



*Industrivärden - 75 years of  
change to create value*

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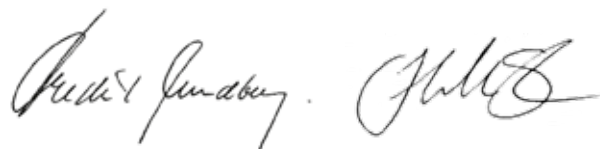
# PREFACE

Industrivärden was established by Handelsbanken 75 years ago. The initial aim was to collect and, over time, structure the pledged shares the bank received in its credit management operations. New legislation required that banks' shareholdings in various industrial companies be transferred out of their balance sheets. The pledged shares received were the result of the challenging business environment in the 1920s and 30s and the consequent financial crisis, which hit export companies hard. Many companies had both financial and structural problems, and the Swedish banks thus came to be actively involved in stimulating business growth through lending.

When the new limited company Industrivärden was registered with the Swedish Companies Registration Office in February 1944, its equities portfolio consisted of eight portfolio companies, primarily in the forestry, telecoms and textile industries. Based on this original portfolio, Industrivärden took over ownership responsibility from Handelsbanken and soon faced a number of important choices. Many companies were undergoing major structural changes, and the post-war increase in demand for goods and services created new challenges and opportunities for companies. It is therefore hardly surprising that Industrivärden quickly became involved in both the composition of the equities portfolio and the growth of the portfolio companies. Despite this, it is difficult, when considering the company's history, not to be struck by the energy and resolution with which Industrivärden has been run. Operations have been changed and adapted to prevailing business trends with great care. The clearest example of this is the company's great commitment in facilitating the restructuring of several major export sectors.

In this way, Industrivärden came to play a central role in the emergence of modern Swedish industry. From the point of view of shareholders, its operations have created value, which is clearly illustrated by the long-term growth in Industrivärden's share price. In 2019, Industrivärden is well equipped for the future. It has high-quality portfolio companies with strong positions and healthy finances. This gives Industrivärden a solid foundation for continued active ownership and value creation.

Industrivärden's history has been highlighted previously, for example, on the company's 50th anniversary, and more recently in connection with its 65th anniversary, when an anniversary book focusing on important events in Industrivärden's history was published. Against this background, we have decided to celebrate Industrivärden's 75th anniversary with a short but vigorous anniversary publication. In it, we provide an outline of the company's history, illustrating in an accessible manner its many changes and its strong capacity to create value. We hope that you will enjoy reading this publication.



Fredrik Lundberg  
Chairman of the Board

Helena Stjernholm  
CEO

# 75 YEARS OF CHANGE TO CREATE VALUE

## Prologue

# Svenska Handelsbanken lays the foundations for Industrivärden

In the late 19th century, when Sweden introduced free enterprise, the commercial banks became key players in the journey towards a modern industrialized country. Business owners turned to the banks for loans for new

products, business concepts or to restructure old industrial companies. Svenska Handelsbanken emerged in this environment. The bank assessed and granted loans to storekeepers, entrepreneurs and factory owners.



Fagersta Bruks AB's ironworks in Fagersta, 1929.

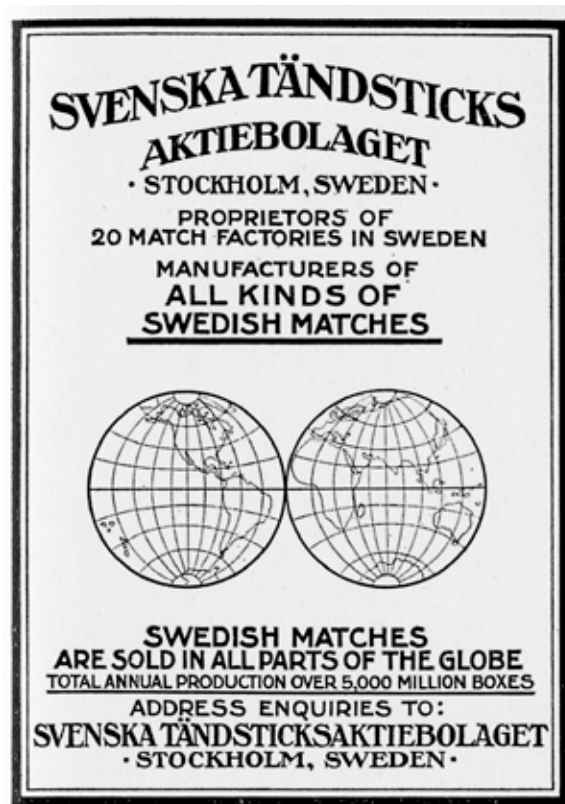
They often accepted equities as collateral, resulting in the bank acquiring holdings in many companies over time. The bank's employees also occasionally bought shares themselves, in a private capacity. For instance, in the early 20th century, CEO Louis Fraenkel and Chairman Arvid Lindman acquired shares from Lars Magnus Ericsson, who wanted to sell his shares in Telefonaktiebolaget L M Ericsson, which he had founded. Or in the winter 1912, when a consortium of Handelsbanken men became majority shareholders in AB Gasaccumulator (AGA) when the company needed a financial boost. AGA's CEO Gustaf Dalén was awarded the Nobel Prize in physics for his epoch-making inventions in the same year. Although the bank's own direct ownership may have been limited at that time, both Ericsson and AGA were to become important holdings for Industrivärden – and Industrivärden still has a significant interest in Ericsson.

The regulations for banks' ownership of stock and interest in companies have been changed on numerous occasions over the years. The rules that applied in the 1910s forced Handelsbanken to create a separate investment company with the specific task of owning and managing stock. Handion AB was its name and the bank used it to phase out its occasionally very large shareholdings in various companies.

In the 1920s, which were marked by the aftershocks of the Russian Revolution, a fall in monetary value and plummeting export revenue, Handelsbanken was able to remain on an even keel. The bank's holdings in companies continued to be held by Handion, which now had significant shareholdings in companies we know today (some under different names), such as L M Ericsson, Sandvikens Jernverk (Sandvik), ASEA (ABB), Trafik AB Grängesberg-Oxelösund (Gränges), AGA, AB Separator (Alfa Laval) and Svenska Kullagerfabriken (SKF).

In 1926, Ernfrid Browaldh became involved with the bank. He subsequently became Deputy CEO, CEO and Vice Chairman of the bank. Initially, however, he concentrated on developing Handion. Among other

things, Handelsbanken initiated significant restructuring of the crisis-struck ironworks Fagersta Bruks AB. The bank held a major shareholding that could not be sold without considerable losses. Instead, Handelsbanken transformed Fagersta into the parent of a group of iron and steel companies. The group remained in Handelsbanken's portfolio up to 1943, when it conducted an initial public offering (in 1947, Fagersta would become a subsidiary of Industrivärden).



An advertisement for Ivar Kreuger's industrial group Svenska Tändsticks Aktiebolaget (STAB), of which Kreuger & Toll were principal owners.







Handion's other debt-ridden corporate holdings included several in the forestry industry. The industry was small-scale, financially weak and marked by devastating competition. In 1929, financier Ivar Kreuger agreed with Handelsbanken's CEO, Helmer Stén, to consolidate the Swedish sawmill and cellulose industry. As a consequence, the bank moved the holdings in Handion with no link to forestry to other subsidiaries. Handion was then transformed into the holding company Svenska Cellulosa AB, or SCA, as we still know it today. This combined around ten lumber companies, including Bergvik och Ala. The share capital of SEK 1 million was increased to SEK 50 million, and AB Kreuger & Toll took the entire new issue against a loan from Handelsbanken. Kreuger was to receive a full right of disposal to the shares when the entire loan was repaid. Handelsbanken filled the position of Chairman of SCA with its CEO, Helmer Stén, and Ernfrid Browaldh became a director.

However, the global depression of the 1930s resulted in SCA failing to achieve its expected growth despite major investments and more and more capital. Kreuger & Toll's credit-based holding became worthless. With SEK 90 million in receivables, Handelsbanken controlled the forestry giant in practice after the collapse of the Kreuger group, or the Kreuger crash, as it came to be known.

However, new legislation now required banks to divest any shares they received by realizing pledges as soon as possible. Handelsbanken found a buyer in Axel Wenner-Gren, the entrepreneur behind Electrolux, who took over the shares in SCA for SEK 10 million. Although Axel Wenner-Gren was now the principal shareholder of SCA, Handelsbanken was still owed significant sums by the company. The bank's Board wanted to reduce its involvement in SCA and therefore decided in 1943 to establish a holding company (investment company) that could take over the majority of the bank's holdings in companies.

Electric trading boards for share price information at Handelsbanken's office on Kungsträdgårdsgatan in Stockholm.



Till stamaktieägarna i

# SVENSKA HANDELSBANKEN

Aktiebolaget Svenska Handelsbanken har åt ett under bildning varande aktiebolag, avsett att benämnas

## AKTIEBOLAGET INDUSTRIVÄRDEN

lämnat optionsrätt att förvärva följande aktier och förlagsbevis, nämligen:

BOLAG:	Antal aktier	Nominellt Kr.
Fagersta Bruks Aktiebolag, ser. A .....	100,000	10,000,000
" " B .....	50,000	5,000,000
Telefonaktiebolaget L. M. Ericsson, ser. A .....	170,000	

Advertisement in Affärsvärlden in 1944 upon the founding of Industrivärden.



Industrivärden's first chairman, Helmer Stén, (left) and its first CEO, Sture Ödmark (right).

Industrivärden is founded with eight portfolio companies and is listed on the stock exchange

A statutory meeting was held on January 15, 1944, and the company was registered on February 21. Industrivärden was formed as a sound company with 2,500 preferred shares and 250,000 ordinary shares. Helmer Stén was Chairman and Sture Ödmark was CEO. The fundamental assets were holdings in eight companies at a book value of SEK 44 million: forestry company Bergvik och Ala, hydropower company Hammarforsen (both of which were hived off from SCA when the parent company was reconstructed), steel company Fagersta, Telefonaktiebolaget L M Ericsson, textiles company Almedahl-Dalsjöfors, textiles company Kilsund and portfolio management companies AB Hindus and AB Regia. A subordinated debenture for SEK 5 million in engineering company Bolinder-Munktel was also included.

Bolagets namn	Antal aktier	Nem. värde per aktie	Bokföringsvärde	
			per aktie	summa
Fagersta Bruks AB . . . . .	ser. A 100,000	100:—	100:—	10,000,000:—
» B . . . . .	10,000	100:—	100:—	1,000,000:—
Summa . . . . .	110,000			11,000,000:—
Bergvik och Ala Nya AB . . . . .	60,000	180:—	235:—	14,100,000:—
Telefon AB L. M. Ericsson . . . . .	ser. A 170,600	351:—	30:—	5,118,000:—
» B . . . . .	138,400	351:—	30:—	3,673,000:—
Summa . . . . .	293,000			8,790,000:—
Hammarstens Kraft AB . . . . .	pref. stans 17,000	100:—	100:—	1,700,000:—
» . . . . .	18,921	100:—	100:—	1,892,100:—
Summa . . . . .	29,921			2,992,100:—
Almsdahl-Dalsjöfors AB . . . . .	34,810	50:—	40:—	1,392,400:—
Källsö AB . . . . .	3,000	100:—	100:—	300,000:—
AB Regia . . . . .	550	1,000:—	1,873:—	1,031,250:—
AB Hinder . . . . .	3,936	100:—	100:—	393,600:—
Summa Kronor				43,907,350:—

Styrelsen föreslår, att årets vinst . . . . . Kronor 1,969,149: 36  
 disponeras på följande sätt:

till reservfonden avsättes . . . . . Kr. 200,000:—  
 » preferensaktieägarna utdelas 5 % med . . . » 12,500:—  
 » stamaktieägarna » 5 % » . . » 1,250,000:—  
 » nästa års vinst- och förlusträkning överfö-  
 res den därefter återstående vinstbalansen » 506,649: 36

Kronor 1,969,149: 36

Stockholm den 21 oktober 1944.

HELMER STÉN

AXEL BERGENGREN      WILH. KLINGSPOR  
 F. TAMM      STEN WESTERBERG

6

INDUSTRIVÄRDEN 75 YEARS 11



AGA's product display room (AGA expo) at Lidingö. Industrivärden became a shareholder in the company in 1957.

The 1950s

## Stronger holding positions and significant new acquisitions

In the post-war era, the wheels began to turn again in Sweden. Industrivärden increased its holdings in several of its portfolio companies. Helmer Stén, who was in many ways key to the creation of Industrivärden, died in summer 1950 and was succeeded by Sten Westerberg. The words written in memory of Helmer stated that: “he placed his sound judgment, extensive experience and unique ability to bring people together and inspire enthusiasm at the unlimited disposal of the company. The company owes a huge debt of gratitude to him.”

Handelsbanken still had large receivables from SCA, and followed the world market in wood and paper with interest. The US was the biggest exporter of these goods at the time. However, demand outstripped supply, with rising prices as a result. Encouraged by this development, Handelsbanken drove forward the initial public offering of SCA. Industrivärden then sold the subordinated debenture in Bolinder-Munktell to Handelsbanken, acquiring 10% of SCA's stock instead. The company once known as Handion now had its “successor” as shareholder.

In the 1950s, Industrivärden, still with just one employee, was primarily focused on transactions in its existing portfolio companies. Stock dividends increased the holdings in Fagersta, Almedahl-Dalsjöfors and Bergvik och Ala. Exposure to Fagersta and SCA grew repeatedly, while it fell in the case of Ericsson. Ferdinand Wallberg became CEO in 1956, and Ernfrid Browaldh became the new Chairman.

Towards the end of the decade, entirely new holdings joined Industrivärden's portfolio. In 1957, the company acquired shareholdings in AGA AB and Svenska Metallverken. The two companies had been part of Handelsbanken's sphere of interest for a long time. In 1958, Industrivärden expanded in the textiles industry by acquiring stock in Borås Väveri. In 1959, it increased its investment in the construction industry through an issue for non-cash consideration in cement manufacturer Gullhögens Bruk. The Wingårdh family who owned Gullhögens thus became Industrivärden's first major shareholder.



A flat car with cut lumber on its way to be dried at one of SCA's sawmills in northern Sweden.





John Mattson Byggnads AB's prestigious construction projects: Wennergren Center and the Hötorget buildings (buildings 3 and 4).



Production of cans and glass bottles at PLM.



Production of Bahco's classic adjustable wrench.

The 1960s

## Portfolio differentiation with a focus on engineering and construction companies

The 1960s were record-breaking years in Sweden. Continuous housing construction drove growth in industries such as the construction and engineering industries. Industrivärden's Board wanted to diversify the portfolio into interesting areas and increased its rate of acquisition. In 1960, the company invested in fast-growing packaging specialist Plåtmanufaktur (PLM), and in 1961 it added a shareholding in ventilation and tool specialist AB Bahco. One of Industrivärden's more prominent holdings in the construction industry was Gullhögen mineralfiber, which was now transformed into Gullfiber AB and performed very favorably.

Stig Ödmark became the new CEO in 1960 and was joined by his first colleague a few years later.

At that time, it was already a challenge for unlisted family businesses to convert shares into more realizable assets. For this reason, Handelsbanken and Industrivärden formed Investment AB Promotion in 1962. Promotion acquired a number of family companies and was then listed, which would make it easier for former family owners to sell their shareholdings.

Industrivärden continued to diversify its holdings portfolio, often with companies that had already been included in the extensive portfolio of its predecessor, AB Handion, in the 1920s. These companies had continued to operate close to the sphere of Handelsbanken and now became regular holdings, such as A-betong, Boliden and Husqvarna. Industrivärden also bought stock in its founder company Handelsbanken.

Privately-owned John Mattson Byggnads AB (subsequently JM) was acquired and became a new subsidiary. This was the start of a restructuring process in the construction industry, with Industrivärden quickly acquiring building materials company Olsson & Rosenlund and merging it with other building materials companies in its portfolio. The expanded Olsson & Rosenlund was then merged with John Mattson and Gullfiber to form the new JIMOR group (named after the initial and middle letters of the companies involved). Industrivärden's primary aim with this consolidation was to exploit the company's large land holding under John Mattson.

Other additions to the portfolio in the 1960s were Facit AB, Försäkrings AB Skandia, Pripps Bryggerier, Turitz and Tändsticksaktiebolaget. Through a new subsidiary, AB Delus, stock was also purchased in IBM, General Motors and Gunnebo Bruk.

Although SCA, Fagersta and Ericsson continued to be Industrivärden's biggest holdings in terms of value, the diversification in the late 1960s had gone so far that Industrivärden switched to reporting on its holdings by sector. For example, the forestry industry, engineering industry, electrical industry, construction industry, food industry, iron and metalworks, department stores, investment companies, banks, insurance companies and other companies.

By the end of the 1960s, Industrivärden had also grown in terms of staff. There were now six employees, with Nils Berggren as CEO. The Chairman was Tore Browaldh, son of Ernfrid, who was also Chairman of Handelsbanken, having just left the post as CEO.





In the early 1970s, Ericsson developed the AXE switchboard, the world's first fully computerized telephone switchboard. This laid the foundation for the company's growth for several decades. In 1971, Industrivärden's holding in Ericsson accounted for 30% of its portfolio value.

The 1970s

## Industrivärden starts to become a more active shareholder, focusing on structural measures

Ever since Industrivärden's creation in 1944, the company had been actively involved in its major shareholdings by holding positions on the companies' boards. In the 1970s, they went a step further and decided that Industrivärden's investment strategy would be based on a clear, long-term responsibility as a shareholder in companies in which it was the dominant shareholder. The strategy also involved Industrivärden participating in structural measures to enhance competitiveness. One example of this was Industrivärden's continued efforts to transform the building materials sector, with transactions involving companies such as Gullhögens Bruk and Förvaltnings AB Handus.

In 1971, Ericsson, SCA, Boliden, PLM, AGA and Grängesberg were otherwise the biggest holdings in the portfolio, which the company continued to diversify. New arrivals included mining giant Atlas Copco, automotive manufacturer Volvo, pharma company Astra, and Alfa Laval, which had been in Handion's portfolio back in 1924.

The early 1970s were marked by great uncertainty about continuing economic performance. Although, for many years, labor costs had increased more in Sweden than in other industrialized countries, they had been counterbalanced by greater productivity. This trend was now reversed. The world economy was also strug-

gling with an oil crisis that caused commodity and fuel prices to rise. This entailed increased Swedish production costs, a weaker ability to compete internationally and thus reduced profitability. Many companies were forced to issue new shares to raise new capital, and Industrivärden strove to participate fully in each share issue. For liquidity reasons, however, it was forced to sell its warrants in AGA, Fagersta and Ericsson.

Industrivärden had reached 16,000 shareholders, but only 200 held more than 1,000 shares. A period of cross ownership between Industrivärden and Beijerinvest now began under the management of financier Anders Wall. Other large shareholders in Industrivärden were insurance companies, pension funds and Investment AB Promotion, the listed company that Industrivärden had created to acquire and develop unlisted family businesses.

On the financial side, Industrivärden broke new ground when it issued the first modern convertible loan in Sweden in 1977.

Despite the crisis years in the 1970s, Industrivärden was able to continue increasing dividends issued every year, a tradition it had had since its start in 1944. This was possible because of its large, differentiated equities portfolio, which distributed the risks, and because of cash flows from its stable, profitable subsidiaries.

P.M.

angående Industrivärdens placeringspolitik

Industrivärden (InV) bildades 1944 genom att SHB dit överförde vissa stora aktieposter, som kommit i bankens ägo, för att banken därigenom skulle kunna återvinna lånefordringar som blivit nödlidande under mellankrigstidens kriser. När de aktuella företagen rekonstruerats genom bankens försorg, överfördes aktieinnehavet till InV, vars aktier erbjöds aktieägarna i SHB. Flera av våra stora aktieinnehav har sin rot i dessa aktieposter vid starten; LME- och Fa-gersta-egagemangen hör till denna kategori. Grunden till vår stora post i SCA lades genom ett aktieförvärv från SHB några år efter InV:s tillblivelse.

An extract from CEO Per Lindberg's original document concerning Industrivärden's new investment policy.



Industrivärden continued to be involved in the construction and building materials industries. Olsson & Rosenlund was one of the holdings.

What had been a relatively small holding in retail company Ählén & Holm (now Ähléns) grew during the decade, culminating in Ähléns merging with retail companies NK and Turitz towards the end of the decade. Rune Höglund, who was CEO of both Handelsbanken and Ähléns, and Chairman of the Board of AGA, became CEO of NK/Ähléns in 1977.

In the late 1970s, Industrivärden sold its stock in Fagersta to Kinnevik, marking the end of a long-term holding. This was replaced by a shareholding in Sandvik which was Industrivärden's sixth largest portfolio holding.

The sale was made to give Fagersta a new ownership structure, while Industrivärden came to focus on more processed metal products.

Its focus on the construction, building materials and real estate industries remained. Industrivärden now had three large associates there: John Mattson, Olsson & Rosenlund and Gullfiber. This JIMOR group underwent significant restructuring in the early 1980s, resulting in a clearer division of responsibilities with simpler management according to the distinctive nature of each company. The group's real estate management operations became stable and profitable and were among the biggest in Sweden.



In the late 1970s, SCA was the biggest holding in Industrivärden's equities portfolio, equivalent to just under 20% of the portfolio value. Flash dryer at SCA's Östrand pulp mill in Timrå.



A delivery of Gullfiber (glass wool insulating material) to a construction site in 1985.



The 1980s

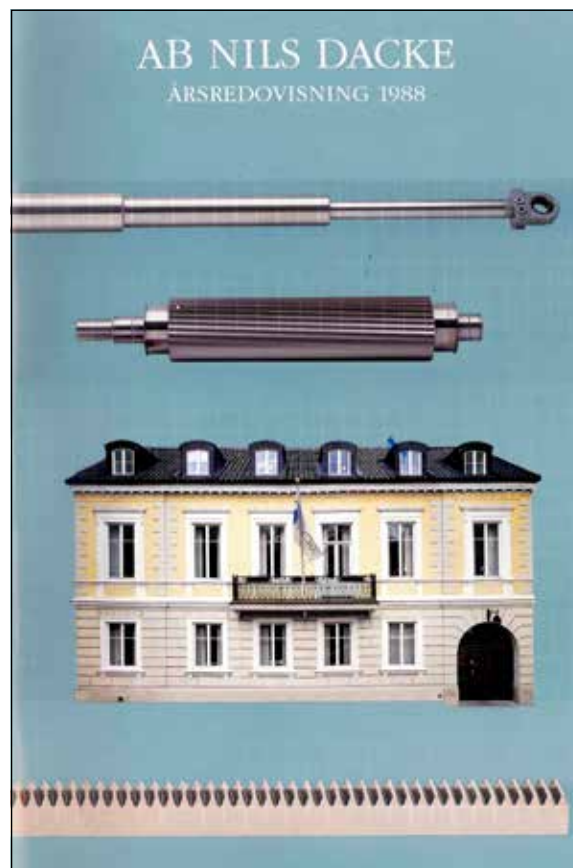
# The portfolio of listed companies is concentrated and a wholly-owned industrial business is built up

The 1980s began with a number of major transactions in Sweden. In 1981, Volvo merged with Beijerinvest and became the biggest company in Sweden, with Anders Wall as Board Chairman. A year later, Wall joined the Board of Industrivärden, which was a cross holding with Beijerinvest for a long period of time. Handelsbanken and Industrivärden were also cross holdings, and in 1984 Handelsbanken's CEO Jan Wallander joined the Board.

In the early 1980s, Industrivärden's Board decided that the company would be developed into a mixed investment company. It would have a balance between selected listed holdings and wholly-owned subsidiaries. As a result, around thirty holdings in listed companies needed to be reduced to a much more manageable number in which Industrivärden could also exercise clear shareholder responsibility.

Kjell Brändström, the new CEO, adopted the new strategy and the 1980s thus saw a large number of transactions for Industrivärden. In 1980, this was illustrated directly in a refinement of the AGA group. AGA hived off parts of its operations to AB Pharos to become a dedicated gas company.

In the construction industry, Industrivärden listed its wholly-owned construction company JM. Construction company Skanska bought JM stock from Industrivärden in exchange for newly issued shares in Skanska equivalent to 8% of the voting rights. Skanska is still a holding in Industrivärden's portfolio, and since 1998 Industrivärden has been the largest shareholder in the company.



Nils Dacke's 1988 annual report illustrates part of the product range.

Investment company and industrial group Nils Dacke AB, with operations including industrial trade, hydraulics and transportation systems, became a wholly-owned subsidiary. In 1986, just under 50% of the voting rights in Nils Dacke were acquired from Volvo and the remaining shares were acquired in 1990. The company's industrial trade operations were spun off into a subsidiary, Indutrade. Parallel to this, Industrivärden also created the Inductus group for its wholly-owned smaller industrial companies.

In the late 1980s, Swedish equities trading was colored by the Fermenta affair. Biotech company Fermenta had gone from success to ruin, and Industrivärden was forced to take over shares that the former principal shareholder had pledged, thus becoming the principal shareholder of Fermenta. In collaboration with a banking consortium including Gotabanken, Industrivärden drove through a reconstruction of the troubled company. This warded off a severe crisis. Although Industrivärden's involvement in Fermenta did not fully end until 1993, the 1988 annual report saw light at the end of the tunnel: "the reconstruction of the company is a very clear example of what Industrivärden can do as an active large shareholder".

Industrivärden was an equally active shareholder of packaging company PLM in 1988. The company had

been in the portfolio for many years and it now needed major restructuring. After a rapid deal, PLM became a wholly-owned subsidiary of the Industrivärden group. It was the biggest transaction ever completed by a Swedish investment company. A year later, PLM sold its subsidiary PLM Sellbergs to concentrate on consumer packaging, its primary area of operation.

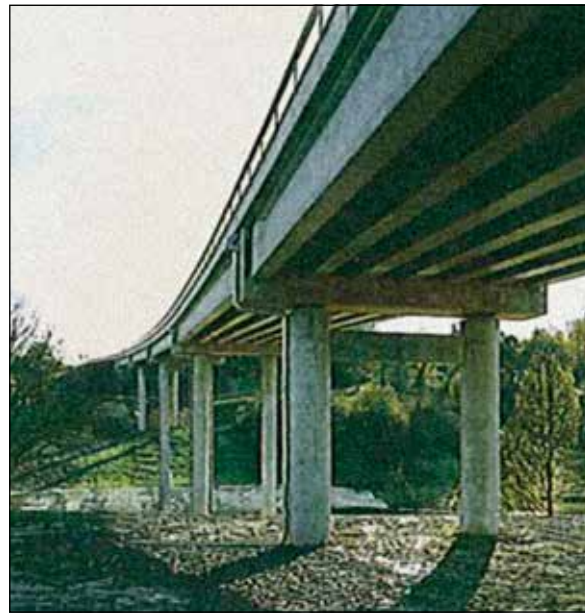
Investment AB Bahco had developed out of Investment AB Promotion, which Industrivärden created in the 1970s, with Industrivärden remaining the dominant shareholder. Bahco's CEO, Carl-Erik Feinsilber, joined the Industrivärden Board towards the end of the decade, and Bo Rydin from SCA became the new Chairman. Industrivärden's principal shareholder was now Ratos, and in 1989 Ratos' CEO, Sven Söderberg, joined the Board. At the same time, Carl-Erik Feinsilber became CEO of Industrivärden.

The strategy established by the Board in the early 1980s had been implemented by the end of the decade, and in 1989 the portfolio consisted of just ten holdings. Industrivärden had specific shareholder responsibility in six of these. Listed stock accounted for just over half of Industrivärden's asset value. Real estate company Fundament was a wholly-owned subsidiary, and Industrivärden had now also built a wholly-owned industrial business consisting of PLM, Inductus and Indutrade.



Inspection of filter components from Indutrade.





A selection of important portfolio companies at the end of the 1980s: Ericsson, Volvo, SCA and Skanska.

The 1990s

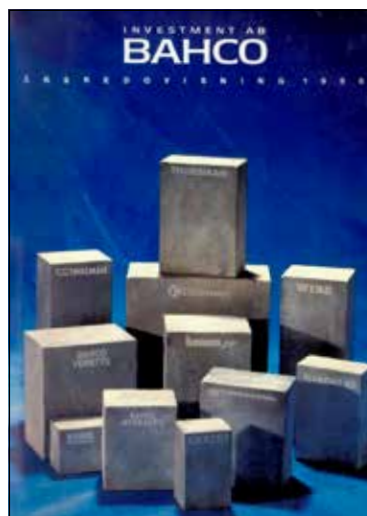
## Consolidation of the industrial business and a number of major equity transactions

The 1990s began with an economic crisis. Rapidly rising interest rates caused the stock exchange to fall, triggered in part by the invasion of Kuwait by Iraq. This was followed by a serious recession, rapidly falling real estate prices and a banking crisis. The value of Industrivärden's market portfolio initially fell by 22% before the recovery began.

Financier Erik Penser joined the Board, while Anders Wall left it. In 1994, Clas Reuterskiöld became the new CEO, while Handelsbanken's Chairman Tom Hedelius was elected onto the Board.

In terms of operations, the 1990s at Industrivärden were marked by several large transactions in its portfolio of listed companies. Certain long-term holdings were sold, while others were added, acquisitions that remain significant to Industrivärden to this day.

For example, subsidiary PLM was subject to extensive restructuring. Its operations were concentrated on packaging that could be recycled or reused, such as glass packaging or beverage cans. Industrivärden then took the company to the stock exchange in 1995, only to sell its remaining holding to UK-based packaging



Three of the holdings in the 1990s: Inductus, Bahco and Fundament.



Tools for metal working from Sandvik (left) and a coilbox at SSAB's hot-rolling mill in Borlänge (right).

manufacturer Rexam three years later. Rexam still has extensive operations in Sweden. This ended nearly 40 years of holdings in PLM.

Industrivärden's holding in gas company AGA went even further back in time, all the way to the 1910s, when Handelsbanken invested in AB Gasaccumulator. However, in 1999, after AGA's operations were refined, including divestment of its subsidiary Frigoscandia, the last shareholding was sold. German gas group Linde has been the owner of AGA ever since.

The 1990s also saw two large new acquisitions and one additional purchase in Industrivärden's portfolio.

Steel giant SSAB had been created in 1978 to secure the Swedish steel industry, with the Swedish government as principal shareholder (the company included Oxelösund ironworks, in which Industrivärden's predecessor Handion had holdings back in 1924). The government now reduced its involvement and Industrivärden made a large acquisition, becoming the largest shareholder in SSAB.

Industrivärden's other major acquisition came towards the end of the 1990s with a significant shareholding in industrial group Sandvik. For Sandvik, this meant a return to Industrivärden's portfolio after having been

in it for a while from 1978 (after the Fagersta transaction with Kinnevik) and way back in the 1920s with Handion.

Industrivärden purchased the Sandvik shares from Skanska, which was concentrating its operations on the construction sector. Industrivärden soon doubled its holding in Skanska and became the new principal shareholder of the construction company.

Industrivärden wanted to consolidate the many industrial companies in its portfolio at the start of the 1990s. It therefore acquired the remaining shares in Investment AB Bahco. Along with Nils Dacke's operations, they were moved to Industrivärden's wholly-owned industrial company Inductus. Subsequently, to clarify ownership and simplify corporate governance, a process began in which Industrivärden reduced the number of industrial companies it held through sales and mergers. When the process was over, Inductus was dissolved, and three remaining industrial companies became wholly-owned subsidiaries of Industrivärden. In 1997, one of the remaining industrial companies was sold, along with real estate company Fundament.

At the end of the period, after sales and acquisitions, eleven portfolio companies had been reduced to seven.

The 2000s

## Continued refinement and a developed shareholder strategy

There was a general increase in competition with continued globalization and the capital market trends in the new millennium. The Swedish investment companies focused their operations to a greater extent on areas in which their real strengths lay. The global financial crisis in 2007, which started with the collapse of the US mortgage market, made their work no easier. The increasing pace of change in the business environment meant that companies like Industrivärden needed to boost activity in their companies and as shareholders.

Industrivärden therefore further refined its operations at the start of the millennium towards even more active ownership in a transparent portfolio of large and medium-sized Nordic listed companies. There was an emphasis on long-termism, and the methods of shareholder involvement were refined.

At the start of the 2000s, Industrivärden's equities portfolio consisted of large shareholdings in six listed companies (Ericsson, Sandvik, Skanska, Handelsbanken, SSAB and SCA), a medium-term equities portfolio (including Skandia and Lundbeck A/S), two remaining wholly-owned industrial companies (Besam and Isaberg Rapid) and the industrial trading company Indutrade.

In 2001, Anders Nyrén became the new CEO, with the task of refining the portfolio and turning Indus-

trivärden into a dedicated investment company. In 2002, Tom Hedelius became Chairman after having been on the Board of Industrivärden since 1991. Hedelius was succeeded in 2010 by Sverker Martin-Löf, who was on the Board in 1996-1997 and from 2002.

In the first half of the 2000s, Industrivärden's medium-term portfolio of listed companies, in which insurance company Skandia was by far the biggest holding, was wound up. Skandia became a holding in 1967, but the position had been dramatically increased since the 1990s and had grown strongly in value. At the end of the 2000s, Industrivärden was Skandia's second largest shareholder. As Industrivärden primarily saw the shares as a liquidity investment, it had not tried to join the Board, and during Skandia's difficult years in the early 2000s, it discovered that the company's governance was poor. The holding was sold in the end for a significant loss.

Industrivärden had also built up a position in Danish pharmaceutical company Lundbeck, which was also sold, although with a significant gain this time. The two remaining industrial companies (Besam and Isaberg Rapid) were also sold for a good profit.

In the mid-2000s, Industrivärden increased its shareholdings in Handelsbanken and Sandvik, and started to build up a large shareholding in Volvo, which





New acquisition of Volvo stock and increased shareholdings in portfolio companies Handelsbanken and Sandvik.

thus returned to the portfolio after having been there previously for twenty years from 1968. At the end of 2005, Industrivärden decided to list Indutrade but remained the biggest shareholder.

During the decade, significant investments were also made in medium-sized listed companies Össur (medical devices), Munters (air handling) and Höganäs (metal powder), all of which were very good investments. Industrivärden also participated in new share

issues in Ericsson and SSAB. These new share issues meant that Ericsson could be saved in a difficult market situation, and SSAB was able to enhance its position in high-strength steel through the acquisition of US company IPSCO.

In the first half of the decade, Industrivärden built up short trading operations focusing on derivative transactions. These operations were wound up in the second half of the 2010s.

# INDUSTRI VÄRDEN

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## PRESS RELEASE

Stockholm, January 13, 2010

### Industrivärden announces convertible bond offering increased to €500 million following exercise of over-allotment option

Following the successful offering of its convertible bonds (the "Bonds" and the "Offering") on Monday January 12, 2010, Industrivärden announces the full exercise of the over-allotment option (shoe) by Morgan Stanley & Co. International plc, increasing the overall size of the Offering to €500 million.

The exercise of the over-allotment option will be made for the Bonds to be listed and traded on the EuroMTF Market of the Stockholm Stock Exchange.

The exercise of the Bonds was directed at institutional investors only, and in line with market practice for convertible bond transactions in Europe, the Bonds were marketed principally to European institutional investors who have specialized knowledge of such instruments.

Capital Markets and Morgan Stanley & Co. International plc are acting as Joint Lead Managers of the Offering. Morgan Stanley & Co. International plc is acting as Joint Lead

A press release concerning Industrivärden's issue of a convertible loan for EUR 500 million in January 2010.

2010–2015

## Portfolio changes and higher borrowing

Industrivärden entered the 2010s with a transparent portfolio of listed companies. The refinement process begun at the turn of the millennium had been completed, and the company could focus fully on its portfolio companies.

Industrivärden acquired additional stock in Volvo and became the company's single largest shareholder in 2012. In 2013, the company sold its remaining shareholding in Indutrade. In the same year, Industrivärden acquired 10% of the capital in ICA Gruppen. The shares were acquired from ICA-handlarnas Förbund in connection with Hakon Invest buying Dutch compa-

ny Ahold's holding in ICA and changing the name to ICA Gruppen, followed by listing. Industrivärden thus became a new large shareholder in the leading retail company in the Nordic region.

To finance the new investments and refinance loans, two convertible loans and one exchangeable loan against underlying shares in ICA Gruppen, were issued. The first convertible loan was converted into newly issued Industrivärden stock, while the other loan was mainly redeemed in cash. Industrivärden's debt-equities ratio during the period totaled 15-30%, which restricted the company's financial freedom of action.



Self-scanning in a modern ICA store.





The CEO's policy statement ahead of the Board's presentation of a developed strategy in February 2016 - from the 2015 annual report.

2015–2019

## Stronger asset management focus and greater financial flexibility

In the middle of the decade, there were several changes in Industrivärden's Board and management. Fredrik Lundberg, who had been a director since 2004, was elected Chairman in May 2015. L E Lundbergföretagen had been a shareholder of Industrivärden since 2002. Its holding had subsequently increased gradually, and L E Lundbergföretagen is now Industrivärden's principal shareholder along with foundations related to Handelsbanken. In September 2015, Helena Stjernholm became CEO of Industrivärden.

In early 2016, the Board presented a developed strategy that involved a stronger asset management focus and greater financial flexibility. The change in strategy meant that the debt-equities ratio would be lower than before, and cash flow would be positive after dividends. To make this possible, the dividend paid to shareholders was reduced in 2016. In subsequent years, the dividend was gradually increased again. The stronger financial position is deemed to be important to permit active ownership, but also to make it possible to grasp interesting business opportunities.

Several developmental steps were then taken in respect of Industrivärden's corporate governance, analysis, asset management and financial situation. Industrivärden also established a clearer, more demand-

ing ownership role in its portfolio companies. There was a greater focus on the work of nominating committees, and a number of new directors joined the boards of portfolio companies. The short trading operations focusing on derivative transactions were wound up, and operations were focused on significant shareholdings in a limited number of companies. This work contributed to clear positive development in several portfolio companies, including Volvo and Sandvik.

In 2016, Industrivärden participated in SSAB's new share issue at a time when the steel industry was in a challenging situation. Half the shareholding in SSAB was subsequently sold for a good profit. In 2017, shares in SCA's health and hygiene division were distributed to the shareholders in a Lex Asea transaction and the new company was named Essity. In 2018, part of the holding in ICA Gruppen was sold and the foundation was laid, through an option deal, for full divestment of the holding in ICA Gruppen at mid-year 2019. The exchangeable will also be redeemed in connection with this transaction.

On the acquisition side, the shareholdings in Handelsbanken, Sandvik, Volvo and Skanska were increased. At the end of 2018, indebtedness was 7%, with considerable financial freedom of action and strong flexibility.



# The future

Industrivärden's 75-year history is characterized by a pragmatic approach and a clear desire to adapt to and exploit the ever-changing challenges and opportunities in the external business environment. It is also possible to discern clear shareholder involvement in the companies it has owned, and this involvement has increased and developed over time. By making use of these abilities and employing a professional staff, the company has been able to generate significant shareholder value, well above the average for the Stockholm Stock Exchange.

The importance of large active shareholders has grown in recent decades. This is partly against the background of the changes that have occurred on the capital market, and partly on account of increasingly tough challenges in companies.

The changes in the capital market are due in part to increased globalization in which financial flows move in real time to chase returns, greater proportions of robotized trading and index funds, and new types of financial market participants. Overall, this has highlighted the need for large, responsible shareholders with a long-term approach to evaluation and shareholding. The globalization of the capital market, combined with a growing proportion of institutional investors, has also increased the need for long-term shareholders with significant holdings that can realize their ambitions as shareholders in different situations and develop companies, thus generating shareholder value over time.

Many companies now encounter a more complex external business environment, increased competition and increasingly tough challenges. These range from variable macroeconomic conditions on the companies' geographical markets to new threats and opportuni-

ties emerging from revolutionary, tightly interwoven megatrends. These trends may include urbanization, digitalization, complex value chains, changes in customer behavior and greater demand for sustainable business models. This drives companies to focus their operations on the areas in which their strengths lie, and also to be agile and flexible as circumstances constantly change. Greater complexity and greater demands on companies also mean greater demands on boards and the shareholders that appoint the boards. As a natural consequence of this, many active shareholders now focus their activities on having large shareholdings in more concentrated equities portfolios. This is a trend that can be discerned in European investment companies, for example. Industrivärden is no exception, and its equities portfolio has been concentrated while its shareholdings in several portfolio companies have been increased.

Long-term shareholders with significant knowledge about their portfolio companies are important both strategically and financially. The ability to find and attract good directors and continuously adapt the composition of boards to companies' changing needs will play an increasingly important role over time. This development generates greater opportunities for committed, knowledgeable shareholders that understand their portfolio companies and their external business environment well.

Against the background of the development described here, we believe that long-term active shareholders will play an even more important role in the future. Based on Industrivärden's well-developed positions of strength and proven ability to change, there is every reason to have confidence in the future.



# INDUSTRIVÄRDEN TODAY

## Operations in brief

Industrivärden is an asset management company with an equities portfolio consisting of significant shareholdings in nine Nordic listed companies with a total market value of just over SEK 90 billion (on December 31, 2018). It is a public company with approximately 80,000 shareholders. Industrivärden's stock is listed on the Nasdaq Stockholm large cap list.

The company's business concept is to conduct long-term, value-creating asset management through active ownership. The business concept is based on Industrivärden's relative strengths in the form of a long-term investment approach, deep knowledge and experience of active ownership, a strong position of influence, financial strength and an extensive network.

The long-term goal is to increase the company's net asset value in order to generate a total return for Industrivärden's shareholders that exceeds the market's required return. Taking into account the portfolio investments' risk profile, shareholders must be given a total return that is higher than the average for Nasdaq Stockholm Stock Exchange over time.

The company's asset management operations are based on a structured investment process with continuous analysis and evaluation of existing and potential alternative investments. Taking continuity and a long-term approach into account, the estimated return potential of existing investments must be compared with the return potential of potential alternative investments.

Investments must be made in companies with good return potential, in which Industrivärden can exert active influence through a strong position based on confidence and ownership. The company's investment criteria are to invest in companies with proven business models and clear potential for profitable growth. Investments must also have an attractive valuation and provide a good balance between risk and return.

Active ownership must contribute to value creation in portfolio companies and be exercised primarily through involvement in nominating committees, representation on boards and dialogue with and evaluation of each company's board, CEO and management.

A globalized, rapidly changing world places great demands on companies to be focused, responsive and flexible. Important external business trends such as disruptive technologies, digitalization, changed customer patterns and sustainability aspects entail both threats and opportunities. In this challenging reality, it is a clear advantage for companies to have skilled, committed shareholders. Industrivärden monitors and carries on a dialog with its portfolio companies, and when necessary - through their boards - influences their overall development. In this way Industrivärden contributes to the portfolio companies' growth in value over time. In its role as active owner, Industrivärden provides:

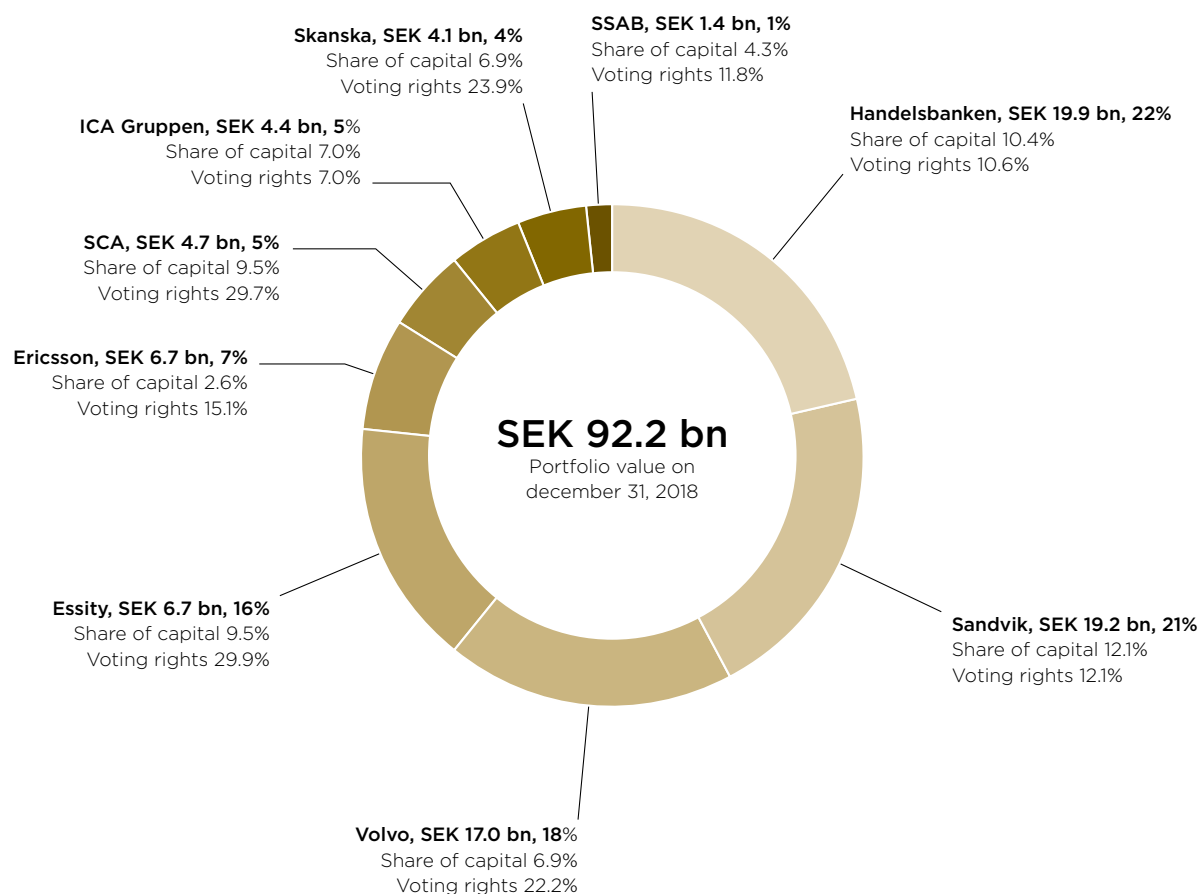
- Long-term perspective with focus on competitive growth in value over time
- Knowledge and experience with bearing on the portfolio company, its competitors and its external operating environment
- Genuine involvement and the ability to evaluate, lend support and make clear demands
- Owner cooperation through discussions and consensus-building on key issues with other owners
- Resources in the form of financial strength and an extensive network

Industrivärden's operations have clearly created value, and, during the last three, five and ten-year periods, Industrivärden stock has generated a higher total return than the Nasdaq Stockholm Stock Exchange, which has performed well from an international perspective.



# Portfolio companies

*The equities portfolio is made up of large shareholdings in Handelsbanken, Sandvik, Volvo, Essity, Ericsson, SCA, ICA Gruppen, Skanska and SSAB. At the end of 2018, the portfolio companies had total sales of SEK 1,250 billion and operations in over 180 countries.*







## Handelsbanken

*Handelsbanken is a full-service bank that offers private and corporate customers in the Nordic countries, the UK and the Netherlands a comprehensive range of high-quality financial services. The bank has a local presence and nationwide branch networks in its respective home markets.*

Handelsbanken has a decentralized work approach based on the core principle that responsibility for each customer rests with the local branch where the customer lives or does business. This enables close and enduring customer relationships that are characterized by availability, simplicity and a high standard of service. The branches set locally adapted priorities with respect to their customer categories and product areas. Handelsbanken's service offering is being developed to accommodate digital platforms as well as local customer interfaces, which complement each other. Through consistent application of this highly effective business model, Handelsbanken has achieved competitive profitability, a strong financial position, high customer satisfaction and leading market positions. The business is

growing internationally in pace with establishment and development of the business model in selected markets.

The bank is run with long-term stable finances, low risk tolerance, low costs and focus on achieving the highest level of capital efficiency possible. A sustainable, keen ability to create value for customers, shareholders, employees and other stakeholders is a central component in Handelsbanken's work on running a modern and sustainable bank. For many years Handelsbanken has had more satisfied customers (according to EPSI Rating), lower loan losses and higher cost effectiveness and profitability than the average for its competitors.



## Sandvik

*Sandvik is a high-tech global engineering group with sales in more than 150 countries, offering products and services that enhance customer productivity, profitability and sustainability. The company has leading positions in tools and tooling systems for industrial metal cutting; equipment, tools, service and technical solutions for the mining and construction industries; and advanced stainless steels and special alloys.*

Operations are organized into three business areas and are conducted in 19 product areas that have their own strategies and are entirely responsible for their own operations. The product areas deliver solutions mainly to six customer segments: mining, engineering, automotive, energy, construction and aerospace. The Sandvik Machining Solutions (SMS) business area specializes in manufacturing tools and tooling systems for advanced metal cutting. Products are manufactured in cemented carbide and other hard materials. Sandvik Mining & Rock Technology (SMRT) supplies equipment, tools, service and technical solutions for the mining and construction industries. Application areas include rock drilling, rock cutting, crushing and screening. Sandvik

Materials Technology (SMT) manufactures advanced stainless steels, special alloys, titanium and other high performance materials. The product offering includes pipe, metal powders, strip steel and products for industrial heating.

Sandvik has a long history of successful, value-based sales with a focus on customers' processes and efficiency improvement opportunities. The company's strengths include unique expertise in materials technology, extensive knowledge about industrial processes, close customer cooperation and high capacity for innovation.



## Volvo

*The Volvo Group is one of the world's leading manufacturers of trucks, construction equipment, buses and marine and industrial engines. The Group also provides complete solutions for financing and service.*

Operations are global, with sales in 190 countries. The vision is to be the most desired and successful transport solution provider in the world. The business model builds upon the company's strong brands, leading innovative ability and first-class service network aimed at providing competitive, reliable and effective products and services that create value for customers. Business is conducted under several leading brands, which enables the Group to penetrate many different customer and market segments in mature as well as emerging markets. Trucks are sold under the Volvo, Renault Trucks, Mack and UD brands, under the Eicher brand by an Indian joint-venture company, and under the Dongfeng brand by a Chinese joint-venture company. The Volvo Group also sells construction equipment under the Volvo, SDLG and Terex brands. In addition, the Group

manufactures and sells buses and, through Volvo Penta, engines for marine and industrial applications.

In recent years the Volvo Group has undergone an extensive transformation through reorganization, product renewal and greater customer focus while taking measures to improve internal efficiency. The company conducts concerted innovation work in the areas of electrification, automation and connectivity to meet future needs for transport solutions.



## Essity

*Essity is a leading global hygiene and health company that develops, produces and sells products and services in Personal Care (Baby Care, Feminine Care, Incontinence Products and Medical Solutions), Consumer Tissue and Professional Hygiene.*

Value is created by focusing on customers' and consumers' needs to develop products and solutions that enhance customer and consumer benefit. Essity works with continuous efficiency improvement and by growing profitable market positions and improving or leaving low-performing positions to achieve profitable growth. The innovation process plays a central role in Essity's strategy. It is based on current trends, customer and consumer insight, new technology and new business models. In this process Essity also takes sustainability aspects and product safety into account. Essity's presence in both mature and emerging markets gives it keen insight into trends and needs.

Operations are global, with sales in some 150 countries. The product offering is designed to improve customers' well-being and covers a wide range of areas

including incontinence products, feminine care products, baby diapers, wound care, compression therapy and orthopedics, professional hygiene, wet wipes, toilet paper and paper towels. Sales are made under own brands, where several are globally leading, as well as under retailers' private labels. The company has a strong position in many emerging markets, including China, Latin America and Russia. Since 2013 Essity is the majority owner of Vinda, one of China's largest hygiene products companies.



## Ericsson

*Ericsson is a global telecommunications company that provides infrastructure, services and software to customers in the telecom industry and other sectors in more than 180 countries.*

The company delivers customer value by continuously developing its offering with focus on customers' priorities in the key areas of efficiency, the digital experience and new revenue streams. This work is based on Ericsson's strengths: technology leadership, product-led solutions, and global scale and skill. These factors have enabled a strong position in technology and services, which is illustrated by substantial investments in research and development and the world's strongest patent portfolio containing some 45,000 granted patents.

Ericsson's business is conducted in four segments: Networks, Digital Services, Managed Services and Emerging Business & Other. Networks develops hardware and software for operators of radio and transport networks as well as solutions for the next generation of mobile networks (5G). Customers' needs to be able to handle a growing volume of data with maintained quality and unchanged costs are creating momentum for the

next generation of mobile networks, and Ericsson has a leading position within 5G. Digital Services provides IT systems, core networks and infrastructure that help telecom operators meet the challenges they are facing in the ongoing digital transformation, including cloudbased virtual networks. Managed Services offers operational and optimization services for communications networks and IT systems for operators. The Emerging Business & Other segment invests in strategic growth opportunities based on 5G and IoT. Initiatives are driven as startup projects.





## SCA

*SCA is a leading forest products company that owns 2.6 million hectares of environmentally certified forestland in northern Sweden, which is the largest private forest holding in Europe.*

Based on this unique resource, SCA has developed a well-invested and resource-efficient industry designed to create the highest possible value from the forest, where the entire tree is used to create value. The company's products include solid-wood products, pulp, kraftliner, publication papers and renewable energy.

SCA creates value and contributes to a circular economy by providing customers sustainable products based on raw material from responsibly managed forests and an efficient value chain. The strategy is to focus on selected markets and product categories, use innovation to develop new business opportunities, and continuously improve efficiency.

Operations are organized in four segments. The Forest segment manages SCA's forestland, of which 2 million hectares are used for timber production for

SCA's forest industries. Roughly an equal amount of timber that is harvested from its own forests is purchased from other forest owners. The Timber segment includes five sawmills in Sweden, wood processing units with planing mills in Sweden, the UK and France, and distribution and wholesale operations. The Pulp segment produces sulfate pulp and chemi-thermomechanical pulp (CTMP), which is made at the Östrand pulp mill. The Paper segment produces containerboard in Obbola and Munksund, and publishing papers in Ortviken, which are used for magazines, catalogs and advertising brochures.



## ICA Gruppen

*ICA Gruppen is a leading retail group with a focus on food and health.*

The Group includes ICA Sweden and Rimi Baltic, which conduct primarily grocery retail business; Apotek Hjärtat, which conducts pharmacy operations; ICA Real Estate, which owns and manages properties; and ICA Bank, which offers financial services. ICA Gruppen has approximately 1,900 Group- or retailer-owned stores and pharmacies

ICA Gruppen's business model is based on extensive consumer and market insight that is combined with economies of scale to enable coordination gains, strong customer offerings, high customer loyalty, efficient processes, the right mix of channels and physical store networks. ICA Gruppen's core business is grocery retail. Surrounding this a number of businesses have been built up which individually and in cooperation

contribute to an attractive customer offering and stable market position. All of the businesses are to be profitable and support the core business. A clear trend in retailing is the ongoing digitalization, which affects all of ICA Gruppen's businesses. A central part of this is the rapid growth of e-commerce.



## Skanska

*Skanska is one of the world's leading construction and project development companies, focused on selected home markets of the Nordic countries, other European countries and the U.S.*

Supported by global trends in urbanization and demographics, and by being at the forefront in sustainability, Skanska offers competitive solutions for both simple and the most complex assignments. Operations are conducted through four business streams: Construction, Residential Development, Commercial Property Development and Infrastructure Development. Construction is Skanska's largest business stream and involves construction of buildings, industrial facilities, infrastructure and residences. The Construction operations generate cash flow that can be invested in value-creating project development. Residential Development develops housing for sale primarily to private home buyers. Commercial Property Development

initiates, invests in, develops, leases out and sells commercial property projects. Infrastructure Development develops, invests in, operates and sells infrastructure projects, such as highways, hospitals and schools.

Skanska's operations are based on the premise that value is created in the thousands of projects carried out every year. The company's overarching aspiration is to create industry-leading shareholder value by being the customers' preferred partner and the industry's most attractive employer, by taking a value-driven approach to sustainable solutions, by continuing to develop internal collaboration, and by continuously improving operational efficiency.



## SSAB

*SSAB is a highly specialized global steel company driven by close customer relationships.*

SSAB develops high strength steels and provides services to enhance the performance of customers' products, which enables sustainable products with clear competitive advantages. The overall goal is to attain industry-leading profitability and generate stable cash flows. This is achieved by ensuring that SSAB has a leading position in high strength steels and value-added services on a global scale, and by being a market leader in its home markets. SSAB is a leading producer in the global market for Advanced High-Strength Steels and

Quenched & Tempered Steels. SSAB's steels and services enable to make end products lighter and increase their strength and lifespan. In the Nordic market SSAB is the market leader in strip, plate and tubular products as well as in construction solutions. In North America SSAB is the leading producer of plate.

SSAB is structured across three steel divisions: SSAB Special Steels, SSAB Europe, and SSAB Americas, and two subsidiaries: Tibnor and Ruukki Construction.



# INDUSTRIVÄRDEN'S BOARD OF DIRECTORS



Lars Pettersson, Annika Lundius, Christian Caspar, Fredrik Lundberg, Helena Stjernholm, Pär Boman, Nina Linander, Bengt Kjell

## **Fredrik Lundberg**

Born 1951. B.Sc. Eng., B.Sc. Econ., Honorary Ph.D.  
in Economics, Honorary Ph.D. in Technology  
President and CEO of L E Lundbergföretagen  
Chairman of the Board since 2015. Director since 2004

## **Pär Boman**

Born 1961. Engineering and Business/Economics degree.  
Honorary Ph.D. in Economics  
Vice Chairman since 2015. Director since 2013

## **Christian Caspar**

Born 1951. B.Sc. Econ.  
Director since 2011

## **Bengt Kjell**

Born 1954. B.Sc. Econ.  
Director since 2015

## **Nina Linander**

Born 1959. B.Sc. Econ., MBA  
Director since 2014

## **Annika Lundius**

Born 1951. LL.M  
Director since 2014

## **Lars Pettersson**

Born 1954. M.Sc. Eng., Hon. Ph.D.  
Director since 2015

## **Helena Stjernholm**

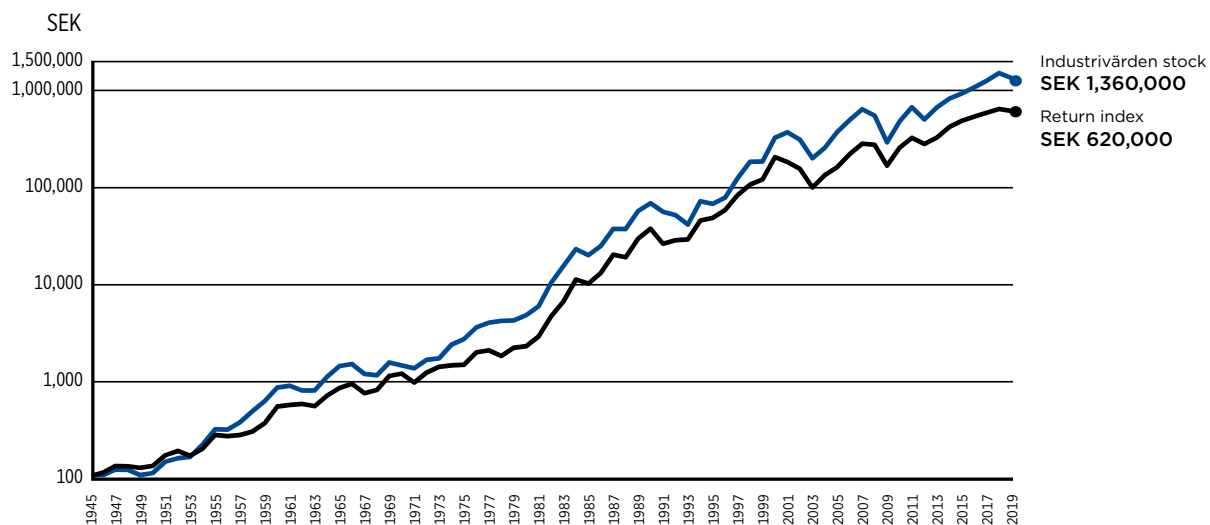
Born 1970. M.Sc. Econ.  
President and CEO of Industrivärden  
Director since 2016

The Board of Directors on 31 December 2018  
(elected at the Annual General Meeting on 17 April 2018).



## APPENDIX: VALUE GROWTH OVER 75 YEARS

Increase in value (total return) based on SEK 100 invested in 1945



CAGR, Class A shares: 13.8% against 12.6% for the total return index (SIXRX) on December 31, 2018.

INDUSTRI  VÄRDEN

## OTHER INFORMATION

**Authors:** Sverker Sivall, Industrivärden; Eva Ersson Åbom, Centre for Business History, and Anders Sjöman, Centre for Business History.

**Sources:** Industrivärden's company archive, the anniversary book 'Industrivärden 65 year' and relevant company archives at the Centre for Business History.

**Photos:** Industrivärden's photo archive and approved photos from each portfolio company.

Page 6, Handelsbanken's archive at the Centre for Business History

Page 8, Handelsbanken's archive at the Centre for Business History

Page 12, AGA's archive at the Centre for Business History

Page 13, Skogsindustrierna's archive at the Centre for Business History

Page 14, top row: Photographer Gösta Nordin's archive at the Centre for Business History (photo by Gösta Nordin)

Page 14, center and bottom rows: Talentum's photo archive at the Centre for Business History

Page 16, Ericsson's historical archive at the Centre for Business History

Page 19, SCA's archive at [www.bildhotellet.se](http://www.bildhotellet.se). (SCA, Östrands Sulfatfabrik. New flash dryer in operation in 1974)

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