

# Parent Company Income Statement

Years ended December 31, SEK million	Notes	2007	2006 <sup>1)</sup>	2005 <sup>1)</sup>
Net sales <sup>1)</sup>	P2	<b>3,236</b>	2,601	2,497
Cost of sales		<b>-368</b>	-285	-621
Gross margin		<b>2,868</b>	2,316	1,876
Selling expenses <sup>2)</sup>		<b>-632</b>	-206	148
Administrative expenses		<b>-719</b>	-1,072	-796
Operating expenses		<b>-1,351</b>	-1,278	-648
Other operating income and expenses <sup>1)</sup>	P3	<b>2,723</b>	2,339	1,964
Operating income		<b>4,240</b>	3,377	3,192
Financial income	P4	<b>13,747</b>	12,811	13,535
Financial expenses	P4	<b>-3,262</b>	-2,549	-2,700
Income after financial items		<b>14,725</b>	13,639	14,027
Transfers to (-)/from untaxed reserves				
Changes in depreciation in excess of plan	P15	<b>-448</b>	-631	10
Changes in other untaxed reserves	P15	<b>183</b>	543	-57
		<b>-265</b>	-88	-47
Taxes	P5	<b>-1,315</b>	-1,189	-581
<b>Net income</b>		<b>13,145</b>	12,362	13,399

<sup>1)</sup> Patent license fees are included in Net sales from 2007, instead of in Other operating income and expenses, and 2006 and 2005 have been restated accordingly.

<sup>2)</sup> Selling expenses include the net effect of risk provisions for customer financing of SEK 133 million in 2007 (SEK 1,262 million in 2006 and SEK 782 million in 2005).

# Parent Company Balance Sheet

December 31, SEK million	Notes	2007	2006
<b>Assets</b>			
<b>Fixed assets</b>			
Intangible assets	P6	2,989	2,800
Tangible assets	P7, P26	443	300
Financial assets			
Investments			
Subsidiaries	P8, P9	81,406	51,124
Joint ventures and associated companies	P8, P9	4,466	4,469
Other investments	P8	475	19
Receivables from subsidiaries	P12	18,433	16,978
Customer financing, non-current	P8, P11	751	1,562
Deferred tax assets	P5	589	403
Other financial assets, non-current	P8	358	401
		<b>109,910</b>	<b>78,056</b>
<b>Current assets</b>			
Inventories	P10	84	91
Receivables			
Trade receivables	P11	42	68
Customer financing, current	P11	263	366
Receivables from subsidiaries	P12	25,130	27,099
Current income taxes		278	19
Other current receivables	P13	3,160	5,399
Short-term investments	P19	38,891	43,372
Cash and bank	P19	6,717	10,614
		<b>74,565</b>	<b>87,028</b>
<b>Total assets</b>		<b>184,475</b>	<b>165,084</b>

December 31, SEK million	Notes	2007	2006
<b>Stockholders' equity, provisions and liabilities</b>			
<b>Stockholders' equity</b>	P14		
Capital stock		16,132	16,132
Revaluation reserve		20	20
Statutory reserve		31,472	31,472
Restricted equity		47,624	47,624
Retained earnings		22,080	20,625
Net income		13,145	12,362
Non-restricted equity		35,225	32,987
		82,849	80,611
<b>Untaxed reserves</b>	P15	1,339	1,074
<b>Provisions</b>			
Pensions	P16	402	419
Other provisions	P17	655	1,195
		1,057	1,614
<b>Non-current liabilities</b>			
Notes and bond loans	P18	19,372	11,204
Liabilities to subsidiaries	P12	30,921	32,369
Other non-current liabilities		164	145
		50,457	43,718
<b>Current liabilities</b>			
Current maturities of long-term borrowings	P18	2,906	–
Trade payables	P21	626	509
Liabilities to subsidiaries	P12	41,413	35,261
Other current liabilities	P20	3,828	2,297
		48,773	38,067
<b>Total stockholders' equity, provisions and liabilities</b>		<b>184,475</b>	<b>165,084</b>
Assets pledged as collateral	P22	359	277
Contingent liabilities	P23	9,650	7,670

# Parent Company Statement of Cash Flows

Years ended December 31, SEK million	Notes	2007	2006	2005
<b>Operations</b>				
Net income		13,145	12,362	13,399
<b>Adjustments to reconcile net income to cash</b>				
	P24	433	-1,574	-5,966
		13,578	10,788	7,433
<b>Changes in operating net assets</b>				
Inventories		7	-31	-20
Customer financing, current and non-current		1,041	446	757
Trade receivables		-155	358	27
Provisions and pensions		-442	-401	-1,250
Other operating assets and liabilities, net		4,182	-4,827	7,276
<b>Cash flow from operating activities</b>		<b>18,211</b>	<b>6,333</b>	<b>14,223</b>
<b>Investing activities</b>				
Investments in tangible assets		-262	-132	-76
Sales of tangible assets		6	57	-
Investments in intangible assets		-579	-3,092	-
Investments in shares and other investments	P24	-35,918	-541	-6,972
Divestments of shares and other investments	P24	6,189	5,654	9,470
Lending, net		3,053	22,836	-4,127
Other investing activities		-19	59	124
<b>Cash flow from investing activities</b>		<b>-27,530</b>	<b>24,841</b>	<b>-1,581</b>
<b>Cash flow before financing activities</b>		<b>-9,319</b>	<b>31,174</b>	<b>12,642</b>
<b>Financing activities</b>				
Changes in current liabilities to financial institutions, net		-	-	-322
Changes in current liabilities to subsidiaries		1,094	-34,265	-2,207
Proceeds from new borrowings		11,050	-	-
Repayment of borrowings		-	-9,511	-699
Sale of own shares and options exercised		64	63	119
Dividends paid		-7,943	-7,141	-3,959
Settled contributions from/to (-)subsidiaries		-3,324	-1,296	-2,299
Other		-	-	-9
<b>Cash flow from financing activities</b>		<b>941</b>	<b>-52,150</b>	<b>-9,376</b>
<b>Net change in cash and cash investments</b>		<b>-8,378</b>	<b>-20,976</b>	<b>3,266</b>
<b>Cash and short-term investments, beginning of period</b>		<b>53,986</b>	<b>74,962</b>	<b>71,696</b>
<b>Cash and short-term investments, end of period</b>	P19	<b>45,608</b>	<b>53,986</b>	<b>74,962</b>

# Parent Company Statement of Changes in Stockholders' Equity

December 31, SEK million	Notes	2007	2006
<b>Opening balance</b>	P14	<b>80,611</b>	76,593
Adjustment for IAS 39, net		-	-17
<b>Adjusted opening balance</b>		<b>80,611</b>	76,576
Sale of own shares		62	58
Stock Purchase and Stock Option Plans		41	67
Contributions from/to (-) subsidiaries		-4,263	-1,955
Tax on contributions		1,194	548
Dividends paid		-7,943	-7,141
<b>Revaluation of other investments in shares</b>			
Fair value measurement reported in equity		2	-3
<b>Cash Flow hedges</b>			
Transferred to balance sheet for the period		-	99
Net income		13,145	12,362
<b>Closing balance</b>		<b>82,849</b>	80,611

For further information, please see "Notes to the Parent Company financial statements, Note P14, Stockholders' Equity".