

# Year-End Report 2001

## ■ *Industrivärden's stock*

Total Return <sup>1</sup> 2001:	-16%, Total Return Index -15%
Price trend 2001:	-20%, General Index -17%

## ■ *Net asset value*

At February 13, 2002:	SEK 189 per share
At December 31, 2001 <sup>2</sup> :	SEK 204 (280) per share
Change during 2001:	-27%

## ■ *Listed portfolio*

Value at February 13, 2002:	SEK 37,685 M
Value at December 31, 2001:	SEK 40,535 (54,961) M
Change in value during 2001:	-24%, General Index -17%
Total Return <sup>1</sup> 2001:	-22%, Total Return Index -15%

■ *The entire holding in Pharmacia was sold during the fourth quarter. Sales of listed stocks during the year totaled SEK 2,975 M, generating a capital gain of SEK 713 M. Purchases of shares amounted to SEK 1,506 M.*

■ *The Board proposes a dividend of SEK 5.00 per share (5.00), plus a bonus of SEK 3.35 per share (3.40), for a total of SEK 8.35 per share (8.40). Interest per CPN would thus amount to SEK 9.60 (9.66).*

<sup>1</sup>Price trend plus reinvested dividends.

<sup>2</sup>Net asset value per share for 2000 amounted to SEK 283, calculated on the basis of 191,206,984 shares and CPNs at year-end 2000. After cancellation of the company's CPN loan, net asset value for 2000 as well as 2001 has been calculated in this year-end report on the basis of 193,135,612 shares.



## ABOUT INDUSTRIVÄRDEN

Industrivärden is one of the Nordic region's leading holding companies, with ownership in a concentrated selection of listed companies with good development potential. Industrivärden's business mission is to deliver a high total return based on a professional investment operation and active ownership. Investments are targeted primarily at large and medium-sized listed Nordic companies, although they can also be made in unlisted companies with good potential.

The goal is to generate favorable growth in net asset value over time. High growth in asset values enables Industrivärden to deliver a total return which, over time, is higher than the average for the Stockholm Stock Exchange.

### CEO's Comments

An eventful and in many ways tumultuous year has come to an end. Since the time I took office as CEO of Industrivärden at the Annual General Meeting last May, the financial markets have been nervous and stock prices have fluctuated widely. Industrivärden has not been left unscathed by this situation, and during the past year the value development in our portfolio - with large holdings in the telecom and financial services sectors - was unsatisfactory. On the other hand, holdings such as SCA and Lundbeck did well and thereby moderated the decline in our portfolio value. Our investments are made over a longer perspective than one year. Over both the last five- and ten-year periods the Industrivärden share has delivered an average total return that has outpaced the Stockholm Stock Exchange. It is my hope that in the future the Industrivärden share will be able to continue showing this very satisfactory level of returns.

During my tenure thus far at Industrivärden, I have been working together with my colleagues on defining Industrivärden's role in an increasingly global economy. We are part of a market in which almost unfathomable financial resources are gathered in the hands of various professional asset managers. In a world where most everyone is perpetually seeking to outperform the index, in my view there is a clear need for a player like Industrivärden. Our goal is to achieve high growth in net asset value viewed from a longer perspective through a combination of professional investment activity and long-term active ownership. A prerequisite for our continued favorable development, however, is that we continuously adapt our operations in order to further strengthen Industrivärden's position and ability.

The key to our success is a professional investment operation and active ownership, which requires a focused commitment and thus a concentrated portfolio. In view of this, we will work with a limited number of holdings. Moreover, our investments will essentially be targeted at large and medium-size listed companies. We aim to create conditions for an expanded investment operation and a sharper focus on value-enhancing changes within our holdings, within the framework of active ownership. This entails a stronger focus on company analysis. The Nordic countries serve as the backdrop for our investment strategy.

The focus I've outlined above is an adaptation of Industrivärden's way of working and investment philosophy to the changed market conditions. However, our work will continue to be distinguished by the factors that have been applied so successfully to date, namely, responsible, active ownership and a long-term investment perspective.

*Anders Nyren*



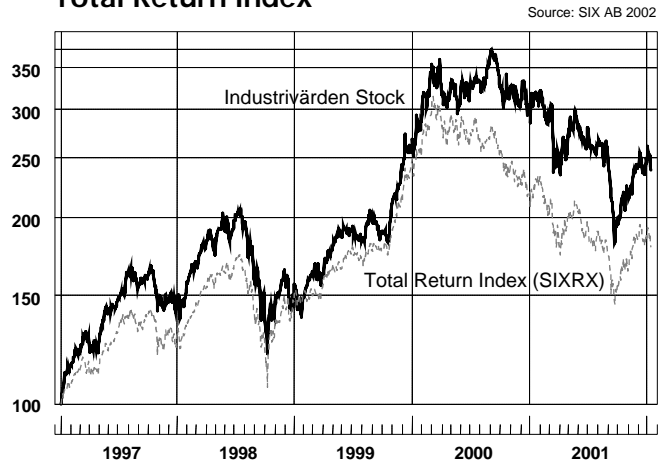
## INDUSTRIVÄRDEN'S STOCK

Industrivärden's stock fell by 20% in 2001, compared with a 17% decline for the General Index. The total return was -16%, compared with -15% for the Findata Total Return Index.

From the end of 1996 through December 31, 2001, average total return for the Industrivärden stock, was 20% per year, while the Total Return Index, was 13% per year.

Including tax based bonus dividend Industrivärden's average yearly dividend growth will be 21% during the five-year period 1997 - 2001. The average dividend yield during this five-year period will be 4.0%, which is twice as high as the average for companies listed on the Stockholm Stock Exchange.

Total Return Index

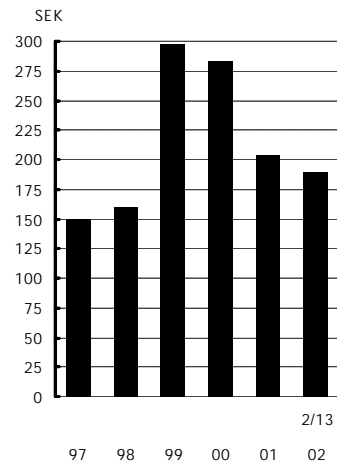


## NET ASSET VALUE

Net asset value, which is a measure of Industrivärden's wealth, is defined as the actual market value of the stocks in the listed portfolio, the calculated value of the industrial and trading companies, and the book value of other unlisted holdings, less the net value of other assets and liabilities.

Industrivärden's net asset value<sup>3</sup> as per December 31, 2001, has been calculated at SEK 39.4 billion, corresponding to SEK 204 per share. At February 13, 2002, net asset value was calculated to be SEK 189 per share. Net asset value at December 31, 2000, was SEK 280<sup>2</sup> per share.

Net Asset Value per Share and CPN



<sup>3</sup>The total number of shares and CPNs was 191,417,355 on December 31, 2001. After cancellation of the CPN-loan and conversion to shares the total number of shares was 193,135,612 as per February 13, 2002. In accordance with the terms of the CPN-loan, CPN owners received 1.1 shares per CPN upon conversion from October 26, 2001, through January 31, 2002, after which time the right to convert to stock ceased. With effect from December 31, 2001, net asset value per share is calculated after conversion of the CPN-loan. The wholly owned industrial and trading companies have been assigned a calculated value using a P/E multiple of 13 (the same as at year-end 2000), based on the operations reported earnings for 2001.



## Composition of Net Asset Value

A breakdown of the components making up net asset value as per December 31, 2001, and February 13, 2002, is presented in the table below.

Parent Company	SEK billion		SEK per share	
	Feb. 13, 2002	Dec. 31, 2001	Feb. 13, 2002	Dec. 31, 2001
Listed portfolio	37.7	40.5	195	210
Unlisted holdings	4.1	4.1	21	21
Stock portfolio	41.8	44.6	216	231
Other assets and liabilities <sup>4</sup>	-5.2	-5.2	-27	-27
<b>Net asset value</b>	<b>36.6</b>	<b>39.4</b>	<b>189</b>	<b>204</b>

## INDUSTRIVÄRDEN'S STOCK PORTFOLIO

Industrivärden's equity assets consist of the listed portfolio, which accounted for 91% of the total portfolio value on December 31, 2001, and unlisted holdings, which together accounted for 9% of the total portfolio value.

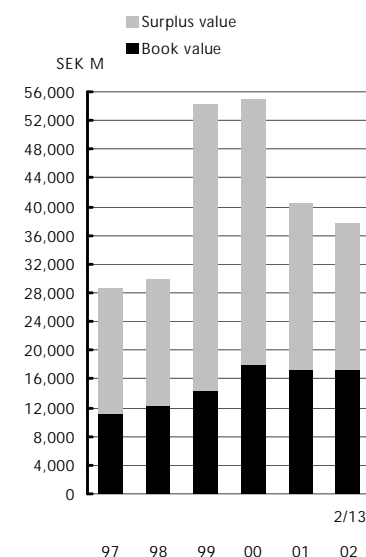
### LISTED PORTFOLIO

The listed portfolio had a market value of SEK 40,535 M on December 31, 2001 (SEK 54,961 M at the start of the year), and the surplus value was SEK 23,207 M (36,935 M at the start of the year). Adjusted for purchases and sales, the change in value since the start of the year was -24%, compared with -17% for the General Index. Sales from the listed portfolio generated a capital gain of SEK 713 M.

During the fourth quarter, purchases of listed stocks totaled SEK 186 M and sales totaled SEK 1,826 M. Major purchases consisted of 3,000,000 shares of Ericsson. Major sales consisted of 1,650,000 shares of Pharmacia (the entire holding), 2,000,000 Sandvik, 1,105,532 SCA, 738,020 Industrivärden CPNs (the entire holding), and 1,324,000 Skandia. The Ericsson purchase pertained to Class B shares and was made in connection with derivatives transactions. The sale of SCA pertained to the entire holding of Class B shares.

During 2001, purchases of listed stocks totaled SEK 1,506 M, and sales totaled SEK 2,975 M. Stocks were thus sold for a net amount of SEK 1,469 M. Major purchases consisted of 4,000,000 shares of Eniro, 2,639,000 Handelsbanken, 350,000 Pharmacia, 3,000,000 Ericsson, 1,324,000 Skandia, and 500,000 Nokia. Major sales consisted of 1,650,000 Pharmacia (the entire holding), 2,000,000 Sandvik, 2,983,100 Handelsbanken, 4,000,000 Skanska, 1,500,000 Eniro, 1,105,532 SCA, and 1,324,000 Skandia. In addition, Industrivärden sold its entire holdings of Industrivärden CPNs, Cell Network, Karo Bio and Song Networks. A specification of the result of sales of listed stocks is provided on page 10.

Market Value of Listed Portfolio and Surplus Value



<sup>4</sup> Pertains to all of the Parent Company's interest-bearing and noninterest-bearing assets and liabilities, with the exception of the book value of shares in listed companies, shares in subsidiaries, shares in other unlisted companies, and CPN-loans.



### Portfolio of Listed Stocks as per December 31, 2001

Stock	Number	Market value		% of portfolio value	% of capital in company	% of votes in company
		SEK M	SEK/share			
Ericsson	189,000,000	11,052	57	27	2,3	28,0
Handelsbanken	48,655,900	7,493	38	18	6,8	7,4
SCA	18,982,000	5,334	28	13	8,1	29,3
Sandvik	21,000,000	4,715	25	12	8,0	8,0
Skandia	47,846,800	3,636	19	9	4,5	4,5
Lundbeck A/S	8,427,400	2,265	12	6	3,6	3,6
Skanska	28,302,756	1,939	10	5	6,8	30,9
Pfizer Inc.	3,000,000	1,255	6	3	0,0	0,0
SSAB	12,065,600	1,237	6	3	12,0	15,6
Scania	3,000,000	571	3	1	1,5	1,8
Volvo	1,800,000	309	2	1	0,4	0,8
Eniro	4,000,000	300	2	1	2,3	2,3
Other (<SEK 300 M)		429	2	1		
<b>Total</b>		<b>40,535</b>	<b>210</b>	<b>100</b>		

The listed portfolio above included the following stocks which were out on loan:

Stock	Number	Stock	Number
Handelsbanken	127,100	Skandia	3,700,000
Sandvik	359,900	Skanska	285,000

### Price Trend for the Largest Shareholdings

The price trend in 2001 for the largest shareholdings, which accounted for 85% of the portfolio's value on December 31, was as follows:

Stock	Share of portfolio value as per December 31, %	Average price change per year, %	
		2001	1997 - 2001
Ericsson	27	-47	17
Handelsbanken	18	-5	19
SCA	13	39	17
Sandvik	12	-1	4
Skandia	9	-50	32
Lundbeck A/S	6	10	79 ('99 - '01)



*Ericsson's* stock performed below the General Index,<sup>5</sup> but on a par with other international telecom systems manufacturers. Overcapacity and mounting price pressure in the telecom industry, combined with continued high development costs for third-generation mobile systems, led to a heavy operating loss. A sweeping cost-cutting program is currently being carried out to reinstate profitability. This program is expected to have a significant earnings effect in 2002. In addition, the manufacture of mobile phones has been transferred to Sony Ericsson, a company jointly owned with Sony. During the year Ericsson strengthened its relative position among telecom companies as most of the competitors were hit even harder by the strained market situation.

*Handelsbanken's* stock performed better than the General Index, the bank & financial services index, and other Nordic commercial banks. Net interest income as well as revenues from currency and fixed-income trading developed well, mainly due to an increase in business volume. However, net commission income decreased as a result of falling share prices. In several surveys carried out during the year, Handelsbanken was named as the Swedish bank with the best customer service.

*SCA* benefited from continued high demand for hygiene products and packaging. All three business areas reported improved operating income. Several acquisitions were made in 2001 in areas with high value added, such as hygiene and packaging products. *SCA's* stock outperformed the forestry index as well as the General Index.

*Sandvik* was favorably affected by higher volumes and good capacity utilization. Operating income improved compared with the year earlier. *Sandvik's* stock outperformed the industrial index as well as the General Index.

*Skandia* was affected by the weak trend in the world's stock markets, which has had a negative effect on equities-based savings and the value of managed assets. Sales decreased in the U.S. and the UK, but were unchanged in other markets. *Skandia's* stock performed below the General Index.

*Lundbeck A/S* outperformed the General Index. During the most recent reporting period, covering the first three quarters of 2001, *Lundbeck's* pharmaceutical products showed good growth. *Celexa* and *Cipramil* did well in the U.S. and the rest of the world, respectively. In December, the new antidepressive drug *Cipralext* received its first country approval in Sweden.

### **Trend for the Listed Portfolio Through February 13, 2002**

The market value of the listed portfolio on February 13, 2002, was SEK 37,685 M, and the surplus value was SEK 20,419 M. Adjusted for purchases and sales, the portfolio's value decreased by 7% compared with the start of the year. The General Index decreased by 6% during the same period.

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<sup>5</sup> All index comparisons pertain to Affärsvärlden's sector breakdown.



## UNLISTED HOLDINGS

### Industrial and Trading Companies

Net sales of the operating subsidiaries totaled SEK 5,980 M (4,538). *Indutrade*, one of the leading industrial trading companies in the Nordic region, acquired Fagerberg, EIE Maskin and the Finnish company Tecalemit at the start of 2001. Net sales increased to SEK 3,109 M (1,919), or by 8% for comparable units. *Besam*, with a world-leading position in automatic door systems, grew its net sales to SEK 2,108 M (1,977), or by 7% compared with 2000. *Isaberg Rapid*, which manufactures and markets stapling tools, increased its net sales to SEK 763 M (642), or by 2% for comparable units. In July the French stapling tool company Rocafix was acquired, with annual sales of approximately SEK 200 M.

Earnings after financial items for the subsidiaries amounted to SEK 405 M (421<sup>6</sup>). *Indutrade's* earnings totaled SEK 176 M (150<sup>6</sup>), and *Besam's* totaled SEK 201 M (212<sup>6</sup>). *Isaberg Rapid* reported an earnings decline, to SEK 28 M (59<sup>6</sup>), mainly due to a drop in deliveries of photocopier staplers.

### Other

Among other unlisted holdings can be mentioned the venture capital company *Ericsson Venture Partners* (25% stake), which made three investments during the year in companies focused on mobile Internet solutions. As per December 31, 2001, approximately 10% of *Industrivärden's* fund capital of USD 75 M had been utilized.

## GROUP

### NET SALES AND EARNINGS<sup>7</sup>

Consolidated net sales amounted to SEK 5,981 M (4,540), which for comparable units represents an increase of 5% compared with the preceding year.

Operating earnings amounted to SEK 1,919 M (1,623), of which SEK 1,549 M (1,219) pertained to earnings from portfolio management, SEK 485 M (499) to the earnings of operating companies, and SEK -115 M (-95) to management costs.

Net financial items amounted to SEK -409 M (-259). Earnings after financial items totaled SEK 1,510 M (1,364).

### FINANCING AND EQUITY RATIO

A EUR 500 M Euro Commercial Paper Program was subscribed during the year. The program received an A-1 rating from Standard&Poor's.

Net debt increased by SEK 73 M to SEK 5,736 M. The visible equity ratio was 62% (65% at the start of the year), while the adjusted equity ratio, which includes surplus values of listed stocks, was 82% (87).

<sup>6</sup>Comparable earnings for the preceding year are shown exclusive of the repayment of surplus funds from Alecta (formerly SPP), totaling SEK 37 M, of which SEK 26 M for *Indutrade*, SEK 5 M for *Besam*, and SEK 6 M for *Isaberg Rapid*.

<sup>7</sup>*Industrivärden* has ownership stakes in *Ericsson*, *SCA*, *Skanska*, and other companies which amount to at least 20% of the number of votes after full dilution (i.e., associated companies). The consolidated income statement and balance sheet presented in this report have been prepared in accordance with the acquisition value method. Once complete information from all associated companies is available – however, not later than two months after the end of the reporting period – a complementary income statement and balance sheet, prepared in accordance with the equity method, will be available upon request from *Industrivärden* or can be obtained from the Company's website.



## **PARENT COMPANY**

Earnings after financial items for the Parent Company amounted to SEK 1,190 M (881), including SEK 918 M (839) in dividend income and SEK 720 M (366) in capital gains from sales of stocks. The Parent Company's earnings also include SEK -115 M (-95) in management costs, SEK -5 M (14) in other operating income and expenses, and SEK -328 M (-243) in net financial items.

## **CANCELLATION OF INDUSTRIVÄRDEN'S CPN LOAN**

An Extraordinary General Meeting on October 25, 2001, resolved to cancel the Company's CPN loan 1988/2028 in accordance with the Board's proposal. According to the terms of the loan, one CPN carried entitlement to one and one-tenths (1.1) shares upon conversion after October 25. Through January 31, 2002, after which the right to convert ceased, a total of 19,416,012 CPNs, or 99,9% of all outstanding CPNs, had been converted to a total of 21,356,772 shares. The total number of shares thereafter amounts to 193,135,612.

## **PROPOSED DIVIDEND**

The Board proposes a dividend of SEK 5.00 per share (5.00), plus a bonus of SEK 3.35 per share (3.40), for a total of SEK 8.35 per share (8.40). Interest per CPN would thus amount to SEK 9.60 (9.66). The proposal entails that no tax will be paid by the Parent Company. A total of SEK 1,459 M will be paid out for the dividend and SEK 161 M for CPN interest.

## **ANNUAL GENERAL MEETING**

The Annual General Meeting will be held on Wednesday, April 17, 2002, at 2 p.m., at the Grand Hotel, Vinterträdgården, in Stockholm.

Industrivärden's nominating committee for the election of board members consists of Erling Gustafsson (Sixth AP Fund), Curt Källströmer (Handelsbanken), Tor Marthin (AMF), Lars Otterbeck (Alecta), and Bo Rydin (Chairman of Industrivärden).

## **ACCOUNTING PRINCIPLES**

The new accounting recommendations that took effect on January 1, 2001, have been applied in this year-end report. In order to more clearly present the breakdown of Industrivärden's operations into earnings from portfolio management and earnings from operating companies, the layout of the income statement has been changed. Aside from this, the year-end report has been prepared using the same accounting principles and calculation methods used in the 2000 Annual Report.

Stockholm, Sweden, February 15, 2002

*The Board of Directors*

## **FINANCIAL CALENDAR**

The 2001 Annual Report will be published at the end of March 2002.

The interim report for the period January–March will be released on May 2, 2002.

The interim report for the period January–June will be released on August 19, 2002.

The interim report for the period January–September will be released on October 31, 2002.





## Industrivärden Consolidated Income Statement

SEK M	2001 Oct.-Dec.	2000 Oct.-Dec.	2001 Jan.-Dec.	2000 Jan.-Dec.
<b>PORTFOLIO MANAGEMENT</b>				
Dividend income from stocks	6	4	918	839
Result of sales of listed stocks	239	2	713	456
Result of sales of other stocks	-	-94	-69	-90
Other income and expenses <sup>8</sup>	-5	0	-13	14
<b>Earnings from portfolio management</b>	<b>240</b>	<b>-88</b>	<b>1,549</b>	<b>1,219</b>
<b>OPERATING COMPANIES</b>				
Net sales	1,601	1,298	5,981	4,540
Cost of goods sold	-1,068	-872	-3,999	-2,998
Development costs	-19	-17	-63	-63
Selling costs	-280	-194	-1,023	-723
Administrative costs	-111	-83	-438	-326
Other operating income and expenses <sup>8</sup>	6	15	27	69
<b>Earnings from operating companies</b>	<b>129</b>	<b>147</b>	<b>485</b>	<b>499</b>
<b>Management costs</b>	<b>-35</b>	<b>-40</b>	<b>-115</b>	<b>-95</b>
<b>Operating earnings</b>	<b>334</b>	<b>19</b>	<b>1,919</b>	<b>1,623</b>
Interest income	14	14	48	91
Interest expenses (excl. CPN interest)	-102	-89	-385	-307
Other financial items	-22	-19	-72	-43
<b>Earnings after financial items</b>	<b>224</b>	<b>-75</b>	<b>1,510</b>	<b>1,364</b>
CPN interest	-20	-83	-161	-192
<b>Earnings before taxes</b>	<b>204</b>	<b>-158</b>	<b>1,349</b>	<b>1,172</b>
Tax on earnings for the year	-11	58	-126	-143
Minority share in net earnings for the year	-2	-	-	-
<b>Net earnings for the year</b>	<b>191</b>	<b>-100</b>	<b>1,223</b>	<b>1,029</b>
Depreciation included in operating earnings	-47	-32	-173	-127
Net earnings per share, SEK <sup>9</sup>	1,09	-0,09	7,17	6,32

<sup>8</sup>The figure for 2000 includes the repayment of surplus funds from Alecta, formerly SPP, totaling SEK 14 M for portfolio management and SEK 50 M for operating companies.

<sup>9</sup>Earnings after tax, excluding CPN interest, divided by 193,135,612 shares, after conversion of all CPNs to stock. Earnings per share in 2000 amounted to SEK 6.38, based on 191,206,984 shares and CPNs.



## Breakdown by Business Unit

Net sales

SEK M	2001 Oct.-Dec.	2000 Oct.-Dec.	2001 Jan.-Dec.	2000 Jan.-Dec.
Indutrade	796	505	3,109	1,919
Besam	585	621	2,108	1,977
Isaberg Rapid	220	171	763	642
Other, net	0	1	1	2
<b>Total, operating companies</b>	<b>1,601</b>	<b>1,298</b>	<b>5,981</b>	<b>4,540</b>

Earnings after financial items

SEK M	2001 Oct.-Dec.	2000 Oct.-Dec.	2001 Jan.-Dec.	2000 Jan.-Dec.
Portfolio management <sup>10, 11</sup>	116	-206	1,104	881
Indutrade	36	29	176	150
Besam	73	83	201	212
Isaberg Rapid	0	15	28	59
Other, net <sup>11</sup>	-1	4	1	62
<b>Total, operating companies</b>	<b>108</b>	<b>131</b>	<b>406</b>	<b>483</b>
	<b>224</b>	<b>-75</b>	<b>1,510</b>	<b>1,364</b>

## Result of Sales of Listed Stocks

SEK M

*October-December*

Pharmacia	133	
Sandvik	89	
SCA	31	
Other	-14	239

*January-December*

Handelsbanken	235	
Skanska	219	
Pharmacia	133	
Sandvik	89	
Eniro	57	
SCA	31	
Other	-51	713

<sup>10</sup>Parent Company and other portfolio management companies.

<sup>11</sup>The figure for 2000 includes the repayment of surplus funds from Alecta, formerly SPP, totaling SEK 14 M for portfolio management and SEK 50 M for operating companies.



## Industrivärden Consolidated Balance Sheet

SEK M	Dec. 31 2001	Dec. 31 2000
Intangible assets	252	82
Tangible assets	713	591
Shares and participations	17,621	18,285
Other financial assets	147	210
Inventories	1,027	711
Accounts receivable, trade	1,100	916
Other current assets	214	208
Liquid assets	1,034	473
<b>Total assets</b>	<b>22,108</b>	21,476
Shareholders' equity	13,355	13,504
CPN-loans	398	447
Provisions	361	297
Long-term liabilities, interest-bearing	3,668	3,521
Long-term liabilities, noninterest-bearing	12	-
Current liabilities, noninterest-bearing	1,416	1,164
Current liabilities, interest-bearing	2,898	2,543
<b>Total shareholders' equity and liabilities</b>	<b>22,108</b>	21,476
Visible equity ratio, percent	62	65
Adjusted equity ratio, percent <sup>12</sup>	82	87

### Change in shareholders' equity

SEK M	Capital stock	Restricted reserves	Unrestricted shareholders' capital	Total share- holders' equity
Opening shareholders' equity according to adopted balance sheet as per December 31, 2000	859	928	11,715	13,502
Effect of new accounting principles	-	-	2	2
Opening shareldr eq. according to adj. bal. sheet	859	928	11,717	13,504
Dividend to shareholders	-	-	-1,442	-1,442
Conversion of CPNs	12	37	-	49
Transfers between unrestricted and restricted shareholders' equity	-	-4	4	-
Translation differences	-	6	15	21
Net earnings for the year	-	-	1,223	1,223
<b>December 31, 2001</b>	<b>871</b>	<b>967</b>	<b>11,517</b>	<b>13,355</b>
Opening shareholders' equity according to adopted balance sheet as per December 31, 1999	859	927	11,739	13,525
Effect of new accounting principles	-	-	0	0
Opening shareldr eq. according to adj. bal. sheet	859	927	11,739	13,525
Dividend to shareholders	-	-	-1,064	-1,064
Conversion of CPNs	0	1	-	1
Transfers between unrestricted and restricted shareholders' equity	-	-6	6	-
Translation differences	-	6	7	13
Net earnings for the year	-	-	1,029	1,029
December 31, 2000	859	928	11,717	13,504

<sup>12</sup>Includes surplus values of listed stocks.



## Industrivärden Consolidated Statement of Cash Flows

SEK M	2001 Jan.-Dec.	2000 Jan.-Dec.
<b>OPERATING ACTIVITIES</b>		
Earnings after financial items	1,510	1,364
Adjustment of items not included in cash flows:		
Depreciation	173	127
Result of sales of listed stocks	-713	-456
Result of sales of other stocks	69	90
Reversal of other items not affecting cash flows	13	-9
Taxes paid	-158	-161
<b>Cash flow from operating activities before changes in working capital</b>	<b>894</b>	<b>955</b>
Cash flow from changes in working capital	-66	-199
<b>Net cash flow from operating activities</b>	<b>828</b>	<b>756</b>
<b>INVESTING ACTIVITIES</b>		
Purchases of listed stocks	-1,589	-4,400
Sales of listed stocks	2,975	1,053
Net purchase/sale of stock options	45	160
Net purchase/sale of other stocks	-123	-212
Net purchase/sale of subsidiaries	-452	-29
Net purchase/sale of long-term fixed-income instruments	100	1,160
Net purchase/sale of other fixed assets	-107	-107
<b>Net cash flow from investing activities</b>	<b>849</b>	<b>-2,375</b>
<b>FINANCING ACTIVITIES</b>		
Loans raised and amortization of debt	502	2,139
Dividends and CPN interest paid out	-1,631	-1,204
<b>Net cash flow from financing activities</b>	<b>-1,129</b>	<b>935</b>
<b>Net cash flow for the year</b>	<b>548</b>	<b>-684</b>
<b>Liquid assets at beginning of the year</b>	<b>473</b>	<b>1,153</b>
<b>Exchange-rate difference in liquid assets</b>	<b>13</b>	<b>4</b>
<b>Liquid assets at end of the year</b>	<b>1,034</b>	<b>473</b>

Change in interest-bearing net debt SEK M	Dec. 31 2000	Cash flow	Change in loans	Other changes	Dec. 31 2001
Liquid assets	473	548	-	13	1,034
Long-term fixed-income instruments	100	-	-	-100	-
Long-term liabilities, interest-bearing	3,521	-	147	-	3,668
Current liabilities, interest-bearing	2,543	-	355	-	2,898
Interest-bearing pension provisions	172	-	-	32	204
<b>Interest-bearing net debt</b>	<b>5,663</b>	<b>548</b>	<b>502</b>	<b>119</b>	<b>5,736</b>

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