

Corporate Governance Report

Corporate Governance in the Kinnevik Group is based on Swedish legislation and other generally accepted sound practice on the securities market. Kinnevik applies the Swedish Corporate Governance Code (the "Code"). This Corporate Governance report represents a formal part of the Board of Directors' Report.

During 2013, Kinnevik, in line with previous years, deviated from the Code regulation stipulating that the Chairman of the Board may not be the Chairman of the Nomination Committee. The deviation from the Code is explained in more detail in the section Nomination Committee below.

Annual General Meeting

The Swedish Companies Act (2005:551) ("ABL") and the Articles of Association determine how the notice to the Annual General Meeting and extraordinary general meetings shall occur, and who has the right to participate in and vote at the meeting. There are no restrictions for the number of votes each shareholder may cast at the general meeting. A-shares entitle to ten votes, whereas other shares entitle to one vote. Distance participation and voting at the general meeting is not available.

Information on major shareholders in the Company, as well as issue authorizations approved by the Annual General Meeting and authorization to acquire own shares, is provided in Note 11 to the Parent Company, Share Capital.

Nomination Committee

At the 2013 Annual General Meeting, it was decided that a Nomination Committee consisting of at least three members appointed by the Company's largest shareholders would be established during October 2013 following consultation with the largest shareholders in the Company at 30 September 2013. The Nomination Committee would be elected for a period commencing with the publication of the Company's interim report for the third quarter of 2013 until the next Nomination Committee is formed. If a member of the Nomination Committee resigns prematurely, the Nomination Committee can choose to appoint a new member after consultation with the, at that time, largest shareholders in the Company. The Nomination Committee reserves the right to reduce its membership as long as the number of members remains at least three. Cristina Stenbeck is to be a member of the Nomination Committee and will convene the Nomination Committee. The Nomination Committee will itself appoint a Chairman at the first meeting. The Nomination Committee is entitled, upon request, to receive resources from the Company such as the secretarial function in the Nomination Committee and the right to charge the Company with expenses for recruiting consultants and related travel if deemed necessary.

Pursuant to the resolution of the Annual General Meeting, Cristina Stenbeck convened a Nomination Committee

consisting of members appointed by the largest shareholders in Kinnevik that have chosen to appoint a member to the Nomination Committee. The Nomination Committee is comprised of Cristina Stenbeck, Max Stenbeck appointed by Verdere S.à r.l., Wilhelm Klingspor appointed by the Klingspor family, Ramsay Brufer appointed by Alecta and Edvard von Horn appointed by the von Horn family. The Nomination Committee's task is to submit proposals for the Board of Directors and Auditors, in the event Auditors shall be elected, and fees to the Board of Directors and Auditors, a proposal for the Chairman of the Annual General Meeting as well as the procedure for the Nomination Committee ahead of the 2014 Annual General Meeting. The Chairman of the Board, Cristina Stenbeck, was appointed Chairman of the Nomination Committee, an appointment that deviates from what the Code prescribes. The other members of the Nomination Committee declared their decision regarding election of the Chairman of the Nomination Committee as being in the Company and shareholders' best interest and a natural consequence of Cristina Stenbeck leading the Nomination Committee's work in recent years, as well as her connection to the Company's largest shareholders.

Auditors

According to the Articles of Association, the Company shall have not more than three auditors, with not more than three deputies, or a registered audit firm.

At the 2013 Annual General Meeting, the registered audit firm Deloitte AB, with Authorized Public Accountant Jan Berntsson as Auditor in Charge, was newly elected Company auditor for a period of four years until the 2017 Annual General Meeting. Jan Berntsson, born 1964, has also audit engagement in another listed company, Atlas Copco AB. The auditor's independence is secured by legislation and professional ethics and the audit firm's internal guidelines and by adhering to the Audit Committee's guidelines governing the type of assignments that the audit firm may conduct in addition to the audit. During 2013, Deloitte AB has provided certain services in issues regarding Corporate Responsibility, due diligence assignments and IFRS. Information regarding remuneration appears in the Annual Report in Note 20 for the Group and Note 5 for the Parent Company, Auditors' Fees for elected auditors.

Board of Directors and Group Management

Board members are elected at the Annual General Meeting for a period expiring at the close of the next Annual General Meeting. The Articles of Association contains no restrictions pertaining to the eligibility of the Board members. According to the Articles of Association, the number of Board members can be no fewer than three and not more than nine members elected by the shareholders.

At the 2013 Annual General Meeting, following a motion by the former Nomination Committee, Tom Boardman, Vigo

* The Code is available at: <http://www.bolagsstyrning.se>

Carlund, Dame Amelia Fawcett, Wilhelm Klingspor, Erik Mitteregger, Allen Sangines-Krause and Cristina Stenbeck were re-elected members of the Company's Board and Lorenzo Grabau was elected as new member of the Board. The Annual General Meeting re-elected Cristina Stenbeck as Chairman of the Board.

The independence of Board members in relation to the Company and Company Management, and to the major shareholders of the Company is specified on pages 36-37. None of the Board members is employed within the Group. In October, the Board appointed its Chairman Cristina Stenbeck to take on the role of Executive Chairman. Cristina Stenbeck's role will include leadership of key strategic initiatives, and the establishment and management of international partnerships. No additional remuneration except for ordinary board fee has been paid for this work. In October, the Board also appointed board member Dame Amelia Fawcett to become Deputy Chairman of Kinnevik. No additional remuneration except for ordinary board fee has been paid for this work in 2013. The Board member Allen Sangines-Krause has during 2013, following approval by the Board, acted as consultant to the Company performing various management services, which have been remunerated in accordance with separate service agreement, see further Note 25 for the Group. Board member Lorenzo Grabau has during 2013 been engaged by the Board to develop and strengthen Kinnevik's investment function. No additional remuneration except for ordinary board fee has been paid by the company for this work.

Information concerning Group Management is presented in the Annual Report on page 80 and in Note 25 for the Group, Personnel.

Board work

Kinnevik's Board of Directors is responsible for the overall strategy of the Group and for organizing its administration in accordance with the Swedish Companies Act. The Board's work and delegation procedures, instructions for the CEO and reporting instructions are updated and approved at least annually following the Annual General Meeting.

The significant issues that were addressed by Kinnevik's Board during 2013 include the impact of the global economy on Kinnevik and the sectors in which Kinnevik has invested, new investment decisions, the divestment of Kinnevik's entire shareholding in BillerudKorsnäs, capital structure of Kinnevik as well as capital structure of the larger associated companies, as well as the overall strategy and financial performance of all major portfolio companies. As the basis for discussions concerning the listed associated companies, Kinnevik's management presented independent analyses of each company's strategy, operations as well as provided an independent assessment of future opportunities within the markets in which they are active. During the year, three Board meetings have been focusing on the overall strategy within telecom, financial services, media and online, and Kinnevik's position within each of these sectors.

Compliance with laws and regulations, responsibility and

Cristina Stenbeck, Executive Chairman

Born: 1977

Nationality: US and Swedish citizen.

Independence: Independent of the Company and management, not independent of major shareholders.

Direct or related person ownership: 2,200 class B shares. Cristina owns 50% directly and indirectly in Verdere S.à r.l., which owns 29.5 million Kinnevik class A shares. Verdere S.à r.l. controls 44.8% of the votes and 10.6% of the capital in Kinnevik.

Committee work: Member of the Remuneration Committee.

Cristina Stenbeck is the Executive Chairman of Investment AB Kinnevik. Cristina began her career within the Kinnevik group in 1997 when she joined the Board of Invik & Co, its financial services company. Cristina became vice Chairman of Investment AB Kinnevik in 2003 and Chairman in 2007. In addition to leading Kinnevik, Cristina is also Chairman of Zalando, the leading European fashion and accessories e-commerce company. Over the last several years, she has also served on the Boards of Millicom International Cellular, Tele2, Modern Times Group, Transcom WorldWide and Metro International. Cristina chairs the Nomination Committees of Investment AB Kinnevik, Millicom International Cellular, Tele2, Modern Times Group, and CDON Group which spearhead the recruitment of new Directors for each of these companies' Boards. Cristina graduated with a B.Sc. from Georgetown University in Washington DC, USA.

Tom Boardman

Born: 1949

Nationality: South African citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: -

Committee work: Member of the Audit Committee. Tom has been Director of the Board of Investment AB Kinnevik since 2011. He is Non-Executive Director of Nedbank Group since 2010, Woolworths Holdings since 2010, Royal Bafokeng Holdings since 2010 and African Rainbow Minerals since 2011.

Tom held various managerial positions within the South African mining, timber and retailing industries 1973-1986. Between 1986-2002 he held various managerial positions within the BoE Bank and in 2003-2010 he was Chief Executive of Nedbank Group. Tom has a B Com and CTA from the University of Witwatersrand, South Africa.

Vigo Carlund

Born: 1946

Nationality: Swedish citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct och related person ownership: 500,000 class B shares, owned through insurance.

Committee work: -

Vigo has been Director of the Board of Investment AB Kinnevik since 2006. He is Chairman of the Board of

Net Entertainment since 2011 and Black Earth Farming since 2012. He also serves as Director of the Board of iZettle since 2010.

Vigo worked within the Kinnevik Group 1968-2006 and was CEO of Korsnäs 1998-2000, and President and CEO of Transcom WorldWide 2000-2002 as well as Industriförvaltnings AB Kinnevik and later Investment AB Kinnevik 1999-2006.

Dame Amelia Fawcett

Born: 1956

Nationality: US and British citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 10,000 class B shares.

Committee work: Chairman of the Remuneration Committee.

Dame Amelia has been a Director of the Board of Investment AB Kinnevik since 2011, and she was appointed Deputy Chairman in 2013. She is Chairman of the Hedge Fund Standards Board since 2011, a Non-Executive Director of State Street Corporation in Boston, USA since 2006 and Chairman of their Risk and Capital Committee since 2010, and a Non-Executive Member of the Board of the UK Treasury since 2012. Dame Amelia is a Governor of the London Business School, Chairman of The Prince of Wales's Charitable Foundation, a Commissioner of the US-UK Fulbright Commission and a Trustee of Project Hope (UK).

market confidence in Kinnevik are some of the key issues with which the Board actively works. The Corporate Responsibility Policy adopted by the Kinnevik Board, describes Kinnevik's policy on issues pertaining to social responsibility, environmental considerations and ethics.

A Remuneration Committee and an Audit Committee have been established within the Board. These committees are preparatory bodies of the Board and do not reduce the Board's overall responsibility for the governance of the Company and the decisions made. The Board complies with a formal performance review process to assess how well the Board, its committees and processes are performing and how they might be improved. The review also assesses the performance of each Board member, including the Chairman, and the contribution they make.

The Board appointed Legal Counsel Tobias Hultén as the Company Secretary. The Company Secretary is responsible for ensuring that rules of procedure are complied with and all Board Members can turn to the Secretary for advice and assistance in their work for the Board.

During 2013, the Kinnevik Board held 13 meetings (excluding the statutory meeting), of which five were extra meetings held via telephone. The Board member Dame Amelia Fawcett was absent from one ordinary board meeting and three extra board meetings held via telephone. The Board members Erik Mitteregger and Allen Sangines-Krause were absent from one extra board meeting held via telephone. Other Board members were present at all Board meetings.

Remuneration Committee

The Remuneration Committee's assignments are stipulated in Chapter 9.1 of the Code, and comprise issues concerning salaries, pension terms and conditions, incentive programs and other conditions of employment for the group management. The guidelines applied in 2013 are presented in Note 25 for the Group, Personnel.

Cristina Stenbeck, Dame Amelia Fawcett, Wilhelm Klingspor and Erik Mitteregger were members of the Remuneration Committee during 2013. The Chairman of the Remuneration Committee was Wilhelm Klingspor.

The Remuneration Committee shall meet not less than once a year, and more frequently as required, at which minutes of these meetings shall be kept. The Remuneration Committee held seven meetings during 2013, of which six were held via telephone. All members were present at all the meetings.

Audit Committee

The Audit Committee's assignments are stipulated in Chapter 8, Section 49b of the Swedish Companies Act. These tasks include maintaining frequent contacts with the Group's auditors and conducting inspections of the procedures applied for accounting and financial reporting, as well as the internal audits within the Group. The Audit Committee's work focuses on the quality and accuracy of the Group's financial accounting and the accompanying reporting, as well as work on internal financial controls within the Company. Furthermore,

Dame Amelia held various managerial positions within Morgan Stanley 1987-2006 and was Vice Chairman and Chief Operating Officer of the European operations 2002-2006. She was a Non-Executive Director of the Guardian Media Group 2007-2013, and Chairman 2009-2013. Dame Amelia has a Law Degree from University of Virginia, USA, and a BA Magna cum Laude in History from the Wellesley College in Massachusetts, USA.

Lorenzo Grabau

Born: 1965

Nationality: Italian citizen.

Independence: Independent of the Company and management, not independent of major shareholders.

Direct or related ownership: 995,000 class B shares.

Committee work: Member of the Audit Committee
Lorenzo was elected new Director of the Board of Investment AB Kinnevik at the AGM in May 2013. He has served as Non-Executive Director of Modern Times Group and SoftKinetic since 2011, as Non-Executive Director of Millicom International Cellular and Zalando and as Non-Executive Director and co-chairman of Modern Times Group's associated company CTC Media since 2013.

Lorenzo was a Partner and Managing Director at Goldman Sachs in London 1994-2011 and held various leadership positions during his 17 years at the firm. During 1990-1994 Lorenzo was with the Mergers & Acquisitions department of Merrill Lynch in London and

New York. Lorenzo is a graduate from Università degli Studi di Roma, La Sapienza, Italy.

Wilhelm Klingspor

Born: 1962

Nationality: Swedish citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 1,265,474 class A shares and 780,071 class B shares.

Committee work: Member of the Remuneration Committee (Chairman during 2013).

Wilhelm has been Director of the Board of Investment AB Kinnevik since 2004 and was Director of Industrieförvaltnings AB Kinnevik 1999-2004. He also serves as Director of the Board of BillerudKorsnäs since 2012 (Director of Korsnäs 2003-2012).

Wilhelm is CEO of Hellekis Säteri. Wilhelm graduated as Forest Engineer from the Swedish University of Agricultural Sciences in Skinnkatteberg.

Erik Mitteregger

Born: 1960

Nationality: Swedish citizen.

Independence: Independent of the Company and management and independent of major shareholders.

Direct or related person ownership: 35,000 class A shares and 165,000 class B shares.

Committee work: Chairman of the Audit Committee. Member of the Remuneration Committee.

Erik has been Director of the Board of Investment AB

Kinnevik since 2004. He also serves as Chairman of the Board of Wise Group since 2009, Chairman of the Board of Firefly since 2013 and is a Director of the Board of Tele2 since 2010.

Erik was Founding Partner and Fund Manager at Brummer & Partners Kapitalförvaltning 1995-2002. In 1989-1995 he was Head of Equity Research and member of the Management Board at Alfred Berg Fondkommission. Erik holds a B.Sc. in Economics and Business Administration from Stockholm School of Economics.

Allen Sangines-Krause

Born: 1959

Nationality: British and Mexican citizen.

Independence: Not independent of the Company and management, independent of major shareholders.*

Direct or related person ownership: -

Committee work: Member of the Audit Committee.

Allen has been Director of the Board of Investment AB Kinnevik since 2007. He is also Chairman of the Board of Millicom International Cellular since 2010 (Director since 2008) and of BK Partners, an asset management company.

Allen was Managing Director with Goldman Sachs 1993-2008 where he was responsible for investment banking and business development in Latin America, Spain, Russia and other CIS States. Allen holds a Ph.D. in Economics from Harvard University in Massachusetts, USA.

* See further Note 29 for the Group, Personnel.

the Audit Committee evaluates the auditors' work, qualifications and independence. The Audit Committee monitors the development of the accounting policies and requirements, discusses other significant issues connected with the Company's financial reporting and reports its observations to the Board.

Tom Boardman, Lorenzo Grabau, Erik Mitteregger and Allen Sangines-Krause were members of the Audit Committee during 2013. The Chairman of the Committee was Erik Mitteregger.

The Audit Committee shall meet not less than four times annually. Minutes are kept at the Audit Committee's meetings and are reported to the Board at its next meeting. The Audit Committee held eight meetings during 2013, of which five were held via telephone. Tom Boardman was absent from one meeting and Allen Sangines-Krause was absent from one telephone meeting. The other members were present at all the meetings. The external auditors participated in most of the meetings and issued their reports on the results of their examination to both the Audit Committee and the Board of Directors both orally and in writing. The auditors also held an annual meeting with the Board without management being present.

The Board's description of internal control pertaining to the financial reporting for the 2013 fiscal year

The Board is responsible for internal control in accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance. This description has been prepared in accordance with the Swedish Code of Corporate Governance, section 7.4 and Chapter 6, paragraph 6 and Chapter 7, paragraph 31 of the Annual Accounts Act (1995:1554), and is thus restricted to the internal control pertaining to the financial reporting.

Control environment

The purpose of the Board of Directors' rules of procedure and instructions for the CEO and Board committees is to ensure a distinct division of roles and responsibility that promotes the efficient management of operational and financial risks. The Board has also adopted a number of fundamental guidelines of significance to activities involving internal controls, which are described in Kinnevik's Policy and Procedure Manual and include instructions governing the financial reporting of results, authorization procedures, purchasing policies, investment policies, accounting principles, financial risk management and the internal audit. The Company's management reports regularly to the Board following established procedures. In addition, the Audit Committee reports on its work. The Company's management is responsible for the system of internal controls required for managing risks associated with on-going operations. This includes guidelines for the employees to ensure that they understand the importance of their particular roles in efforts to maintain efficient inter-

nal control. The Company's operational and financial risks are reported each quarter to the Board, including an analysis of their consequences and financial impact in the event of them materializing, and how and who exercises on-going control over each risk and how these can be minimized.

Risk assessment and control activities

Kinnevik has implemented a model for assessing the risk of errors in accounting and the financial reporting based on COSO's framework for internal control. The most significant items and processes in which the risk of significant errors can typically arise encompass intangible fixed assets and financial instruments in the income statement and balance sheet, and the investment process. Kinnevik has documented work routines and continuously evaluates how well the controls function pertaining to these items and processes. During 2013, the Audit Committee placed major focus on Kinnevik's policies and processes for valuation of unlisted holdings. To ensure that policies and internal processes function well within this area, the Audit Committee has engaged the external auditors to perform additional work in order to come up with suggestions for improvements in the area.

Internal audits

The Company engages independent auditors that are responsible for following up and evaluating work involved in risk management and internal control. This work includes the monitoring of compliance with set guidelines. The internal auditors conduct their work within the most important subsidiaries and unlisted associated companies on instructions from the Audit Committee and are continuously reporting the results of their examination in the form of written reports to the Committee.

Information and communication

Kinnevik's Policy and Procedure Manual and other guidelines of importance to financial reporting are updated at least once annually. Both formal and informal information channels to Company management and the Board of Directors are available for important information from employees. For external communication, guidelines have been compiled in an Information Policy that ensures that the Company complies with the meticulous demands for correct information to the market and other various constituencies, such as shareholders, Board members, employees and customers.

Follow-up

The Board of Directors continuously evaluates the information provided by Company management and the Audit Committee. The Audit Committee's work to monitor the efficiency of Company management's efforts in this area is of particular importance to the follow-up of internal controls. This work includes ensuring that action is taken concerning those shortcomings and proposed measures that result from the internal and external audit.

Audit Report

To the annual meeting of the shareholders of Investment AB Kinnevik (publ), corporate identity number 556047-9742

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Investmenet AB Kinnevik (publ) for the financial year 2013 except for the corporate governance statement on pages 35-38. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 30-76.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2013 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 35-38. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Other matters

The audit of the annual accounts for the financial year 2012 were performed by another auditor who submitted an auditor's report dated March 26, 2013, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Investment AB Kinnevik (publ) for the financial year 2013. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act Act and that the corporate governance statement on pages 35-38 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a

selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have a sufficient basis for our opinions. This means that our statutory examination of the corporate governance statement is diffe-

rent and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and consolidated accounts.

Stockholm, 2 April 2014
Deloitte AB

Jan Berntsson
Authorized Public Accountant

Definitions of financial key ratios

Equity/assets ratio

Shareholders' equity, including minority holding as a percentage of total assets.

Net cash

Total interest-bearing receivables, short-term investments and cash and cash equivalents less interest-bearing liabilities including provisions for pensions.

Net debt

Interest-bearing liabilities including provisions for pensions less total interest-bearing receivables, short-term investments and cash and cash equivalents.

Debt/equity ratio

Interest-bearing liabilities including interest-bearing provisions divided by shareholders' equity.

Average number of shares

Balanced average of number of shares outstanding during the year, adjusted for share issues, splits and buybacks.

Earnings per share

Net profit for the year, attributable to equity holders of the Parent Company, divided by average number of shares.

Shareholders' equity per share

Shareholders' equity, attributable to equity holders of the Parent Company, divided by number of shares.

Dividend per share

Paid or proposed dividend per share adjusted for share issues and splits.

Dividend yield

Dividend divided by market price at 31 December.

Net Asset Value

Listed Holdings are valued based on the market prices listed on the closing date. The listed market price used for the Group's financial assets is the current bid price. For companies with two classes of shares the market price for the most liquid share class is used.

The value of unlisted companies is based on generally accepted valuation principles such as discounted cash-flow models, multiple valuation using EBIT, net profit etc.