Statement by the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act. (item 11)

Nature, extent and risks of operations

The nature and scope of the Company's operations are specified in the Articles of Association and published annual reports. The operations conducted in the Company and group companies do not give rise to risks in addition to what occurs or can be expected to occur in the sectors concerned or the risks that are in general inherent when conducting business activities. With regard to significant events, reference is made to what is stated in the directors' report in the most recent annual report. In addition to this, no events have occurred that have a negative impact on the Company's ability to transfer values to its shareholders. The Company's dependence on the business cycle does not deviate from that which exists within the sectors concerned.

Financial position of the Company and the Group

The financial position of the Company and the Group at 31 December 2009 is presented in the most recent annual report. Furthermore, the principles applied for valuation of assets, provisions and debt are presented in the annual report.

In the proposed distribution of profit the Board proposes an ordinary dividend of SEK 9.50 per share. In addition, the Board proposes authorisation for the Board to purchase treasury shares. The proposed dividend and full utilisation of the repurchase mandate (at the share price on 17 February 2010) total SEK 3,182 million, which comprises 24% of the Company's equity and 21% of consolidated equity.

Presentations in the annual report include that the Company's equity ratio amounts to 94% (94%) and consolidated equity to 41% (40%). The Company has substantial cash and cash equivalents. The financial position of the Company and the Group is strong. The proposed value transfers (dividend and possible repurchase) do not jeopardise the completion of investments regarded as necessary.

Unrealised gains form an insignificant part of the equity of the Company and the Group.

The value transfers do not affect the ability of the Company and the Group to meet existing and anticipated payment obligations at the right time. The liquidity forecasts of the Company and the Group include preparedness to manage variations in current payment obligations.

The financial position of the Company and the Group does not give rise to any assessment other than that the Company and the Group can continue their operations and the Company and the Group can be expected to meet their obligations in the short and long term.

In the opinion of the Board, the size of equity as reported in the most recent annual report is in reasonable proportion to the scope of the Company's activities and the risks inherent with conducting the business taking the value transfers now proposed into account.

Defensibility of the proposed dividend

With reference to the above, and to other information that has come to the knowledge of the Board of Directors, it is the opinion of the Board that the financial position of the Company and the Group means that the proposed value transfers are defensible with reference to the demands that the nature, scope and risks, including effects of the macroeconomic situation, of the Company's operations place on the size of the Company's and the Group's equity, and on the Company's and the Group's consolidation needs, liquidity and position in general.