

Länsförsäkringar Bank

YEAR-END REPORT 2003

2003 in brief

- Lending to the general public increased by 51% to SEK 30.0 billion (19.9). Deposits from the general public rose by 15% to SEK 17.0 billion (14.7).
- Mortgage loans by Länsförsäkringar Hypotek rose by 106% to SEK 16.2 billion (7.8). Länsförsäkringar captured 10% of the growth in the housing mortgage during 2003.
- Operating income amounted to SEK 103.8 M (32.7) before loan losses and SEK 64.9 M (19.5) after loan losses. Loan losses remain at a low level. Probable and confirmed loan losses correspond to 0.13% (0.07) of total lending volume.
- Revenues rose by 27% to SEK 822.2 M (649.3).
- Administrative expenses increased by 15% to SEK 736.4 M (641.0).
- Net interest income rose by 30% to SEK 700.7 M (537.8).
- The target level for total capital adequacy was raised at the end of the year from 9.25% to 10.5% (+/- 0.5%). A target level for the Tier 1 ratio was set at 8.5% (+/- 0.5%). At year-end, capital adequacy was 13.00% (8.08) and the Tier 1 ratio was 9.95% (7.45).
- The bank received a capital contribution of SEK 1,600 M during the year.
- During the year, an MTN program was issued in addition to a syndicated term loan and revolving credit.
- Länsförsäkringar received 59,000 new bank customers during the year. The number of customers that have current account, cards, savings and loans with the bank increased by 63% during 2003.
- An increasing number of customers are discovering the benefits of having all their banking and insurance with Länsförsäkringar. At year-end, 10% (8) of private home customers were also bank customers.
- Länsförsäkringar's bank customers are among the most satisfied in Sweden, according to the 2003 Swedish Quality Index. The bank has the highest ratings of all banks for the best-value banking services and the most loyal bank customers.



Key figures

Group	2003	2002	2001	2000	1999
Return on equity, %	2.98	1.90	0.16	6.31	1.61
Investment margin, %	2.59	3.01	3.08	3.00	3.02
Capital adequacy, %	13.00	8.08	9.12	10.21	11.65 ¹⁾
Tier 1 ratio, %	9.95	7.45	8.45	9.37	10.63
Percentage of doubtful receivables, % ²⁾	0.12	0.18	0.47	0.68	0.72
Provision ratio for doubtful receivables, % ²⁾	83.14	80.30	71.38	71.32	84.07

Parent Company	2003	2002	2001	2000	1999
Return on equity, %	Neg	Neg	Neg	Neg	Neg
Investment margin, %	1.33	1.77	1.82	1.57	1.51
Capital adequacy, %	45.25	24.30	22.49	27.76	36.77 ¹⁾
Tier 1 ratio, %	34.64	22.40	20.82	25.50	33.60
Percentage of doubtful receivables, % ²⁾	0.15	0.08	0.17	0.23	0.16
Provision ratio for doubtful receivables, % ²⁾	64.99	83.33	74.98	80.13	89.65

¹⁾ Debenture loans totaling SEK 100 M were repaid during 1999.

²⁾ Comparative figures for prior years were adjusted to apply to provisions for lending on own account and excluding earlier cooperation with SBAB.

Quarterly development 2003 – Group

SEK M	Q4 03	Q3 03	Q2 03	Q1 03
Net interest income	202,9	182,1	168,6	147,1
Net commission income	9,1	8,4	3,8	6,9
Other income	22,7	22,6	26,2	21,7
Total income	234,7	213,1	198,6	175,7
Personnel costs	-58,5	-44,1	-46,7	-41,8
Other costs	-155,4	-138,9	-131,6	-119,3
Total costs	-213,9	-183,0	-178,3	-161,1
Profit before loan losses	20,8	30,1	20,3	14,6
Loan losses	-5,3	-9,1	-14,8	-9,7
Profit from banking business	15,5	21,0	5,5	4,9
Profit from insurance business	14,8	1,2	1,0	1,0
Operating income	30,3	22,2	6,5	5,9

President's Statement

Bank operations showed a highly favorable development during 2003. Volumes are increasing as a growing number of satisfied customers choose Länsförsäkringar as the main bank. During the year, the number of customers increased by 15%. The business volume rose by 36% to SEK 47 billion and total revenues rose by 27%. Länsförsäkringar no longer merely attracts customers for supplementary banking services. Today, it is a bank that customers switch to.

A full-range bank with satisfied customers

According to Sifo's Finansmonitor survey, 11% of those who switched bank during 2003 chose Länsförsäkringar. A gradual shift is taking place in the bank's customer base. New customers are to a greater extent utilizing several products from the bank's range compared with previously. Since 2001, the number of customers that have current account, cards, savings and loans with the bank has increased fivefold. With a score of 71 on the 2003 Swedish Quality Index, Länsförsäkringar's customers are among the most satisfied in Sweden. As many as three out of four customers experience our products and services as being good value for money. Länsförsäkringar has the highest score of all banks in this respect.

Continued strong growth

It is very pleasing to note that bank operations continued to show favorable growth during 2003. The bank has 452,000 customers, an increase of 59,000 since the beginning of the year. During the year, the business volume grew by an average of SEK 1 billion per month.

An established player in the mortgage market

We took a huge leap forward in the mortgage market during the year, establishing

ourselves as a significant player. The expansion was made possible thanks to extensive efforts to develop our lending operations and a high level of commitment on the part of the regional insurance companies.

We now have 2.1% of the mortgage market and we are continuing to capture market share. Länsförsäkringar captured 10% of the growth in the housing mortgage during 2003.

Good investor relations a priority

Our success in the mortgage market increases the bank's borrowing requirement. During the year, efforts to create strong investor relations were therefore intensified. One result of this work is the highly successful launch of the bank's MTN program.

Development of bank services

Last spring, we supplemented our range of savings accounts with a Fixed-Interest Account. Terms and interest for the new account follow the same value-for-money profile as our other products and services. Since the launch of the Aktietjänst Internet share trading service in November 2002, approximately 2,600 share deposit accounts have been opened. Banking services in the Internet bank have also been improved.

The project to develop an electronic BankID service progressed well during the

year. In February 2004, our bank customers will be able to order electronic identification in the form of a BankID from the Internet bank, thus improving service and security for customers using services over the Internet.


New organization

The year commenced with organizational changes to equip the bank for the future. A reorganization of the bank limited liability company within the banking Group was necessary since the bank has undergone a strategic change – from a niche bank to becoming a full-range bank. The bank now operates on a process basis, with the main processes being lending, saving, payments and bank market.

Acquisition of Länsförsäkringar Fondförvaltning AB

Effective January 1, 2004, Länsförsäkringar Fondförvaltning AB is included in the banking group. A positive earnings trend in the mutual fund company contributes to strengthening the bank's earnings.

Stockholm February 20, 2004
Länsförsäkringar Bank



TOMAS JOHANSSON
President

Group

Total assets

The Group's total assets amounted to SEK 32.4 billion (22.3), an increase of 45%.

Lending to the general public rose by 51%, or SEK 10.2 billion, to SEK 30.0 billion (19.9).

Deposits from the general public increased by 15%, or SEK 2.3 billion, to SEK 17.0 billion (14.7).

The Group had 2.9% of the market for deposits from households and a market share of 2.3% in terms of lending to households.

Borrowing

Borrowing and issued securities rose by 92%, or SEK 4.9 billion, to SEK 10.3 billion (5.3). The borrowing program started by the bank comprises a commercial paper program with a limit of SEK 6 billion and an MTN program with a limit that initially was SEK 3 billion. This limit was increased to SEK 10 billion during the autumn. Additionally, during the summer the bank signed a syndicated credit facility divided into a term loan and a revolving credit in the international capital market. The limit amounts to EUR 150 million. At year-end, borrowing through certificates amounted to SEK 3.4 billion, while borrowing via the MTN program amounted to SEK 5.3 billion and the syndicated loan was SEK 0.8 billion.

Capital adequacy target

The Board of Directors of the bank set a capital adequacy target at 10.5% and a target for the Tier 1 ratio at 8.5%. The deviation range for both targets is +/-0.5%.

During the year, the bank received SEK 730 M in the form of a shareholders' contribution from the Parent Company Länsförsäkringar AB and SEK 870 M in the form of debenture loans.

At year-end, the Group's capital adequacy was 13.00% (8.08). The Tier 1 ratio was 9.95% (7.45).

Rating

Länsförsäkringar Bank's rating from the Standard & Poor's credit rating institute is unchanged at BBB+ for long-term borrowing and K 1 for short-term borrowing.

Earnings and profitability

Consolidated operating income amounted to SEK 103.8 M (32.7) before loan losses and SEK 64.9 M (19.5) after loan losses, of which the profit from insurance operations was SEK 18.0 M (24.4). This corresponds to a return on visible shareholders' equity before taxes of about 5.0% and 3.0% (1.9) after taxes. In pace with the increased volume, the return will successively approach the level of the other banks. Revenues rose nearly twice as much as costs, compared with 2002.

Revenues

Net interest income rose by 30% and amounted to SEK 700.7 M (537.8). The increase is attributable mainly to increased volumes. The Group's investment margin, that is, net interest as a percentage of average total assets, amounted to 2.6% (3.0).

Net commission revenues were more or less unchanged at SEK 28.2 M (27.6).

Other operating revenues increased by about 9% to SEK 91.3 M (82.4).

Expenses

Operating expenses rose by 15% or by SEK 95.4 M to SEK 736.4 M (641.0). The increase is largely related to higher selling expenses as a result of increased volumes for deposits and lending.

The C/I ratio, that is, costs in relation to income, was 0.90 (0.99) before loan losses and 0.94 (1.01) after loan losses.

Loan losses

Provisions were made after individual review and after Group-wise appraisal. The Group's loan losses (both probable and confirmed) amounted, net, to SEK 38.9 M (13.2). The

increase was due to growing volumes.

The percentage of doubtful loan receivables declined to 0.12% (0.18).

The provision ratio for doubtful receivables increased to 83.14% (80.30).

Parent Company

The bank posted an operating loss of SEK 65.9 M (loss: 83.7). Operating revenues amounted to SEK 456.3 M (389.4). Costs excluding loan losses were SEK 511.1 M (461.1). Loan losses amounted to SEK 11.1 M (12.0).

Deposits and borrowing occur in the Parent Company. Most of the lending operations are conducted through the subsidiaries Länsförsäkringar Hypotek and Wasa Kredit.

Subsidiaries

Länsförsäkringar Hypotek

Länsförsäkringar Hypotek began operations in 2001 by offering first mortgages with its own financing. Mortgage loans rose during the year by 106%, or SEK 8.4 billion, to SEK 16.2 billion (7.8). The market share of housing loans (first mortgages) amounted to 2.1%. The number of housing loan customers increased from 30,000 to 51,000. The loans' average size amounts to slightly more than SEK 300,000. Most of the lending, about 87%, pertains to house financing. The remainder is tenant-owner and leisure home financing. First mortgages are placed in Länsförsäkringar Hypotek, while second mortgages are carried by the bank. Länsförsäkringar Hypotek's operating profit amounted to SEK 50.1 M (35.6).

Wasa Kredit

Wasa Kredit is a finance company offering leasing, installment plans and unsecured loans. The primary markets are cars, computers and engineering machinery. Wasa Kredit's operating profit amounted to SEK

62.7 M (54.0). The lending volume amounted to SEK 6.8 billion (6.2).

New contracts during the year amounted to SEK 4,364 M, distributed among 60,300 contracts, an increase of 24% compared with 2002.

The volume in car financing was largely unchanged. The increase was primarily in unsecured credits and in the leisure sector

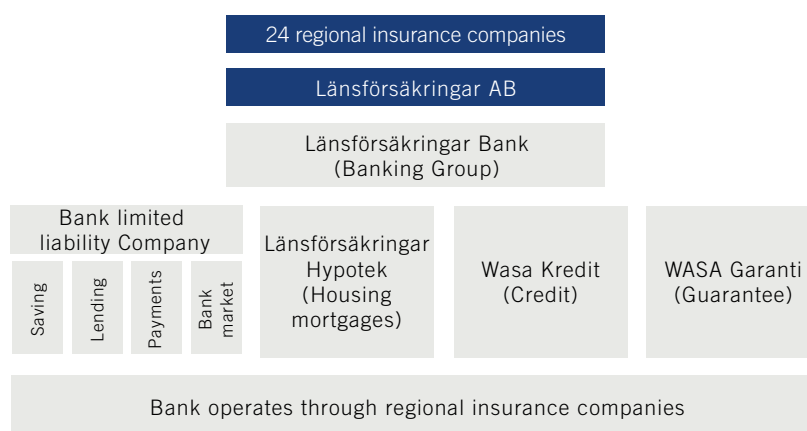
(towable RVs, caravans, motorcycles, snow scooters and trailers).

WASA Garanti

WASA Garanti works with risk commitment run-off activities in the areas of credit guarantees and rental loss insurance. The company also handles claims that arose during the real estate crisis of the early 1990s. During

the year, the stock of leasing guarantees that the company handles declined faster than expected. Income before appropriations and tax amounted to SEK 18.0 M (24.4).

The plan is to liquidate WASA Garanti during the year.



Länsförsäkringar's organization is based on 24 independent and customer-owned regional insurance companies. The regional insurance companies jointly own Länsförsäkringar AB. In turn, Länsförsäkringar AB owns Länsförsäkringar Bank (Bank group), with the parent company and the subsidiaries Länsförsäkringar Hypotek, AB, and WASA Garanti. Customer contact always occurs at the regional insurance companies. From the customer's viewpoint, the regional insurance companies operate as local banks, in the same manner as with non-life insurance and life assurance.

Income statement

SEK 000s		Group		Parent Company	
		2003	2002	2003	2002
Interest income	Note 2	1,593,678	1,143,218	1,021,581	824,184
Interest expenses	Note 3	-893,004	-605,399	-685,242	-534,632
Net interest income		700,674	537,819	336,339	289,552
Dividends received		2,418	1,775	138	28,496
Commission revenues		111,316	85,094	58,084	40,179
Commission expenses		-83,132	-57,508	-61,233	-42,608
Net profit/loss from financial transactions		-399	-206	-399	-206
Other operating revenues		91,284	82,356	123,377	73,994
Total operating revenues		822,161	649,330	456,306	389,407
General administrative expenses		-650,219	-563,859	-448,586	-395,402
Depreciation/amortization and write-downs of tangible and intangible fixed assets		-57,663	-46,327	-49,777	-47,350
Other operating expenses		-28,477	-30,864	-12,755	-18,333
Total expenses before loan losses		-736,359	-641,050	-511,118	-461,085
Profit/loss before loan losses		85,802	8,280	-54,812	-71,678
Loan losses, net	Note 4	-38,871	-13,155	-11,066	-11,980
Profit/loss from banking business		46,931	-4,875	-65,878	-83,658
Profit from insurance business		17,990	24,386	-	-
Total operating profit/loss		64,921	19,511	-65,878	-83,658
Tax on the year's profit/loss		-18,611	406	18,224	32,701
NET PROFIT/LOSS FOR THE YEAR		46,310	19,917	-47,654	-50,957
Earnings per share, SEK (number of shares = 8,398,708)		5,51	2,37	-5,67	-6,07

Balance sheet

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Assets				
Cash and central bank account balances	75,144	68,774	75,144	68,774
Lending to credit institutions	602,095	1,408,026	21,076,011	13,081,425
Lending to the public	Note 5	30,043,724	19,861,343	7,049,293
Shares and participations	3,833	500	3,833	500
Shares and participations in Group companies	–	–	1,251,900	806,900
Bonds and other interest-bearing securities	1,243,145	499,154	1,243,145	499,154
Assets in the insurance business	21	12,185	–	–
Intangible assets	77,655	108,518	77,655	108,518
Tangible assets	25,587	29,752	7,762	10,727
Other assets	237,538	235,507	76,795	74,065
Prepaid expenses and accrued income	96,980	77,921	54,778	50,761
ASSETS	32,405,722	22,301,680	30,916,316	20,519,350
Liabilities, provisions and shareholders' equity				
Liabilities to credit institutions	1,356,951	266,751	1,399,382	352,145
Deposits and borrowing from the public	18,154,223	16,377,917	17,012,814	14,831,584
Securities issued	9,120,062	3,705,523	9,120,062	3,705,523
Debt in the insurance business	5,400	5,394	–	–
Other liabilities	307,500	234,265	262,866	173,785
Accrued expenses and prepaid income	458,629	308,116	129,925	69,489
Provisions	21,010	17,965	4,296	–
Subordinated debt	1,050,000	180,000	1,050,000	180,000
Shareholders' equity				
Share capital (8,398,708 shares with a par value of SEK 100 each)	Note 6	839,871	839,871	839,871
Restricted reserves	12,072	12,072	12,072	12,072
Profit/loss carried forward	1,033,694	333,889	1,132,682	405,838
Profit/loss for the year	46,310	19,917	–47,654	–50,957
Total shareholders' equity	1,931,947	1,205,749	1,936,971	1,206,824
LIABILITIES, PROVISIONS AND SHAREHOLDERS' EQUITY	32,405,722	22,301,680	30,916,316	20,519,350
Memorandum items				
Pledged assets/collateral	505,163	500,915	500,000	490,000
Contingent liabilities	25,250	23,986	20,704	19,440
Commitments	8,144,061	2,902,213	8,628,541	4,445,249

Cash-flow statement

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Liquid funds at the beginning of the period	1,210,050	960,953	1,031,974	899,537
Operating activities				
Operating profit/loss	64,920	19,511	-65,878	-83,658
Adjustments for items not included in cash flow				
Booked non-chargeable tax	-18,610	406	18,224	32,701
Depreciation/amortization charged against earnings	57,663	46,327	49,777	47,350
	103,973	66,244	2,123	-3,607
Increase in lending to the public	-10,182,381	-7,408,536	-1,230,767	-1,323,941
Decrease in securities holdings	-	-	-	-
Increase in deposits and borrowing from the public	1,776,306	3,085,386	2,181,230	2,382,521
Increase in lending to subsidiaries	-	-	-8,800,151	-5,301,184
Change in other assets	-15,655	23,854	-6,750	-2,538
Change in other liabilities	221,357	64,568	153,816	41,314
Cash flow from operating activities	-8,096,400	-4,168,484	-7,700,499	-4,207,435
Investing activities				
Increase in subordinated debentures	870,000	100,000	870,000	100,000
Change in fixed assets	-766,626	834,727	-759,940	849,276
Increase in shares in subsidiaries	-	-	-445,000	-192,749
Increase in share and participations	-3,333	-	-3 333	-
Change in assets in the insurance business	12,164	24,224	-	-
Change in liabilities in the insurance operations	6	-9,395	-	-
Cash flow from investing activities	112,211	949,556	-338,273	756,527
Financing activities				
Shareholders' contribution received	730,000	180,000	730,000	180,000
Group contribution received	-	-	47,800	115,320
Group contribution paid	-50,112	-	-	-
Securities issued	5,414,539	3,288,025	5,414,539	3,288,025
Cash flow from financing activities	6,094,427	3,468,025	6,192,339	3,583,345
Cash flow for the period	-1,889,762	249,097	-1,846,433	132,437
Liquid funds at end of period	-679,712	1,210,050	-814,459	1,031,974
Liquid funds include:				
Cash and central bank account balances	75,144	68,774	75,144	68,774
Other lending to/deposits in credit institutions	602,095	1,408,027	509,779	1,315,345
Liabilities to credit institutions	-1,356,951	-266,751	-1,399,382	-352,145
	-679,712	1,210,050	-814,459	1,031,974
Interest received amounted to	1,399,039	1,162,953	1,023,016	847,874
Interest paid amounted to	784,593	585,983	641,340	531,311
Taxes paid amounted to	3,532	3,889	1,846	1,186
Gross investment during the period	24,862	87,148	18,050	65,340

Notes

NOTE 1 ACCOUNTING PRINCIPLES

This report is prepared in accordance with recommendation RR:20 of the Swedish Financial Accounting Standards Council. In all other respects, the accounting principles and methods of computation remain unchanged compared with the 2002 Annual Report.

NOTE 2 INTEREST INCOME

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Interest income on lending to credit institutions	136,984	34,206	623,463	432,071
Interest income on lending to the public	1,428,079	1,078,784	369,544	361,952
Interest income on interest-bearing securities	26,504	25,502	26,504	25,502
Other interest income	2,111	4,726	2,070	4,659
Total interest income	1,593,678	1,143,218	1,021,581	824,184
Average rate of interest during the year on lending to the public	5.5%	6.6%	5.7%	6.9%

NOTE 3 INTEREST EXPENSES

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Interest expenses for liabilities to credit institutions	370,015	54,781	233,281	54,144
Interest expenses for deposits and borrowing from the public	504,485	535,833	433,458	465,714
Interest expenses for subordinated liabilities	10,010	7,210	10,010	7,210
Other interest expenses including depositor guarantee	8,494	7,575	8,493	7,564
Total interest expenses	893,004	605,399	685,242	534,632
Average rate of interest during the year on deposits from the public	2.6%	3.4%	2.6%	3.4%

NOTE 4 LOAN LOSSES, NET

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Specific provision for individually appraised loan receivables				
Write-off of confirmed loan losses during the year	15,186	2,899	1,349	3,117
Reversed provisions for possible loan losses reported in the year-end accounts as confirmed losses	-992	-1,861	-990	-2,079
Provision for possible loan losses during the year	17,372	10,253	2,374	3,892
Payment received for prior confirmed loan losses	-14,977	-10,337	-679	-407
Reversed provisions no longer required for possible loan losses	-5,843	-33,061	-3,396	-6,916
Net expenses during the year for individually appraised loan receivables	10,746	-32,107	-1,342	-2,393
Group-wise provisions for individually appraised receivables	-	-	-	-
Homogenous groups, appraised by group, of loan receivables of limited value and similar credit risk				
Write-off of confirmed loan losses during the year	9,799	20,597	2,866	2,229
Payment received for previously confirmed loan losses	-2,487	-6,960	-17	-13
Allocation/dissolution of provisions for loan losses	20,813	31,625	9,559	12,157
Net expenses for the year for homogenous loan receivables appraised by group	28,125	45,262	12,408	14,373
Net expenses for the year for loan losses	38,871	13,155	11,066	11,980

NOTE 5 LENDING TO THE PUBLIC

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Loan receivables, gross				
Public sector	130,774	91,645	–	–
Corporate sector	3,619,121	3,182,795	311,879	243,772
Household sector	26,458,102	16,735,067	6,809,759	5,645,609
Other	8,072	3,791	3,134	1,366
Total	30,216,069	20,013,298	7,124,772	5,890,747
Less:				
Provision for individually reserved loan receivables				
Corporate sector	–28,589	–21,932	–247	–247
Household sector	–40,978	–37,457	–17,198	–19,204
	–69,567	–59,389	–17,445	–19,451
Provision for loan receivables reserved by group				
Corporate sector	–13,243	–12,494	–1,727	–1,138
Household sector	–89,535	–80,072	–56,307	–51,632
	–102,778	–92,566	–58,034	–52,770
Total provisions	–172,345	–151,955	–75,479	–72,221
Loan receivables, net book value				
Public sector	130,774	91,645	–	–
Corporate sector	3,577,289	3,148,369	309,905	242,387
Household sector	26,327,589	16,617,538	6,736,254	5,574,773
Other	8,072	3,791	3,134	1,366
	30,043,724	19,861,343	7,049,293	5,818,526
Doubtful loan receivables				
Corporate sector	58,905	42,264	2,206	1,479
Household sector	148,383	140,056	73,272	78,520
	207,288	182,320	75,478	79,999
Nonperforming loan receivables included among doubtful loan receivables				
Corporate sector	34,414	18,919	479	247
Household sector	82,245	71,423	40,185	42,080
	116,659	90,342	40,664	42,327

Definitions:

Nonperforming receivables are claims for which interest, amortization and overdrafts are more than 60 days overdue.

A doubtful receivable is a nonperforming claim or receivable for which it is likely that payments will not be continued in accordance with the terms of the contract, and for which the value of the security provided does not cover, by a satisfactory margin, both the principal and the interest, including compensation for any delays.

NOTE 6 SHAREHOLDERS' EQUITY

SEK 000s	Group		Parent Company	
	2003	2002	2003	2002
Restricted shareholders' equity				
Share capital	839,871	839,871	839,871	839,871
Statutory reserve	2,371	2,371	2,371	2,371
Share premium reserve	9,701	9,701	9,701	9,701
	851,943	851,943	851,943	851,943
Unrestricted shareholders' equity				
Profit carried forward	1,033,694	333,889	1,132,682	405,838
Net profit/loss for the year	46,310	19,917	-47,654	-50,957
	1,080,004	353,806	1,085,028	354,881
Total shareholders' equity	1,931,947	1,205,749	1,936,971	1,206,824

Change in shareholders' equity (Group)

	Share-capital	Restricted reserves	Unrestricted reserves	Net profit/loss for the year
Opening balance	839,871	12,072	333,889	19,917
According to decision of Annual General Meeting			19,917	-19,917
Change in reserve for unrealized gains	-	-	-	-
Reversal of deferred tax attributable to reserve for unrealized gains	-	-	-	-
Group contribution paid			-50,112	
Unconditional shareholders' contribution received from Parent Company			730,000	
Net profit/loss for the year				46,310
Closing balance	839,871	12,072	1,033,694	46,310

Change in shareholders' equity (Parent Company)

	Share-capital	Restricted reserves	Unrestricted reserves	Net profit/loss for the year
Opening balance	839,871	12,072	405,838	-50,957
According to decision of Annual General Meeting			-50,957	50,957
Unconditional shareholders' contribution received			730,000	
Group contribution received			66,390	
Tax effect of Group contribution received			-18,589	
Net profit/loss for the year				-47,654
Closing balance	839,871	12,072	1,132,682	-47,654

This report has not been examined by the Company's auditors.

Stockholm February 20, 2004

Tomas Johansson

President

Financial calendar:

2003 Annual Report: March 19, 2004

Interim report, January–March 2004: April 23, 2004

Interim report, January–June 2004: August 30, 2004

Interim report, January–September 2004: October 26, 2004



For further information, please contact

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