

Interim Report

January 1 – March 31, 2006

- **Industrivärden's net asset value was SEK 58,692 M on May 4, 2006, an increase of SEK 10,440 M, or 22%, for the year to date. Net asset value on March 31, 2006, was SEK 55,570 M (36,557).**
- **Net asset value per share on May 4, 2006, was SEK 304, an increase of SEK 54 per share since the start of the year. Net asset value per share on March 31, 2006, was SEK 288 (189).** Average annual growth in net asset value over the last ten-year period, including reinvested dividends, was 19%. Earnings per share for the first three months of 2006 were SEK 37.90 (0.01).
- **During the first four months of the year, the total return for Industrivärden's Class A stock was 17%, and the total return for the Class C stock was 20%, compared with 15% for the return index.** The average annual total return over the last ten-year period was 6 percentage points higher than the return index.
- **Additional shares were purchased in Höganäs in March, bringing Industrivärden's total holding to 10.1% of the capital and 8.1% of the votes in the company.**

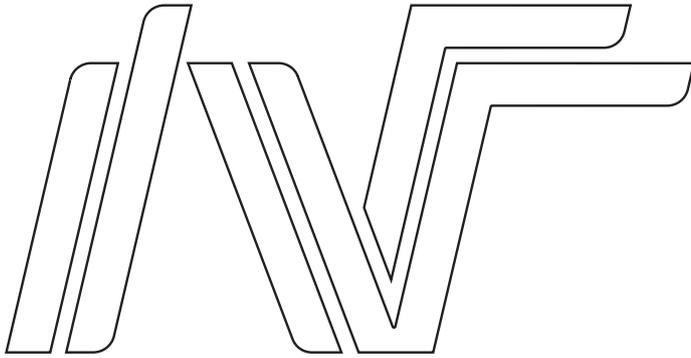
Industrivärden in Summary

	Change, % Jan.1–May 4	Average annual change, %	
		Five years, Apr. '01–Apr. '06	Ten years, Apr. '96–Apr. '06
Total return			
Industrivärden Class A	17	10	20
Return index (SIXRX)	15	8	14
Excess return, Industrivärden Class A	2	2	6
Net asset value			
Net asset value	22	4	12
Net asset value incl. reinvested dividends	22	11	19



Composition of Net Asset Value

	SEK billion				SEK per share			
	2006 May 4	2006 March 31	2005 Dec. 31	2004 Dec. 31	2006 May 4	2006 March 31	2005 Dec. 31	2004 Dec. 31
Parent Company								
Equities portfolio	62.8	61.0	52.3	41.7	325	316	271	216
Net debt	-4.1	-5.4	-4.0	-5.1	-21	-28	-21	-27
Net asset value	58.7	55.6	48.3	36.6	304	288	250	189



Industrivärden is one of the Nordic region's leading holding companies, taking an active ownership role in a concentrated selection of listed Nordic companies with good development potential. Industrivärden's mission is to create shareholder value based on a professional investment operation and active ownership. The goal is to generate high growth in net asset value over time. Based on this, the aim is to deliver a total return to Industrivärden's shareholders that is higher, over time, than the average for the Stockholm Stock Exchange. For more information, visit our website: www.industrivarden.net.

CEO's Message

As we near the half year mark, the rate of growth remains favorable in large parts of the world economy. Global growth forecasts have been upgraded, and indications are currently strong that 2006 will be a good year, even if the ongoing adjustment of the previously record-low interest rates in several major economies may have a dampening effect in time. Following years of stagnation, the Japanese economy is showing favorable development. Europe – headed by Germany – has also had higher growth.

Industrivärden's portfolio companies showed a strong first quarter, and it is pleasing to once again note that our portfolio of industrially leading listed companies is maintaining a high class. However, rapid changes in the operating environment and fierce competition require continuous adaptation and improvements. For us as a long-term owner, this is a challenge as well as an opportunity.

SSAB – with a 33% return on capital employed in a strong economy – is a prime example of a successful niche orientation. Through a concerted effort the company has established a leading position in ultra high-strength and quenched steel. With this strategy, SSAB has positioned itself as one of the most profitable steel companies in Europe.

Against the backdrop of the strong performance of our portfolio companies, Industrivärden's net asset value has risen by 22%, or SEK 54 per share, since the start of the year through May 4. Both our Class A and C shares have outperformed the market index.

In March we bought additional shares in the company Höganäs, and our holding now amounts to slightly more than 10% of the capital. Höganäs has solid materials expertise in the production of metal powder-based industrial components. Key customers can be found in the automotive industry, among others. It's our judgement that Höganäs has promising future potential in an exciting product area.

Another interesting new investment was the purchase of slightly more than 5% of the shares in the Norwegian media technology company Tandberg Television. The company is a globally leading niche player primarily in the area of compression technology, which is needed for the transmission of multi-media data. The company's equipment and software are used to digitalize TV data which is necessary in order to make use of the new digital TV technology.

The quarterly result of our short-term trading amounted to SEK 67 M (37), compared with our unchanged management costs of SEK 20 M.

ANDERS NYRÉN
President and CEO

NET ASSET VALUE

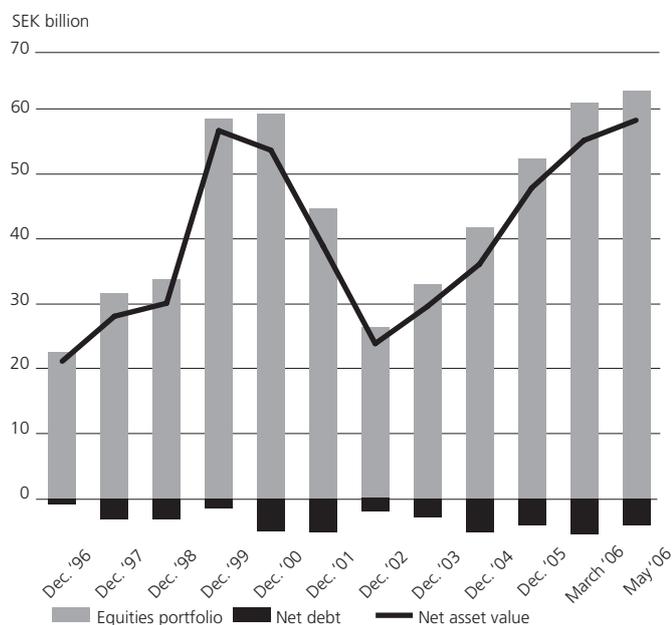
Net asset value has grown by an average of 12% per year over the last ten-year period. Including reinvested dividends, the average annual increase was 19%, compared with 14% for the return index.

Total growth in net asset value including reinvested dividends

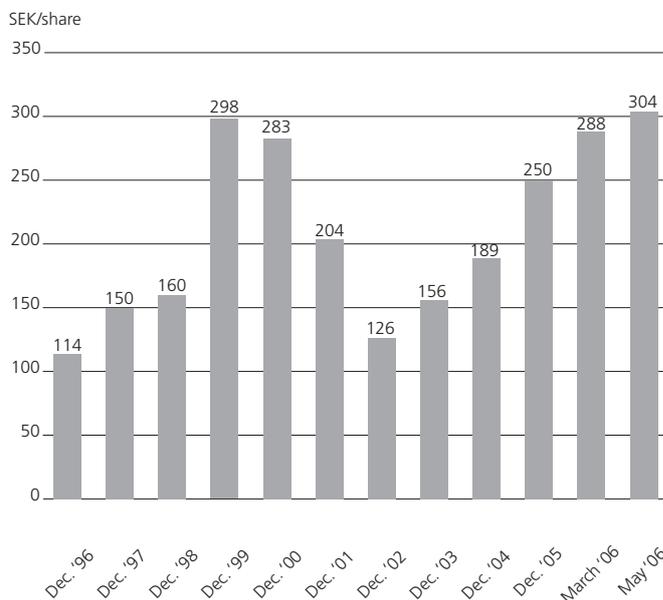
during the last ten-year period was 456%, compared with 280% for the return index.

Net asset value consists of the difference between the market value of the equities portfolio and net debt. Its development over the last ten-year period is shown in the charts below.

Development of Net Asset Value



Net Asset Value per Share



The value of the equities portfolio on March 31, 2006, was SEK 61,025 M (41,765). During the first three months of the year, stocks were purchased for SEK 1,384 M and sold for SEK 57 M.

Management costs amounted to SEK 20 M, which were amply covered by the surplus of SEK 67 M generated by short-term derivative transactions and equity trading. Net financial items for portfolio management amounted to SEK -51 M. Overall, net debt increased by SEK 1,442 M, to SEK 5,455 M, mainly due to net purchases of stocks during the quarter, totaling SEK 1,327 M.

Net asset value at the end of March 2006 was SEK 55.6 billion, an increase of SEK 7.3 billion, or 15%, since the start of the year.

As per May 4, 2006, net asset value was SEK 58.7 billion, an increase of SEK 10.4 billion during the year to date.

Development of Net Asset Value, SEK M

	Jan. 1–March 31, 2006	Jan. 1–May 4, 2006
Net asset value, Dec. 31, 2005	48,252	48,252
<i>Equities portfolio</i>		
Opening value	52,265	52,265
Purchases	1,384	1,458
Sales	-57	-158
Change in value of equities portfolio:		
Sandvik	2,353	3,926
Handelsbanken	1,307	1,039
SSAB	1,183	2,631
SCA	1,070	955
Ericsson	755	-565
Skanska	210	259
Munters	154	248
Indutrade	123	342
Höganäs	58	142
Other stocks ¹	220 7,433	262 9,239
Closing value	61,025	62,804
<i>Net debt</i>		
Opening value	-4,013	-4,013
Dividend paid out	-	-
Dividends received	-	1,310
Management costs	-20	-27
Net financial items	-51	-65
Purchases/sales of stocks, net	-1,327	-1,300
Other ¹	-44	-17
Closing value	-5,455	-4,112
Net asset value	55,570	58,692

¹ Includes surplus of SEK 67 M from short-term derivative transactions and equity trading as per March 31, 2006, and a provision of SEK -51 M for a tax ruling.

Equities Portfolio²

The market value of Industrivärden's equities portfolio on March 31, 2006, was SEK 61,025 M (SEK 52,265 M at the start of the year), which exceeded cost by SEK 38,972 M (SEK 31,592 M at the start of the year). See the detailed portfolio specification as

per March 31, 2006, on page 7. The market value on May 4, 2006, was SEK 62,804 M. Taking into account purchases and sales, the change in value was 18% compared with the start of the year.

Company	As per March 31, 2006		Total return, %	Average annual total return, %		As per May 4, 2006	
	Value breakdown,			Five years,	Ten years,	Value breakdown,	
	No. of shares	SEK M	Jan.'06–March'06	March'01–March'06	March'96–March'06	No. of shares	SEK M
Handelsbanken	67,000,000	14,506	10	11	21	67,000,000	14,238
Sandvik	26,000,000	11,973	24	25	17	26,000,000	13,546
Ericsson	377,000,000	11,122	7	-6	9	377,000,000	9,801
SCA	23,600,000	8,079	15	14	16	23,600,000	7,964
SSAB	14,150,000	5,278	29	42	23	14,000,000	6,664
Skanska	32,300,000	4,118	11	12	17	32,300,000	4,167
Indutrade	14,857,800	1,445	9	–	–	14,857,800	1,664
Munters	3,400,000	899	21	14	–	3,400,000	993
Höganäs	3,550,000	671	10	7	6	3,550,000	754
Others		2,934					3,013
Total		61,025	14				62,804
Return index			12	11	15		

Of the shareholdings listed above, Munters and Höganäs have been held for less than five years, while Sandvik has been held for less than ten years. Indutrade became listed on the stock market in October 2005.

Handelsbanken's operating profit for the first quarter improved as a result of – among other things – a sharp improvement in net commissions and net financial items, mainly pertaining to SPP, which is consolidated starting in 2006. Increased lending volume did not cover narrowed margins. Net commissions improved due to the positive trend in the stock market and an increase in insurance commissions. The change in value of SPP's insurance portfolio had a positive effect on net financial items due to valuation at fair value. Recoveries exceeded loan losses for the fourth consecutive quarter. Due to its favorable capital situation, Handelsbanken continued to repurchase shares during the quarter, and the 2006 Annual General Meeting approved a new repurchase program. At the 2006 Annual General Meeting Pär Boman was appointed as new Group Chief Executive.

Sandvik's profit after financial items rose by slightly more than 40% in the first quarter as a result of higher sales volumes, improved productivity, a better product mix and a favorable price trend. Order intake showed good growth. Sales in the Tooling business area increased in most markets, and the operating margin strengthened further. The trend in the Mining and Construction business area was strong, and order intake rose sharply. The trend also remained favorable for the Materials Technology business area. Continuous product development and global expansion have further strengthened Sandvik's positions.

Ericsson's income after financial items was unchanged compared with the same period a year ago. The operating margin narrowed as a result of new contracts with a larger portion of network installations and the integration of newly acquired Marconi. Over

time, these installations will enable larger service contracts, while the acquisition of Marconi supports the important development toward the next generation of IP networks. The strong development in the service sector continued, and Ericsson believes that the market for professional services will show good growth in 2006. Half-owned Sony Ericsson reported strong performance during the quarter and more than doubled its earnings.

SCA's earnings after financial items rose during the first quarter as a result of good volume growth and the effects of cost-cutting programs, despite considerably higher energy and raw material costs. Sales and earnings for the Personal Care business unit improved. The trend in volume was favorable for most of the company's businesses. Despite fierce competition, SCA has managed to continue raising prices of tissue products in several major European markets. The ongoing efficiency improvement programs are continuing according to plan, and the savings effects will be realized gradually during the year.

SSAB's profit after financial items was one of its best quarterly results ever. Demand for SSAB's core niche products, extra and ultra high strength steel sheet and quenched steel, remained strong. Deliveries of these products rose 18% and account for approximately 40% of total sheet and plate deliveries from the steel operations. To meet demand, capital expenditures of approximately SEK 800 M have been decided on to further increase capacity in quenched steel by approximately 20%. Cash flow excluding sold operations improved, and the company now has a net cash surplus. At the 2006 Annual General Meeting Olof Faxander was appointed as new Group Chief Executive.

² Pertains to the Parent Company's equities portfolio. Based on these holdings, short-term derivative transactions are also conducted. Industrivärden also conducts short-term equity trading through the subsidiary Nordinvest, which had shareholdings with a market value of SEK 158 M as per March 31, 2006.

Skanska reported improved operating income for its core Construction business. However, income after financial items fell during the first quarter due to lower sales and income from Commercial Project Development. Order bookings were strong and showed growth. After the end of the quarter, an agreement was signed on the financing of a hospital project in London, with a construction contract worth approximately SEK 14 billion.

Indutrade's earnings after financial items for the first quarter rose nearly 60%. The gross margin improved, mainly due to a lower portion of project orders with low margins. Profitable acquisitions made a favorable contribution. Incoming orders remained strong, and the return on operating capital strengthened further.

Munters' earnings after financial items for the first quarter nearly doubled compared with a year ago. Volume growth was strong, and all three divisions improved their operating income as well as operating margins. The margin improvement was the greatest in the HumiCool division as a result of improved productivity and more efficient materials purchasing.

Höganäs' income after net financial items for the first quarter was level with the preceding year. Excluding currency effects, operating income improved by 24%. Volume development was favorable in most markets, and continued growth is expected during the year. Cash flow improved considerably due to a reduction in working capital.

Equity Transactions During the Year

During the first quarter of 2006, purchases of stocks totaled SEK 1,384 M and sales totaled SEK 57 M. Major purchases consisted of 3,728,200 shares in Tandberg Television ASA, for SEK 471 M, and shares in Schibsted ASA, Volvo and Hemtex, for a total of SEK 913 M.

After the end of the reporting period, from April 1 through May 4, 2006, stocks were purchased for SEK 74 M and sold for SEK 101 M.

Short-Term Derivative Transactions and Equity Trading

A profit of SEK 67 M (37) was generated from short-term trading.

Net Debt

The Parent Company's net debt was SEK 5.4 billion on March 31, 2006, including SEK 5.0 billion in interest-bearing net debt, corresponding to a net debt-equity ratio of 8.2% (7.0% at the start of the year), as shown in the specification below.

Interest-bearing net debt increased by SEK 1.3 billion compared with the start of the year, mainly due to net purchases of stocks.

Net debt as per May 4, 2006, was SEK 4.1 billion, including SEK 3.7 billion in interest-bearing net debt.

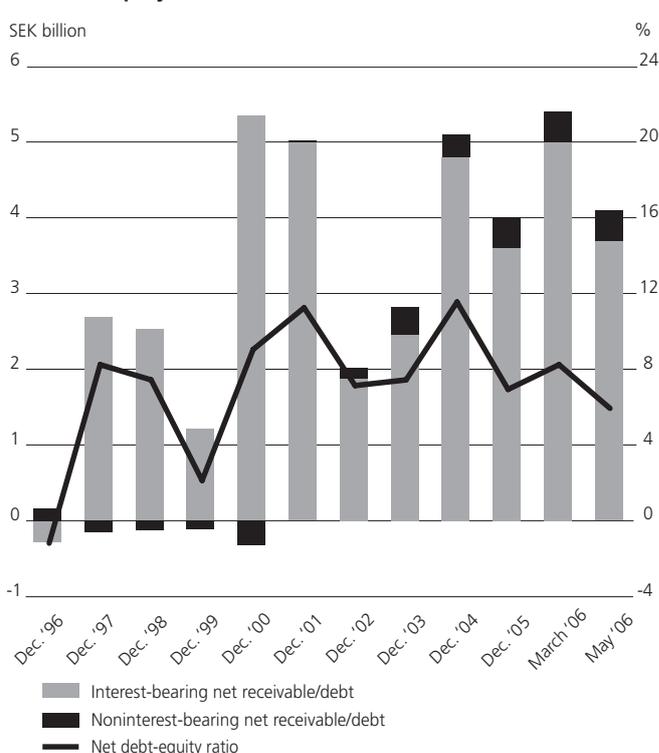
In 2006, Industrivärden is expected to receive a total of slightly more than SEK 1.7 billion in dividends. Of this sum, Industrivärden has received SEK 1.3 billion as per May 4, 2006.

The Board's proposed dividend of SEK 7 per share entails a dividend payout of slightly more than SEK 1.3 billion, which is expected to be paid on May 16, 2006.

Change in Interest-Bearing Net Debt

SEK M	Dec. 31 2004	Dec. 31 2005	March 31 2006	May 4 2006
Cash and cash equivalents	453	1,257	855	2,281
Current interest-bearing receivables	358	89	111	80
Long-term interest-bearing liabilities	4,102	3,870	3,670	3,670
Current interest-bearing liabilities	1,650	1,350	2,513	2,584
	4,941	3,874	5,217	3,893
Less: liabilities to subsidiaries	-143	-202	-197	-215
Interest-bearing net debt	4,798	3,672	5,020	3,678
Market value of equities portfolio	41,691	52,265	61,025	62,804
Net debt-equity ratio, %	11.5	7.0	8.2	5.9

Net Debt-Equity Ratio



EARNINGS

Group

Consolidated earnings from portfolio management amounted to SEK 7,433 M (40), including SEK – M (–) in dividend income, SEK 7,368 M (3) in change in value of stocks, SEK 67 M (37) from short-term derivative transactions and equity trading, and SEK -2 M (0) in other income and expenses. Earnings from other operations, pertaining primarily to the subsidiary Isaberg Rapid, totaled SEK 17 M (4). After SEK -20 M (-20) in management costs and SEK -51 M (-55) in net financial items, earnings after financial items were SEK 7,379 M (-31). After tax of SEK -59 M (-2) and earnings after tax from discontinued operations, totaling SEK – M (35) (pertaining to Indutrade), net earnings for the period were SEK 7,320 M (2). Reported tax includes an additional tax charge of SEK 51 M (as a result of a ruling by the Administrative Court of Appeal); similarly, net financial items include an additional interest charge of SEK 9 M. See note 3 on page 8.

The Group's interest-bearing net debt amounted to SEK 5.3 billion as per March 31, 2006, an increase of SEK 1.3 billion compared with the start of the year.

OTHER INFORMATION

Accounting Principles

Starting on January 1, 2005, Industrivärden's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU. The accounting principles used in preparing this report are described in the 2005 Annual Report. This interim report is prepared in accordance with IAS 34 pursuant to the requirements made by Swedish Financial Accounting Standards Council recommendation RR 31 – Interim Financial Reporting for Groups. The amendments and interpretations of accounting recommendations introduced from January 2006 have not had any effect on the Group's financial position or earnings.

Stockholm, May 8, 2006

ANDERS NYRÉN
President and CEO

Auditors' Review Report

We have reviewed the Interim Report for AB Industrivärden (publ) for the period January 1 – March 31, 2006. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Annual Accounts Act and IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by FAR. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not, in all essential respects, prepared in accordance with the Annual Accounts Act and IAS 34.

Stockholm, May 8, 2006

Öhrlings PricewaterhouseCoopers AB
ANDERS LUNDIN
Authorized Public Accountant

Annual General Meeting, May 8, 2006

Decisions made at Industrivärden's Annual General Meeting on Monday, May 8, 2006, will be presented in an AGM press release that will be released directly after the conclusion of the Annual General Meeting. Information related to the Annual General Meeting is available from the Company and on Industrivärden's website: www.industrivarden.net under the menu Corporate governance/Annual General Meeting.

Further Information

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Industrivärden's complete contact information can be found on page 1.

Financial Calendar

Interim report January–June 2006: August 3, 2006
Interim report January–September 2006: October 31, 2006
Year-end report for 2006: February 15, 2007
The 2006 Annual Report will be published in early March 2007

Parent Company's Equities Portfolio

Holdings as per March 31, 2006	No. of shares	Value breakdown				Share of portfolio value, %	Share of capital in company, %	Share of votes in company, %
		Market value		Cost	Surplus value			
		SEK M	SEK/share					
Handelsbanken A	67,000,000	14,506	75	4,524	9,982	24	10.3	10.5
Sandvik	26,000,000	11,973	62	5,379	6,594	20	11.6	11.6
Ericsson A	372,000,000	11,122	58	3,262	7,860	18	2.4	13.4
Ericsson B	5,000,000							
SCA A	16,000,000	8,079	42	2,466	5,613	13	10.6	29.1
SCA B	7,600,000							
SSAB A	14,150,000	5,278	27	912	4,366	9	15.4	20.1
Skanska A	15,000,000	4,118	21	1,579	2,539	7	8.0	27.1
Skanska B	17,300,000							
Indutrade	14,857,800	1,445	8	248	1,197	2	37.1	37.1
Volvo A	2,000,000	1,205	6	884	321	2	0.8	1.3
Volvo B	1,352,000							
Munters	3,400,000	899	5	614	285	2	13.6	13.6
Höganäs B	3,550,000	671	4	637	34	1	10.1	8.1
Tandberg Television ASA	3,897,800	633	3	489	144	1	5.1	5.1
Isaberg Rapid		222	1	205	17	0	100.0	100.0
Other		874	4	854	20	1		
Total as per March 31, 2006		61,025	316	22,053	38,972	100		

Share of capital and votes includes the Parent Company's outstanding OTC options in Handelsbanken, Sandvik, Ericsson, SCA, SSAB, Skanska and Volvo, and Nordinvest's shareholding in Tandberg Television ASA.

Valuation of the subsidiary Isaberg Rapid is provided in a definition on page 11.

Total number of Industrivärden shares outstanding: 193,135,612.

Holdings as per Dec. 31, 2005	No. of shares	Value breakdown				Share of portfolio value, %	Share of capital in company, %	Share of votes in company, %
		Market value		Cost	Surplus value			
		SEK M	SEK/share					
Handelsbanken A	67,000,000	13,199	68	4,524	8,675	25	10.0	10.3
Ericsson A	372,000,000	10,367	54	3,262	7,105	20	2.3	13.3
Ericsson B	5,000,000							
Sandvik	26,000,000	9,620	50	5,365	4,255	18	11.3	11.3
SCA A	16,000,000	7,009	36	2,466	4,543	13	10.2	28.9
SCA B	7,600,000							
SSAB A	14,200,000	4,104	21	915	3,189	8	15.6	20.4
Skanska A	15,000,000	3,908	20	1,579	2,329	8	7.7	26.9
Skanska B	17,300,000							
Indutrade	14,857,800	1,322	7	248	1,074	3	37.1	37.1
Volvo A	1,900,000	880	5	553	327	2	0.6	1.2
Volvo B	500,000							
Munters	3,400,000	745	4	614	131	1	13.6	13.6
Höganäs B	3,400,000	585	3	609	-24	1	9.7	7.7
Isaberg Rapid		205	1	205	-	0	100.0	100.0
Other		321	2	333	-12	1		
Total as per December 31, 2005		52,265	271	20,673	31,592	100		

Development from

January 1 – March 31, 2006:

Purchases	1,384
Sales	-57
Change in value	7,433

Market value as per March 31, 2006 61,025

Industrivärden Consolidated Income Statement

SEK M	2006 Jan.–March	2005 Jan.–March	2005 Jan.–Dec.
Portfolio management			
Dividend income from stocks	–	–	1,275
Change in value of stocks	7,368	3	12,937
Short-term derivative transactions and equity trading	67	37	122
Other income and expenses	-2	0	0
Earnings from portfolio management	7,433	40	14,334
Other operations			
Net sales	238	218	894
Cost of goods sold	-144	-144	-583
Development costs	-6	-7	-25
Selling costs	-50	-46	-184
Administrative costs	-20	-18	-80
Other operating income and expenses	-1	1	0
Earnings from other operations	17	4	22
Management costs	-20	-20	-78
Operating earnings	7,430	24	14,278
Interest income	6	4	13
Interest expenses ³	-57	-59	-230
Other financial items	0	0	-14
Earnings after financial items	7,379	-31	14,047
Tax³	-59	-2	-7
Earnings for the period for continuing operations	7,320	-33	14,040
Earnings for the period for discontinued operations⁴	–	35	162
Net earnings for the period	7,320	2	14,202
Depreciation included in operating earnings	11	12	42
Earnings per share, SEK ⁵	37.90	0.01	73.54
Breakdown by business unit			
Earnings after financial items			
Portfolio management	7,362	-32	14,038
Other operations	17	1	9
Discontinued operations⁴	–	50	225
Group	7,379	19	14,272

³ 2006 includes tax charge of SEK 51 M plus interest of SEK 9 M, pursuant to a ruling by the Administrative Court of Appeal. The tax amount pertains to the tax years 1998–2002 on standard-calculated earnings for shares in subsidiaries. According to the tax laws currently in effect, no standard-calculated level of earnings is assessed for shares in subsidiaries.

⁴ Earnings from discontinued operations pertains to Indutrade until October 5, 2005, which is the date on which the company became listed on the stock exchange.

	Q1 2006	Q1 2005	Oct, 5 2005
Net sales	–	828	2,763
Expenses	–	-778	-2,538
Earnings after financial items	–	50	225
Tax	–	-15	-63
Earnings for the period	–	35	162

⁵ Net earnings for the period divided by 193,135,612 shares. There is no dilutive effect.

Industrivärden Consolidated Balance Sheet

SEK M	March 31 2006	March 31 2005	Dec. 31 2005
Intangible fixed assets	82	258	83
Tangible fixed assets	226	517	228
Equities	60,626	39,233	51,910
Other financial fixed assets	16	25	12
Inventories	196	773	197
Accounts receivable, trade	225	682	239
Other current assets	218	365	185
Cash and cash equivalents	906	673	1,307
Total assets	62,495	42,526	54,161
Shareholders' equity	55,548	35,183	48,227
Long-term noninterest-bearing liabilities	36	53	43
Long-term interest-bearing liabilities	3,839	4,897	4,037
Current noninterest-bearing liabilities	713	1,138	608
Current interest-bearing liabilities	2,359	1,255	1,246
Total shareholders' equity and liabilities	62,495	42,526	54,161

Change in Consolidated Shareholders' Equity

SEK M	2006 Jan.–March	2005 Jan.–March	2005 Jan.–Dec.
Opening shareholders' equity	48,227	35,175	35,175
Dividend to shareholders	–	–	-1,159
Translation differences	1	6	9
Net earnings for the period	7,320	2	14,202
Closing shareholders' equity	55,548	35,183	48,227
Shareholders' equity per share, SEK	288	182	250

Industrivärden Consolidated Statement of Cash Flows

SEK M	2006	2005	2005
	Jan.–March	Jan.–March	Jan.–Dec.
OPERATING ACTIVITIES			
Operating cash flow from portfolio management	56	89	1,510
Operating cash flow from other operations	15	-28	26
Management costs paid	-20	-22	-79
Financial items, net	-36	-50	-235
CASH FLOW FROM OPERATING ACTIVITIES	15	-11	1,222
INVESTING ACTIVITIES			
Cash flow from investments in portfolio management ⁶	-1,327	-36	941
Cash flow from investments in other operations	-8	-9	-49
CASH FLOW FROM INVESTING ACTIVITIES	-1,335	-45	892
FINANCING ACTIVITIES			
Loans raised and amortization of debt	919	80	-478
Dividend paid out	–	–	-1,159
CASH FLOW FROM FINANCING ACTIVITIES	919	80	-1,637
CASH FLOW FROM DISCONTINUED OPERATIONS⁷	–	22	283
NET CASH FLOW FOR THE PERIOD	-401	46	760
Cash and cash equivalents at start of year	1,307	625	625
Less: cash and cash equivalents in discontinued operations	–	–	-83
Exchange rate difference in cash and cash equivalents	0	2	5
CASH AND CASH EQUIVALENTS AT END OF PERIOD	906	673	1,307

⁶ Pertains to changes in the Parent Company's equities portfolio.

⁷ Cash flow from discontinued operations pertains to Indutrade until October 5, 2005, which is the date on which the company became listed on the stock exchange.

	Q1 2005	–Oct. 5 2005
Cash flow from:		
- operating activities	29	147
- investing activities	-7	-184
- financing activities	0	19
Cash flow for the period	22	-18

Of which, dividend etc. to Industrivärden	–	301
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Cash flow from discontinued operations	22	283
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Of which, dividend etc. to Industrivärden	–	301
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Cash flow from discontinued operations	22	283
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Change in Interest-Bearing Net Debt

SEK M	2006	2005	2005
	Jan.–March	Jan.–March	Jan.–Dec.
Interest-bearing net debt at start of year	3,970	5,392	5,392
Net cash flow for the period	401	-46	-760
Change in borrowings	919	80	-478
Other changes	2	-2	3
Change pertaining to discontinued operations ⁸	–	–	-187
Interest-bearing net debt at end of period	5,292	5,424	3,970

⁸ Pertains to Indutrade.

Definitions

Market value of equities portfolio

The market value of the equities portfolio is defined as the market value of the listed portfolio (based on the market price on the balance sheet date) and shareholders' equity for the wholly owned company Isaberg Rapid and the other unlisted shareholdings, respectively.

Net debt

Net debt is defined as the Parent Company's interest-bearing and noninterest-bearing net debt.

Net debt-equity ratio

The Parent Company's interest-bearing net debt in relation to the market value of the Parent Company's equities portfolio.

Interest-bearing net debt

Interest-bearing liabilities and pensions less cash and cash equivalents and interest-bearing receivables, and for the Parent Company, also adjusted for liabilities to subsidiaries.

Net asset value

The market value of the Parent Company's equities portfolio less net debt.

Net asset value including reinvested dividends

The development of net asset value including reinvested dividends after tax, recalculated taking into account the development of the listed portfolio. This gives a measure of how net asset value would have developed if Industrivärden had not paid any dividends and thereby had taxable earnings, since dividends rendered are tax-deductible.

Total return

Price trend plus reinvested dividends.

Change in value of equities

For equities held at both the start and end of the period, the change in market value consists of the difference in value between these two occasions. For equities sold during the period, the change in market value consists of the difference between the value at the start of the period and the payment price received. For equities acquired during the period, the change in market value consists of the difference between the cost of the equities and their value at the end of the period.

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