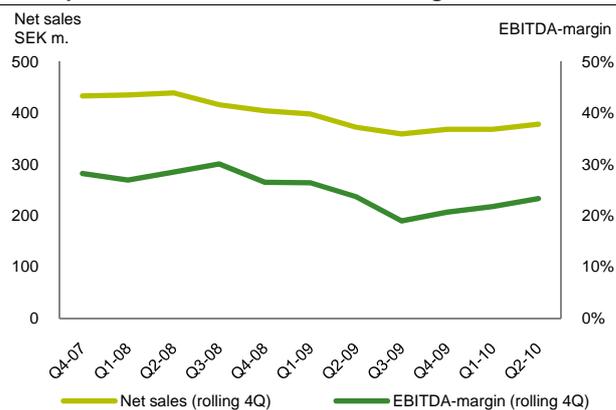
## Key figures, Grand Hôtel

Income statement items	2010		2009		Rolling 4Q
	Q2	H1	Q2	H1	
Net sales (SEK m.)	103	176	93	166	378
EBITDA (SEK m.)	28	37	21	26	87
EBITDA (%)	27	21	23	16	23

Balance sheet items	Q2 2010	Q4 2009
Net debt (SEK m.)	472	524

## Development of net sales and EBITDA-margin



## Brief facts, Grand Hôtel

Investment year	1968
Investor’s ownership (capital), %	100

Scandinavia’s leading hotel with 368 guest rooms and 24 conference and banquet facilities, three restaurants, bar and a newly opened spa.

	Q2 2010	Q2 2009
Number of employees, end of period	265	260

## Investor’s view of Grand Hôtel

Grand Hôtel is affected by the economic downturn, and has taken action to mitigate the negative financial impact through cost reductions. The hotel is also taking advantage of the slowdown by upgrading and renovating some of its rooms and facilities, which should yield positive results once the business cycle improves. Our belief in Grand Hôtel’s long-term growth and profitability potential remains intact. The hotel has a unique offering and location in Stockholm.



Read more on the web: [www.aleris.se](http://www.aleris.se) >>

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After the end of the quarter, on July 2, Investor announced an agreement to acquire 97 percent of the capital in Scandinavian healthcare and care service provider Aleris from EQT. Aleris' management will own the remaining share.

The acquisition is subject to approval from the relevant competition authorities and is expected to close during the third quarter. Consequently, the investment in Aleris is not included in Operating Investments for the second quarter. After the closing of the transaction, Aleris will be a consolidated subsidiary.

Aleris is a market leader in the Nordic countries and has developed a strong platform for growth focusing on both privately and publicly financed care and healthcare services. The group has around 5,000 employees and reported sales of SEK 3.9 bn. and an EBITDA of SEK 410 m. for 2009.

Aleris is acquired at an enterprise value of SEK 4.4 bn. The company will have a debt ratio of around 45 percent and the external debt is ring-fenced and without guarantees from Investor AB. Investor's net investment, considering the existing ownership in EQT's funds and the external debt-financing, will amount to SEK 1.7 bn.

Subject to certain operating milestones being reached in 2010-2012, up to a maximum of SEK 100 m. (in net present value) in a deferred earn-out payment will be made to EQT III in 2013.

For more information on the transaction and Aleris' business, see the information materials from the press conference on [www.investorab.com](http://www.investorab.com).

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#### **Brief facts, Aleris**

Investment year	2010
Investor's ownership (capital), %	97
Aleris is one of the leading providers of healthcare and care in the Nordic region. Aleris provides services on behalf of municipalities, county councils and insurance companies within four different areas; healthcare, diagnostics, senior care and mental health.	
Number of employees	~5 000

## Operating Investments – key figures overview

	Q2	Q1	Full Year	Q4	Q3	Q2	Q1	Full Year
	2010	2010	2009	2009	2009	2009	2009	2008
<b>Mölnlycke Health Care<sup>1)</sup> (EUR m.)</b>								
Net Sales	237	215	856	224	220	212	200	791
EBITDA	63	57	230	64	63	56	47	214
EBITDA (%)	27	27	27	29	29	26	24	27
Net debt	1 682	1 693	1 705	1 705	1 747	1 770	1 727	1 795
Employees	6 800	6 745	6 610	6 610	6 620	6 665	6 495	6 395
<b>Lindorff<sup>1)</sup> (EUR m.)</b>								
Net Sales <sup>2)</sup>	74	81	283	73	73	61	76	291
EBITdA <sup>3)</sup>	21	22	59	13	22	11	13	72
EBITdA <sup>3)</sup> (%)	28	27	21	18	30	18	17	25
Net debt	538	530	502	502	536	529	529	577
Employees	2 270	2 295	2 270	2 270	2 225	2 275	2 215	2 210
<b>Gambro<sup>1)</sup> (SEK m.)</b>								
Net Sales	3 070	3 039	12 484	3 019	3 110	3 264	3 091	11 172
Normalized EBITDA	668	545	2 384	654	559	577	594	1 707
Normalized EBITDA (%)	22	18	19	22	18	18	19	15
Employees	7 780	7 930	8 040	8 040	8 030	8 085	8 220	8 415
<b>CaridianBCT<sup>1)</sup> (USD m.)</b>								
Net Sales	130	126	486	125	126	119	116	455
Normalized EBITDA	42	35	140	38	38	40	24	112
Normalized EBITDA (%)	32	28	29	30	30	34	21	25
Employees	2 225	2 185	2 160	2 160	2 160	2 150	2 390	2 455
<b>Gambro Holding<sup>1)</sup> (SEK m.)</b>								
Net debt	26 529	25 476	25 559	25 559	25 529	25 779	28 047	25 483
<b>3 Scandinavia<sup>1)</sup> (SEK m.)</b>								
Net Sales	1 689	1 664	5 840	1 603	1 469	1 376	1 392	5 147
EBITDA <sup>4)</sup>	236	200	434	161	140	91	42	-106
EBITDA (%)	14	12	7	10	10	7	3	-
Net debt	10 071	10 172	10 230	10 230	10 202	10 132	10 284	10 235
Employees	2 080	2 065	2 095	2 095	2 080	2 075	2 020	1 950
<b>Grand Hôtel (SEK m.)</b>								
Net Sales	103	73	368	109	93	93	73	404
EBITDA	28	9	76	25	25	21	5	107
EBITDA (%)	27	12	21	23	27	23	7	26
Net debt	472	493	524	524	510	507	494	452
Employees	265	240	280	280	260	260	280	325

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

2) Including amortization of surplus value of EUR 4 m. for Q2 2010, EUR 0.7 m. for H1 2010, EUR 6 m. for Q2 2009 and EUR 12 m. for H1 2009.

3) EBITdA=EBITDA after portfolio depreciation.

4) EBITDA for 3 Scandinavia is defined as EBITDA after deducting all customer acquisition and retention costs.

# Private Equity Investments

The Private Equity Investments business area contributed to net asset value with SEK 833 m. during the first half of 2010 (-709), of which SEK 846 m. in the second quarter (673).

Read more at investorab.com under "Our Investments" >>

The Private Equity business area consists of the wholly owned Investor Growth Capital and the independent EQT funds. Investor Growth Capital provides venture capital financing to growth companies in the healthcare and technology sectors in the U.S., Europe and Asia. The EQT funds are active in buy-outs, equity-related growth financing, in special situations and infrastructure. The funds are fully independent from Investor. However, Investor is a sponsor of the funds and the largest investor.

## Investments and divestments

Cash flow (divestments less investments) from the Private Equity business was SEK 536 m. for the first half of the year (-1,132), of which SEK -344 m. in the second quarter (-438).

A total of SEK 2,046 m. was invested in the first half of the year (1,316), of which SEK 845 m. in the second quarter (495). Investments during the first half of the year comprised of SEK 1,403 m. in new investments (519) and SEK 643 m. in add-on investments (797).

Investments were sold for SEK 2,582 m. during the period (184), of which SEK 501 m. during the second quarter (57).

## Purchases and sales, Private Equity Investments

SEK m.	6/30 2010	
	Purchases	Sales
Investor Growth Capital	822	2 343 <sup>1)</sup>
EQT	1 224	239
<b>Total</b>	<b>2 046</b>	<b>2 582</b>

1) Includes the divestment of Swedish Orphan International.

## Net asset value

The effect on net asset value for the first six months was SEK 833 m. (-709), of which SEK 846 m. was in the second quarter (673).

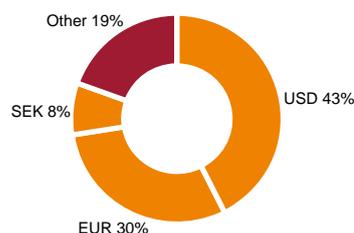
## Earnings, Private Equity Investments

SEK m.	4/1-6/30 2010	1/1-6/30 2010	1/1-6/30 2009
Change in value (incl. dividends)			
Investor Growth Capital	-195	286	-365
EQT	1 104	664	-220
Operating costs	-63	-117	-124
<b>Contribution to net asset value</b>	<b>846</b>	<b>833</b>	<b>-709</b>

## Private Equity Investments by unit

	6/30 2010		12/31 2009	
	SEK/share	SEK m.	SEK/share	SEK m.
Investor Growth Capital	11	8 080	12	9 197
EQT	14	10 650	12	9 136
<b>Total</b>	<b>25</b>	<b>18 730</b>	<b>24</b>	<b>18 333</b>

## Private Equity Investments by currency



## Private Equity Investments valuation multiples

	Percentage of portfolio valued with multiples H1 2010	Average EV/EBITDA multiple H1 2010	Average EV/EBITDA multiple 2009
Investor Growth Capital	5.2% <sup>1)</sup>	8.4x	8.2x
EQT	58.4%	8.7x	9.6x

1) The low percentage (5.2%) of investments in Investor Growth Capital that are valued with EV/EBITDA multiples reflects the general development stage of the companies. In many cases, the holdings are in a growth stage and have not yet reached profitability. Thus, a change in any one company valued on multiples has a big impact on the average multiple reported.

## Investor Growth Capital

Read more on the web: [>>](http://www.investorgrowthcapital.com)

The venture capital market environment was relatively stable in the second quarter, with solid levels of new investment activity although still well short of the 2007 market peak. Investor Growth Capital continues to take advantage of its market position to nurture an attractive flow of investment opportunities, and has maintained a good pace of new investments since the end of 2009.

A few Investor Growth Capital portfolio companies are now in registration for an IPO. However, recent capital markets volatility poses a challenge to successful IPO completion for many companies. Prospects for further strategic acquisitions and partnerships remain solid, supported by strong cash balances at many large companies and a renewed interest in funding new growth opportunities.

### Activities during the quarter

Six new investments were made during the quarter:

Agile Therapeutics (U.S.) is a pharmaceutical company specializing in women's healthcare products.

ClairMail (U.S.) is a leading provider of mobile software solutions to financial institutions.

Jazz Pharmaceuticals (U.S.) is a specialty pharmaceutical company focusing on unmet medical needs in neurology and psychiatry.

Revision Therapeutics (U.S.) is a pharmaceutical company spun-out from divested Sirion Holdings to continue clinical development of a treatment for macular degeneration.

Rocket Lawyer (U.S.) provides Internet based legal services.

TearScience (U.S.) develops diagnostic and treatment devices for evaporative dry eye.

Add-on investments were made in Cayenne Medical, ChinaCache, CMA Microdialysis, ePAC and Zephyr.

The holdings in Ception Therapeutics, Heartscape Technologies, Samsari, Santarus, and Sirion Holdings were divested. Ception Therapeutics was acquired by Cephalon pursuant to an option agreement signed in 2009 and triggered by successful completion of clinical trials. Investor Growth Capital realized a return on the investment well in excess of target levels.

Japanese semiconductor manufacturing equipment maker FOI Corporation is being investigated on suspicion of violating the Financial Instruments and Exchange Law by substantially overstating its revenue. As communicated on May 18, Investor wrote down the value of its 13 percent holding in the company from SEK 226 m. to zero. FOI Corporation is under liquidation. Besides FOI, Investor Growth Capital has four holdings in Japan, with an aggregate carrying value at quarter end of less than SEK 100 m.

### Activities occurring earlier during the year

New investments were made in Visible Technologies (U.S.), KyLinTV (China) and Healthline Networks (U.S.).

Another tranche of the initially committed investment in OnePhone was paid.

The investment in Vårdapoteket i Norden AB was finalized.

The exit of Swedish Orphan International to Biovitrum was completed.

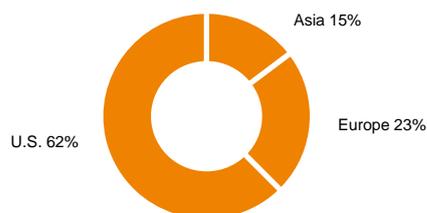
The divestment of the holding in CHF Solutions to Gambro was finalized.

The holding in Achillion was partly divested, and the holding in Siperian was fully divested.

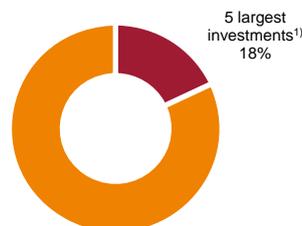
### Financial performance YTD 2010

Investor Growth Capital had a value increase of 3 percent during the period. In local currencies however, the value declined by 3 percent. The write-down of Japanese FOI Corporation had a negative value impact of SEK 226 m. during the second quarter.

### Investor Growth Capital by geography, 6/30 2010

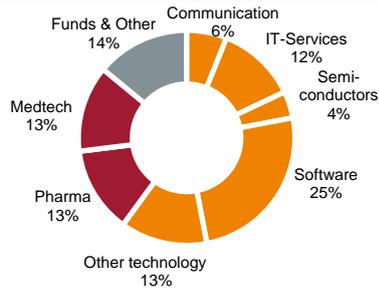


### Value distribution Investor Growth Capital, 6/30 2010

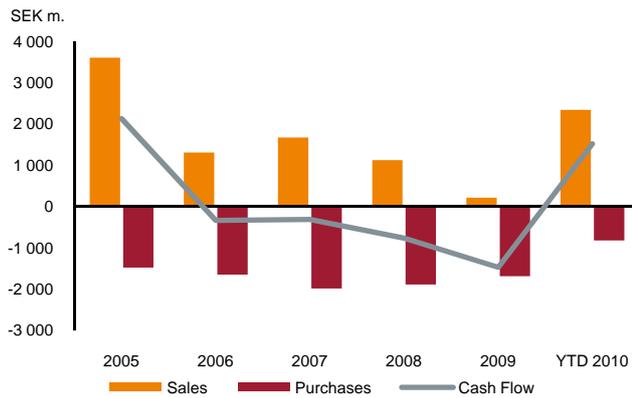


<sup>1)</sup> As of June 30, 2010, the five largest investments were (in alphabetical order) AirPlusTV (Sweden), ePac (U.S.), Greenway Medical Technologies (U.S.), Memira (Sweden) and Mindjet Corporation (U.S.).

### Sector exposure Investor Growth Capital, 6/30 2010



### Purchases and sales, Investor Growth Capital



### Brief facts, Investor Growth Capital

Investor's wholly-owned subsidiary Investor Growth Capital makes expansion stage venture capital investments in promising growth companies in the U.S., Northern Europe and Asia. These companies are often generating revenue or soon will be. Typically, these holdings have no or very low financial leverage. Returns are generated through divestments. Typical exits include initial public offerings or trade sales to industrial or financial players, normally after a three to seven year holding period.

The valuations are reviewed regularly and are often based on the latest externally priced financing round. Where applicable, peer group multiples are used. Liquidity discounts are applied as well.

## EQT's funds

Read more on the web: [www.eqt.se](http://www.eqt.se) >>

### Activities during the quarter

Svensk Utbildning Intressenter Holding AB, a Swedish company indirectly and fully owned by EQT V, announced a cash offer for all shares in education company AcadeMedia. As of June 15, it held 79.4 percent.

EQT V invested in sports retail chain XXL Sport & Villmark (Norway).

An add-on investment was made in Titan X (EQT Opportunity)

EQT Greater China II finalized the previously announced investment in Hong Kong-based Japan Home Centre.

On July 2, EQT III announced the divestment of Aleris to Investor.

### Activities occurring earlier during the year

EQT IV made an add-on investment in SSP.

The acquisitions of Swedegas (EQT Infrastructure) and Springer Science+Business Media (EQT V) were finalized.

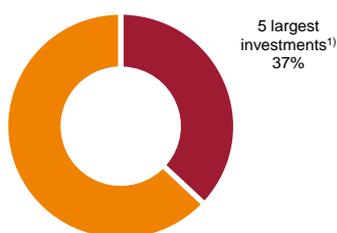
### Financial performance YTD 2010

The value of Investor's holdings in EQT funds reported a value increase of 7 percent. Adjusting for unfavorable currency effects, the value appreciation was 15 percent in local currencies for the period.

As of June 30, the holding in Aleris was valued at the transaction price announced on July 2.

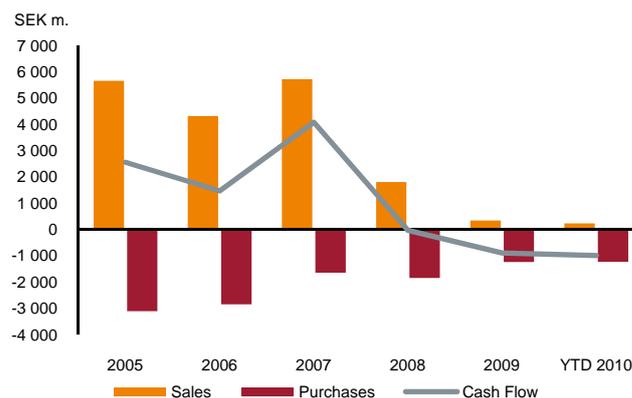
Investor's total outstanding commitments to EQT funds amounted to SEK 3.9 bn. at the end of the period (7.4).

### Value distribution, Investor's holdings in EQT funds, 6/30 2010



1) As of June 30, 2010, the five largest investments were (in alphabetical order) Aleris (Sweden), Dako (Denmark), ISS (Denmark), Kabel Baden Württemberg (Germany) and Securitas Direct (Sweden).

### Purchases and sales, EQT



### Overview of EQT funds

SEK m.	Investor's share of fund	Total capital commitments	Investor's share of invested capital <sup>1)</sup>	Market value of Investor's remaining holdings
EQT I*	18%	3 260	503	-
EQT II*	18%	6 193	970	12
EQT III*	32%	19 015	5 818	2 025 <sup>2)</sup>
EQT IV*	19%	23 769	4 145	3 023
EQT V	12%	40 407	3 664	3 916
EQT Opportunity	25%	3 533	414	118
EQT Denmark*	18%	1 298	186	2
EQT Finland*	32%	625	124	1
EQT Expansion Capital I	16%	1 798	249	86
EQT Expansion Capital II	15%	4 506	273	261
EQT Asia*	64%	2 456	1 272	501
EQT Greater China II	37%	4 159	663	496
EQT Infrastructure	10%	11 094	302	209
<b>Total<sup>3)</sup></b>		<b>122 113</b>	<b>18 583</b>	<b>10 650</b>

\* Fully invested

1) Also includes capital invested in holdings that have already been sold.

2) Aleris is valued close to transaction price announced on July 2, 2010.

3) The following rates were used to translate to SEK: DKK = 1.28 (EQT Denmark), EUR = 9.51 (EQT Finland, EQT III, IV, V, EQT Expansion Capital I, II, EQT Opportunity, EQT Infrastructure), USD = 7.77 (EQT Asia, EQT Greater China II).

### Brief facts, EQT

EQT is independent from Investor, although Investor is a partial owner of the management company, as well as the sponsor and largest investor in all of its funds.

EQT's 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. EQT has raised 12 funds active in buy-outs, equity-related growth financing, in special situations and infrastructure.

Within EQT, valuation is to a large extent based on multiples, as holdings are typically mature and relevant peers are often readily available.

# Financial Investments

The business area's contribution to net asset value was SEK 5 m. during the first half of the year (683), of which SEK -401 m. was in the second quarter (595).

[Read more at investorab.com](http://investorab.com) under "Our Investments">>

Active Portfolio Management contributed with an operating income of SEK -49 m. during the period (286), of which SEK -226 m. during the second quarter (238).

Following a strong 2009 and a strong first quarter, the performance within Active Portfolio Management was weaker during the second quarter. Risks are closely monitored and the portfolio is marked-to-market on a daily basis.

## Financial Investments

	6/30 2010		12/31 2009	
	SEK/share	SEK m.	SEK/share	SEK m.
Financial Investments	5	4 103	4	3 283

# Group

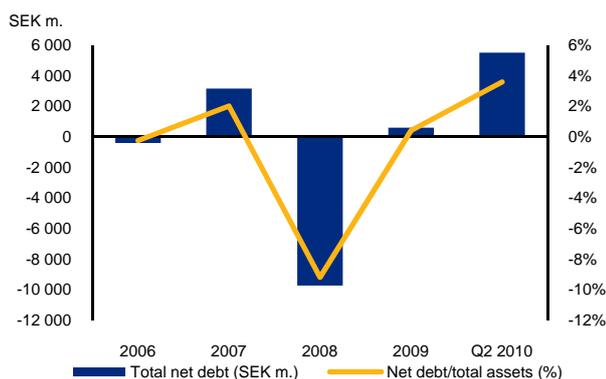
## Net debt

The consolidated net debt position totaled SEK 5,486 m. on June 30, 2010 (588). Net investments totaled SEK 2,675 m. during the period (5,325). Dividends received from Core Investments amounted to SEK 2,334 m. during the period (1,575). Dividend paid out to shareholders during the second quarter amounted to SEK 3,050 m. (3,059).

For 3 Scandinavia, Investor guarantees SEK 4.2 bn. of its external debt. For all other Operating Investments, debt financing is arranged on an independent ring-fenced basis, without guarantees from Investor. No debt financing or guarantees are included in Investor's net debt.

Net financial items for the reporting period amounted to SEK -664 m. (-244). Net financial items include interest income of SEK 120 m. (203) and interest expenses totaling SEK 344 m. (403). Unrealized results from loans and swaps, used for managing the interest rate tenor, amounted to SEK -193 m. (95). The remaining portion consists primarily of currency effects.

### Consolidated net debt



Cash and readily available placements amounted to SEK 15,789 m.<sup>1)</sup> on June 30, 2010 compared to SEK 20,938 m. at year-end 2009. The Group's short-term investments are invested conservatively, taking into account the risk-adjusted return profile. Gross debt<sup>2)</sup> for the group amounted to SEK 21,275 m. (21,526) at the end of the period.

The average maturity of the debt portfolio was 13.1 years on June 30, 2010 (12.8).

1) Other financial instruments SEK 600 m. (9,062) and cash, bank and short-term investments SEK 15,281 m. (11,934) have been adjusted by SEK -92 m. (-58) relating to Operating Investments.

2) Items included in gross debt are loans, receivables included in net debt and pensions and similar obligations. The amounts have been adjusted by items relating to Operating Investments; loans and hedges SEK 614 m. (1,429) and pensions and similar obligations SEK 33 m. (32).

## Operating costs

Operating costs vary between the different business areas, with Private Equity Investments being Investor's most staff intensive business area. For the period, costs for Core Investments, Operating Investments and Private Equity Investments amounted to SEK 39 m. (42), SEK 58 (57) m. and SEK 117 m. (124) respectively. Including group wide costs, operating costs totaled SEK 306 m. during the period (300), representing 0.4 percent of our period-end total assets on an annual basis (0.5). Costs per business area are shown in the Operating Segment overview on page 31.

The calculation of cost within the framework for employee stock option programs and share programs resulted in additional costs of SEK 18 m. during the period (18). Investor uses hedges to minimize effects on equity from the programs that arise in connection with changes in Investor's share price.

## Parent Company

### Share capital

Investor's share capital amounted to SEK 4,795 m. on June 30, 2010 (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
<b>Total</b>	<b>767 175 030</b>	<b>357 239 262</b>	<b>100.0</b>	<b>100.0</b>

During the second quarter, Investor repurchased 2,000,000 of its own shares for a total of SEK 263 m. On June 30, 2010, Investor owned a total of 6,683,800 of its own shares (4,683,800).

### Results and investments

The Parent Company's result after financial items was SEK 16,079 m. (15,352). In accordance with IFRS and the changes in the Swedish Annual Accounts Act, listed associated companies are reported at fair value as of 2010. Comparative figures have been restated accordingly. For further information, see section New and changed accounting policies in 2010. Value changes of equity-related holdings reported at fair value amounted to SEK 5,976 m. (13,836). Results from participations in Group companies amounted to SEK 7,698 m. mainly relating to the liquidation of a subsidiary (19).

During the six-month period, the Parent Company invested SEK 3,361 m. in financial assets (5,063), of which SEK 568 m. was in Group companies (562) and purchases in Core Investments of SEK 1,204 m (3,825). Besides the liquidation of a subsidiary, no other financial assets were divested during the period.

Total debt decreased by SEK 3,825 m. since the beginning of the year. Shareholders' equity totaled SEK 145,060 m. on June 30, 2010, compared to SEK 132,284 m. on December 31, 2009.

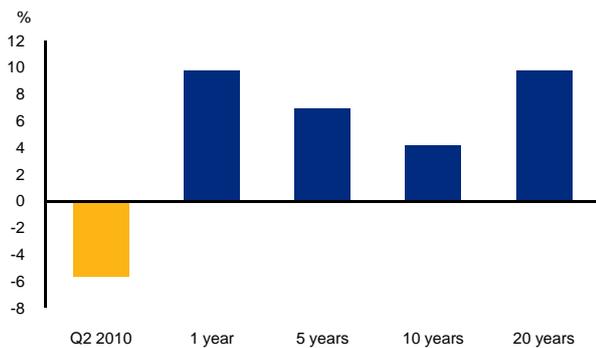
## The Investor share

Read more at [investorab.com](http://investorab.com) under "Investors & Media" >>

The total return (sum of share price changes and dividend added back) was -2 percent during the first half of the year (6) and -6 percent during the second quarter (19).

The average annualized total return on Investor shares was 7 percent over the past five-year period, 4 percent over the past 10-year period and 10 percent over the past 20-year period.

### Average Total Return



The price of the Investor A-share and B-share was SEK 122 and SEK 127 respectively on June 30, 2010, compared to SEK 131.80 and SEK 132.90 on December 31, 2009.

Total market capitalization of Investor, adjusted for repurchased shares, was SEK 95,024 m. as of June 30, 2010 (100,992).

## 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 when assessing near-term market fluctuations. In addition, how various proposed and implemented actions by governments and other institutions aimed at addressing financial imbalances will affect the economy remains uncertain. The uncertain market situation also affects the Operating Investments' and Private Equity Investments' opportunities for investments and divestments, as well as the development of existing holdings. Given Investor's strong balance sheet, financing and liquidity risks are likely to remain limited. In order to limit credit risks, credit risk exposure will only relate to counterparties with high creditworthiness. Regardless of the state of the economy, operational risk management requires a continuous high level of awareness and compliance with stipulated policies and instructions.

Investor AB's risks and uncertainties are described in detail in the Annual Report for 2009, see the corporate governance report and note 29.

## Other

### 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. Unless otherwise specified below, 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 2010

#### The Group

As of 2010 the Group applies the revised IFRS 3, Business Combinations and the amended IAS 27, Consolidated and Separate Financial Statements for reporting acquisitions and disposals of businesses. Among other things, the new rules imply that;

- the definition of business has changed
- transaction costs incurred in conjunction with a business combination must be expensed,
- contingent consideration must be recognized and measured at fair value at the acquisition date and the effects of revaluing liabilities related to such contingent consideration must be recognized in profit/loss for the period,
- there are two alternative methods for reporting non-controlling interest and goodwill: the full goodwill method and the proportionate share (of the acquired net assets) method. The choice between the two methods is made on an individual basis for each acquisition.

These changes will only have prospective effects on Investor's reporting.

#### Parent Company

In addition to, or unlike the changes in accounting principles that were mentioned above for the Group, the changes below have an effect on the Parent Company.

RFR 2.3 Reporting for Legal Entities, which must be applied as of 1 January 2010, stipulates, among other things, that;

- revised IAS 1, Presentation of Financial Statements, must also be applied for the Parent Company, with some exceptions,
- costs associated with a business combination (IFRS 3) shall continue to be included in the cost of acquisition of the legal entity,
- obstacles to being able to value participations in subsidiaries, associates and joint ventures at fair value, in accordance with IAS 27, IAS 28 and IAS 31 no longer exist due to a change in the Swedish Annual Accounts Act.

As a result of the revised IAS 1, the presentation of the Parent Company in this interim report has been supplemented with a Statement of Comprehensive Income and a Statement of Changes in Equity. Because it is possible to apply IAS 27 in its entirety, the Parent Company's listed associated companies are reported at

fair value, with changes in value reported in the income statement, in accordance with IAS 39 and IAS 28 p.1, which corresponds to how holdings have been reported for the Group. The change is presented as a change in accounting policy and it has increased the Parent Company's opening equity for 2009 by SEK 10.6 bn., as well as impacting profit for the first half of 2009 by SEK 3.1 bn. of which 4.6 bn. during the second quarter. There was a positive impact on profit for the 2009 financial year of SEK 15.4 bn. as a result of the new accounting policy.

Other new or revised IFRSs had no material effect on profit/loss, financial position or disclosures for the Group or Parent company.

### Financial calendar 2010-2011

Oct. 13, 2010 Interim Report January-September  
Jan. 20, 2011 Year-End Report 2010  
April 12, 2011 Interim Report January-March  
July 12, 2011 Interim Report January-June

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Ticker codes:  
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 July 13, 2010.

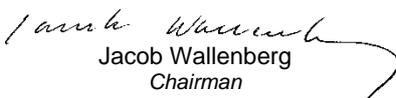
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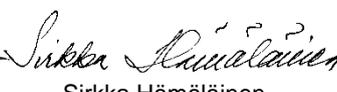
This report is a translation of the original report in Swedish

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The Board of Directors declares that the undersigned six-months interim report provides a true and fair overview of the Parent Company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

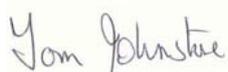
Stockholm, July 13, 2010

  
Jacob Wallenberg  
Chairman

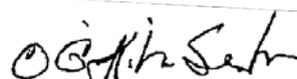
    
Gunnar Brock  
Director

Sune Carlsson  
Director

Sirkka Hämäläinen  
Director

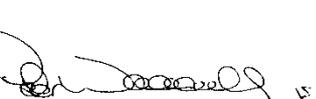
  
Tom Johnstone  
Director

  
Carola Lemne  
Director

  
O. Griffith Sexton  
Director

  
Grace Reksten Skaugen  
Director

  
Lena Treschow Torell  
Director

  
Peter Wallenberg Jr  
Director

  
Börje Ekholm  
President and Chief Executive Officer  
Director

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This interim report and additional information are available on [www.investorab.com](http://www.investorab.com)

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## Review Report

### *Introduction*

We have reviewed the interim report of Investor AB as per June 30, 2010 and the six-month reporting period then ended. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### *Focus and scope of the review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed on the basis of a review does not give the same level of assurance as a conclusion expressed on the basis of an audit.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company, in accordance with the Annual Accounts Act.

Stockholm, July 13, 2010

KPMG AB



Helene Willberg

Authorized Public Accountant

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This review report is a translation of the original review report in Swedish

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## Consolidated Income Statement

Amounts in SEK m.	2010	2009	2010	2009
	1/1-6/30	1/1-6/30	4/1-6/30	4/1-6/30
Dividends	2 690	2 039	1 881	990
Other operating income	511	541	259	277
Changes in value	6 540	13 486	-742	16 370
Net sales	178	174	105	95
Cost of services sold	-185	-180	-101	-91
Operating costs	-306	-300	-147	-149
Costs of long-term share-based remuneration	-18	-18	-6	-17
Share of results of associates	-442	-1 500	-217	-431
<b>Operating profit</b>	<b>8 968</b>	<b>14 242</b>	<b>1 032</b>	<b>17 044</b>
Net financial items	-664	-244	-337	-41
<b>Profit before tax</b>	<b>8 304</b>	<b>13 998</b>	<b>695</b>	<b>17 003</b>
Tax	6	-168	102	-153
<b>Profit for the period</b>	<b>8 310</b>	<b>13 830</b>	<b>797</b>	<b>16 850</b>
<i>Attributable to:</i>				
Owners of the Parent	8 310	13 850	797	16 838
Non-controlling interest	-	-20	-	12
<b>Profit for the period</b>	<b>8 310</b>	<b>13 830</b>	<b>797</b>	<b>16 850</b>
<b>Basic earnings per share, SEK</b>	<b>10.91</b>	<b>18.13</b>	<b>1.05</b>	<b>22.06</b>
<b>Diluted earnings per share, SEK</b>	<b>10.90</b>	<b>18.11</b>	<b>1.05</b>	<b>22.04</b>
Basic average number of shares, million	761.9	763.9	761.3	763.2
Diluted average number of shares, million	762.5	764.6	761.9	763.8

## Consolidated Statement of Comprehensive Income

Amounts in SEK m.	2010	2009	2010	2009
	1/1-6/30	1/1-6/30	4/1-6/30	4/1-6/30
Profit for the period	8 310	13 830	797	16 850
Other comprehensive income for the period, including taxes				
Revaluation of non-current assets for the period, net of taxes	-	-126	-	-126
Change in fair value of cash flow hedges	264	25	81	-37
Foreign currency translation adjustment	13	16	12	14
Share of other comprehensive income of associates	-29	27	27	-538
Total other comprehensive income for the period	248	-58	120	-687
<b>Total comprehensive income for the period</b>	<b>8 558</b>	<b>13 772</b>	<b>917</b>	<b>16 163</b>
<i>Attributable to:</i>				
Owners of the Parent	8 558	13 792	917	16 151
Non-controlling interest	-	-20	-	12
<b>Total comprehensive income for the period</b>	<b>8 558</b>	<b>13 772</b>	<b>917</b>	<b>16 163</b>

## Consolidated Balance Sheet

	2010	2009	2009
Amounts in SEK m.	6/30	12/31	6/30
<b>Assets</b>			
Property, plant, equipment and intangible assets	2 199	2 184	2 215
Shares and participations	143 853	134 728	115 507
Other financial investments	600	9 062	-
Receivables included in net debt	838	1 158	2 521
Other receivables	11 095	11 158	10 717
Cash, bank and short-term investments	15 281	11 934	19 199
<b>Total assets</b>	<b>173 866</b>	<b>170 224</b>	<b>150 159</b>
<b>Equity and liabilities</b>			
Equity	147 924	142 673	125 687
Pensions and similar obligations	294	297	322
Loans	22 466	23 848	21 527
Other provisions and liabilities	3 182	3 406	2 623
<b>Total Equity and liabilities</b>	<b>173 866</b>	<b>170 224</b>	<b>150 159</b>
<b>NET DEBT/NET CASH</b>			
	2010	2009	2009
Amounts in SEK m.	6/30	12/31	6/30
Other financial investments	600	9 062	-
Cash, bank and short-term investments	15 281	11 934	19 199
Receivables included in net debt	838	1 158	2 521
Loans	-22 466	-23 848	-21 527
Pensions and similar obligations	-294	-297	-322
Adjustment related to Operating Investments <sup>1)</sup>	555	1 403	1 872
<b>Total net debt/net cash</b>	<b>-5 486</b>	<b>-588</b>	<b>1 743</b>
<b>ASSETS PLEDGED AS SECURITIES AND CONTINGENT LIABILITIES</b>			
	2010	2009	2009
Amounts in SEK m.	6/30	12/31	6/30
Assets pledged as securities	1 735	2 165	1 681
Contingent liabilities	4 420	4 403	4 383

## Consolidated Statement of Changes in Equity

	2010	2009	2009
Amounts in SEK m.	1/1-6/30	1/1-12/31	1/1-6/30
<b>Opening balance</b>	<b>142 673</b>	<b>115 233</b>	<b>115 233</b>
Total comprehensive income for the period	8 558	30 858	13 772
Dividends to own shareholders	-3 050	-3 059	-3 059
Changes in non-controlling interest	1	-81	0
Repurchases of own shares	-263	-262	-262
Effect of long-term share-based remuneration	5	-16	3
<b>Closing balance</b>	<b>147 924</b>	<b>142 673</b>	<b>125 687</b>
<b>Attributable to:</b>			
Owners of the Parent	147 919	142 669	125 606
Non-controlling interest	5	4	81
<b>Total equity</b>	<b>147 924</b>	<b>142 673</b>	<b>125 687</b>

<sup>1)</sup>Including items such as:

	2010	2009	2009
Amounts in SEK m.	6/30	12/31	6/30
Adjustments relating to Grand Hôtel	491	524	507
Unrealized effects from hedges in Operating Investments	64	879	1365

## Consolidated Statement of Cash Flows

Amounts in SEK m.	2010 1/1-6/30	2009 1/1-6/30
<b>Operating activities</b>		
Core Investments		
Dividends received	2 334	1 575
Operating Investments		
Dividends received	26	21
Cash receipts/payments, net effect	43	37
Private Equity Investments		
Dividends received	309	432
Financial Investments and operating costs		
Dividends received	40	30
Cash receipts/payments, net effect	-1 439	-1 070
<b>Cash flows from operating activities before net interest and income tax</b>	<b>1 313</b>	<b>1 025</b>
Interest received/paid	-55	-299
Income tax paid	-82	-146
<b>Cash flows from operating activities</b>	<b>1 176</b>	<b>580</b>
<b>Investing activities</b>		
Acquisitions	-3 829	-6 006
Divestments	1 160	857
Increase in long-term receivables	-6	-176
Acquisitions of subsidiaries, net effect on cash flow	-5	-
Sale of subsidiaries, net effect on cash flow	-	4
Increase in other financial investments	-550	-
Decrease in other financial investments	3 724	-
Net changes, short-term investments	-168	1 797
Acquisitions of property, plant and equipment	-54	-48
<b>Cash flows from investing activities</b>	<b>272</b>	<b>-3 572</b>
<b>Financing activities</b>		
Repayment of borrowings	-183	-599
Repurchase of Treasury shares	-263	-262
Dividends paid	-3 050	-3 059
<b>Cash flows from financing activities</b>	<b>-3 496</b>	<b>-3 920</b>
<b>Cash flows for the period</b>	<b>-2 048</b>	<b>-6 912</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>5 804</b>	<b>9 151</b>
Exchange difference in cash	-7	-2
<b>Cash and cash equivalents at end of the period</b>	<b>3 749</b>	<b>2 237</b>
Cash and cash equivalents at end of the period	3 749	2 237
Short-term investments	11 532	16 962
<b>Cash, bank and short-term investments</b>	<b>15 281</b>	<b>19 199</b>

## Operating Segments

PERFORMANCE BY BUSINESS AREA 1/1-6/30 2010

Amounts in SEK m.	Core Investments	Operating Investments	Private Equity Investments	Financial <sup>1)</sup> Investments	Investor group- wide	Total
Dividends	2 334		311	45		2 690
Other operating income <sup>2)</sup>		511				511
Changes in value	5 212	711	639	-22		6 540
Other revenues and expenses		-7 <sup>3)</sup>				-7
Operating costs	-39	-58	-117	-19	-73	-306
Costs of long-term share-based remuneration					-18	-18
Shares of results of associates		-443		1		-442
<b>Operating profit/loss</b>	<b>7 507</b>	<b>714</b>	<b>833</b>	<b>5</b>	<b>-91</b>	<b>8 968</b>
Net financial items					-664	-664
Tax					6	6
<b>Net profit/loss for the period</b>	<b>7 507</b>	<b>714</b>	<b>833</b>	<b>5</b>	<b>-749</b>	<b>8 310</b>
Dividends paid					-3 050	-3 050
Repurchase of own shares					-263	-263
Other effect on equity		-29			283	254
<b>Effect on net asset value</b>	<b>7 507</b>	<b>685</b>	<b>833</b>	<b>5</b>	<b>-3 779</b>	<b>5 251</b>
<b>Net asset value by business area 6/30 2010</b>						
Carrying amount	112 647	18 508	18 730	4 103	-578	153 410
Net debt					-5 486	-5 486
<b>Total net asset value</b>	<b>112 647</b>	<b>18 508</b>	<b>18 730</b>	<b>4 103</b>	<b>-6 064</b>	<b>147 924</b>

PERFORMANCE BY BUSINESS AREA 1/1-6/30 2009

Amounts in SEK m.	Core Investments	Operating Investments	Private Equity Investments	Financial <sup>1)</sup> Investments	Investor group- wide	Total
Dividends	1 575		434	30		2 039
Other operating income <sup>2)</sup>		541				541
Changes in value	13 663	170	-1 019	672		13 486
Other revenues and expenses		-6 <sup>3)</sup>				-6
Operating costs	-42	-57	-124	-19	-58	-300
Costs of long-term share-based remuneration					-18	-18
Shares of results of associates		-1 500		0		-1 500
<b>Operating profit/loss</b>	<b>15 196</b>	<b>-852</b>	<b>-709</b>	<b>683</b>	<b>-76</b>	<b>14 242</b>
Net financial items					-244	-244
Tax					-168	-168
<b>Net profit/loss for the period</b>	<b>15 196</b>	<b>-852</b>	<b>-709</b>	<b>683</b>	<b>-488</b>	<b>13 830</b>
Dividends paid					-3 059	-3 059
Repurchase of own shares					-262	-262
Other effect on equity		27			-82	-55
<b>Effect on net asset value</b>	<b>15 196</b>	<b>-825</b>	<b>-709</b>	<b>683</b>	<b>-3 891</b>	<b>10 454</b>
<b>Net asset value by business area 6/30 2009</b>						
Carrying amount	90 310	15 942	15 567	2 308	-183	123 944
Net cash					1 743	1 743
<b>Total net asset value</b>	<b>90 310</b>	<b>15 942</b>	<b>15 567</b>	<b>2 308</b>	<b>1 560</b>	<b>125 687</b>

1) Turnover of the Active Portfolio Management amounts to SEK 13,339 m. (8,955).

2) Interest related to shareholder loans, etc.

3) Other revenues and expenses include net sales in the amount of SEK 178 m. (174) which refer primarily to The Grand Hôtel.

## Parent Company Income Statement

Amounts in SEK m.	(Restated)		(Restated)	
	2010 1/1-6/30	2009 1/1-6/30	2010 4/1-6/30	2009 4/1-6/30
Dividends	2 334	1 575	1 536	955
Changes in value	5 976	13 836 <sup>1)</sup>	-908	15 064 <sup>1)</sup>
Net sales	4	3	1	2
Operating costs	-239	-203	-111	-109
Write-downs of associates	-171	-213 <sup>1)</sup>	-39	-200 <sup>1)</sup>
<b>Operating profit</b>	<b>7 904</b>	<b>14 998</b>	<b>479</b>	<b>15 712</b>
<b>Net financial items</b>				
Result from participations in Group companies	7 698	19	7 695	0
Other financial items	477	335	169	251
<b>Profit before tax</b>	<b>16 079</b>	<b>15 352</b>	<b>8 343</b>	<b>15 963</b>
Tax	-	-	-	-
<b>Profit for the period</b>	<b>16 079</b>	<b>15 352</b>	<b>8 343</b>	<b>15 963</b>

## Parent Company Statement of Comprehensive Income

Amounts in SEK m.	2010	2009	2010	2009
	1/1-6/30	1/1-6/30	4/1-6/30	4/1-6/30
Profit for the period	16 079	15 352	8 343	15 963
Other comprehensive income for the period, including taxes				
Change in fair value of cash flow hedges	5	7	8	-3
Total other comprehensive income for the period	5	7	8	-3
<b>Total comprehensive income for the period</b>	<b>16 084</b>	<b>15 359</b>	<b>8 351</b>	<b>15 960</b>

<sup>1)</sup> As of January 1, 2010, listed associates are reported as financial instruments and are measured at fair value in accordance with IAS 39 and IAS 28, paragraph 1. Comparative figures have been restated in accordance with the new policy and the restatement has affected the income statement as follows:

Amounts in SEK m.	2009	2009
	1/1-6/30	4/1-6/30
Changes in value	11 096	11 297
Write-downs of associates	-7 972	-6 730

## Parent Company Balance Sheet

Amounts in SEK m.	2010	(Restated) 2009	(Restated) 2009
	6/30	12/31	6/30
<b>Assets</b>			
Property, plant and equipment and intangible assets	41	36	31
Financial assets	171 054	164 443 <sup>1)</sup>	145 747 <sup>1)</sup>
Current receivables	3 703	1 372	1 246
Cash and cash equivalents	0	0	0
<b>Total assets</b>	<b>174 798</b>	<b>165 851</b>	<b>147 024</b>
<b>Equity and liabilities</b>			
Equity	145 060	132 284 <sup>1)</sup>	115 511 <sup>1)</sup>
Provisions	301	305	328
Non-current liabilities	28 630	30 584	28 463
Current liabilities	807	2 678	2 722
<b>Total Equity and liabilities</b>	<b>174 798</b>	<b>165 851</b>	<b>147 024</b>
	<b>2010</b>	<b>2009</b>	<b>2009</b>
<b>ASSETS PLEDGED AS SECURITIES AND CONTINGENT LIABILITIES</b>	<b>6/30</b>	<b>12/31</b>	<b>6/30</b>
Assets pledged as securities	917	1 286	861
Contingent liabilities	10 345	10 334	10 358

## Parent Company Statement of Changes in Equity

Amounts in SEK m.	2010	(Restated) 2009	(Restated) 2009
	1/1-6/30	1/1-12/31	1/1-6/30
<b>Opening balance</b>	<b>132 284</b>	<b>92 914</b>	<b>92 914</b>
Changes in accounting policy	-	10 556 <sup>1)</sup>	10 556 <sup>1)</sup>
<b>Restated opening balance 1/1 2009</b>	<b>132 284</b>	<b>103 470</b>	<b>103 470</b>
Total comprehensive income for the period	16 084	32 151 <sup>1)</sup>	15 359 <sup>1)</sup>
Dividends	-3 050	-3 059	-3 059
Stock options exercised by employees	-11	-41	-9
Equity-settled share-based payment transactions	16	25	12
Repurchases of own shares	-263	-262	-262
<b>Closing balance</b>	<b>145 060</b>	<b>132 284</b>	<b>115 511</b>

<sup>1)</sup> As of January 1, 2010, listed associates are reported as financial instruments and are measured at fair value in accordance with IAS 39 and IAS 28, paragraph 1. Comparative figures have been restated in accordance with the new policy and the restatement has affected total comprehensive income during 2009 as follows:

Amounts in SEK m.	2009	2009
	1/1-12/31	1/1-6/30
Affect on total comprehensive income	15 365	3 124