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AVANZA BANK INTERIM REPORT JANUARY – JUNE 2009

- Operating income decreased by 10 per cent (–3 %) to SEK 242 million (SEK 268 m)
- The profit after tax increased by 6 per cent (–10 %) to SEK 105 million (SEK 99 m)
- Earnings per share increased by 4 per cent (–9 %) to SEK 3.81 per share (SEK 3.65)
- Net savings totalled SEK 4,500 million (SEK 4,210 m), corresponding to 13 per cent (9 %) of the savings capital at the beginning of the year
- The number of accounts increased by 11 per cent (+25 %) to 249,800 (226,000 as of 31st December 2008) and the total savings capital increased by 36 per cent (–5 %) to 47,100 (34,600 as of 31st December 2008)

Second quarter

- Operating income increased by 2 per cent (–6 %) to SEK 133 million (SEK 130 m)
- The profit after tax increased by 36 per cent (–17 %) to SEK 61 million (SEK 45 m)
- Earnings per share increased by 32 per cent (–16 %) to SEK 2.21 per share (SEK 1.67)

Interim Report, January – June 2009

Comments from the Managing Director

"The profit increased by 36 per cent during the second quarter to SEK 2.21 per share. This corresponds to a total increase in profit before tax of SEK 14 million – a figure we achieved despite a deterioration of SEK 23 million in net interest items due to substantially lower key interest rates," says Nicklas Storåkers, Managing Director of Avanza Bank.

"This success was due to an extremely strong stock market during the second quarter, to a cut of 15 per cent in costs, and to Avanza Bank's healthy underlying growth. Not only did the number of accounts grow by 6 per cent during the second quarter and by 21 per cent during the past year, but net savings during the second quarter totalled SEK 2,500 million, making it the second best quarter ever and boosting the total savings capital to its current figure of SEK 47,100 million as of 30th June."

"Avanza Bank continues to break new ground in the Swedish savings market. We launched a number of new services in the spring, including Mini, offering Sweden's cheapest way of trading in shares on the Stockholm Stock Exchange, with brokerage fees starting at SEK 9 and never rising above SEK 59 per customer."

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Operations

Market and sales

The financial market has stabilised during the first six months of 2009 - a trend that was clearly apparent in customers' increased activity levels. The Stockholm Stock Exchange rose by 22 per cent during the second quarter and has increased by 20 per cent since the turn of the year. Savers are once again showing an interest in equity funds and emerging markets such as Russia, India and China. Lending has increased rapidly during the year after having fallen during the latter half of 2008. The first half of the year has seen a substantial need for public capital raising programmes and a number of corporate offerings have consequently been made.

Net savings totalled SEK 4,500 million during the first six months of the year, exceeding Avanza Bank's goals. This growth, coupled with the 23,800 new accounts during the first six months of the year, is proof of the continued high level of both financial mobility and price-awareness amongst Swedes.

Trading on Burgundy formally began in June and is making a positive contribution to the competitive climate in a number of ways. Not only is trade gradually increasing in this lower cost market, but the increased competition has forced Burgundy's competitors to lower their own prices.

Avanza Pension has expanded its partnership with SAS during the second quarter in the form of an occupational pension solution for Swedish pilots employed in Denmark. The partnership between SAS and Avanza Pension began during the first quarter in the form of an occupational pension solution for 180 pilots employed in Sweden.

Vattenfall has signed an agreement with Avanza Pension during the second quarter, offering an alternative for its employees' occupational pensions. Avanza Pension is one of several elective companies with whom Vattenfall employees can choose to save for their pensions.

	2009	2008	Change	2009	2008	Change	2008-2009	2008
	Apr-Jun	Apr-Jun	%	Jan-Jun	Jan-Jun	%	Jul-Jun	Jan-Dec
Activity								
Net savings, SEK m *	2,500	1,420	76	4,500	4,210	7	7,040	6,760
of which Pension- & insurance-based savings, SEK m	2,160	1,060	104	4,410	3,690	20	4,770	4,050
Net savings/Savings capital, %	27	13	14	26	18	8	16	15
No. commission notes per account & month	2.1	1.5	40	1.8	1.7	6	1.7	1.6
No. transactions per commission note	1.8	1.7	6	1.9	1.8	6	1.9	1.9
Brokerage per commission note, SEK	85	91	-7	83	95	-13	84	90
Market shares, OMX Stockholm and First North								
No. transactions, %	12.4	8.5	3.9	11.6	8.6	3.0	10.5	9.0
Turnover, %	5.5	3.6	1.9	5.1	3.5	1.6	4.6	3.8

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 on the Stockholm Stock Exchange (including First North) during the first six months of 2009. Avanza Bank has the biggest overall market share of all members of the bourse, measured in terms of the number of transactions, with 11.6 per cent of the total number of transactions during the first half of 2009 and 12.4 per cent during the second quarter. During the second quarter, Avanza Bank was ranked third after SEB and Handelsbanken in terms of the percentage of turnover on the Stockholm Stock Exchange (including First North). Net savings totalled SEK 4,500 million (SEK 4,210 m) during the first half of the year, exceeding Avanza Bank's long-term goal.

	30-06-2009	31-03-2009	Change	31-12-2008	Change	30-06-2008	Change
			%		%		%
Savings capital							
Savings capital, equity & investment fund accounts, SEK m	30,530	25,370	20	24,740	23	31,590	-3
Savings capital, savings accounts, SEK m	770	930	-17	1,130	-32	540	43
Savings capital, pension- & insurance-based accounts	15,800	11,300	40	8,730	81	11,570	37
of which, Occupational pensions, SEK m	500	360	39	300	67	190	163
Savings capital, SEK m	47,100	37,600	25	34,600	36	43,700	8
Equities, bonds, derivatives, etc. SEK m	31,430	24,520	28	21,650	45	30,400	3
Investment funds, SEK m	9,250	6,710	38	6,190	49	8,100	14
Deposits, SEK m	8,420	7,870	7	8,010	5	7,530	12
Lending, SEK m	-2,000	-1,500	33	-1,250	60	-2,330	-14
Savings capital, SEK m	47,100	37,600	25	34,600	36	43,700	8
Deposits/Lending, %	421	525	-104	641	-220	323	98
Net deposits/Savings capital, %	14	17	-3	20	-6	12	2
Avanza Bank, SEK m	28,440	22,600	26	20,480	39	25,630	11
Mini, SEK m *	900	670	34	590	53	710	27
Private Banking, SEK m	16,700	13,500	24	12,900	29	16,400	2
Pro, SEK m	1,060	830	28	630	68	960	10
Savings capital, SEK m	47,100	37,600	25	34,600	36	43,700	8
Return, average account since Jan 1st, %	22	3	19	-36	-	-13	-
OMX Stockholm Price Index since Jan 1st, %	20	-2	22	-42	-	-21	-

For definitions, see page 8.

* Data as of 31st March 2009, 31st December 2008 and 30th June 2008 concerns Aktiespar.se, replaced by the new service, Mini with the markets lowest commissions for trading in Swedish shares.

	30-06-2009	31-03-2009	Change %	31-12-2008	Change %	30-06-2008	Change %
Accounts							
No. accounts *	249,800	236,000	6	226,000	11	205,800	21
No. management services	8,600	8,300	4	8,500	1	6,200	39
No. accounts & management services	258,400	244,300	6	234,500	10	212,000	22
No. equity & investment fund accounts	171,700	165,800	4	162,300	6	155,200	11
No. savings accounts	15,200	14,600	4	13,500	13	6,800	124
No. pension- & insurance-based accounts	62,900	55,600	13	50,200	25	43,800	44
of which, no. Occupational pensions	7,600	6,030	26	5,280	44	4,060	87
No. accounts	249,800	236,000	6	226,000	11	205,800	21
Avanza Bank, no. accounts	227,610	215,340	6	206,670	10	188,600	21
Mini, no. accounts **	12,700	12,000	6	11,300	12	10,140	25
Private Banking, no. accounts	7,890	7,460	6	7,110	11	6,010	31
Pro, no. accounts	1,600	1,200	33	920	74	1,050	52
No. accounts	249,800	236,000	6	226,000	11	205,800	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.

** Data as of 31st March 2009, 31st December 2008 and 30th June 2008 concerns Aktiespar.se, replaced by the new service, Mini with the markets lowest commissions for trading in Swedish shares.

There was a strong inflow of accounts, with 23,800 new accounts acquired during the first half of the year. During the same period in 2008, 25 300 accounts were acquired of which 6 800 were the new savings accounts which was launched in February 2008. The interest for savings accounts in 2009 has been significantly less due to the significantly lower market interest rates. The strong inflow of new accounts helps maintain profits, despite the weakness of net interest items caused by the low market interest rates. The Riksbank continued to lower the repo rate during the second quarter to a record low of 0.50 per cent, and a further cut to 0.25 per cent was made at the beginning of the third quarter.

The number of occupational pension accounts held with Avanza Bank increased during the first half of 2009 by 2,320. Net savings in occupational pensions totalled SEK 150 million.

	30-06-2009	31-03-2009	Change %	31-12-2008	Change %	30-06-2008	Change %
Avanza Zero							
Investment fund capital, Avanza Bank, SEK m	980	580	69	480	104	380	158
Investment fund capital, PPM, SEK m	320	300	7	250	28	160	100
Investment fund capital, Avanza Zero, SEK m	1,300	880	48	730	78	540	141
No. unit holders, Avanza Bank	34,300	31,200	10	27,800	23	23,600	45
Return, Avanza Zero, %	25	-1	-	-36	-	-18	-
Return, OMXS30-index incl. dividends, %	25	-1	-	-36	-	-18	-

Development

Avanza Bank launched an active asset management service during the second quarter for savings capital. Savers who want help in managing their funds can now obtain asset management services for funds with five different orientations. The fee is low, at 0.25 per cent, and the minimum deposit is SEK 100. Equity and asset management services have previously required assets of between SEK 2 and 10 million, but Avanza Bank is now lowering the minimum requirement to SEK 150 thousand. The cost is 0.79–1.50 per cent per year and there are no extra depository charges.

The new Mini service, offering Swedes saving in equities the market's lowest brokerage rates for trading in Swedish shares, was launched during the second quarter. The minimum brokerage fee for shares listed on NASDAQ OMX Stockholm and First North is SEK 9 and the maximum is SEK 59. Mini is a simple and easy-to-use service for trading in Nordic shares and over 900 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	2008-2009	2008
	Apr-Jun	Apr-Jun	%	Jan-Jun	Jan-Jun	%	Jul-Jun	Jan-Dec
Income Statement, SEK m								
Brokerage income, net	82	50	64	140	114	23	256	229
Fund commissions	11	14	-21	18	26	-31	33	41
Net interest items	27	50	-46	62	101	-39	154	193
Other income, net	13	16	-19	22	27	-19	40	46
Operating income	133	130	2	242	268	-10	483	509
Personnel	-33	-39	-15	-66	-74	-11	-129	-137
Marketing	-5	-8	-38	-9	-17	-47	-23	-31
Depreciation	-1	-3	-67	-4	-6	-33	-10	-12
Other expenses	-21	-21	0	-37	-42	-12	-85	-90
Operating expenses	-60	-71	-15	-116	-139	-17	-247	-270
Profit before tax	73	59	24	126	129	-2	236	239
Operating margin, %	55	45	10	52	48	4	49	47
Profit margin, %	46	35	11	43	37	6	40	36
Earnings per share, SEK	2.21	1.67	32	3.81	3.65	4	6.95	6.78
Earnings per share after dilution, SEK	2.21	1.66	33	3.80	3.62	5	6.93	6.75
Return on shareholders' equity, %	10	8	2	17	17	0	32	32
Investments, SEK m	4	1	300	5	9	-44	14	11
Brokerage income/Operating income, %	62	38	24	58	42	16	53	45
Non-brokerage income/Operating income, %	38	62	-24	42	58	-16	47	55
of which, Fund commissions/Operating income, %	8	11	-3	7	10	-3	7	8
of which, Net interest items/Operating income, %	20	38	-18	26	38	-12	32	38
of which, Other income/Operating income, %	10	12	-2	9	10	-1	8	9
Non-brokerage income/Operating expenses, %	85	113	-28	88	111	-23	92	104
of which, Net interest items/Operating expenses, %	45	70	-25	53	73	-20	62	71
Operating income/Savings capital, %	0.31	0.30	0.01	0.61	0.60	0.01	1.20	1.23
of which, Net interest items/Savings capital, %	0.06	0.11	-0.05	0.16	0.23	-0.07	0.38	0.47
Average no. employees	177	200	-12	179	203	-12	187	196
No. trading days	59	62	-5	120	123	-2	248	251
Web service operational availability, %	99.8	99.9	-0.1	99.8	99.9	-0.1	99.9	99.9

	30-06-2009	31-03-2009	Change	31-12-2008	Change	30-06-2008	Change
			%		%		%
Shareholders' equity per share, SEK	20.68	24.35	-15	22.76	-9	19.26	7
Capital base/Capital requirement*	1.67	1.58	6	1.62	3	1.77	-6
No. employees	178	179	-1	192	-7	193	-8
Market value, SEK	120.25	85.75	40	71.00	69	92.00	31
Market capitalisation, SEK m	3,320	2,370	40	1,960	69	2,520	32

For definitions, see page 8.

* Capital base/Capital requirements refer, as of 30th June 2009, 31st March 2009 and 31st December 2008, refer to the financial conglomerate. The data as of 30th June 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 avanzabank.se/keydata.

Low market interest rates notwithstanding, income increased by 2 per cent during the second quarter, despite a fall in income over the first six months of the year of 10 per cent. Brokerage income increased by 23 per cent during the first half of the year, at the same time as net interest items decreased by 39 per cent. Levels of customer activity have increased as a result of the strong stock market. The repo rate, which controls Avanza Bank's interest margins, has been cut sharply since its peak of 4.75 per cent in September/October 2008, falling during the first half of the year to 0.50 per cent. The Riksbank then made a further cut in the repo rate to 0.25 per cent on 8th July. The average repo rate during the first half of the year was 1.07 per cent, in comparison with an average of 4.18 per cent during the corresponding period in 2008.

After falling in the latter half of 2008, lending has increased rapidly during the first half of the year in a sign that confidence in the stock market's performance is reviving. The Stockholm Stock Exchange has increased by 22 per cent during the second quarter, and by 20 per cent since the turn of the year. Non-brokerage income during the first half of the year comprises 61 per cent (66%) net interest items, 18 per cent (17%) fund commissions, and 21 per cent (17%) other.

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 estimate to pay a fee of SEK 1.4 million in 2009, SEK 0.7 million of which has been charged to the profit for the first half of the year.

As of 30th June, Avanza Bank held 18,233 of its own shares, which were bought back in July and October 2008.

Capital surplus

	30-06-2009	31-12-2008
Capital base, as per Note 3, page 11, SEK m	430	426
Unaudited profits, SEK m	105	–
Proposed dividend, SEK – (SEK 6.00) per share, SEK m	–	165
Capital base, adjusted for dividend, SEK m	535	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	220	276
Capital surplus per share, SEK	7.98	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 220 million as of 30th June 2009.

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 half of 2009 was SEK –3 million (SEK –5 m). The Parent Company posts no turnover. A total dividend payment of SEK 165 million (SEK 163 m) has been made to the shareholders.

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 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

Net savings are expected to increase beyond the level set in the long-term goal of 13–17 per cent of savings capital at the beginning of the year.

Avanza Bank does not expect to achieve the income and profit growth goals in 2009, primarily due to the low interest rate levels. The strong stock market development in the second quarter has impacted revenues and earnings positive, but a more normal market in the future assessed mean lower revenues and earnings compared to 2008. Profit margins are expected to continue good.

Net interest items will be at a level substantially lower than those seen in 2008. The repo rate was cut to 0.25 per cent on 8th July, which will have a negative effect on net interest items, and hence on the result. Avanza Bank expects its net interest items to show substantial improvement as key interest rates return to more normal levels. In the longer term, the conditions for more normal interest rate levels and hence stronger net interest items are, therefore, 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 half 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 at the present time, and given current interest rate levels, it is not felt that it will be possible to achieve this goal in 2009.

June saw the formal launch of Burgundy and the effect of the increased competition will gradually grow as a bigger percentage of transactions occur in alternative marketplaces. The increased competition is also resulting in a general lowering of prices across the sector, leading to a successive reduction in key ratios such as commission costs in relation to commission income.

Interest in stock market IPO's is expected to continue to be low in 2009, but interest levels may rise if the strong stock market performance continues throughout the year. The need for capital raising programmes will remain high for the rest of 2009.

A number of new product and services will be launched during the latter half of the year.

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.

Incitamentsprogram

Avanza Bank implemented an incentives programme aimed at the Group's employees during the spring, in accordance with the 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 strike 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 2005–2008 stock option programme runs from 1st June to 30th September 2009. The strike price is SEK 168.78 per share. Given that the share price as of 30th June was 29 per cent below the strike price and that the warrants may quite possibly, therefore, be worthless upon expiry, a new share issue will, therefore, not be implemented in respect of this subsidiary programme.

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 the company's own shares, up to a maximum of 10 per cent of the shares in Avanza Bank Holding AB. As of 30th June 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 half of 2009.

Financial calendar

Interim Report, January–September 2009	16th October 2009
Preliminary Financial Statement, 2009	20th 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	2009	2008	2008-2009	2008
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jul-Jun	Jan-Dec
Operating income						
Commission income	123	96	213	201	396	384
Commission expenses	-18	-17	-34	-35	-68	-69
Interest income	31	103	79	200	273	394
Interest expenses	-4	-53	-17	-99	-119	-201
Net result of financial transactions	1	1	1	1	1	1
Other operating income	0	0	0	0	0	0
Total operating income	133	130	242	268	483	509
Operating expenses						
General administrative costs	-51	-55	-97	-108	-196	-207
Depreciation of tangible and intangible fixed assets	-1	-3	-4	-6	-10	-12
Other operating expenses	-8	-13	-15	-25	-41	-51
Credit losses, net	0	0	0	0	0	0
Total operating expenses	-60	-71	-116	-139	-247	-270
Operating profit	73	59	126	129	236	239
Tax on profit for the period	-12	-14	-21	-30	-45	-54
Net profit/loss for the period*	61	45	105	99	191	185
Earnings per share, SEK	2.21	1.67	3.81	3.65	6.95	6.78
Earnings per share after dilution, SEK	2.21	1.66	3.80	3.62	6.93	6.75
Average no. shares before dilution, thousand	27,578	27,260	27,578	27,227	27,518	27,351
Average no. shares after dilution, thousand	27,615	27,413	27,603	27,411	27,568	27,481
Outstanding no. shares before dilution, thousand	27,578	27,360	27,578	27,360	27,578	27,578
Outstanding no. shares after dilution, thousand	27,651	27,439	27,651	27,439	27,651	27,578
No. shares upon full dilution, thousand	29,517	28,965	29,517	28,965	29,517	28,940

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

Consolidated Balance Sheets (SEK m)

	30-06-2009	31-12-2008
Assets		
Loans to credit institutions	6,209	6,587
Loans to the public	Note 1	1,997
Shares and participations	16	12
Assets in insurance operations	14,226	7,448
Intangible fixed assets	33	35
Tangible assets	7	8
Other assets	144	238
Prepaid costs and accrued income	35	16
Total assets	22,667	15,597
Liabilities and shareholders' equity		
Deposits by the public	Note 2	7,731
Liabilities in insurance operations	14,226	7,448
Other liabilities	104	98
Accrued costs and prepaid income	36	37
Shareholders' equity	570	628
Total liabilities and shareholders' equity	22,667	15,597

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

	2009	2008	2008
	Jan-Jun	Jan-Jun	Jan-Dec
Shareholders' equity at the beginning of the period	628	573	573
Dividend	-165	-163	-163
Warrants issue	3	4	4
Exercise of share warrants	-	14	29
Buyback of the company's own shares	-	-	-1
Net profit/loss for the period	105	99	185
Shareholders' equity at the end of the period	570	527	628

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

Consolidated Cash Flow Statements (SEK m)

	2009	2008	2009	2008
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun
Cash flow from operating activities	36	53	73	117
Cash flow from operating activities' assets and liabilities	-258	213	-284	819
Cash flow from investment operations	-4	-1	-5	-9
Cash flow from financial operations	-162	-146	-162	-146
Cash flow for the period	-388	119	-378	781
Liquid assets at the beginning of the period *	6,597	4,867	6,587	4,205
Liquid assets at the end of the period *	6,209	4,986	6,209	4,986

* Liquid assets comprise loans to credit institutions.

Parent Company Income Statements (SEK m)

	2009	2008
	Jan-Jun	Jan-Jun
Operating income	0	0
Operating expenses	-3	-5
Operating profit/loss	-3	-5
Profit/loss from financial investments	0	0
Tax on profit/loss for the period	1	1
Net profit/loss for the period	-2	-4

Parent Company Income Statements (SEK m)

	30-06-2009	31-12-2008
Assets		
Financial fixed assets	225	222
Current receivables*	14	182
Liquid assets	0	0
Total assets	239	404
Shareholders' equity and liabilities		
Shareholders' equity	238	402
Current liabilities	1	2
Total shareholders' equity and liabilities	239	404

Of which receivables from subsidiaries 12 (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 30th June 2009, deposits by third parties in client fund accounts totalling SEK 690 million (SEK 645 m as of 31st December 2008).

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

	30-06-2009	31-12-2008
Capital base		
Shareholders' equity, the Group	570	628
Less, unaudited profits	-105	-
Assumed/Proposed dividend	-	-165
Shareholders' equity, financial conglomerate	465	463
<i>Less</i>		
Intangible fixed assets and deferred tax receivables	-35	-37
Capital base	430	426
Capital requirement		
Capital requirement for regulated units within the banking and securities sector	207	202
Capital requirement for regulated units in the insurance sector	19	29
Theoretical capital requirements for non-regulated units	32	32
Capital requirement	258	263
Capital surplus	172	163
Capital base/Capital requirement	1.67	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 Apr–Jun	2008 Apr–Jun	2009 Jan–Jun	2008 Jan–Jun
Direct savings products	82	67	144	146
Indirect savings products	37	19	62	40
Other services	4	10	7	15
Total commission income	123	96	213	201

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 per cent 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.

The Board of Directors and the Managing Director ensures that the interim report gives a fair overview of the company and group activities, balance and results, and describes the material risks and uncertainties that the company and the companies of the group is facing.

Stockholm, 10th July 2009

Sven Hagströmer

Chairman of the Board

Hans Bergenheim

Board Member

Anders Elsell

Board Member

Mattias Miksche

Board Member

Mikael Nachemson

Board Member

Andreas Rosenlew

Board Member

Jacqueline Winberg

Board Member

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 10th July 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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