

The information provided herein is such that AB Industrivärden (publ) is obligated to disclose pursuant to the Securities and Clearing Operations Act (SFS 1992:543) and/or the Financial Instruments Trading Act (SFS 1991:980). Submitted for publication at 9 a.m. on May 5, 2008.

Interim Report

January 1 – March 31, 2008

Value development

- Net asset value on April 30, 2008, was SEK 127 per share, a decrease of 11% since the start of the year. On March 31, 2008, net asset value was SEK 125 per share.
- The total return for the Class A shares was -4% for the first four months of the year.
- The Group's result for the first quarter of 2008 was SEK -6,464 M (SEK -16.73/share), compared with SEK 6,653 M in 2007 (SEK 17.22/share).

Significant events for portfolio companies

- SSAB sold IPSCO's tubular operations for USD 4 billion, thereby strengthening its core business focus and reducing financial risk.
- Greater focus on organic growth of Handelsbanken's core business – a decentralized branch operation – both in and outside of Sweden.

Long-term return

- During the last ten-year period, the average annual total return for Industrivärden's Class A shares has exceeded the return index by 2 percentage points.

Financial summary	April 30, 2008	March 31, 2008	Dec. 31, 2007
Value of equities portfolio, SEK billion	59.3	59.3	65.8
- total return, %	-6	-10	-2
Borrowings, net debt, SEK billion	10.2	10.9	11.0
- debt-equity ratio, %	17.2	18.3	16.6
- average interest rate, %	4.6	4.6	4.6
Net asset value, SEK billion	49.1	48.4	54.8
Net asset value, SEK per share	127	125	142
- development incl. reinvested dividend, %	-7	-12	-3
Management cost, %	0.14	0.14	0.13
Dividend yield, Class A shares, %	4.9	4.8	4.4
Total return, Class A shares, %	-4	-8	-14

► Long-term industrial developer of listed Nordic companies

Industrivärden is one of the Nordic region's leading holding companies, with ownership in a concentrated selection of listed Nordic companies with good development potential. The goal is to generate high growth in net asset value over time.

Continued Uncertain Stock Market Climate

■ CEO's Message

Anxiety and turbulence in the international credit market intensified during the start of 2008. It remains to be seen if the U.S. Federal Reserve Bank's rescue of the investment bank Bear Sterns marked a turning point in this turbulence. America's real economy is now showing considerable signs of slowing. Even though there are signs of a slowing in other countries, development in the rest of the world is surprisingly favorable – especially in view of the anticipated negative effects of the credit concerns, which should lead to credit tightening, and the effects of weak economic development in the U.S., with falling consumption and a steadily weakening dollar. A further matter of concern is the rising food, energy and commodity prices, which are putting inflationary pressures on the economy.

In other words, the general economic situation is extremely difficult to assess, which is evidenced in the negative development of the stock markets and continued large risk aversion. However, I can report that our portfolio companies have for the most part presented satisfactory three-month results for 2008, with continued favorable growth in many cases – above all in China, Southeast Asia, India, South America and Eastern Europe. Most of our companies are well positioned to meet this demand situation.

Through SSAB's acquisition of the North American steel and pipe manufacturer IPSCO, the company has created an expanded production base to retain its leading position in its core segments – quenched and high-strength steels. In line with this niche strategy, it is logical that IPSCO has now agreed to sell its tubular division, thereby strengthening SSAB's focus on its core business and reducing its financial risk. SSAB has also substantially lowered its debt burden.

Following the sale of SPP, Handelsbanken can now concentrate on its core business. With consensus in the board and management on the bank's strategy, favorable conditions have been created to strengthen growth in profitability and earnings.

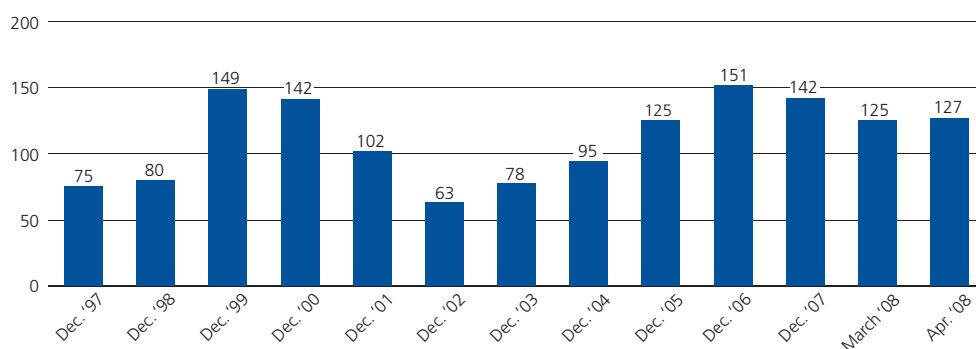
The result of our short-term trading was SEK 22 M during the first quarter, which covered our management costs. This is satisfactory considering the turbulent market situation.

During the first four months of the year, Industrivärden's stock generated a total return that was 2 percentage points higher than the market average, despite falling stock market values.

Today we have a portfolio consisting primarily of globally active quality companies, most of which are leaders in their respective industries. I believe that the prospects are good, through active ownership, to play a part in further developing these companies and thereby be able to continue delivering a competitive return.

Net Asset Value per Share

SEK/share



Average growth including reinvested dividends: 10% per year during the period April 1998–April 2008

■ Industrivärden's Value Development

The refinement of Industrivärden's role as an active owner in listed Nordic companies was completed in 2007. The Company today is the leading Nordic player in its niche, with the goal of creating growth in value through long-term, structured ownership work in a handful of listed companies. Industrivärden's business model is characterized by full transparency, value-creating active ownership and a distinct focus on the portfolio companies' development and low management costs. Through this active ownership, Industrivärden's stock, over the long term, has been a good investment with a higher total return than the return index.

The equities portfolio decreased in value by 10% during the first quarter, which was slightly better than the return index, which fell by 11%. Of the major holdings, SSAB and Skanska performed the best, with small declines, while Ericsson, Handelsbanken and Volvo noted weak performance. The portfolio companies Indutrade and Höganäs had positive value development. Net asset value fell by 12% during the first quarter. The discount to net asset value narrowed during the same period, which is why Industrivärden's share price, which fell 10%, fared better than net asset value.

During the first four months of the year the total return for the equities portfolio was -6%, which was equal to the index. Ericsson, SSAB and Volvo had positive share price development following the release of their interim reports.

Total Return for Portfolio Companies and Industrivärden

	Total return, %		Average annual total return, %	
	Jan.-March 2008	Jan.-April 2008	Five years March 2003-March 2008	Ten years March 1998-March 2008
	Indutrade	16	21	-
Höganäs	3	3	3	0
Skanska	-2	-13	31	10
SSAB	-2	17	47	20
Sandvik	-7	-13	28	13
SCA	-8	-10	8	8
Hemtex	-9	-13	-	-
Munters	-11	-16	6	13
Handelsbanken	-16	-13	12	7
Volvo	-18	-11	32	10
Ericsson	-22	4	13	-9
Total	-10	-6		
Index (SIXRX)	-11	-6	22	7
Industrivärden A	-8	-4	21	9

Of the shareholdings listed above, Munters and Höganäs have been held for less than five years. Indutrade and Hemtex became listed in October 2005.

■ Development for the Portfolio Companies – Active Ownership

Industrivärden's influence in its portfolio companies is based on sizeable ownership stakes and a strong position of trust. With this as the starting point, Industrivärden exercises its active ownership role through interaction with other major owners in the aim of finding ways to increase the value of the shareholdings. Active ownership in the portfolio companies is exercised by board members with ties to Industrivärden, through work on nominating committees and through direct dialog between Industrivärden's investment organization and leading representatives of the portfolio companies.

Sandvik Income after financial items decreased by 19% during the first quarter, to SEK 2.7 billion, mainly as a result of fluctuations in nickel prices. Demand for Sandvik's products remains high, and the trend in underlying profitability was favorable.

Handelsbanken Following the sale of the SPP insurance business, the work continues on focusing on organic growth of Handelsbanken's core business – a decentralized branch operation. Growth is taking place nationally and internationally, where expansion outside Sweden accounts for a growing share of the bank's growth and earnings. The plan is to open 35–45 new branches outside Sweden in 2008. During the first quarter, trading for own account in fixed-income and currency instruments in New York was terminated in order to reduce volatility in the bank's earnings. Operating income for the first quarter of 2008 fell 21% to SEK 2.9 billion. Net interest income rose 17% to SEK 4.4 billion. At the Annual General Meeting, Hans Larsson was elected as Chairman.

SSAB During the first quarter, SSAB entered into an agreement to divest its North American tubular operations to the Russian company Evraz for USD 4.0 billion in cash. SSAB is retaining IPSCO's steel operations, which contribute to higher production capacity in the niche high-strength steel segment. The sale gives SSAB greater financial flexibility to continue growing in its niche areas and expand in new markets. The company has also decided to invest USD 150–200 M in an advanced heat treating line for quenched and tempered steel plate in the U.S. as part of its strategy to be the global leader in high strength steels. Income after financial items rose 11% during the first quarter, to SEK 2.4 billion.

SCA A new organization has been adopted at SCA. Strong focus has been put on growth in the hygiene segment, comprising tissue and personal care products. A new, global category organization is being established for the hygiene operations. In packaging and forest products, priority will be given to improvements in cash flow and profitability. Income after financial items rose 4% during the first quarter, to SEK 1.9 billion.

Ericsson Income after financial items fell by slightly more than 50% during the first quarter, to SEK 3.7 billion, but organic growth was favorable. The company's leading position, for example within mobile broadband, creates conditions for future earnings improvement.

Volvo Income after financial items rose 14% during the first quarter 2008, to SEK 6.1 billion, thanks to strong growth with good profitability. Greater presence in emerging markets in Eastern Europe and Asia offset weaker development in North America.

Skanska Johan Karlström took office as the new President and CEO of Skanska. He has been a member of the executive management since 2001. Operating profit for the first quarter of 2008 (preliminary) rose 39% to SEK 1.1 billion. Skanska's first quarter interim report will be released on May 7.

Indutrade Income after financial items rose 22% during the first quarter, to SEK 109 M, and order bookings remained strong. Five company acquisitions were carried out.

Munters Income after financial items fell by 25% during the first quarter, to SEK 91 M; however, net sales rose 10% to SEK 1.5 billion. An efficiency improvement program is being carried out.

Höganäs Income after financial items rose 11% during the first quarter 2008, to SEK 191 M, with favorable volume growth.

Nominating processes Industrivärden's participation in nominating processes is an important part of its role as a long-term responsible owner. This is based on an ambition to maintain a good understanding of board work in the portfolio companies and to pay regard to the need for continuity as well as renewal in nominating committee recommendations. Industrivärden has participated on the nominating committees of all its portfolio companies. New election of one or more directors has taken place in eight of a total of ten portfolio companies.

Capital structure The ways of adapting capital structures are dependent on the individual companies as well as the general operating environment. During the year, focus has been on extra dividends rather than redemption programs. Estimated dividends including share redemptions from the portfolio companies amount to SEK 2,960 M (2,678), or a dividend yield of 5% in relation to the market value of the equities portfolio as per March 31. The dividend from Handelsbanken was SEK 923 M, of which SEK 342 M was an extra dividend.

Equities Portfolio, April 30, 2008

Portfolio company	Share of portfolio	Market value, SEK bn	Investment case and strategic events	P/E multiple*
Sandvik	21%	12.6	<ul style="list-style-type: none"> • Through a niche focus and a strong position in research and development, the company has established a world-leading position in materials technology with products primarily for the manufacturing and mining industries. • Acquisitions are being made in strategic areas with greater exposure to emerging markets in Asia and Eastern Europe. 	12
Handelsbanken	19%	11.4	<ul style="list-style-type: none"> • A decentralized branch operation with local customer responsibility is contributing to high customer satisfaction and favorable profitability. • Sale of SPP. Organic growth in priority markets. 	10
SSAB	19%	11.3	<ul style="list-style-type: none"> • World-leading position in the quenched steel and advanced high strength sheet niches, creating a solid base for growth and high profitability. • The acquisition of IPSCO's North American steel mills has strengthened SSAB's position as a leading player in its niche and is enabling continued expansion. 	10
SCA	12%	7.2	<ul style="list-style-type: none"> • The European leader in hygiene products, with high growth niche products, and in packaging. • Focus on profitable growth with strong brands in the hygiene segment and improved profitability in packaging. New executive management. 	11
Ericsson	10%	5.8	<ul style="list-style-type: none"> • The market's largest and most profitable supplier of mobile telecom systems, with a leading position in telecom development. • Strong position ahead of operators' investments in the next generation (LTE) of telecom systems and favorable growth in the Services segment. 	17
Volvo	7%	4.3	<ul style="list-style-type: none"> • Through innovative, customer-adapted product development and high quality, the company has a world-leading position in commercial transport solutions. • Expansion in Asia through the acquisition of Nissan Diesel and Lingong. Production investments for expanded capacity. 	10
Skanska	6%	3.2	<ul style="list-style-type: none"> • Unique turnkey know-how in construction combined with a process focus has created a leading construction company with value-creating project development. • New business plan and new financial targets. Greater investments in infrastructure activities. 	10
Indutrade	4%	2.1	<ul style="list-style-type: none"> • By combining sales of industrial consumable components with good organic growth and a highly refined model for acquisition-based growth, the company has succeeded in showing impressive profitability growth. • Establishment in new geographic markets. 	12
Munters	1%	0.7	<ul style="list-style-type: none"> • Strong global position in a business area with major growth potential through organic growth as well as further development of products, services and application areas. • Acquisitions are adding new product areas and geographic markets. 	15
Höganäs	1%	0.5	<ul style="list-style-type: none"> • Market leader in the growing niche metal powders, used primarily for component manufacturing in the auto industry. • Strong focus on improved profitability and collaboration with the customers to develop new components. 	10
Hemtex	0%	0.2	<ul style="list-style-type: none"> • The Nordic region's leading retail chain for home textiles. • Continued geographic growth and intensified brand work is creating scale economies in purchasing. 	14
Total	100%	59.3	Equities portfolio	

*External consensus estimate for 2008 according to Bloomberg as per April 30, 2008.

■ Portfolio Transactions, Short-Term Trading and Management Costs

During the first quarter of 2008, limited reallocations were made in the equities portfolio through sales of Ericsson B and Skanska B shares, and purchases of Volvo A shares. Shares were purchased for a total of SEK 601 M and sold for SEK 558 M. The value of the equities portfolio decreased during the quarter from SEK 65,844 M to SEK 59,270 M.

Short-term trading during the quarter generated a profit of SEK 22 M (93), which covered management costs of SEK 22 M (22).

■ Net Debt and Liquidity

Interest-bearing net debt amounted to SEK 10,841 M as per March 31, a decrease of SEK 110 M in 2008. The net debt-equity ratio was 18.3% as per March 31. On April 30 the net debt-equity ratio was 17.2%. The average interest rate, which is fixed for just under five years, is 4.6%, which can be put in relation to the dividend yield of the equities portfolio, which is calculated to be 5.0%. Unutilized bank overdraft facilities for long-term borrowing amount to SEK 3.9 billion. Dividends received in 2008 are expected to generate a liquidity surplus of approximately SEK 500 M after deducting the dividend payout, interest expenses and management costs.

■ Net Asset Value

Net asset value was SEK 48.4 billion on March 31, a decrease of SEK 6.4 billion during the year to date. The value of the equities portfolio decreased by 10%, while net debt was virtually unchanged. Net asset value decreased during the quarter by SEK 17 per share, to SEK 125 per share, or by 12%. Net asset value on April 30, 2008, was SEK 49.1 billion, or SEK 127 per share, a decrease of 11% during the first four months of the year.

SEK billion	April 30, 2008	March 31, 2008	Dec. 31, 2007	Dec. 31, 2006
Equities portfolio	59.3	59.3	65.8	63.3
Net debt	-10.2	-10.9	-11.0	-4.8
Net asset value	49.1	48.4	54.8	58.5
Debt-equity ratio	17.2%	18.3%	16.6%	7.2%

During the last ten-year period, average annual growth in net asset value was 3%. Including reinvested dividends, the increase was 10% per year, compared with 7% for the return index.

■ Other Information

Dividend

On April 15 the Annual General Meeting approved a dividend of SEK 5.00 (4.50) per share. The total dividend was SEK 1,931 M, which was paid out on April 23.

Stock Option Program

In addition, the Annual General Meeting approved a five-year stock option program for the slightly more than 20 persons employed by the Group, at market terms.

Other AGM Resolutions

Boel Flodgren, Tom Hedelius, Finn Johnsson, Fredrik Lundberg, Sverker Martin-Löf, Lennart Nilsson and Anders Nyrén were re-elected as directors on the Company's board. Lars O Grönstedt had declined re-election. Tom Hedelius was elected as Chairman of the Board. At the statutory board meeting, Sverker Martin-Löf was re-elected as Vice Chairman of the Board.

The AGM resolved to assign the Chairman of the Board with the task of contacting four of the largest shareholders from among the largest registered shareholders in terms of votes in VPC's printout of the shareholder register on August 29, 2008, who each appoint one representative who is not a director on the Company's board, to form together with the Chairman of the Board a nominating committee for the time until a new nominating committee has been appointed based on the mandate from the next year's Annual General Meeting. The composition of the Nominating Committee shall be made public not later than six months before the 2009 Annual General Meeting.

Accounting Principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the Swedish Annual Accounts Act. The Parent Company's financial statements have been prepared in accordance with RFR 2.1, Accounting for Legal Entities, and the Swedish Annual Accounts Act. No changes have taken place in the Group's or Parent Company's accounting and valuation principles compared with the accounting and valuation principles applied and described in the 2007 Annual Report.

Risks and Uncertainties

The dominant risk in Industrivärden's business is share price risk, i.e., the risk of a decrease in value caused by changes in share prices. A 1% change in the share price of the holdings in the equities portfolio as per March 31, 2008, would have affected the market value by approximately +/- SEK 600 M.

Related-Party Transactions

No transactions have taken place between Industrivärden and related parties that have materially affected the Company's position or earnings for the first quarter, apart from the dividend received from the associated company SSAB.

Future Development

Through active ownership in internationally active quality companies – most of which are leaders in their respective industries – I believe the conditions are favorable for value creation and continued competitive returns for our shareholders.

Stockholm, May 5, 2008

ANDERS NYRÉN
President and CEO

Auditors' Review Report

We have reviewed the interim report for AB Industrivärden (publ) for the period January 1 – March 31, 2008. The Board of Directors and President are responsible for the preparation and presentation of this interim report in accordance with the Annual Accounts Act and IAS 34. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish standard for such reviews, SÖG 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 is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

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, in accordance with the Annual Accounts Act and IAS 34.

Stockholm, May 5, 2008

Öhrlings PricewaterhouseCoopers AB
ANDERS LUNDIN
Authorized Public Accountant



Information about Industrivärden and its portfolio companies

www.industrivarden.net
www.sandvik.com
www.handelsbanken.com
www.ssab.com
www.sca.com
www.ericsson.com
www.volvogroup.com
www.skanska.com
www.indutrade.com
www.munters.com
www.hoganas.com

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Industrivärden's complete contact information can be found on page 12.

Financial Calendar 2008

Interim report January–June: August 4.
Interim report January–September: October 31.

Equities Portfolio

April 30, 2008

	No. of shares	Market value		Share of portfolio value, %	Share of capital in company, %	Shares of votes in company, %
		SEK M	SEK/share			
Sandvik	136,431,200	12,586	33	21	11.5	11.5
Handelsbanken A	68,285,000	11,389	30	19	11.0	11.1
Handelsbanken B	118,900					
SSAB A	56,265,243	11,275	29	19	17.4	22.6
SSAB B	121,794					
SCA A	48,600,000	7,199	19	12	10.0	29.5
SCA B	22,200,000					
Ericsson A	372,000,000	5,799	15	10	2.4	13.4
Ericsson B	7,055,000					
Volvo A	47,909,950	4,324	11	7	2.3	5.8
Skanska A	15,010,700	3,208	8	6	7.6	27.0
Skanska B	17,314,800					
Indutrade	14,757,800	2,118	5	4	36.9	36.9
Munters	10,950,000	679	2	1	14.6	14.6
Höganäs B	3,550,000	479	1	1	10.1	8.1
Hemtex	3,700,000	240	1	0	12.6	12.6
Total		59,296	154	100		

Market value pertains to Industrivärden's share of the respective portfolio companies' total market capitalization.

March 31, 2008 and December 31, 2007

	March 31, 2008				December 31, 2007	
	Market value		Share of portfolio value, %	No. of shares	Market value	
	SEK M	SEK/share			SEK M	SEK/share
Sandvik	14,087	37	24	136,431,200	15,178	39
Handelsbanken	11,834	31	20	68,403,900	14,159	37
SSAB	9,442	24	16	56,552,037	9,951	26
SCA	7,688	20	13	70,800,000	8,289	21
Ericsson	4,556	12	8	380,205,000	5,866	15
Volvo	4,199	11	7	47,441,850	4,916	13
Skanska	3,847	10	6	32,325,500	4,066	11
Indutrade	2,118	5	4	14,757,800	1,819	5
Munters	750	2	1	10,950,000	840	2
Höganäs	501	1	1	3,550,000	485	1
Hemtex	248	1	0	3,700,000	275	0
	59,270	154	100		65,844	170

■ Industrivärden Group

SEK M	2008 Jan.-March	2007 Jan.-March	2007 Jan.-Dec.
Income statement			
Dividend income from stocks	283	0	2,107
Change in value of stocks	-6,621	6,629	-3,975
Other income and expenses*	4	71	55
Operating income/loss	-6,334	6,700	-1,813
Financial items	-130	-43	-289
Income/loss after financial items	-6,464	6,657	-2,102
Tax	-	-4	160
Net income/loss for the period	-6,464	6,653	-1,942
Earnings per share, SEK	-16.73	17.22	-5.03
Balance sheet			
Equities	59,270	70,170	65,844
Other non-current assets	96	152	90
Total non-current assets	59,366	70,322	65,934
Short-term equity investments	115	138	73
Cash and cash equivalents	5	835	257
Other current assets	317	52	29
Total current assets	437	1,025	359
Total assets	59,803	71,347	66,293
Shareholders' equity	48,368	63,406	54,837
Non-current interest-bearing liabilities	9,860	2,781	9,857
Non-current noninterest-bearing liabilities	17	31	18
Total non-current liabilities	9,877	2,812	9,875
Current interest-bearing liabilities	1,338	2,959	1,416
Other liabilities	220	2,170	165
Total current liabilities	1,558	5,129	1,581
Total shareholders' equity and liabilities	59,803	71,347	66,293
Cash flow			
Cash flow from operating activities	-127	4	1,926
Cash flow from investing activities	-46	-298	-6,598
Cash flow from financing activities	-79	391	4,191
Cash flow for the period	-252	97	-481
Cash and cash equivalents at the end of the period	5	835	257

*Including short-term trading and management costs.

SEK M	2008 Jan.-March	2007 Jan.-March	2007 Jan.-Dec.
Changes in shareholders' equity			
Opening shareholders' equity as per balance sheet	54,837	58,491	58,491
Change in hedging reserve	-5	-	8
Translation differences	-	-	18
Income/loss for the period	-6,464	6,653	-1,942
Dividend	-	-1,738	-1,738
Closing shareholders' equity as per balance sheet	48,368	63,406	54,837
Key ratios			
Shareholders' equity per share, SEK	125	164	142
Share price, SEK (Class A)	105	145	113
Share price, SEK (Class C)	98	138	105
Number of shares	386,271,224	386,271,224	386,271,224
Interest-bearing net debt			
Cash and cash equivalents	5	835	257
Interest-bearing receivables	69	77	65
Accrued dividend income	283	-	-
Non-current interest-bearing liabilities	9,860	2,781	9,857
Current interest-bearing liabilities	1,338	2,959	1,416
Interest-bearing net debt	10,841	4,828	10,951

■ Industrivärden – Parent Company

SEK M	2008 Jan.-March	2007 Jan.-March	2007 Jan.-Dec.
Income statement			
Operating income/loss	-5,033	3,431	-1,272
Income/loss after financial items	-5,162	3,387	-1,548
Income/loss for the period	-5,162	3,387	-1,383
Balance sheet			
Non-current assets	45,912	52,008	51,576
Current assets	558	961	341
Total assets	46,470	52,969	51,917
Shareholders' equity	34,917	44,846	40,083
Non-current liabilities	9,858	2,780	9,856
Current liabilities	1,695	5,343	1,978
Total shareholders' equity and liabilities	46,470	52,969	51,917

Long-term industrial developer of listed Nordic companies

