

# Year-end report

## January 1–December 31, 2012

- **Net asset value on December 31, 2012, was SEK 129 per share, an increase of 29% for the year including reinvested dividends.** Net asset value on February 4, 2013, was SEK 138 per share, an increase of 7% since the start of the year.
- **The value of the equities portfolio increased by 18% during the year, or SEK 10.1 billion, to SEK 68.1 billion. The Stockholm Stock Exchange rose 12%.** On February 4, 2013, the equities portfolio was worth SEK 71.6 billion, an increase of 5% since the start of the year.
- **The total return for the year was 33% for the Class A shares and 37% for the Class C shares, compared with 16% for the return index.**
- **Income for the year, including unrealized changes in value, totaled SEK 11.0 billion (-15.6), corresponding to SEK 28.50 per share (-40.51).**
- **During the year, shares were purchased in the portfolio companies for SEK 3.3 billion and sold for SEK 2.1 billion.**
- **Industrivärden is the largest single shareholder of Volvo, with 18.7% of the votes, after additional purchases of 10 million Class A shares, and Volvo's conversion of Class A to Class B shares requested by Renault.**
- **The Board of Directors proposes a dividend of SEK 5.00 per share (4.50).**

<b>Net asset value</b>	Feb. 4, 2013	<b>Dec. 31, 2012</b>	Dec. 31, 2011
Equities portfolio, SEK billion	71.6	<b>68.1</b>	56.9
Interest-bearing net debt, SEK billion	-18.3	<b>-18.2</b>	-16.8
of which, convertible loans	-8.4	<b>-8.4</b>	-8.6
Net asset value, SEK billion	53.3	<b>49.8</b>	40.1
Net asset value per share, SEK	138	<b>129</b>	104
Net asset value per share after full conversion, SEK	133	<b>126</b>	106

<b>Total return</b>	1 yr.	5 yrs.	10 yrs.	15 yrs.	20 yrs.
Class A shares (yearly average)	33%	4%	13%	9%	15%
Class C shares (yearly average)	37%	5%	14%	9%	15%
Benchmark index (SIXRX)	16%	3%	13%	8%	13%
Excess return for Class C shares, percentage points	21%	2%	1%	1%	2%

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

*For further information please visit [www.industrivarden.net](http://www.industrivarden.net).*



## CEO's message

2012 was the fifth year to be characterized by the effects of the financial crisis that began at the start of 2008 and culminated with the Lehman Brothers crash. Like most financial crises, this one was triggered by a real estate bubble, with severe consequences for the financial system in general and the banking industry in particular. The problems began in the U.S., where after a half decade the country has now left the crisis behind and is moving towards growth, as moderate as that may be.

The past year was characterized by problems in Europe, which at their core are rooted in real estate crises in a number of European countries and have exposed numerous difficulties. When the lending banks encountered problems, governments that were already highly in debt were forced to step in to rescue the privately owned financial system with public funds. So what essentially has transpired is a solvency crisis. Even though major challenges remain, there are now signs that the euro crisis is also on a path to stabilization. In China as well as the rest of Asia, accelerating growth is forecast. Such is also the case in South America, led by Brazil, which had weak performance in 2012. There is therefore reason for some optimism.

For a long-term oriented and active owner as Industrivärden, the most central factors are to ensure that the companies we invest in have the right management, a clear direction, and organically develop their core business. It is also important that we, in our capacity as a holding company, adjust our portfolio composition over time. Here I would like to give some examples on a number of concrete activities of various kinds that were carried out in 2012.

Handelsbanken has continued to perform very well in terms of profitability, growth and stability as well as customer satisfaction. The bank's success and its unique organizational model for its banking business are the focus of growing attention, including in the international press. Its profitability is once again, for the 41st year in a row, better than the average return for its competitors. During the year, Handelsbanken continued to perform well in markets outside Sweden. In the UK, where it is growing organically, Handelsbanken opened its 133th branch in 2012.

Despite the weak economic development during the second half of 2012, Sandvik managed to post strong full-year earnings, with improved margins and higher profitability. This is tangible proof that the necessary work begun by the company's

new management on changing Sandvik into a more modern and global enterprise is beginning to generate results. Sandvik is now taking extensive measures to strengthen profitability through sharper focus and higher efficiency. With a starting point in major know-how in value-based sales that are centered around customers' processes and efficiency improvement needs, Sandvik is well equipped to develop into an even stronger company.

In connection with Renault's sale of all 139 million of its Class A shares in Volvo, of which 110 million were converted to B-shares, we bought another 10 million A-shares for SEK 0.9 billion. With 19% of the votes, Industrivärden is thereby the largest shareholder of the world's leading provider of commercial transport solutions. Together with the Handelsbanken Pension Foundation and Handelsbanken Pension Fund, we now control 21% of the votes. We have a strong belief in Volvo's development potential, and the efficiency and profitability enhancement work that has been initiated by Volvo's management bodes well for the future. In January 2013, Volvo entered into a strategic alliance with the Chinese vehicle manufacturer Dongfeng, making Volvo the world's largest manufacturer of heavy-duty trucks and strengthening its position and growth opportunities in Asia.

Through the acquisition of Georgia-Pacific's European tissue operation, the previous acquisition of Procter & Gamble's European tissue operation, the sale of the European packaging operation and the divestment of the paper mill in Laakirchen and of its part ownership in Aylesford Newsprint, SCA has carried out a strategic transformation towards more stable and highly refined products with higher profitability. SCA is now the clear market leader in Europe in tissue and hygiene products. Moreover, the acquisitions are enabling further efficiency improvement measures and are giving rise to both revenue and cost synergies. The foundation has now been laid for SCA to take advantage of its strong and profitable position in Europe to move forward with ventures in emerging markets in Asia and South America. SCA's focus on products with stable demand and higher profitability has been well-received by the stock market. In 2012 SCA's stock rose 40%, compared with 12% for the Stockholm Stock Exchange. It can also be noted that SCA, for the first time in a long time, is now valued above its visible equity.

Ericsson, which is a leading provider of communications networks and related services to telecom operators, further strengthened its positions in 2012. The company has long been a major player in the important U.S. market and stands up very well against its Chinese competitors in the world market. In recent years, Ericsson has focused on capturing market shares in Europe, where operators are upgrading and expanding their networks. This has resulted in lower gross margins but creates good future potential. Through selected acquisitions and divestments, in recent years Ericsson has further geared its business towards its core areas – networks and related services.

Skanska is one of the world's leading construction companies, with strong positions in Europe and the U.S. By combining efficient construction operations with a successful model for value-creating project development, Skanska has generated substantial shareholder value over time. The company is working actively to capitalize on its size and global presence by developing operational synergies in areas such as knowledge, purchasing and development. In 2012 Skanska started its first infrastructure project in the U.S. and sold its first commercial real estate project in the country. We have a strong belief in Skanska's future opportunities, and in 2012 we bought additional shares in the company for slightly more than SEK 700 M.

In 2012 SSAB, whose Nordic operations produce mainly sheet steel, was hit hard by the recession in large parts of Europe. Parallel with this, the company concluded the strategic investment program that was started in 2008 through the acquisition of the North American steel maker IPSCO. This acquisition has been a very good deal for SSAB, where the North American operations have carried SSAB through the crisis that plagued the European steel industry in recent years. Through the investments that have

now been completed, SSAB has consolidated its market-leading positions in high-strength and quenched steels – now also with substantial manufacturing capacity for specialty products in North America. A higher need for lightweight and energy-efficient steel with special material properties creates good future opportunities for SSAB.

The equities portfolio had good growth in value in 2012, and a large share of the drop in value that occurred in the wake of the financial crisis has now been recovered. Net asset value, including reinvested dividends, rose 29% to SEK 129 per share. Industrivärden's Class A and C shares posted total returns of 33% and 37%, respectively, compared with 16% for the Stockholm Stock Exchange return index. For the longer 5-, 10-, 15- and 20-year periods, Industrivärden's stock has generated a higher total return than the Stockholm Stock Exchange – a comparison that is even stronger next to the European or world indexes. It is also gratifying to note that our short-term trading had a good year, despite a difficult derivatives market with relatively low turnover. Profit totaled SEK 118 M, and the operation has now earned approximately SEK 1.1 billion since its start in 2003.

The Board's proposal for a dividend of SEK 5.00 per share represents an increase of 50 öre, or 11%, compared with last year. This also means that we continue to fulfill our goal of paying a favorable dividend yield that is higher than the average for the Stockholm Stock Exchange.

Our portfolio companies have leading positions in their business areas, global coverage and a growing presence in emerging markets. With a well developed business model and strong financial base, we have favorable prospects for creating competitive shareholder value.

Anders Nyrén

### Total return for the Industrivärden stock



Measured from December 31, 1992.

## Net asset value

Net asset value on December 31, 2012, was SEK 49.8 billion, an increase of SEK 9.7 billion in 2012. Net asset value per share increased by SEK 25 to SEK 129, or 29% including reinvested dividends. During the same period, the total return index (SIXRX) increased by 16%. On February 4, 2013, net asset value amounted to SEK 53.3 billion, or SEK 138 per share, an increase of 7% since the start of the year.

## Equities portfolio

The value of the equities portfolio – adjusted for purchases and sales – increased by SEK 10.1 billion for the full year 2012, to SEK 68.1 billion. The total return for the portfolio during the same period was 22%, compared with 16% for the total return index (SIXRX). On February 4, 2013, the equities portfolio was worth SEK 71.6 billion, an increase of 5% since the start of the year.

Portfolio companies	December 31, 2012					December 31, 2011			
	No. of shares	Ownership in company		Share of portfolio value, %	Market value		Market value		
		Capital, %	Votes, %		SEK M	SEK/share	SEK M	SEK/share	
Handelsbanken A	64,251,679	10.2	10.3	22	14,932	39	12,274	32	
Sandvik	142,617,757	11.4	11.4	22	14,761	38	12,210	32	
Volvo A	131,506,918	6.2	18.7	17	11,757	30	9,323	24	
SCA A	43,100,000	10.0	29.7	15	9,987	26	7,174	19	
SCA B	27,700,000								
Ericsson A	84,708,520	2.6	15.0	8	5,413	14	5,613	14	
Skanska A	12,667,500	8.3	24.9	5	3,717	10	3,234	8	
Skanska B	22,329,795								
SSAB A	56,105,972	17.6	22.6	5	3,209	8	3,443	9	
SSAB B	754,985								
Indutrade	14,727,800	36.8	36.8	4	2,901	7	2,695	7	
Höganäs B	4,408,046	12.6	10.0	2	1,095	3	937	2	
<b>Total, portfolio companies</b>				<b>100</b>	<b>67,772</b>	<b>175</b>	<b>56,903</b>	<b>147</b>	
Other				0	305	1	0	0	
<b>Equities portfolio</b>				<b>100</b>	<b>68,077</b>	<b>176</b>	<b>56,903</b>	<b>147</b>	
<b>Interest-bearing net debt</b>					<b>-18,248</b>	<b>-47</b>	<b>-16,780</b>	<b>-43</b>	
of which, convertible loans					-8,418	-22	-8,555	-22	
of which, interest-bearing loans					-9,830	-25	-8,225	-21	
<b>Net asset value</b>					<b>49,829</b>	<b>129</b>	<b>40,123</b>	<b>104</b>	
Net debt-equities ratio						27%		29%	
<b>Net asset value after full conversion</b>						<b>126</b>		<b>106</b>	
Net debt-equities ratio after full conversion						14%		14%	

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

## Net debt

Interest-bearing net debt amounted to SEK 18.2 billion on December 31, 2012. The debt-equities ratio was 27%, and the equity ratio was 71 (69)%. After full conversion of outstanding convertible loans, corresponding to SEK 8.4 billion, the debt-equities ratio was 14%.

The convertible loans are hedged, entailing that translation effects do not affect net asset value.

For the convertible loan that matures in 2015, the conversion price is SEK 112.87/share (corresponding to EUR 11.04/share), whereby a maximum of 45.3 million Class C shares would be added upon full conversion. Conversion is done at a fixed exchange rate of SEK 10.2258/EUR 1, entailing that at an actual exchange rate of SEK 8.55/EUR 1, it is profitable to convert when the share price exceeds SEK 94/share.

For the convertible loan that matures in 2017, the conversion price is SEK 159.91/share (corresponding to EUR 18.01/share), whereby a maximum of 30.5 million Class C shares would be added upon full conversion. Conversion is done at a fixed exchange rate of SEK 8.8803/EUR 1, entailing that at an actual exchange rate of SEK 8.55/EUR 1, it is profitable to convert when the share price exceeds SEK 154/share.

At the end of 2012, interest-bearing liabilities had an average interest and capital duration of approximately 3 years and carried an average interest rate of 3.3%.

None of the Group's borrowings are conditional on a certain credit rating or actual debt-equities ratio. Industrivärden's current credit rating is A-/Stable/A-2 (S&P).

## Total return

Industrivärden's ownership has contributed to good growth in value for the portfolio companies, and Industrivärden's stock has been a good long-term investment. For the long 5-, 10-, 15- and 20 year periods, Industrivärden's stock generated a higher total return than the return index, a performance even stronger if compared with Europe- and world index. The total return for Industrivärden's stock for various time periods is shown in a table on the first page.

In 2012 the shareholdings in SCA, Handelsbanken, Sandvik, Höganäs and Volvo generated better returns than the return index. On the whole, the total return for the equities portfolio was 22%, compared with 16% for the return index.

Portfolio companies	Total return 2012		Average annual total return, %	
	SEK billion	%	Five years	Ten years
SCA	3.2	45	8	8
Handelsbanken	4.1	34	8	12
Sandvik	3.2	27	2	15
Höganäs	0.2	22	22	9
Volvo	2.0	22	-1	19
Indutrade	0.3	11	14	-
Skanska	-0.1	-2	4	14
SSAB	-0.1	-4	-18	10
Ericsson	-0.2	-4	-1	7
<b>Total portfolio companies</b>	<b>12.6</b>	<b>22</b>		
<b>Index (SIXRX)</b>		<b>16</b>	<b>3</b>	<b>13</b>
<b>Industrivärden C</b>		<b>37</b>	<b>5</b>	<b>14</b>

The total return in SEK billion pertains to the change in value including dividend income for the respective portfolio companies.

Indutrade became a listed company in October 2005.

## Equity transactions

In 2012, shares were purchased for SEK 3,262 M and sold for SEK 2,149 M. The largest sale was made in Handelsbanken, for SEK 746 M as a result of short-term derivative transactions in 2011-12, with a favourable outcome. Largest purchases were made in Volvo, for SEK 795 M, followed by Skanska, for SEK 709 M.

Following the up-weighting in Volvo and through conversion of Volvo Class A to Class B shares, Industrivärden is now the single largest shareholder of the company, with 6.2% of the capital and 18.7% of the votes.

### **Short-term trading and management costs**

In 2012, Industrivärden's short-term trading generated a profit of SEK 118 M (152). Management costs amounted to SEK 123 M (105). Industrivärden's management cost was 0.18% of managed assets, which is considerably lower than for most comparable investment alternatives.

## Active ownership

With more than 60 years of experience in active ownership, Industrivärden has a unique position in creating long-term value in listed Nordic companies. The ambition is to work in a structured manner and actively contribute to growth in value of the portfolio companies. Operations rest on a foundation of significant owner influence, extensive experience, knowledgeable employees, a strong business model and a large network. Our portfolio companies are leaders in their respective segments and all have strong global positions.

With Industrivärden they have a professional and active owner, to the benefit of their as well as Industrivärden's long-term growth in value. Current overarching ownership matters include ensuring that the companies strengthen their respective positions in emerging markets, having preparedness for a possible drop in demand, and monitoring the companies' capital structures.

Following is a general description of Industrivärden's investment cases along with strategic activities in brief.

### Handelsbanken

***A well developed universal banking operation and decentralized branch network with local customer responsibility contribute to high customer satisfaction and good profitability.***

[www.handelsbanken.com](http://www.handelsbanken.com)

- Consistently applied business model.
- Favorable financial position and strengthened market position.
- Organic growth in priority markets in the Nordic countries and UK.
- Strong capitalization further strengthened and meets the new Basel III requirements.



***Through a niche focus and strong R&D profile, Sandvik has established a world-leading position in materials technology with products primarily for the manufacturing, mining and construction industries.***

[www.sandvik.com](http://www.sandvik.com)

- New executive management, strategic focus and new organization.
- Strong market position for Mining in growth markets in Asia, Latin America and Australia, among others.
- Additional restructuring program is expected to reduce costs by SEK 1 billion by year-end 2013.
- Acquisition of Seco Tools and sale of Medical Solutions.

### VOLVO

***Through innovative, customer-adapted product development and high quality, Volvo has a world-leading position in commercial transport solutions.***

[www.volvogroup.com](http://www.volvogroup.com)

- New executive management, strategic focus and new organization.
- Strengthened positions in geographical growth regions.
- Sale of Volvo Aero.
- World's most modern heavy trucks through new FH series.
- World's largest heavy-duty truck manufacturer following strategic alliance with Chinese Dongfeng.



***Leading global hygiene products and paper company with a rapidly growing offering of personal care products. Europe's largest private forest owner.***

[www.sca.com](http://www.sca.com)

- Divestment of packaging business to DS Smith.
- Acquisition of Georgia-Pacific's European tissue business.
- Several strategic acquisitions in hygiene segment in key geographic growth markets.
- Sale of shareholdings in newsprint mill in Aylesford and publication paper mill in Laakirchen.
- Reorganization of hygiene operations, and efficiency improvement programs for reduced costs and higher productivity.

***The market's largest and most profitable supplier of mobile telecom infrastructure, with a leading position in telecom development.***

[www.ericsson.com](http://www.ericsson.com)

- Market leader in telecom systems.
- North America's leading supplier of network systems, with major upgrading and development contracts.
- Acquisition of U.S. company Telcordia strengthens offering of support for telecom operators.
- Several significant operational and service agreements in key growth markets.
- Continued strong growth for services business.
- Interest in Sony Ericsson sold to Sony.

## **SKANSKA**

***Unique turnkey know-how in construction combined with a process focus has created a leading construction services company with world-class value-creating project development.***

[www.skanska.com](http://www.skanska.com)

- Efficient construction operations generate good cash flows.
- Successful model for value-creating project development.
- Sale of first commercial real estate development project in the U.S.

## **SSAB**

***World-leading position in high strength steel sheet niche creates solid foundation for growth and sustained high profitability.***

[www.ssab.com](http://www.ssab.com)

- Stronger focus on highly profitable specialty products.
- Completion of strategic investment program to increase capacity in quenched steels.
- New finishing line in China put in operation.
- Efficiency improvement program in Europe is estimated to give annual savings of SEK 0.8 billion starting from 2014.

## **Indutrade**

***The combination of sales of high-tech industrial consumables, good organic growth and a highly refined model for acquisition-based growth has resulted in strong profitability growth.***

[www.indutrade.se](http://www.indutrade.se)

- Continued growth through acquisitions.
- Flexibility through decentralized business model.

## **Höganäs**

***Market leader in growing niche of metal powders, used primarily for component manufacturing in the automotive industry.***

[www.hoganas.com](http://www.hoganas.com)

- Increased activity in emerging markets.
- High rate of investment in research and product development in collaboration with customers.
- Market launch of new electromagnetic applications.

## Other information

### **Dividend**

The Board of Directors proposes a dividend of SEK 5.00 (4.50) per share and May 9, 2013, as the record date. The total dividend payout will amount to SEK 1,931 M.

### **Accounting policies**

This year-end report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU, and the Swedish Annual Accounts Act. The Parent Company's financial statements have been prepared in accordance with RFR 2, Accounting for Legal Entities, and the Swedish Annual Accounts Act. New or revised IFRSs as well as IFRIC interpretations have not had any effect on the Group's or Parent Company's results of operations or financial position.

### **Risks and uncertainties**

The dominant risk in Industrivärden's business is share price risk, i.e., the risk of a decrease in value caused by changes in share prices.

A 1% change in the share price of the holdings in the equities portfolio as per December 31, 2012, would have affected their market value by approximately +/- SEK 700 M.

### **Related party transactions**

In 2012, dividend income was received from associated companies.

Stockholm, February 6, 2013

Anders Nyrén, President and CEO

## **Auditors' Review Report**

Report on the auditors' review of interim financial information performed in accordance with IAS 34 and Ch. 9 of the Swedish Annual Accounts Act.

### *Introduction*

We have reviewed this report for the period 1 January to 31 December 2012 for AB Industrivärden (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### *Scope of Review*

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

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

Stockholm, February 6, 2013

PricewaterhouseCoopers AB  
Magnus Svensson Henryson  
*Authorized Public Accountant*

## **Further information**

For further information, please visit Industrivärden's website: [www.industrivarden.net](http://www.industrivarden.net)

### **Contact persons**

Anders Nyrén, President and CEO  
Anders Gustavsson, IRO  
Sverker Sivall, Head of Corporate Communication  
Martin Hamner, CFO  
Tel. +46-8-666 64 00

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

### **Ticker codes**

INDUC SS in Bloomberg  
INDUc.ST in Reuters

### **Publication**

The information provided in this year-end report is such that AB Industrivärden (publ) is obligated to publish pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. Submitted for publication at 11:40 a.m. on February 6, 2013.

### **Financial calendar and 2013 AGM**

Interim report January–March 2013: April 5  
2013 Annual General Meeting: May 7, in Stockholm  
Interim report January–June 2013: July 5  
Interim report January–September 2013: October 7

## Industrivärden Group

SEK M	2012 Oct.–Dec.	2011 Oct.–Dec.	2012 Jan.–Dec.	2011 Jan.–Dec.
<b>Income statement</b>				
Dividend income from stocks	0	0	2,391	2,403
Change in value of stocks, etc.	2,936	4,694	9,205	-17,504
Other income and expenses*	-6	26	-5	47
Operating income	2,930	4,720	11,591	-15,054
Financial items	-148	-154	-583	-593
Income after financial items	2,782	4,566	11,008	-15,647
Tax	–	–	–	–
Net income for the year	2,782	4,566	11,008	-15,647
Earnings per share, SEK	7.20	11.82	28.50	-40.51
Earnings per share after dilution, SEK	6.83	10.38	25.83	-40.51
<b>Statement of comprehensive income</b>				
Income for the year	2,782	4,566	11,008	-15,647
Change in hedging reserve	0	10	27	5
Comprehensive income for the year	2,782	4,576	11,035	-15,642
<b>Balance sheet</b> as per end of year				
Equities			68,077	56,903
Other non-current assets			85	52
Total non-current assets			68,162	56,955
Short-term equity investments			86	0
Cash and cash equivalents			55	57
Other current assets			299	104
Total current assets			440	161
Total assets			68,602	57,116
Shareholders' equity			48,437	39,140
Non-current interest-bearing liabilities			14,188	13,947
Non-current noninterest-bearing liabilities**			1,285	527
Total non-current liabilities			15,473	14,474
Current interest-bearing liabilities			4,305	2,923
Other liabilities			387	579
Total current liabilities			4,692	3,502
Total shareholders' equity and liabilities			68,602	57,116
<b>Cash flow</b>				
Cash flow from operating activities			1,809	2,072
Cash flow from investing activities			-1,114	-4,461
Cash flow from financing activities***			-699	2,433
Cash flow for the year			-4	44
Exchange rate difference in cash and cash equivalents			2	13
Cash and cash equivalents at end of year			55	57

\* Including short-term trading and management costs.

\*\* Of which, the option portion of the convertible loans, totaling SEK 1,076 M (519), which at the times of issue amounted to a combined total of SEK 982 M.

\*\*\*Of which, dividends of SEK 1,738 M paid to the shareholders in 2012 and SEK 1,545 M in 2011.

SEK M	2012 Jan.–Dec.	2011 Jan.–Dec.
<b>Changes in shareholders' equity</b>		
Opening shareholders' equity as per balance sheet	39,140	56,327
Comprehensive income for the year	11,035	-15,642
Dividend	-1,738	-1,545
Closing shareholders' equity as per balance sheet	48,437	39,140
<b>Key data as per end of year</b>		
Net asset value per share, SEK	129	104
Net asset value per share after full conversion, SEK	126	106
Share price (Class A), SEK	111	87
Share price (Class C), SEK	108	82
Number of shares (thousands)*	386,271	386,271

#### Interest-bearing net debt at end of year

Cash and cash equivalents	55	57
Interest-bearing assets	190	33
Non-current interest-bearing liabilities**	14,188	13,947
Current interest-bearing liabilities	4,305	2,923
Interest-bearing net debt	18,248	16,780

\* Number of shares upon full conversion (thousands), 462,113.

\*\*Of which, convertible loans SEK 8,418 M (8,555).

#### Industrivärden – Parent Company

SEK M	2012 Jan.–Dec.	2011 Jan.–Dec.
<b>Income statement</b>		
Operating income	4,100	-12,695
Income after financial items	3,849	-12,959
Income for the year	3,849	-12,959
<b>Statement of comprehensive income</b>		
Income for the year	3,849	-12,959
Change in hedging reserve	-3	-4
Comprehensive income for the year	3,846	-12,963
<b>Balance sheet as per end of year</b>		
Non-current assets	44,889	39,705
Current assets	1,830	1,914
Total assets	46,719	41,619
Shareholders' equity	31,519	29,411
Non-current liabilities	13,191	9,763
Current liabilities	2,009	2,445
Total shareholders' equity and liabilities	46,719	41,619



Long-term industrial  
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Box 5403  
SE/114 84 Stockholm

Tel. +46-8-666 64 00  
[info@industrivarden.se](mailto:info@industrivarden.se)