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AVANZA BANK PRELIMINARY FINANCIAL STATEMENT 2009

- Operating income increased by 1 per cent (–9 %) to SEK 515 million (SEK 509 m)
- The profit after tax increased by 23 per cent (–21 %) to SEK 228 million (SEK 185 m)
- Earnings per share increased by 22 per cent (–20 %) to SEK 8.27 (6.78)
- Net savings totalled to SEK 9,950 million (SEK 6,760 m), corresponding to 29 per cent (15 %) of savings capital at the beginning of the year
- The number of accounts increased by 23 per cent (37 %) to 279,000 (226,000), and the total savings capital increased by 77 per cent (–25 %) to SEK 61,300 million (SEK 34,600 m)
- The Board proposes that a dividend of SEK 8.00 (SEK 6.00) per share be paid

Fourth quarter

- Operating income increased by 17 per cent (–18 %) to SEK 145 million (SEK 124 m)
- The profit after tax increased by 64 per cent (–41 %) to SEK 64 million (SEK 39 m)
- Earnings per share increased by 62 per cent (–40 %) to SEK 2.31 (SEK 1.43)

Preliminary Financial Statement, 2009

Comments from the Managing Director

"Earnings per share increased in 2009 by 22 per cent to SEK 8.27 per share. The profit before tax increased to SEK 280 million, despite key interest rates of almost zero resulting in a fall of SEK 75 million in net interest items during the year. The explanation for this lies in a number of factors: we have cut costs according to plan by 13 per cent during the year, the upturn in the stock market put some real wind into our sails, and net savings with Avanza Bank reached record levels during the year," says Nicklas Storåkers, Managing Director of Avanza Bank.

"Avanza Bank's net savings increased dramatically in 2009 to almost SEK 10,000 million, which is estimated to correspond to around 5 per cent of the total net flow into the savings market in Sweden. Avanza Bank's market share of the existing savings market during the year is consequently estimated to have increased from 1.2 per cent to around 1.7 per cent. Net savings with Avanza Bank during the first half of January 2010 totalled SEK 1,330 million."

"The high level of net savings means that there is still plenty of potential for taking market shares quickly, in our opinion, which is why we have chosen to invest even more and expect costs to increase by around 25 per cent in 2010. Approximately 60 per cent of the cost increase refers to offensive expansion of IT and website development resources. We are concerned to protect Avanza Bank's status as the bank with the market's highest level of cost effectiveness and our ambition, post-2010, is to return to a more normal rate of cost increases of between 15 and 20 per cent per annum."

"There is a strong link between strong growth in savings capital and growth in income. By the turn of the year, Avanza Bank's savings capital totalled SEK 61,300 million which is up 77 per cent on the previous year. We believe, therefore, that despite what we expect to be significant pricing pressure, we have excellent potential in 2010 for achieving our long-term goal of a growth in profit of 15–20 per cent per annum, given a normal stock market performance."

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Operations

Market and sales

Savers choosed, in 2009, to reduce the percentage of liquid assets in their accounts in favour of equities and investment funds due, in part, to the rise of 47 per cent (–42 %) by the NASDAQ OMX Stockholm in 2009. Interest in emerging market funds has increased successively throughout the year. There was considerable interest in China funds at the end of the year, but broad emerging market funds also proved attractive to savers.

The beginning of the fourth quarter saw the launch of the Superloan, with an interest rate of 0.99 per cent for Premium customers and 0.89 per cent for Private Banking customers.

Interest in endowment insurance has been substantial throughout the year, with 20,100 (10,300) new endowment insurance accounts opened. Levels of interest in both endowment insurance and other savings formats have remained high in early 2010. The Government is reviewing the endowment insurance with the intention to improve it as a savings format and is also, in parallel with this review, investigating the potential for establishing a securities depository taxed at standard rate and subject to the same type of taxation as the endowment insurance.

Net savings increased during the first two weeks of 2010 to SEK 1,330 million (SEK 320 m), with 3,830 (1,080) new accounts opened.

Trading in the alternative marketplace, Burgundy, began in June. Avanza Bank has transferred 8–9 per cent of its trading from the NASDAQ OMX Stockholm to Burgundy, where commission expenses are lower.

2009 saw a number of major companies, such as Betsson, SAS, Svenska Spel and Vattenfall, sign occupational pension agreements with Avanza Pension for their employees. Net savings in occupational pensions totalled SEK 350 million (SEK 210 m) in 2009, with 4,510 (4,240) new accounts opened.

Activity	2009	2008	Change	2009	2008	Change
	Oct–Dec	Oct–Dec	%	Jan–Dec	Jan–Dec	%
Net savings, SEK m *	2,570	1,900	35	9,950	6,760	47
of which Pension- & insurance-based savings, SEK m	-540	-340	59	5,610	4,050	39
Net savings/Savings capital, %	19	20	-1	29	15	14
No. commission notes per account & month	2.0	1.7	18	1.9	1.6	19
No. transactions per commission note	1.7	2.0	-15	1.8	1.9	-5
Brokerage per commission note, SEK	85	84	1	84	90	-7
Market shares						
NASDAQ OMX Stockholm, First North and Burgundy						
No. transactions, %	11.0	9.9	1.1	11.7	9.0	2.7
Turnover, %	6.2	4.4	1.8	5.7	3.8	1.9

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 increased its market shares of the NASDAQ OMX Stockholm, First North and Burgundy markets during 2009. Measured in terms of the number of transactions, Avanza Bank has the largest market share of all members of the exchange, with 11.7 per cent (9.0 %) during 2009.

Avanza Bank had 1.2 per cent of the total savings market in Sweden at the beginning of the year, rising to 1.6 per cent by 30th September 2009, and Avanza Bank is thought to have taken additional market shares during the fourth quarter. The net savings of SEK 9,950 million in 2009 are estimated to correspond to around 5 per cent of the total net flow into the Swedish savings market.

	31-12-2009	30-09-2009	Change	31-12-2008	Change
			%		%
Savings capital					
Savings capital, equity & investment fund accounts, SEK m	39,600	34,900	13	24,740	60
Savings capital, savings accounts, SEK m	1,200	700	71	1,130	6
Savings capital, pension- & insurance-based accounts	20,500	19,600	5	8,730	135
of which, Occupational pensions, SEK m	770	620	24	300	157
Savings capital, SEK m	61,300	55,200	11	34,600	77
Equities, bonds, derivatives, etc. SEK m	42,300	37,740	12	21,650	95
Investment funds, SEK m	13,100	11,400	15	6,190	112
Deposits, SEK m	9,020	8,670	4	8,010	13
Lending, SEK m	-3,120	-2,610	20	-1,250	150
Savings capital, SEK m	61,300	55,200	11	34,600	77
Deposits/Lending, %	289	332	-43	641	-352
Net deposits/Savings capital, %	10	11	-1	20	-10
Avanza Bank, SEK m	36,830	33,220	11	20,480	80
Mini, SEK m *	1,190	1,050	13	590	102
Private Banking, SEK m	21,700	19,600	11	12,900	68
Pro, SEK m	1,580	1,330	19	630	151
Savings capital, SEK m	61,300	55,200	11	34,600	77
Return, average account since Jan 1 st, %	43	35	8	-36	-
OMX Stockholm Price Index since Jan 1 st, %	47	37	10	-42	-

For definitions, see page 8.

* Data as of 31st December 2008 concerns Aktiespar.se, replaced by the new service, Mini.

	31-12-2009	30-09-2009	Change %	31-12-2008	Change %
Accounts					
No. accounts *	279,000	261,000	7	226,000	23
No. management services	8,900	8,800	1	8,500	5
No. accounts & management services	287,900	269,800	7	234,500	23
No. equity & investment fund accounts	182,100	175,800	4	162,300	12
No. savings accounts	17,700	15,700	13	13,500	31
No. pension- & insurance-based accounts	79,200	69,500	14	50,200	58
of which, no. Occupational pensions	9,790	8,670	13	5,280	85
No. accounts	279,000	261,000	7	226,000	23
Avanza Bank, no. accounts	254,070	237,600	7	206,670	23
Mini, no. accounts **	14,100	13,300	6	11,300	25
Private Banking, no. accounts	8,780	8,200	7	7,110	23
Pro, konton, no. accounts	2,050	1,900	8	920	123
No. accounts	279,000	261,000	7	226,000	23

For definitions, see page 8.

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

** Data as of 31st December 2008 concerns Aktiespar.se, replaced by the new service, Mini.

53,000 new accounts were opened in 2009. 45,500 accounts, excluding 15,500 acquired from Ikanobanken, were opened in 2008. Of these 45,500 accounts, 13,500 were in respect of a new type of savings account launched in February 2008. Interest in savings accounts has been considerably lower in 2009, due to substantially lower market interest rates.

A number of private pension savings accounts were opened at the end of the year. Up to SEK 12,000 per year can be deducted using these savings types and total net savings in private pension insurance and IPS totalled SEK 280 million (SEK 340 m) during the year.

	31-12-2009	30-09-2009	Change %	31-12-2008	Change %
Avanza Zero					
Investment fund capital, Avanza Bank, SEK m	1,560	1,310	19	480	225
Investment fund capital, PPM, SEK m	450	380	18	250	80
Investment fund capital, Avanza Zero, SEK m	2,010	1,690	19	730	175
No. unit holders, Avanza Bank	42,700	38,700	10	27,800	54
Return, Avanza Zero, %	50	41	9	-36	-
Return, OMXS30-index incl. dividends, %	49	41	8	-36	-

Development

The Superloan with an interest rate of 0.99 per cent for Premium customers and of 0.89 per cent for Private Banking customers, was launched at the beginning of the fourth quarter. The interest rate is 35–40 per cent lower than on ordinary housing loans. Customers can borrow up to 35 per cent of the value of a selected list of equities and investment funds.

The spring of 2009 saw the launch of Mini, a service offering Sweden's cheapest way to save in Swedish shares, where the customer's brokerage fees start at SEK 9 and never rise above SEK 59. Mini is a simple and easy-to-use service for trading in Nordic shares and over 1,000 investment funds. Mini has no annual fees or other fixed fees. The maximum amount per share or warrant order is SEK 500,000.

Financial overview

	2009	2008	Change	2009	2008	Change
	Oct-Dec	Oct-Dec	%	Jan-Dec	Jan-Dec	%
Income Statement, SEK m						
Brokerage income, net	83	62	34	300	229	31
Fund commissions	17	7	143	48	41	17
Net interest items	29	44	-34	118	193	-39
Other income, net	16	11	45	49	46	7
Operating income	145	124	17	515	509	1
Personnel	-36	-34	6	-128	-137	-7
Marketing	-10	-10	0	-22	-31	-29
Depreciation	-2	-3	-33	-8	-12	-33
Other expenses	-19	-27	-30	-77	-90	-14
Operating expenses	-67	-74	-9	-235	-270	-13
Profit before tax	78	50	56	280	239	17
Operating margin, %	54	40	14	54	47	7
Profit margin, %	44	31	13	44	36	8
Cost/income ratio, %	46	60	-14	46	53	-7
Earnings per share, SEK	2.31	1.43	62	8.27	6.78	22
Earnings per share after dilution, SEK	2.29	1.43	60	8.24	6.75	22
Return on shareholders' equity, %	10	6	4	36	32	4
Investments, SEK m	1	1	0	4	11	-64
Brokerage income/Operating income, %	57	50	7	58	45	13
Non-brokerage income/Operating income, %	43	50	-7	42	55	-13
of which, Fund commissions/Operating income, %	12	6	6	9	8	1
of which, Net interest items/Operating income, %	20	35	-15	23	38	-15
of which, Other income/Operating income, %	11	9	2	10	9	1
Non-brokerage income/Operating expenses, %	93	84	9	91	104	-13
of which, Net interest items/Operating expenses, %	43	59	-16	50	71	-21
Operating income/Savings capital, %	0.25	0.34	-0.09	1.09	1.23	-0.14
of which, Net interest items/Savings capital, %	0.05	0.12	-0.07	0.25	0.47	-0.22
Average no. employees	184	188	-2	185	196	-6
No. trading days	62.5	61.5	2	248.5	250.5	-1
Web service operational availability, %	100.0	100.0	0	99.8	99.9	-0.1

	31-12-2009	30-09-2009	Change	31-12-2008	Change
			%		%
Shareholders' equity per share, SEK	25.14	22.83	10	22.76	10
Capital base/Capital requirement	1.71	1.76	-3	1.68	2
No. employees	194	184	5	192	1
Market value, SEK	168.50	144.00	17	71.00	137
Market capitalisation, SEK m	4,650	3,970	17	1,960	137

For definitions, see page 8.

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

The low level of net interest items in 2009 is due to the historically low market rates during the year, when the average repo rate was 0.65 per cent (4.14 %).

The increase in competition generated by trading in alternative marketplaces, such as Burgundy, meant that commission expenses in relation to commission income were substantially lower than in the previous year.

The operating profit increased by 37 per cent during the fourth quarter in comparison with the corresponding period last year excluding non-recurring costs of SEK 7 million 2008. These non-recurring costs referred to costs in connection with the savings programme implemented during the fourth quarter of 2008.

Parliament has decided to establish a stability fund that will finance governmental measures to support the financial system. All banks and other credit institutions are, as of 2009, obliged to pay an annual stability fee to the fund. The total fee is estimated at SEK 2.64 billion per annum, which is divided between the institutions according to their size and the risk to which they expose the system. Avanza Bank's estimated fee for 2009 is SEK 1.4 million.

Avanza Pension has sought an advance ruling on the way in which fund commissions from external fund managers will be taxed. A response is expected during the first quarter. If Skatterättsnämnden would give a negative reply would the tax costs of the company for the years 2006–2009 increase by SEK 10 million.

Capital surplus

	31-12-2009	31-12-2008
Capital base, as per Note 3, page 11, SEK m	439	426
Proposed dividend, SEK 8.00 (SEK 6.00) per share, SEK m	221	165
Capital base, adjusted for dividend, SEK m	660	591
Capital requirement with reference to Avanza Bank's internal capital assessment process, SEK m	307	315
Total capital surplus before proposed dividend, SEK m	353	276
Capital surplus per share, SEK	12.80	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 proposed dividend. Adjustments have been made in the above table for 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 353 million as of 31st December 2009.

Dividend

The Board of Directors proposes that a dividend of SEK 8.00 (SEK 6.00) per share be paid, or 97 per cent (89 %) of the profit for the year. It is calculated that in the long-term, Avanza Bank will be able to distribute a minimum of 70 per cent of its profits to the shareholders.

Financial position

Avanza Bank has no direct exposure to the market's prevailing problems, which are a combination of financing problems and of uncertainty with regard to the value of credits and other receivables. All of Avanza Bank's assets have a high liquidity level. Reinvestments can, therefore, for the main part of the assets be made with one day's delay. The assets are adjudged to be secure. Avanza Bank has suffered no credit losses during 2009 and the average credit losses since 2001 total less than 0.01 per cent per annum.

The statutory protection and guarantees (e.g. the government deposits 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 2009 was SEK –7 million (SEK –7 m). The Parent Company reports no turnover. Anticipated dividends from subsidiary companies totalling SEK 216 million (SEK 125 m) have been reported. A dividend totalling SEK 165 million (SEK 163 m) has been paid to all shareholders.

Outlook for the future

Avanza Bank's goal is for its long-term profit growth to total between 15 and 20 per cent per annum. Growth rates in individual years will, however, vary, in line with stock market performance.

The healthy long-term growth potential is due to the fact that the savings market is expected to grow by around 10 per cent per year and that online saving is growing even faster. This 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 (ca.)

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

	2001–2009	Goal
Net savings, % of savings capital at beginning of the year	23 % *	13–17 %
Growth in value	7 % *	6–8 %
Savings capital, growth	28 %	20–25 %
Estimated pricing pressure	(2 %)	(3–7 %)
Growth in income	24 %	15–20 %
Cost increase	14 %	15–20 %
Growth in profit	54 %	15–20 %

* 2002–2009

Avanza Bank's business model means that the majority of the costs comprise fixed. Marketing and sales costs are, however, primarily variable costs that depend on Avanza Bank's assessment of the market climate. Avanza Bank can, therefore, choose to reduce the rate at which costs increase in a poorer market climate, but the 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. Operating costs are, seasonally speaking, normally higher during the first and fourth quarters than during the other quarters.

Costs are expected to increase by around 25 per cent in 2010, which is higher than the long-term growth goals. The reason for the higher than usual rate of increase is that Avanza Bank intends to invest more than normal in website and technology development in 2010 in response to what is seen as the strong potential for taking additional market shares. The rate of increase in costs is expected to return to between 15 and 20 per cent per annum after 2010.

Increased costs notwithstanding, Avanza Bank believes its potential for achieving its long-term goals with regard to profit growth in 2010 are good, given a normal stock market performance, because the underlying savings capital at the beginning of 2010 is 77 per cent higher than was the case one year earlier. Pricing pressure is expected to continue as an effect of the pressure on interest rate margins resulting from low key interest rates. Brokerage fees are, furthermore, not expected to increase at the same rate as savings capital, because a large part of the equities transactions are being conducted at an unchanged minimum brokerage fee. The above should, in that operations are dependent on stock market trends, not however be regarded as an income or profit forecast for 2010.

Avanza Bank will be launching new products 2010 and expects them both to strengthen the relationship with the customers and to make a positive contribution to the growth rate.

Avanza Bank's long-term vision is to be the natural choice for Swedes who actively monitor their savings. One of the goals is, therefore, to achieve a market share of at least 7 per cent of the total net flow to the Swedish savings market by 2012.

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 Preliminary Financial Statement 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 of the company's shareholders will be held on 21st April 2010 at 15.00 (CET) in the Auditoriet hall of the Moderna Museet museum in Stockholm. The Annual Report is scheduled to be available at the company's offices and on the company's website at avanza.com, as of week 11 2010. A printed version of the 2009 Annual Report will not be issued.

Nomination Committee

The Nomination Committee comprises the Chairman of the Board, Sven Hagströmer, Erik Törnberg, who represents Investment AB Öresund, Eva Qviberg, who represents the Qviberg family, and Sten Dybeck, who represents the Dybeck family and companies. Erik Törnberg has been appointed Chairman of the Nomination Committee. For further information about the Nomination Committee, please visit Avanza's website at avanza.com.

Incentives programme

Avanza Bank implemented an incentives programme for the Group's employees in the spring of 2009 in accordance with a resolution passed by the Annual General Meeting held on 15th April 2008. The stock option programme is the second of a total of three stock option programmes approved for implementation between 2008 and 2010. This year's programme comprises warrants corresponding to the entitlement to subscribe for 576,990 new shares, and the redemption price is SEK 125.16. The term expires on 25th May 2012. The stock option programme has been implemented on market terms.

The term of subsidiary programme 2 of the previous 2005–2007 stock option programme expired without value on 30th September 2009, and no new share issue was consequently implemented in respect of this subsidiary programme. The subsidiary programme comprised 411,620 shares and the redemption price was SEK 168.78 per share.

Buyback of the company's own shares

On 21st April 2009, the Annual General Meeting decided to authorise the Board of Directors to implement the acquisition of own shares, up to a maximum of 10 per cent of the shares in Avanza Bank Holding AB. No shares have been bought back in 2009.

Reduction of share capital

The Annual General Meeting held on 21st April 2009 resolved to reduce the company's share capital by SEK 45,583. The reduction in the share capital has been effected by means of the withdrawal of the 18,233 shares owned by the company and which were bought back during 2008.

Financial calendar

2009 Annual Report	March 2010
Interim Report, January – March 2010	21st April 2010
Annual General Meeting	21st April 2010
Interim Report, January – June 2010	9th July 2010
Interim Report January – September 2010	14th October 2010
Preliminary Financial Statement, 2010	January 2011

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.
Cost/income ratio:	Costs in relation to income.
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 (Net flow):	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. The return on shareholders' equity for interim periods is not recalculated at a yearly rate.
Transactions:	Buying and selling transactions completed in different markets and involving different securities.

Consolidated Income Statements (SEK m) *

	2009	2008	2009	2008
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating income				
Commission income	133	99	464	384
Commission expenses	-17	-19	-68	-69
Interest income	30	86	138	394
Interest expenses	-1	-42	-20	-201
Net result of financial transactions	0	0	1	1
Other operating income	0	0	0	0
Total operating income	145	124	515	509
Operating expenses				
General administrative costs	-52	-52	-192	-207
Depreciation of tangible and intangible fixed assets	-2	-3	-8	-12
Other operating expenses	-13	-19	-35	-51
Credit losses, net	0	0	0	0
Total operating expenses	-67	-74	-235	-270
Operating profit	78	50	280	239
Tax on profit for the period	-14	-11	-52	-54
Net profit/loss for the period **	64	39	228	185
Earnings per share, SEK	2.31	1.43	8.27	6.78
Earnings per share after dilution, SEK	2.29	1.43	8.24	6.75
Average no. shares before dilution, thousand	27,578	27,537	27,578	27,351
Average no. shares after dilution, thousand	27,740	27,586	27,655	27,481
Outstanding no. shares before dilution, thousand	27,578	27,578	27,578	27,578
Outstanding no. shares after dilution, thousand	27,773	27,578	27,773	27,578
No. shares upon full dilution, thousand	29,105	28,940	29,105	28,940

* Corresponds to total comprehensive income in that no other total comprehensive income exists.

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

Consolidated Balance Sheets (SEK m)

		31-12-2009	31-12-2008
Assets			
Loans to credit institutions		5,452	6,587
Loans to the public	Note 1	3,124	1,253
Shares and participations		12	12
Assets in insurance operations		18,640	7,448
Intangible fixed assets		31	35
Tangible assets		7	8
Other assets *		502	373
Prepaid costs and accrued income		27	16
Total assets		27,795	15,732
Liabilities and shareholders' equity			
Deposits by the public	Note 2	8,294	7,386
Liabilities in insurance operations		18,640	7,448
Other liabilities *		139	233
Accrued costs and prepaid income		29	37
Shareholders' equity		693	628
Total liabilities and shareholders' equity		27,795	15,732

* Comparative figures have been restated by 2008-12-31 for net accounting of clearing institutions. It has not affected the result for the period or equity.

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

	2009	2008
	Jan-Dec	Jan-Dec
Shareholders' equity at the beginning of the period	628	573
Dividend	-165	-163
Warrants issue	3	4
Exercise of share warrants	-	29
Buyback of the company's own shares	-	-1
Net profit/loss for the period	228	185
Shareholders' equity at the end of the period	693	628

There are no minority shareholdings included in the shareholders' equity.

Consolidated Cash Flow Statements (SEK m)

	2009	2008	2009	2008
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Cash flow from operating activities	58	44	180	209
Cash flow from operating activities' assets and liabilities	-697	843	-1,146	2,314
Cash flow from investment operations	-1	-1	-7	-10
Cash flow from financial operations	0	5	-162	-131
Cash flow for the period	-640	891	-1,135	2,382
Liquid assets at the beginning of the period *	6,092	5,696	6,587	4,205
Liquid assets at the end of the period *	5,452	6,587	5,452	6,587

* Liquid assets are defined as loans to credit institutions.

Parent Company Income Statements (SEK m)

	2009	2008
	Jan-Dec	Jan-Dec
Operating income	0	1
Operating expenses	-7	-8
Operating profit/loss	-7	-7
Profit/loss from financial investments *	223	125
Tax on profit/loss for the period	0	0
Net profit/loss for the period	216	118

* Of which, anticipated dividend from subsidiaries 216 (125).

Parent Company Balance sheets (SEK m)

	31-12-2009	31-12-2008
Assets		
Financial fixed assets	225	222
Current receivables *	233	182
Liquid assets	0	0
Total assets	458	404
Shareholders' equity and liabilities		
Shareholders' equity	456	402
Current liabilities	2	2
Total shareholders' equity and liabilities	458	404

* Of which receivables from subsidiaries 231 (181).

Accounting principles

The Consolidated Preliminary Financial Statement has been prepared in accordance with IAS 34, Interim Reporting, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies 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 Preliminary Financial Statement 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. The revised IAS 1, Presentation of Financial Statements, requires that a report showing the total comprehensive income be presented. There is no difference, for the Group, between the result for the period and the total comprehensive income and hence no separate total comprehensive income report is presented in this Preliminary Financial Statement.

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 December 2009, deposits by third parties in client fund accounts totalling SEK 747 (645) million.

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

	31-12-2009	31-12-2008
Capital base		
Shareholders' equity, the Group	693	628
Proposed dividend	-221	-165
Shareholders' equity, financial conglomerate	472	463
<i>Less</i>		
Intangible fixed assets and deferred tax receivables	-33	-37
Capital base	439	426
Capital requirement		
Capital requirement for regulated units within the banking and securities sector	212	202
Capital requirement for regulated units in the insurance sector	33	29
Theoretical capital requirements for non-regulated units	11	23
Capital requirement	256	254
Capital surplus	183	172
Capital base/Capital requirement	1.71	1.68

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 segments that meet the criteria laid down in IFRS 8. All operations are conducted in Sweden and both income from external customers and fixed assets are attributable to Sweden.

Operating income per product area/service groups breaks down as follows (SEK m):

	2009	2008	2009	2008
	Oct–Dec	Oct–Dec	Jan–Dec	Jan–Dec
Direct savings products	96	44	314	210
Indirect savings products	38	11	123	23
Other services	5	6	15	24
Total income från external customers	139	61	452	257
Other income	6	63	63	252
Total operating income	145	124	515	509

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. Other income refers primarily to interest income from lending to credit institutions.

There is no single external customer who generates income that exceeds 10 per cent of the Group'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, 20th January 2010

The Board of Directors

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 13.00 (CET) on 20th January 2010.

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 avanzabank.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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