

Positive development for the ÅF share

ÅF's class B shares have been quoted on the Stockholm Stock Exchange since January 1986. Prior to this, Ångpanneföreningen traded as a co-operative association from 1895 until 1980, and as a joint-stock company from 1981. ÅF's B shares are traded on the Nordic Exchange's Mid Cap list under the 'Angp B' ticker symbol. At the end of 2007 the combined market value of the company's shares was SEK 2,862 million (2006: SEK 2,376 million).

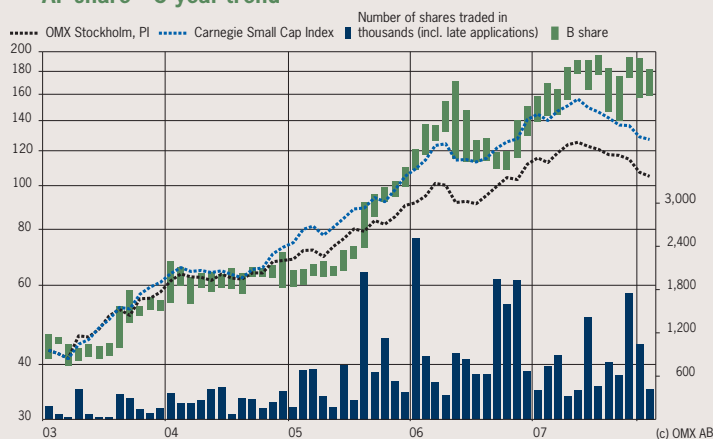
Share movements and turnover

The quotient value of the share is SEK 10. A trading lot comprises 100 shares. Ångpanneföreningen's B shares traded at SEK 169 at the end of 2007, compared with SEK 146 at the beginning of the year, an increase in value of 16.5 percent. During the same period the Stockholm (OMXS-PI) all-share index fell by 6.0 percent. During the year a total of 9,230,962 shares were traded (2006: 10,975,396) for an aggregate value of SEK 1,585 million (SEK 1,622 million). Turnover per trading day averaged SEK 6.34 million (SEK 6.46 million). The share was traded on 100 percent (100 percent) of trading days.

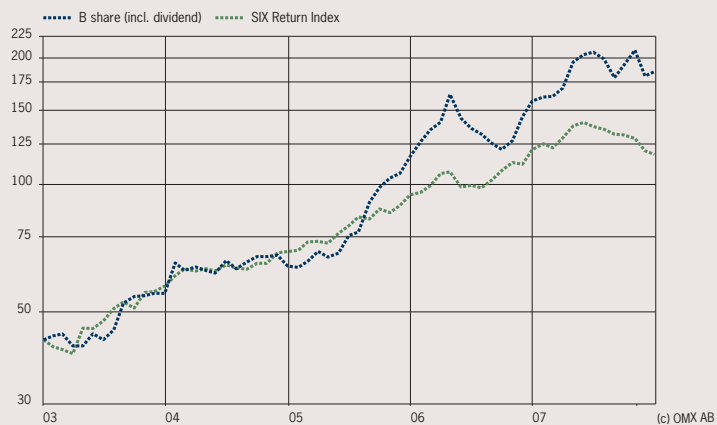
Liquidity guarantee

In order to guarantee the liquidity of ÅF shares, HQ Bank acts as a liquidity provider under an agreement from 2006 that, in essence, means that HQ Bank undertakes to quote bid and offer prices for ÅF shares.

ÅF share – 5-year trend



Total yield – 5 years



The spread, which must not exceed 2 percent calculated on the offer price, averaged 0.89 percent in 2007 (0.78 percent in 2006).

The costs relating to the liquidity guarantee are borne by Ångpanneföreningen's Foundation for Research and Development.

Dividend policy and dividend

The board has adopted a dividend policy according to which the dividend should correspond to approximately 50 percent of the consolidated profit after tax excluding capital gains. For the company's operations during 2007 the board proposes a dividend of SEK 6.50 per share (2006: SEK 3.00 per share).

Shareholding and convertible debentures among employees

The profit-sharing scheme outlined on page 17 allows employees to share in the increase in the net worth of the company by creating funds using ÅF shares (and others) as investment capital. At the turn of the year 2007/2008 approximately 10 percent of the shares in the company were owned by ÅF employees.

A convertible debenture programme for SEK 54 million was initiated in 2005 to run until 30 June 2008. There were two opportunities in 2007 to utilise the conversion option at a conversion rate of SEK 81.36 per share. A total of 566,307 shares from a maximum of 660,644 have been issued within the framework per-

mitted for this convertible instrument 2005/2008. If the conversion option is fully utilised, the additional shares will represent a dilution of 3.8 percent of capital and 2.7 percent of the votes.

Investor relations

ÅF's positive development has been reflected in the interest shown in the ÅF share. The company adopts a long-term approach to its communications with the capital market.

This included a Capital Market Day on 20 September 2007, which this year focused on the Process Division. ÅF President/CEO Jonas Wiström outlined the Group's current situation and sketched future scenarios. The guest speaker for the day was the athletics coach Arne Bergvall, and the audience comprised around 40 analysts, institutional shareholders, asset managers and representatives for the media.

To meet the interest in ÅF shown by the international capital market, ÅF's CEO undertook a "road-show" to London, Paris and Amsterdam.

Analysts who regularly monitor the progress of ÅF

Stefan Wård, Handelsbanken Capital Markets

Johan Dahl, Swedbank Markets

David Jacobsson, Öhman Fondkommission

Johan Dahl is a stock market analyst at Swedbank Markets. He has followed developments in the technical consulting industry for a number of years, and has kept an eye on the progress of ÅF for some time.

"ÅF is one of the major companies in an expanding sector. They have achieved a notable turn-around. All divisions are performing well, with good margins and rising levels of capacity utilisation. This is a gratifying and impressive performance. As far as the future of the sector is concerned, it appears that the investment cycle has peaked in Sweden. Despite this, we believe that gross investment will continue to rise at a steady rate. There is room for further improvement in the industry's capacity utilisation rate and costs appear to be under con-

trol. In addition, there are opportunities for one or two value-generating acquisitions, so there is still plenty of potential in the sector. By far the brightest prospects are those for energy and the environment, where investment is set to increase sharply. This will clearly benefit ÅF. ÅF is an attractive proposition for investors looking for a long-term growth scenario in an investment-intensive sector."



Photo: Björn Leijon

Historical development of share capital

Year	Par value	Change	Change in number of shares		Numbers of shares		Share total	Share capital
			A shares	B shares	A shares	B shares		
1984	50	ÅF issues conv. debentures to employees			727,460		727,460	36.373
1985	50	Redesignation	-42,600	42,600	684,860	42,600	727,460	36.373
1986	50	New issue and B share floated on A list		300,000	684,860	342,600	1,027,460	51.373
1987	20	Bonus issue and split	684,860	1,370,060	1,369,720	1,712,660	3,082,380	61.648
1990	20	Conversion of conv. debentures from 1984	269,420	480,580	1,639,140	2,193,240	3,832,380	76.648
1994	20	Redesignation	-810,475	810,475	828,665	3,003,715	3,832,380	76.648
1996	20	Bonus issue	414,332	1,501,857	1,242,997	4,505,572	5,748,569	114.971
1997	20	Redesignation	-840,778	840,778	402,219	5,346,350	5,748,569	114.971
2004	20	New issue		175,807	402,219	5,522,157	5,924,376	118.488
2005	20	New issue		37,766	402,219	5,559,923	5,962,142	119.243
2006	10	Split 1:2	402,219	5,559,923	804,438	11,119,846	11,924,284	119.243
2006	10	New issue		1,121,527	804,438	12,241,373	13,045,811	130.458
2006	10	New issue		3,232,164	804,438	15,473,537	16,277,975	162.780
2007	10	New issue		90,951	804,438	15,564,488	16,368,926	163.689
2007	10	Conversion of conv. debentures from 2005/2008		566,307	804,438	16,130,795	16,935,233	169.352
2008	10	<i>Dilution on full conversion of loan 2005/2008</i>		94,337	804,438	16,225,132	17,029,570	170.296

Shareholders in Sweden and abroad

28 December 2007	Percent of capital
Sweden	55.9
Other Nordic countries	5.2
Rest of Europe	25.5
USA	11.6
Others	1.8

The number of shareholders fell by 558 during 2007 to a total of 4,609.

Shareholder categories

28 December 2007	Percent of capital
Foreign owners	44
Swedish owners	56
of which:	
Institutions	90
Private individuals (incl. close companies)	10

Size of shareholding

28 December 2007	Percent of capital	
Number of shares	Shareholders	Percentage of shares
<500	3,636	3.1
500–5,000	829	7.4
>5,000	144	89.5
Total	4,609	100.0

The ten largest owners on 28 December 2007

Owner	A shares	B shares	Holding percent	Votes percent
Ångpanneföreningen's Foundation for Research & Development	690,934	2,001,348	15.90	36.86
Deutsche Bank	0	1,045,000	6.17	4.32
Skandia Liv	0	879,025	5.19	3.64
SEB Investment Management	0	878,275	5.19	3.63
Swedbank Robur Fonder	0	776,812	4.59	3.21
BNY GCM Client Accounts	0	761,700	4.50	3.15
BNP Paribas Securities Services	0	691,483	4.08	2.86
ÅFOND (ÅF Group Trust)	108,704	550,848	3.89	6.78
JP Morgan Chase Bank	0	535,987	3.16	2.22
Handelsbanken funds incl. XACT	0	448,520	2.65	1.86
Total, 10 largest owners	799,638	8,568,998	55.32	68.52
Total, other owners	4,800	7,561,797	44.68	31.48
Total 28 Dec 2007	804,438	16,130,795	100.00	100.00

Key ratios per share (SEK), before dilution

	2003	2004	2005	2006	2007
Share price, 31 Dec.	58	66	118	146	169
Pre-tax profit	3.73	2.54	17.33	10.81	19.26
Profit after tax	2.44	2.92	15.96	7.38	13.15
After full conversion 05/08	—	—	15.63	7.16	13.11
Equity, incl. minority interests	28	31	46	67	79
Yield, percent	2.2	2.0	2.1	2.1	3.8 ¹⁾
Dividend	1.30	1.30	2.50	3.00	6.50 ²⁾
Annual turnover rate, times	16.3	28.9	65.3	95.3	59.7

1) Based on proposed dividend for 2007

2) Proposed dividend