Press release, November 28, 2007

Disciplinary Committee of OMX Nordic Exchange Stockholm fines Carnegie heavily

The listed company D. Carnegie & Co AB (Carnegie) and its subsidiary Carnegie Investment Bank AB (the Bank) have contravened the rules applying at OMX Nordic Exchange Stockholm. With respect to the Bank, brokers have manipulated market prices to conceal intentional incorrect valuations previously undertaken within the Bank's derivative trading portfolio (trading portfolio). Due to this, the Disciplinary Committee has decided to fine the Bank SEK 5 million. The fine that the Bank will have to pay is the highest fine that the Disciplinary Committee has levied against a member company. Carnegie, in its capacity as a listed company, contravened the listing agreement with the Exchange by disclosing incorrect information, partly in the interim report for the first quarter of 2007 and partly in a press release concerning the impact of the valuation manipulations on Carnegie's earnings, where the effects for the years 2005 and 2006 were not accounted for. For these violations, the Disciplinary Committee has decided that Carnegie shall pay a fine corresponding to four annual fees, making a total of SEK 1,783,000.

According to the Derivative Regulations applying at the OMX Nordic Exchange Stockholm, a member may not consciously or negligently disseminate incorrect or misleading information. Nor may a member take misleading actions in any other way that could affect the price or the order situation in the market for derivative instruments or underlying instruments listed by an exchange.

At the end of 2006, the Exchange discovered that the Bank had placed orders and implemented trades in derivative instruments in a manner that gave cause to suspect that this had been undertaken with an intention to mislead. The Exchange called the Bank's attention to the suspected manipulations as early as January 2 and subsequently provided further information to the Bank on several occasions. It was not until around the end of March 2007, when the Bank's own system had reacted to valuation discrepancies resulting from the manipulations that the Exchange had previously discovered, that the Bank launched an internal into the discrepancies. It then became apparent that manipulations of the Bank's trading portfolio had been implemented in a sophisticated manner and that this had probably occurred to conceal the intentional incorrect valuations that had previously been undertaken in the portfolio.

Despite the fact that the internal inquiry had been initiated before Carnegie issued its interim report on April 24, Carnegie did not make any reservations in the interim report for the possibility that the outcome of the inquiry could have an impact on Carnegie's earnings and balance sheet. Carnegie did not disclose any details concerning the overvaluation of the trading portfolio until a press release issued on May 8, 2007. In this press release, Carnegie talked only of the manipulations that had affected earnings for the first quarter of 2007 and stated that it had impaired its trading portfolio by SEK 370 million because of this. The press release gave the impression that the impact of the valuation manipulations on Carnegie's earnings had been finally determined. This was incorrect, however, and it was not until a press release dated May 24, 2007 that complete information was provided to the market explaining that Carnegie had posted impairment losses of SEK 260 million concerning the years 2005 and 2006 and that it had thus impaired its trading earnings during these years and for the first quarter of 2007 by a total of SEK 630 million.

The Disciplinary Committee attached importance to the fact that the manipulations that had occurred at the Bank had been systematic and had extended over a protracted period, despite the observations received from the Exchange. The Committee found that the breaches were of a very serious nature and had to lead to a considerable fine. The fine was set at SEK 5 million, which is the highest fine ever levied against a member company by the Disciplinary Committee.

The listed company was ordered to pay a fine corresponding to four annual fees, or a total of SEK 1,783,000, because it had not disclosed information to the securities market in accordance with the requirements to which listed companies are subject.