

009

AVANZA BANK INTERIM REPORT JANUARY – MARCH 2009

- Operating income decreased by 21 per cent (+2%) to SEK 109 million (SEK 138 m)
- The profit after tax decreased by 19 per cent (–4%) to SEK 44 million (SEK 54 m)
- Earnings per share decreased by 19 per cent (–3%) to SEK 1.60 (SEK 1.98)
- Net savings totalled SEK 2,000 million (SEK 2,790 m), corresponding to 6 per cent (6%) of the savings capital at the beginning of the year
- The number of accounts increased by 4 per cent (+18%) to 236,000 (226,000 as of 31st December 2008) and the total savings capital increased by 9 per cent (–3%) to SEK 37,600 million (SEK 34,600 m as of 31st December 2008)

Interim Report, January – March 2009

Comments from the Managing Director

"The strong inflow of new customers continued during the first quarter. Over 10,000 new accounts have been opened since the beginning of the year and the total number of accounts has consequently increased over the last twelve months by 21 per cent. Net savings totalled SEK 2,000 million during the first quarter, and our growth is consequently well in line with our long-term goals," says Nicklas Storåkers, Managing Director of Avanza Bank.

"Income decreased by 21 per cent, but this figure should be viewed in relation to the 36 per cent fall experienced by the stock market over the past year. The fact that our income has fallen by considerably less than that of the stock market is due to the healthy underlying growth in new accounts. At the same time, we have also successfully exceeded our cost-cutting goal of 10-15 per cent by implementing an 18 per cent cut for the quarter.

"The positive stock market performance in recent weeks has had a noticeable effect. In early April, we set a record in terms of the number of visitors to our site, and levels of trading activity, new accounts and net savings have all increased substantially in recent times. And we will be implementing a major product launch in early May."

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Operations

Market and sales

The financial market was more stable during the first quarter of this year than during the fourth quarter of 2008. The Stockholm Stock Exchange decreased by just two per cent during the quarter. In the latter part of 2008, the investment fund market was affected by the turbulence in the financial markets and saving in fixed income funds increased markedly. Now, however, savers have begun to adopt a more positive view of the stock market, and interest levels are at historically low levels. Savers have increased their exposure to emerging markets, such as Russia, during the quarter, and at the same time, reduced their level of saving in fixed income funds. There was a substantial requirement for public capital raising programmes during the quarter, and therefore has a large number of share issues conducted.

Avanza Bank's new pricing and account structure, launched in 2008, has helped result in 10,000 new accounts being opened during the first quarter. Avanza Bank's pricing guarantee, coupled with the new pricing and account structure, means that households are rewarded with lower prices for bringing all of their investments under the Avanza Bank umbrella. This means that all of the accounts held by an individual household receive the same terms for interest rates, brokerage fees and benefits.

Interest on the part of medium to large-sized companies to choose Avanza Pension as supplier of occupational pensions has increased during the first quarter. Among other things two listed companies, namely SAS and Betsson, has chosen Avanza Pension. The occupational pension solution for SAS concerns 180 pilots. Avanza Pension has participated in several major occupational pension procurement programmes implemented by medium to larger companies and insurance brokers during the spring.

	2009 Jan-Mar	2008 Jan-Mar	Change %	2008-2009 Apr-Mar	2008 Jan-dec	Change %
Activity						
Net savings, SEK m *	2,000	2,790	-28	5,970	6,760	-12
of which Pension- & insurance-based savings, SEK m	2,250	2,630	-14	3,660	4,050	-10
Net savings/Savings capital, %	23	24	-1	13	15	-2
No. commission notes per account & month	1.6	1.9	-16	1.6	1.6	0
No. transactions per commission note	2.0	1.9	5	1.9	1.9	0
Brokerage per commission note, SEK	80	98	-18	85	90	-6
Market shares, OMX Stockholm and First North						
No. transactions, %	10.8	8.6	2.2	9.5	9.0	0.5
Turnover, %	4.8	3.5	1.3	4.2	3.8	0.4

For definitions, see page 8.

* Accounts acquired from Ikanobanken accounted for SEK 490 million of total net savings during the first quarter of 2008.

Avanza Bank has taken market shares during the first quarter as a result both of the new pricing and account structure and of the dissatisfaction with the major banks during the financial market turbulence. Net savings totalled SEK 2,000 million (SEK 2,790 m) – a figure that is in line with Avanza Bank's long-term goals.

	31-03-2009	31-12-2008	Change %	31-03-2008	Change %
Savings capital					
Savings capital, equity & investment fund accounts, SEK m	25,370	24,740	3	33,420	-24
Savings capital, savings accounts, SEK m	930	1,130	-18	280	232
Savings capital, pension- & insurance-based accounts	11,300	8,730	29	10,800	5
of which, Occupational pensions, SEK m	360	300	20	150	140
Savings capital, SEK m	37,600	34,600	9	44,500	-16
Equities, bonds, derivatives, etc. SEK m	24,520	21,650	13	31,740	-23
Investment funds, SEK m	6,710	6,190	8	7,960	-16
Deposits, SEK m	7,870	8,010	-2	7,170	10
Lending, SEK m	-1,500	-1,250	20	-2,370	-37
Savings capital, SEK m	37,600	34,600	9	44,500	-16
Deposits/Lending, %	525	641	-18	303	73
Net deposits/Savings capital, %	17	20	-15	11	55
Avanza Bank, SEK m	22,600	20,480	10	26,200	-14
Aktiespar.se, SEK m	670	590	14	740	-9
Avanza Private Banking, SEK m	13,500	12,900	5	16,500	-18
Avanza Pro, SEK m	830	630	32	1,060	-22
Savings capital, SEK m	37,600	34,600	9	44,500	-16
Return, average account since Jan 1st, %	3	-36	-	-9	12
OMX Stockholm Price Index since Jan 1st, %	-2	-42	-	-11	9

For definitions, see page 8.

	31-03-2009	31-12-2008	Change %	31-03-2008	Change %
Accounts					
No. accounts *	236,000	226,000	4	194,500	21
No. management services	8,300	8,500	-2	5,100	63
No. accounts & management services	244,300	234,500	4	199,600	22
No. equity & investment fund accounts	165,800	162,300	2	152,610	9
No. savings accounts	14,600	13,500	8	3,190	358
No. pension- & insurance-based accounts	55,600	50,200	11	38,700	44
of which, no. Occupational pensions	6,030	5,280	14	1,630	270
No. accounts	236,000	226,000	4	194,500	21
Avanza Bank, no. accounts	215,340	206,670	4	178,190	21
Aktiespar.se, no. accounts	12,000	11,300	6	9,760	23
Avanza Private Banking, no. accounts	7,460	7,110	5	5,630	33
Avanza Pro, no. accounts	1,200	920	30	920	30
No. accounts	236,000	226,000	4	194,500	21

For definitions, see page 8.

* Accounts acquired from Ikanobanken accounted for 15,500 of the total increase in the number of accounts during 2008, of which 15,200 during the first quarter.

10,000 new accounts have been opened during the first quarter of the year. This figure is down on the corresponding one for the same period in 2008, when 29,500 new accounts were opened, due to, amongst other things, the inclusion in the first quarter 2008 figure of 15,200 accounts acquired from Ikanobanken, and to the fact that 3,200 of the accounts were savings accounts – a new type of account launched in February 2008. Interest in the savings account was greater in 2008 when market interest rates were substantially higher.

The number of occupational pension accounts held with Avanza Bank increased during the first quarter of 2009 by 750, and net savings in occupational pensions totalled SEK 60 million.

	31-03-2009	31-12-2008	Change %	31-03-2008	Change %
Avanza Zero					
Investment fund capital, Avanza Bank, SEK m	580	480	21	360	61
Investment fund capital, PPM, SEK m	300	250	20	140	114
Investment fund capital, Avanza Zero, SEK m	880	730	21	500	76
No. unit holders, Avanza Bank	31,200	27,800	12	19,700	58
Return, Avanza Zero, %	-1	-36	-	-12	11
Return, OMXS30-index incl. dividends, %	-1	-36	-	-12	11

Development

The introduction of MiFID (an EU Directive regulating trading in securities) opened up completely new opportunities to challenge the traditional stock market monopoly. It was against this background that Avanza Bank, together with a number of other banks, initiated the creation in 2008 of a new marketplace – Burgundy – whose owners account for a substantial percentage of today's trading on NASDAQ OMX Nordic. For Avanza Bank, the project means adapting systems and routines to handle parallel trading. Work on the developmental process has been extremely intensive during the first quarter and trading on Burgundy is scheduled to start during the second quarter of 2009.

Early May will see Avanza Bank implement a major product launch that will further increase Swedish savers' freedom of choice.

An employee survey developed by the Great Place to Work Institute was carried out in the autumn of 2008. The results were presented in March and Avanza Bank was ranked 9th in the mid-cap group.

Financial overview

	2009 Jan-Mar	2008 Jan-Mar	Change %	2008-2009 Apr-Mar	2008 Jan-Dec	Change %
Income Statement, SEK m						
Brokerage income, net	58	64	-9	224	229	-2
Fund commissions	7	12	-42	36	41	-12
Net interest items	35	51	-31	177	193	-8
Other income, net	9	11	-18	43	46	-7
Operating income	109	138	-21	480	509	-6
Personnel	-32	-35	-9	-135	-137	-1
Marketing	-4	-10	-60	-26	-31	-16
Depreciation	-3	-3	0	-12	-12	0
Other expenses	-17	-20	-15	-85	-90	-6
Operating expenses	-56	-68	-18	-258	-270	-4
Profit before tax	53	70	-24	222	239	-7
Operating margin, %	49	51	-2	46	47	-1
Profit margin, %	40	39	1	36	36	0
Earnings per share, SEK	1.60	1.98	-19	5.75	6.78	-15
Earnings per share after dilution, SEK	1.60	1.96	-18	5.72	6.75	-15
Return on shareholders' equity, %	7	9	-2	29	32	-3
Investments, SEK m	1	8	-88	3	11	-73
Brokerage income/Operating income, %	53	46	7	47	45	2
Non-brokerage income/Operating income, %	47	54	-7	53	55	-2
of which, Fund commissions/Operating income, %	7	9	-2	7	8	-1
of which, Net interest items/Operating income, %	32	37	-5	37	38	-1
of which, Other income/Operating income, %	8	8	0	9	9	0
Non-brokerage income/Operating expenses, %	91	108	-17	99	104	-5
of which, Net interest items/Operating expenses, %	63	75	-12	69	71	-2
Operating income/Savings capital, %	0.30	0.31	-0.01	1.24	1.23	0.01
of which, Net interest items/Savings capital, %	0.10	0.11	-0.01	0.46	0.47	-0.01
Average no. employees	180	202	-11	192	196	-2
No. trading days	62	62	0	251	251	0
Web service operational availability, %	99.8	99.7	0.1	99.9	99.9	0

	31-03-2009	31-12-2008	Change %	31-03-2008	Change %
Shareholders' equity per share, SEK	24.35	22.76	7	23.10	5
Capital base/Capital requirement*	1.58	1.62	-2	1.63	-3
No. employees	179	192	-7	207	-14
Market value, SEK	85.75	71.00	21	130.25	-34
Market capitalisation, SEK m	2 370	1 960	21	3 540	-33

For definitions, see page 8.

* Capital base/Capital requirements refer, as of 31st March 2009 and 31st December 2008, refer to the financial conglomerate. The data as of 31st March 2008 refers to the financial corporate group that has now ceased to exist. See also Note 3 on page 11.

Avanza Bank also publishes an Excel document containing financial history. The information is presented in English and can be viewed at avanzabak.se/keydata.

Lower market interest rates led to a fall of 21 per cent in income during the first quarter. Net interest items decreased by 31 per cent during the same period due to considerably lower interest margins than in 2008. The repo rate, which controls Avanza Bank's interest margins, was cut sharply during the autumn of 2008 and currently stands, since the most recent change in February 2009, at 1.0 per cent. The average repo rate during the first quarter was 1.5 per cent, in comparison with a rate of 4.1 per cent during the corresponding period in 2008.

Lending has also decreased substantially in comparison with the level one year ago, and this, coupled with lower collateral values for individual securities, has reduced the risk inherent in Avanza Bank's loans portfolio. Non-brokerage income during the first quarter comprises 68 per cent (69%) net interest items, 14 per cent (16%) fund commissions, and 18 per cent (15%) other.

Avanza Bank implemented a cost-cutting programme during the fourth quarter with the aim of reducing costs in 2009. The full impact of the cost-cutting programme has now been reached and costs decreased by 18 per cent during the first quarter – a larger reduction than that previously expected.

Parliament has decided to establish a stability fund that will finance governmental measures to support the financial system. All banks and other credit institutions will, as of 2009, be obliged to pay an annual stability fee to the fund. The total fee will be SEK 2.64 million per annum, which will be divided between the institutions according to their size and the risk to which they expose the system. Avanza Bank will pay a fee of SEK 1.4 million in 2009, SEK 0.3 million of which has been charged to the profit for the first quarter.

As of 31st March, Avanza Bank held 18,233 of its own shares, which were bought back in July and October 2008.

Capital surplus

	31-03-2009	31-12-2008
Capital base, as per Note 3, page 11, SEK m	427	426
Unaudited profits, SEK m	44	–
Proposed dividend, SEK – (SEK 6.00) per share, SEK m	–	165
Capital base, adjusted for dividend, SEK m	471	591
Capital requirement with reference to Avanza Bank's internal capital assessment process, SEK m	315	315
Total capital surplus before proposed dividend, SEK m	156	276
Capital surplus per share, SEK	5.64	10.01

When calculating the capital base during the course of an ongoing year, audited profits only are included in the calculations. If the profit/loss for the period has been audited, the capital base is adjusted for the assumed dividend. Adjustments have been made in the above table for profits and assumed dividends deducted when calculating the capital base in accordance with the capital adequacy regulations (see Note 3 on page 11), in order to calculate the scope for dividend payments.

The capital surplus, i.e. the maximum scope available for dividend payments and buybacks of the company's own shares, totalled SEK 156 million as of 31st March 2009 beyond the today's Annual General Meeting, proposed dividend for 2008 of SEK 165 million.

Financial position

Avanza Bank has no direct exposure to the problems that have characterised the market, and which comprise a combination of financing problems and of uncertainty with regard to the value of loans and other receivables. All of Avanza Bank's assets have a high liquidity level and reinvestments can, therefore, for the main part be made with one day's notice. The assets are adjudged to be secure. Avanza Bank has suffered no credit losses during the first quarter and the average credit losses since 2001 total 0.01 per cent per annum.

The statutory protection and guarantees (e.g. the government's deposit guarantee) apply to customers of Avanza Bank in the same way as to customers of every Swedish bank and insurance company. For further information on Avanza Bank and security, please see avanzabank.se.

The Parent Company, Avanza Bank Holding AB

Avanza Bank Holding AB is the Parent Company of the Avanza Bank corporate group. The operating result for the first quarter of 2009 was SEK –1 million (SEK –3 m). The Parent Company posts no turnover. The Board of Directors has proposed that today's Annual General Meeting authorise a total dividend payment of SEK 165 million. The total dividend payment last year was SEK 163 million.

Outlook for the future

Avanza Bank's goal is for the annual profit growth to total between 15 and 25 per cent in the long-term.

The healthy long-term growth potential is rooted in the rapid growth of online saving. This growth is due to the advantages offered by the Internet in terms of simplicity and low fees, to an increased requirement for individual saving, and to the increase in internet usage amongst the more mature target groups.

There is a clear long-term link between growth in savings capital and growth in operating income, and an underlying growth in savings capital therefore generates the preconditions for growth in income. Pricing pressure is, however, expected to continue, and this will have a negative effect on the rate of growth.

Annual growth

The long-term growth goals for operating income can be summarised as follows:

	2001–2008	Goal
Net savings, % of savings capital at beginning of the year	22 % *	13–17 %
Growth in value	2 % *	6–8 %
Savings capital, growth	22 %	20–25 %
Estimated pricing pressure	(1 %)	(3–7 %)
Growth in income	27 %	10–25 %
Cost increase	(18 %)	(10–20 %)
Growth in profit	59 %	15–25 %

* 2002–2008

Avanza Bank does not expect to achieve the income and profit growth goals in 2009, primarily due to the low interest rate levels. Net savings are expected to increase well in line with the long-term goal of 13–17 per cent of the savings capital at the beginning of the year. Profit margins are expected to remain good.

Avanza Bank expects net interest items to be at a lower level than in 2008. If the repo rate is cut again to close to zero per cent, Avanza Bank's interest margins will be even lower. Avanza Bank believes, however, that any such cut in the repo rate to almost zero per cent would be relatively short-term in nature and that the long-term preconditions for more normal interest levels, and hence for stronger net interest items, are good.

Avanza Bank's business model means that the majority of the costs comprise fixed overheads. Marketing and sales costs are, however, primarily variable costs that depend on Avanza Bank's assessment of the market climate. Avanza Bank has elected, during the first few months of 2009, to restrict the scale of its marketing as part of its efforts to cut costs in a poorer market climate, but Avanza Bank operates in a rapidly changing market and can, therefore, also choose to invest more in growth, which may entail higher costs than those forecast. The goal for 2009 is to reduce costs by 10–15 per cent. Operating costs are, seasonally speaking, normally higher during the first and fourth quarters than during the other quarters.

The previous goal, whereby for non-brokerage income, i.e. operating income that is not directly market-dependent, should total at least 100 per cent of operating expenses is not adjudged to be reasonable in the current market conditions. Given current interest rate levels, it is adjudged that it will not be possible to achieve this goal in 2009.

May will see the launch of Burgundy and the effect of the increased competition that will result from trading in alternative marketplaces is expected to lead to lower commission costs as early as the second quarter.

As of 15th April, individuals have been able to transfer their SAF-LO collective agreement occupational pensions. As of 15th April, savers can transfer their pensions, quickly and easily, via FORA's website. Over 10,000 applications of interest have already been submitted to the collective agreement administration service company FORA and a number of these are

expected to move to Avanza Pension. Avanza Pension believes that the transfer option offers considerable potential exists for increasing its market shares during the coming quarter. The total savings capital in the SAF-LO collective agreement occupational pension is SEK 60 billion and the annual premiums total between SEK 9 and 12 billion.

All 1.4 million savers will also be choosing from the nine eligible insurance companies within the framework of the SAF-LO collective agreement occupational pension, with regard to the premiums for 2009 that will be transferred in March–April 2010 to the insurance company chosen by the saver.

Interest in stock market IPO's is expected to continue to be low in 2009, but there is a considerably greater need for capital raising programmes.

Early May will see Avanza Bank implement a major product launch that will further increase Swedish savers' freedom of choice.

Other corporate events

Significant risks and uncertainty factors

Avanza Bank's operations entail day-to-day risks that are quantified, monitored and, if necessary, acted upon in order to protect the company's capital and reputation. The ways in which Avanza Bank identifies, follows up on and manages these risks are important to the health of the company and its long-term profitability. Note 30 of Avanza Bank's 2008 Annual Report provides a detailed description of the Group's risk exposure and risk management. No significant risks over and above the risks described in the Annual Report and in this Interim Report are adjudged to have arisen.

Transactions with associated parties

Avanza Bank's transactions with associated parties are shown in Note 31 of the 2008 Annual Report. No significant changes have subsequently occurred.

Annual General Meeting

The Annual General Meeting will be held today on 21st April 2009 at 15.00 (CET) in the Auditoriet hall of the Moderna Museet museum in Stockholm.

The Annual Report is available from the company's offices and on the company's website at www.avanza.com and has also been sent to shareholders upon request. A press release detailing important decisions taken at the Meeting will be published after the conclusion of the Annual General Meeting.

Buyback of the company's own shares

On 15th April 2008, the Annual General Meeting decided to authorise the Board of Directors to implement the acquisition of the company's own shares, up to a maximum of 10 per cent of the shares in Avanza Bank Holding AB. As of 31st March 2009, 18,233 of the company's own shares had been bought back in 2008 at an average price of SEK 75.51. None of the company's own shares have been bought back during the first quarter of 2009.

Financial calendar

Interim Report, January–June 2009	10th July 2009
Interim Report, January–September 2009	16th October 2009
Preliminary Financial Statement, 2009	January 2010

Definitions

Account:	An account opened with holdings.
Deposits:	Deposits, including client accounts.
Brokerage income:	Brokerage income less direct costs.
Brokerage per commission note:	Gross brokerage income for account customers in relation to the number of commission notes excluding investment fund commission notes.
Capital base:	The financial conglomerate's shareholders' equity, adjusted for deductions in accordance with the provisions governing credit institutions, fund management companies and insurance companies with regard to the way in which the capital base and capital requirement are determined.
Commission note:	Daily compilation of the buying and selling commissions completed by a customer and involving a specific security. A commission note may include one or more transactions. Brokerage fees are charged on the basis of the commission notes.
Earnings per share:	Profit/loss after tax in relation to the average number of shares during the period.
Equity per share:	Shareholders' equity in relation to the number of outstanding ordinary shares before dilution at the end of the period.
Net deposits/Savings capital:	Deposits, including client accounts, minus lending, in relation to the savings capital at the end of the period.
Net interest items/Savings capital:	Net interest items in relation to average savings capital during the period.
Net savings:	Deposits, less withdrawals, of liquid assets and securities.
Net savings/Savings capital:	The period's net savings on an annual basis in relation to savings capital at the beginning of the period.
Non-brokerage income:	Income excluding brokerage income less direct costs.
Operating income/Savings capital:	Operating income in relation to average savings capital during the period.
Operating margin:	Operating profit/loss in relation to operating income.
Profit margin:	Profit/loss after tax in relation to operating income.
Savings capital:	The combined value of accounts held with Avanza Bank.
Return on equity:	Profit/loss after tax in relation to the average shareholders' equity during the period.
Transactions:	Buying and selling transactions completed in different markets and involving different securities.

Consolidated Income Statements (SEK m)

	2009	2008	2008–2009	2008
	Jan–Mar	Jan–Mar	Apr–Mar	Jan–Dec
Operating income				
Commission income	90	105	370	384
Commission expenses	-16	-18	-68	-69
Interest income	48	97	345	394
Interest expenses	-13	-46	-168	-201
Net result of financial transactions	0	0	1	1
Other operating income	0	0	0	0
Total operating income	109	138	480	509
Operating expenses				
General administrative costs	-46	-53	-200	-207
Depreciation of tangible and intangible fixed assets	-3	-3	-12	-12
Other operating expenses	-7	-12	-46	-51
Credit losses, net	0	0	0	0
Total operating expenses	-56	-68	-258	-270
Operating profit	53	70	222	239
Tax on profit for the period	-9	-16	-47	-54
Net profit/loss for the period*	44	54	175	185
Earnings per share, SEK	1.60	1.98	5.75	6.78
Earnings per share after dilution, SEK	1.60	1.96	5.72	6.75
Average no. shares before dilution, thousand	27,578	27,160	27,398	27,351
Average no. shares after dilution, thousand	27,579	27,397	27,515	27,481
Outstanding no. shares before dilution, thousand	27,578	27,160	27,578	27,578
Outstanding no. shares after dilution, thousand	27,580	27,387	27,580	27,578
No. shares upon full dilution, thousand	28,940	28,376	28,940	28,940

* The entire profit accrues to the Parent Company's shareholders.

Consolidated Balance Sheets (SEK m)

		31-03-2009	31-12-2008
Assets			
Loans to credit institutions		6,597	6,587
Loans to the public	Note 1	1,497	1,253
Shares and participations		13	12
Assets in insurance operations		9,937	7,448
Intangible fixed assets		34	35
Tangible assets		7	8
Other assets		22	238
Prepaid costs and accrued income		41	16
Total assets		18,148	15,597
Liabilities and shareholders' equity			
Deposits by the public	Note 2	7,258	7,386
Liabilities in insurance operations		9,937	7,448
Other liabilities		251	98
Accrued costs and prepaid income		30	37
Shareholders' equity		672	628
Total liabilities and shareholders' equity		18,148	15,597

Changes in the Group's shareholders' equity (SEK m)

	2009	2008	2008
	Jan-Mar	Jan-Mar	Jan-Dec
Shareholders' equity at the beginning of the period	628	573	573
Dividend	-	-	-163
Warrants issue	-	-	4
Exercise of share warrants	-	-	30
Buyback of the company's own shares	-	-	-1
Net profit/loss for the period	44	54	185
Shareholders' equity at the end of the period	672	627	628

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Consolidated Cash Flow Statements (SEK m)

	2009	2008
	Jan-Mar	Jan-Mar
Cash flow from operating activities	37	100
Cash flow from operating activities' assets and liabilities	-27	570
Cash flow from investment operations	-1	-8
Cash flow from financial operations	0	-
Cash flow for the period	10	662
Liquid assets at the beginning of the period *	6,587	4,205
Liquid assets at the end of the period *	6,597	4,867

* Liquid assets comprise lending to credit institutions.

Parent Company Income Statements (SEK m)

	2009	2008
	Jan-Mar	Jan-Mar
Operating income	1	0
Operating expenses	-2	-3
Operating profit/loss	-1	-3
Profit/loss from financial investments	-	-
Tax on profit/loss for the period	0	1
Net profit/loss for the period	-1	-2

Parent Company Income Statements (SEK m)

	31-03-2009	31-12-2008
Assets		
Financial fixed assets	222	222
Current receivables*	181	182
Liquid assets	0	0
Total assets	403	404
Shareholders' equity and liabilities		
Shareholders' equity	401	402
Current liabilities	2	2
Total shareholders' equity and liabilities	403	404

Of which receivables from subsidiaries 179 (181).

Accounting principles

The Consolidated Interim Report has been prepared in accordance with IAS 34, Interim Reporting, and with the guidelines and general advice issued by the Swedish Financial Supervisory Authority concerning the annual accounts of credit institutions and securities companies (FFFS 2008:25). The Interim Report for the Parent Company has been prepared in accordance with the provisions of the Swedish Annual Accounts Act. Accounting principles and calculation methods remain unchanged from those applied in the 2008 Annual Report.

Notes

Note 1 – Loans to the public

Loans to the public are reported after deductions for actual and anticipated credit losses. All loans, known as account credits, are secured by collateral in the form of securities.

Note 2 – Funds managed on behalf of third parties

In addition to the deposits reported in the Balance Sheet, Avanza also has, as of 31st March 2009, deposits by third parties in client fund accounts totalling SEK 609 million (SEK 645 m as of 31st December 2008).

Note 3 – Capital requirements for the financial conglomerate (SEK m)

	31-03-2009	31-12-2008
Capital base		
Shareholders' equity, the Group	672	628
Less, unaudited profits	-44	-
Proposed dividend	-165	-165
Shareholders' equity, financial conglomerate	463	463
<i>Less</i>		
Intangible fixed assets and deferred tax receivables	-36	-37
Capital base	427	426
Capital requirement		
Capital requirement for regulated units within the biggest financial sector	207	202
Theoretical liquidity requirement for non-regulated units within the biggest financial sector	32	29
Capital requirement for regulated units within the smallest financial sector	32	32
Capital requirement	271	263
Capital surplus	156	163
Capital base/Capital requirement	1.58	1.62

In December 2008, the Swedish Financial Supervisory Authority ruled that the Avanza Bank group of companies constitutes a financial conglomerate. As a result of this ruling, the financial corporate group ceased to exist. The above table refers to the financial conglomerate, including Avanza Bank Holding AB and all of its subsidiary companies. The financial conglomerate's capital base and capital requirement have been calculated using the consolidation method.

Note 4 – Segment information

Avanza Bank has no reportable segments that meet the criteria laid down in IFRS 8. All operations are conducted in Sweden and both external income and fixed assets are attributable to Sweden.

External commission income per product area/service group breaks down as follows (SEK m):

	2009 Jan–Mar
Direct savings products	62
Indirect savings products	25
Other services	3
Total commission income	90

Direct savings products refer to equity, investment fund and savings accounts. Indirect savings products refer to pension and insurance accounts. Other services includes asset management services, corporate finance, etc.

There is no single external customer who generates income that exceeds 10% of the Group's/segment's income. Avanza Bank offers a diversified portfolio of savings services in highly competitive markets and the Group's reliance on individual customers is, therefore, limited.

Stockholm, 21st April 2009

Nicklas Storåkers, Managing Director

This report has not been subject to review by the company's auditors.

The information contained in this report comprises information both that Avanza Bank Holding AB (publ.) is obliged to provide and that it has chosen to provide in accordance with the provisions of the Swedish Securities Market Act and the Swedish Financial Instruments Trading Act. The information has been released to the market for publication at 07.45 (CET) on 21st April 2009.

Avanza Bank also publishes an Excel document containing its financial history. The information is provided in English and is updated quarterly. The document can be accessed at www.avanza.se/keydata.

This Interim Report is published in Swedish and English. In the event of any difference between the English version and the Swedish original, the Swedish version shall prevail.

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