Carnegie: Year-end report 2005 **2 February 2006**

Net profit 2005 SEK 667 million (SEK 401 million)

- Carnegie's **net profit** for 2005 increased by 66% to SEK 667 million (SEK 401 million). Net profit for the fourth quarter increased by 69% Y/Y to SEK 267 million (SEK 158 million). **Earnings per share** for the full year were SEK 9.98 (SEK 6.01) and SEK 9.68 (SEK 5.94) after full dilution.
- The Board of Directors proposes a **dividend** of SEK 634 million, or SEK 9.19 (SEK 5.93) per share outstanding at the record date, corresponding to a Tier 1 ratio including the new share issue of SEK 94 million in January 2006, of 15%. The proposed dividend corresponds to a pay-out ratio of 95% (100%).
- **Total income** in 2005 was up 32% Y/Y to SEK 3,514 million (SEK 2,672 million). Total income in the fourth quarter was up 51% Y/Y to SEK 1,213 million. In 2005 **Securities'** income increased by 25% to SEK 1,503 million, mainly reflecting the turnover increase of 28% in the Nordic stock markets. **Investment Banking** had a strong second half year and income for the full year increased by 44% Y/Y to SEK 733 million. **Asset Management** income increased by 61% to SEK 791 million, whereof performance fees accounted for SEK 268 million (SEK 34 million). **Private Banking** income increased by 4% Y/Y to SEK 486 million. On a like-for like-basis, reflecting structural changes, Private Banking income increased by 18%.
- **Total expenses before profit-share** for the full year were SEK 1,674 million (SEK 1,586 million), of which SEK 517 million (SEK 427 million) in the fourth quarter. Total expenses ended 5% above management's estimated cost range for 2005, due to a provision of SEK 64 million, corresponding to Carnegie's total commitment to the software development company Capital C, which was communicated in a press release during the last quarter. Based on current market conditions, management's estimated cost range for 2006 is SEK 1,700-1,800 million.

Quotations from Karin Forseke, CEO:

"We are delighted to deliver an increase of 66% in net profit for our shareholders. In favourable market conditions we have utilised the leverage in our business model and we have developed into an even stronger Carnegie. The power of our brand allows us to grow to a level determined only by our own limitations."

D. CARNEGIE & CO AB
Company reg. No 556498-9449
SE - 103 38 Stockholm
Västra Trädgårdsgatan 15
Telephone: +46 8 676 88 00
www.carnegie.se

Auditors' examination

This year-end and fourth-quarter report has been reviewed by the company's auditors.

Teleconference

Carnegie's CEO Karin Forseke and CFO Mats-Olof Ljungkvist will present the year-end results at a teleconference held 2 February at 4.00 PM (CET). It will be open to the public. In order to participate, please call +44(0)20 7138 0808. The conference call will also be accessible as an audio live web cast (including slide presentation) at www.carnegie.se/ir. For those unable to listen to the live web cast, a replay will be available at **www.carnegie.se/ir** approximately one hour after the event.

Contact persons

For further information, please contact Karin Forseke (CEO) +46 8 5886 90 10, Mats-Olof Ljungkvist (CFO) +46 8 5886 90 13 or Birgitta Henriksson (IR) +46 8 5886 86 39.

Financial calendar 2006

Year-end report, 2 February
Annual general meeting, 23 March, 3.00 PM (CET) at the Grand Hotel, Stockholm
Last day for trading in the Carnegie share including dividend, 23 March
Distribution of dividend to shareholders, 31 March
Interim report January-March, 26 April
Interim report January-June, 13 July
Interim report January-September, 18 October

Additional information is available at **www.carnegie.se/ir**.

Carnegie is an independent Nordic investment bank operating in Securities, Investment Banking, Asset Management and Private Banking. Carnegie provides a wide array of financial products and services to Nordic and international clients from offices in eight countries: Sweden, Denmark, Norway, Finland, Luxembourg, Switzerland, the UK and the US.

Company reg. No 556498-9449
SE - 103 38 Stockholm
Västra Trädgårdsgatan 15
Telephone: +46 8 676 88 00
www.carnegie.se

The Carnegie Group

(SEK million)	Oct - Dec 2005	Oct - Dec 2004	Jan - Dec 2005	Jan - Dec 2004	Chg.
Income statement					
Securities	427	340	1,503	1,202	25%
Investment Banking	288	188	733	511	44%
Asset Management	347	151	791	492	61%
Private Banking	151	125	486	467	4%
Total income[1)]	*1,213*	*805*	*3,514*	*2,672*	32%
Personnel expenses	-247	-247	-870	-883	-1%
Other expenses	-266	-180	-799	-705	13%
Net provisions for credit losses	-3	0	-5	1	
Total operating expenses excluding profit-share	*-517*	*-427*	*-1,674*	*-1,586*	6%
Operating profit before result from principal investments and profit-share	*696*	*378*	*1,840*	*1,086*	69%
Result from principal investments 2)	0	-7	0	-21	
Operating profit before profit-share	*696*	*372*	*1,840*	*1,064*	73%
Allocation to profit-share system	-345	-182	-909	-524	73%
Total expenses	*-862*	*-609*	*-2,583*	*-2,111*	22%
Profit before taxes	*351*	*190*	*931*	*540*	72%
Taxes	-84	-32	-264	-139	89%
Net profit	*267*	*158*	*667*	*401*	66%
Earnings per share (SEK)	3.99	2.37	9.98	6.01	
Earnings per share, fully diluted (SEK)	3.87	2.34	9.68	5.94	

1) This Interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Income statement and operational reporting 2004 have been restated according to IFRS. See further p 8.

2) Result from principal investments is included in total income in the the statutory income statement. Total income in the operational reporting may thus differ from total income as presented in the statutory statements. From 1 January 2005, Asset Management and Private Banking are reported as separate business areas. The year-on-year comparison is based on pro forma calculations.

Market environment

Stock mkt turnover, EURm	Q4(05), Y/Y chg	12MY/Y chg
Stockholm	24%	9%
Helsinki	41%	24%
Copenhagen	85%	58%
Oslo	73%	74%
Aggregate Nordic	44%	28%

The Nordic markets ended 2005 on a strong note, with the MSCI Nordic index up 32%, outperforming most other markets. Aggregate turnover in the Nordic stock exchanges was up 28%, after continued strong turnover in the last quarter, showing a Y/Y increase of 44%. The turnover increase in the Norwegian and Danish markets was especially strong, while the Swedish market increase was modest.

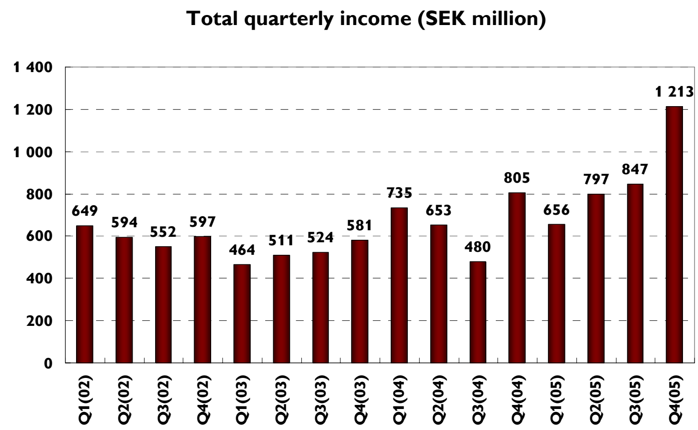
The volume of announced M&A-transactions in the Nordic region took off in the last quarter and reached USD 100 billion for the full year, an increase of 80% Y/Y, surpassing the record levels in 1999 and 2000. The total Equity Capital Markets (ECM) volume was unchanged from last year, but the higher activity could be seen in the increase of over 50% in number of deals. According to Thomson Financial Securities Data, 26 (15) initial public offerings were launched in the Nordic region during 2005, with an aggregate value of USD 5 billion, the highest level since 2000. The Norwegian market especially accounted for a large part of the ECM and IPO market.

Market position

Carnegie's share of the aggregate turnover on the Nordic Stock Exchanges was 7.1% 2005, ranking Carnegie as the second largest market participant in the Nordic region. In Investment Banking, Carnegie was ranked No 9 (No 4) in terms of volume of Nordic M&A transactions, No 1 (No 6) in the ECM market and had a leading role in 6 of the top 12 IPOs in the Nordic market. In Asset Management, Carnegie's fund performance was better than its benchmark indices for around 90% of assets under management in mutual equity funds. Funds representing over 95% of the assets under management in rated equity funds held 4- or 5-star rankings, and Carnegie Fonder in Sweden was awarded The Fund Management Company of the Year, by the daily newspaper Dagens Industri and fund evaluation company Morningstar. In Private Banking, sales activities generated a continued inflow of new funds.

Income

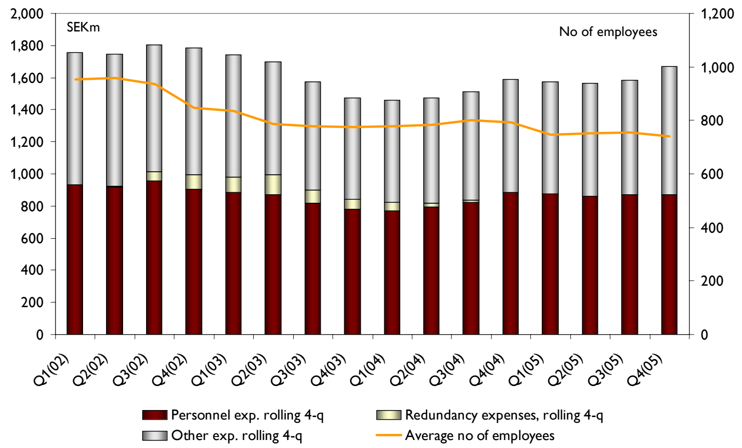
Total income in 2005 was SEK 3,514 million (SEK 2,672 million), up 32% from last year. Total income for the last quarter was SEK 1,213 million, up 51% Y/Y and the best quarter ever, due to strong income generation across the board. **Securities** income in 2005 was up 25% to SEK 1,503 million, reflecting the increase in turnover on the Nordic equity markets of 28% and a good trading result. **Investment Banking** had a strong second half of 2005 and generated SEK 733 million for the full year, reflecting strong markets in Norway and Denmark. Investment Banking income in the last quarter was SEK 288 million, an increase of 44% Y/Y. **Asset Management** income increased by 61% to SEK 791 million in 2005, reflecting the strong performance of the products as well as an increase of assets under management. Funds and discretionary mandates with performance-related fee structures generated performance fees of SEK 268 million (SEK 35 million). **Private Banking** income for 2005 was SEK 486 million, 4% above the same period last year. On a like-for-like basis, reflecting structural changes, Private Banking income increased by 18%.



Total expenses in 2005 and cost range for 2006

Total expenses before profit-share in 2005 were SEK 1,674 million (SEK 1,586 million), 5% above the estimated cost range of SEK 1,500 to 1,600 million. Total expenses included a provision of SEK 64 million in the fourth quarter corresponding to Carnegie's commitment to software company Capital C. The remaining 50% of Capital C was acquired during the fourth quarter and is consolidated in Carnegie's accounts from 31 December 2005.

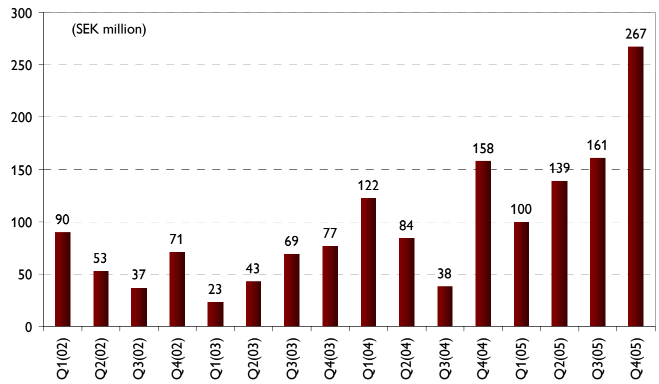
Based on current market conditions total expenses before profit-share in 2006 **are estimated to SEK 1,700 – 1,800 million.**



Allocation to profit-share in 2005 was SEK 909 million (SEK 524 million). The profit-share allocation follows the fixed formula for profit-share allocation: 50% of the Group's operating profit before profit-share, after deduction of a STIBOR-related return on shareholders' equity.[1]

Profit before taxes was SEK 931 million in 2005, up 72% from the same period last year. Profit before taxes in the last quarter was SEK 351 million, up 85% Y/Y. **The net profit** for 2005 was SEK 667 million (SEK 401 million), up 66% Y/Y. Net profit in the last quarter was SEK 267 million, making it one of the best quarters in Carnegie's history. The return on equity for the last 12-months-period was 49%.

Quarterly net profit, SEKm



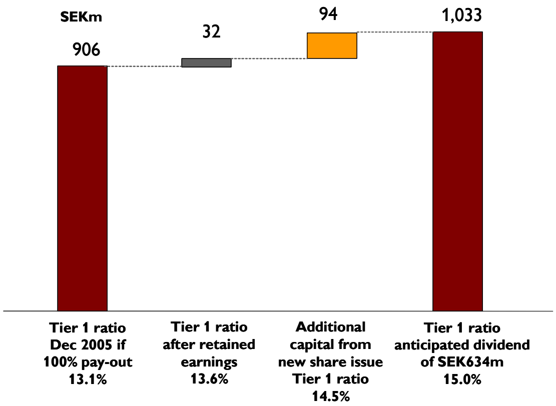
Dividend proposal

It is Carnegie's intention to pay dividend that allow for a conservative Tier 1 ratio, which is considered to be 15% in the medium term, i.e. well above the legal requirement of 8%. Excess capital above the level of desired and prudent regulatory capital should be distributed as dividend. A new regulatory framework for capital adequacy has been presented in the Basel II Accord. The new regulation is expected to be implemented at the end of 2006, following new local directives from the Swedish Financial Supervisory Authority to be issued mid 2006. It is the Board's assessment that the adjustment to the new regulatory environment has been addressed during 2005 through the issue of a subordinated loan.

[1] Allocation to the profit-sharing system is accounted for in each business area on a fixed percentage basis, for the purpose of segmental analysis. Actual profit-share allocation is based on the full year results and distributed to individuals on a discretionary basis.

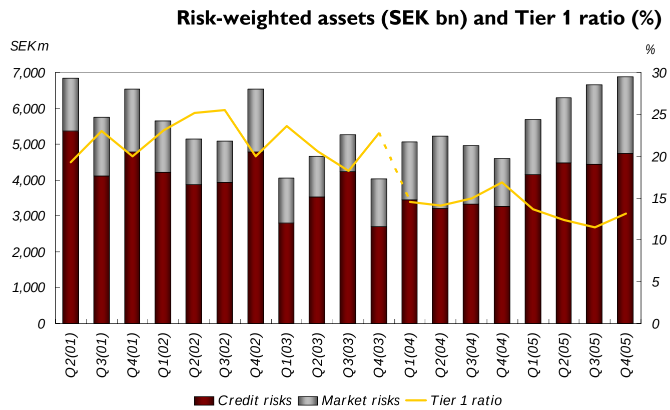
The Board's assessment regarding the dividend proposal to the AGM 2006 is that Carnegie's dividend policy should remain unchanged until new local directives regarding new regulation are issued, and the target of 15% for the Tier 1 capital ratio remains intact. When deciding on the dividend proposal, the Board has also taken into consideration the new issue in January 2006 related to the Warrant programme 2003/2006. A Tier 1 ratio of 15%, including the new issue in January 2006, is achieved through retaining SEK 32 million of the net profit for 2005.

Taken into consideration the current market conditions and the growth opportunities in the operations, the Board of Directors proposes to the AGM a dividend of SEK 634 million, corresponding to SEK 9.19 (SEK 5.93) per share, as of the record date in March 2006.



Risk-weighted assets, Tier 1 ratio and Capital adequacy

Risk-weighted assets increased by 3% during the last quarter 2005 to SEK 6.9 billion, due to market risks decreasing slightly to SEK 2.1 billion and credit risks increasing by 7% to 4.7 billion. Total risk-weighted assets, as defined by the Swedish FSA, fluctuate substantially over the quarters, and have increased by 50% from the beginning of the year due to the increased business activity. The dividend proposal of SEK 634 million, lead to a Tier 1 ratio of 13.6% at year-end. When including the new share issue of SEK 94 million in January 2006 from exercised warrants under programme 2003/2006, the Tier 1 ratio is 15%.



In order to support further growth in the operations of the Carnegie Group and to address the future changes in the regulatory environment resulting from the proposed Basel II Accord, Carnegie closed a dual-tranche subordinated loan in the third quarter 2005, amounting to SEK 486 million at 31 December 2005. When calculating the capital adequacy, dated subordinated debt may be included as Tier 2 capital up to 50% of the total Tier 1 capital. As of 31 December 2005, anticipating the dividend proposal of SEK 634 million, the capital adequacy was 20.4%.

KEY DATA	*Oct - Dec 2005*	*Oct - Dec 2004*	*Jan - Dec 2005*	*Jan - Dec 2004*
Earnings per share (SEK)	3.99	2.37	9.98	6.01
Earnings per share, fully diluted (SEK)	3.87	2.34	9.68	5.94
Dividend per share	-	-	9.19	5.93
Book value per share (SEK)	-	-	25.4	19.9
Share price (SEK)	-	-	117.0	86.0
Price/earnings multiple	-	-	11.7	14.3
Number of shares at period-end	67,729,900	66,701,600	67,729,900	66,701,600
Average number of shares	66,799,944	66,701,600	66,799,944	66,701,600
Number of shares entitled to dividend (pro forma)	69,039,700	66,701,600	69,039,700	66,701,600
Number of shares related to outstanding warrants	3,771,700	7,200,000	3,771,700	7,200,000
Total number of shares, incl effect of issued warrants	68,856,137	67,470,558	68,856,137	67,470,558
Cost/income ratio, %	71%	76%	74%	80%
Profit margin, %	22%	20%	19%	15%
Return on equity, (12 mo) %			49%	34%
Total assets (SEK million)			30,859	22,839
Margin lending (SEK million)			4,428	6,612
Deposits and borrowing from general public (SEK million)			6,893	5,424
Total regulatory capital base (SEK million)			*1,408*	*774*
Tier I capital				
-Shareholders' equity			1,721	1,330
-Goodwill			-8	-17
-Intangible fixed assets			-20	-28
-Deferred tax assets			-119	-115
-Dividends			-634	-396
-Profit after tax and foreign exchange differences				-
Tier II capital				
-Eligible part of subordinated loan (max. 50% of Tier I capital)			469	-
Total risk-weighted asset (SEK million)			*6,888*	*4,601*
Risk-weighted assets (Credit risks)			4,745	3,274
Risk-weighted assets (Market risks)			2,143	1,327
Tier I Ratio, %			13.6%	16.8%
Capital adequacy, %			20.4%	16.8%
Number of employees, average	742	794	747	791
Number of employees, period-end	741	779	741	779
Period-end assets under management (SEK billion)*			92	62

Key ratios 2001-2005	*2001*	*2002*	*2003*	*2004*	*2005*	
Net profit (SEK million)	572	250	211	401	667	
Earnings per share (SEK)	8.76	3.75	3.17	6.01	9.98	
Earnings per share, fully diluted (SEK)	8.76	3.75	3.14	5.94	9.68	
Dividend per share (SEK)	8.57	8.93	3.16	5.93	9.19	1)
Tier 1 ratio 2)	20.0%	20.4%	22.7%	16.8%	13.6%	
Capital adequacy	20.0%	20.4%	22.7%	16.8%	20.4%	

1) Proposed dividend for 2005 divided by the total number of shares outstanding at the record date.

2) New definition of regulatory capital from 1 January 2004. Using the current definition, the Tier 1 ratio 2003 was 18%.

Definitions of key ratios

Key ratios have been restated for 2004 according to IFRS. For the IFRS effect on 2004, see page 23. Key ratios regarding 2001-2003 have not been restated due to the transition to IFRS. Should they have been restated, the impact would have been immaterial. Note that certain numerical information presented in millions may not add up due to rounding.

Earnings per share:	Net profit for the period divided by the average number of shares.
Earnings per share, fully diluted:	Net profit for the period divided by the average number of shares, fully diluted, including the effect of issued warrants (see page 25). The net profit is divided by the total number of shares including the number of shares to be issued corresponding to the calculated net present value (at current share price) of issued warrants.
Average number of shares:	Total number of shares, including any new share issues, as a weighted average over the period.
Number of shares entitled to dividend:	Total number of shares outstanding at the record date.
Total number of shares, incl effect of issued warrants:	Total number of shares including the number of shares to be issued corresponding to the calculated net present value of issued warrants.
Share price:	Share price (closing price) at period-end.
Price/earnings multiple (last 12 months):	Share price divided by earnings per share for the last 12-month-period.
Cost/income ratio:	Total expenses, including allocation to profit-share, as a percentage of total income including principal investments.
Profit margin:	Net profit as a percentage of total income including result from principal investments.
Return on equity:	Net profit for the last 12-months-period as a percentage of average shareholders' equity.
Total regulatory capital base:	Tier 1 capital + Tier 2 capital
Tier 1 capital:	Shareholders' equity plus equity portion of untaxed reserves, minus goodwill, any proposed dividend, deferred tax assets, intangible fixed assets and any repurchased shares.
Tier 2 capital:	Subordinated indebtedness, eligible up to 50% of Tier 1 capital
Risk-weighted assets:	Book value of assets valued in accordance with the capital adequacy rules of the Swedish FSA (Finansinspektionen)
Tier 1 ratio:	Tier 1 capital as a percentage of risk-weighted assets.
Capital adequacy ratio:	Total regulatory capital base (Tier 1 + Tier 2 capital) as a percentage of risk-weighted assets.
Number of full-time equivalent employees, average:	Aggregate number of paid working hours for all employees divided by a pre-defined number of working hours per employee for the entire period.
Number of full-time equivalent employees, at period-end:	Aggregate number of paid working hours for all employees divided by a pre-defined number of working hours per employee at period-end.

Liquidity, financing and investments

Carnegie's principal need for liquidity is to support day-to-day operations, through secured and unsecured short-term funding. The need for long-term funding has been addressed through the issue of a subordinated loan during 2005. The majority of Carnegie's assets are marketable securities inventories (marked-to-market daily), margin lending and short-time deposits. As a consequence of this, Carnegie's working capital fluctuates significantly between the financial statement dates. In 2005, the change in working capital was SEK 5,252 million (SEK -2,325 million). A more relevant measure of the liquidity is the cash flow from operations before changes in working capital, which was SEK 675 million in 2005 (SEK 469 million). Capital expenditure in 2005 amounted to SEK 85 million (SEK 18 million). See page 23 for further information.

Accounting policies

This Interim report has been prepared in accordance with IAS 34, Interim Financial Reporting In accordance with the IAS regulation adopted by the European Union (EU) in 2002, listed companies throughout the EU shall apply International Financial Reporting Standards, IFRS, when preparing their consolidated financial statements as of 2005. The Interim reports for 2005 have been prepared in accordance with all IFRS Standards endorsed by the EU Commission and all interpretations of those standards, IFRIC.

For Carnegie, the most significant effect from the transition relates to goodwill. Goodwill acquired in business combinations is no longer amortized. Impairment tests are performed at least once a year, or more frequently, if circumstances occur that indicate a value decline. The total amortization of goodwill for the full year 2004, which amounted to SEK 5 million, was tested with no write-down requirement, then restated in the opening balance of 1 January, 2004. The total effect from the transition have been that Carnegie's net profit for 2004 have increased by SEK 5 million to SEK 401 million. Earnings per share have increased to SEK 6.01 and Shareholder's equity has consequently increased to SEK 1,330 million. The transition has not had any impact on cash-flows for 2004. The effects on the Income Statement and Balance Sheet for the full year 2004 are presented at page 23.

The transition has also caused some reclassifications in the balance sheet of 2004. Provisions for deferred taxes have been reclassified to "Other liabilities". Certain individual pension obligations are covered by endowment insurances and have been recognized at fair value among "Other assets" and with the corresponding value as "Pension obligations". These pension obligations are covered by insurance policies and Carnegie does not have any legal or constructive obligation to cover any losses on the policies or any obligations to pay benefits to the employees. The payment of fixed premiums under such contacts is the settlement of the employee benefit obligation, rather than an investment to meet the obligation. Consequently, according to IAS 19, Carnegie has no longer an asset or a liability and therefore treats such payments as contributions to a defined contribution plan.

All comparative information from 2004 in this report has been restated in accordance with the new accounting policies, except for the implementation of IAS 39 and 32.

IAS 39 and 32 are adopted effective from 1 January 2005. The comparative information for 2004 has not been restated according to the exemption from the requirement to restate such information in IFRS 1. As Carnegie has previously measured all financial assets and liabilities at fair value, there are no major effects on the Groups Income statement or Equity so it will only have impacts on some comparative disclosures.

The parent company in summary

Total income in the parent company D. Carnegie & Co AB in 2005 was SEK 0 million (SEK 0 million), and the company was showing a loss before financial items of SEK -13 million (SEK -10 million). Including an anticipated dividend of SEK 660 million (SEK 396 million), the profit before taxes was SEK 827 million (SEK 458 million). At 31 December 2005, cash and liquid assets amounted to SEK 25 million (SEK 1 million). No capital expenditure was made during the period (SEK 0 million). Shareholders' equity adjusted for the equity part (72%) of untaxed reserves at 31 December 2005 was SEK 1 450 million (SEK 1 120 million).

Business area: Securities

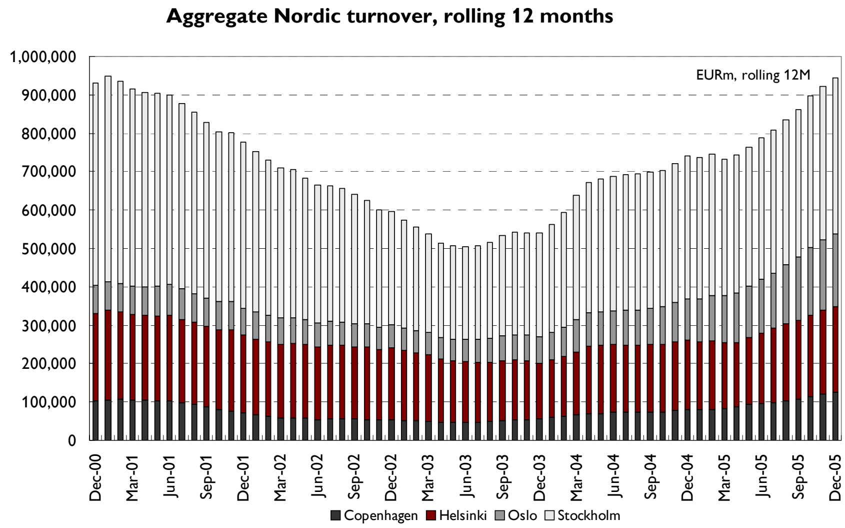
(SEK million)	Oct - Dec 2005	Oct - Dec 2004	Jan - Dec 2005	Jan - Dec 2004	Chg.
Net commission income	*281*	*216*	*982*	*840*	17%
Underwriting fees	*46*	*13*	*132*	*92*	44%
Net interest income	*23*	*26*	*61*	*75*	-18%
Proprietary trading and market making	90	93	395	239	65%
Net interest income from financial positions	-13	-16	-66	-52	25%
Other income from financial positions	0	0	-1	1	
Net income from financial positions	*77*	*77*	*329*	*187*	76%
Other fees	*0*	*8*	*0*	*8*	
Total income	*427*	*340*	*1,503*	*1,202*	25%
Personnel expenses	-113	-99	-376	-358	5%
Other expenses	-115	-78	-349	-303	15%
Net provisions for credit losses	-4	0	-5	0	
Total operating expenses excluding profit-share	*-232*	*-177*	*-730*	*-661*	10%
Business area operating profit before profit-share	*196*	*163*	*773*	*541*	43%
Allocation to profit-share system	-97	-80	-382	-267	
Total expenses	*-329*	*-256*	*-1,112*	*-928*	20%
Business area profit before taxes	*98*	*84*	*391*	*274*	43%
Cost/income ratio, %	77%	75%	74%	77%	
Number of employees, average	315	320	313	320	
Number of employees, period-end	317	314	317	314	

Market development

Share price trends have been positive in 2005, with the Nordic indices developing well also in an international context, due to low interest rates combined with the continued growth and positive company reports. The MSCI Nordic Index gained 32% in 2005. Aggregate equity turnover on the Nordic stock exchanges in 2005 increased by 28%, after an increase in the last quarter of 44% Y/Y. The Norwegian and Danish markets showed the strongest increase and were up 58 and 74% respectively in 2005. The aggregate Nordic turnover is now at an annual level of over EUR900bn, which is the highest level since 2000.

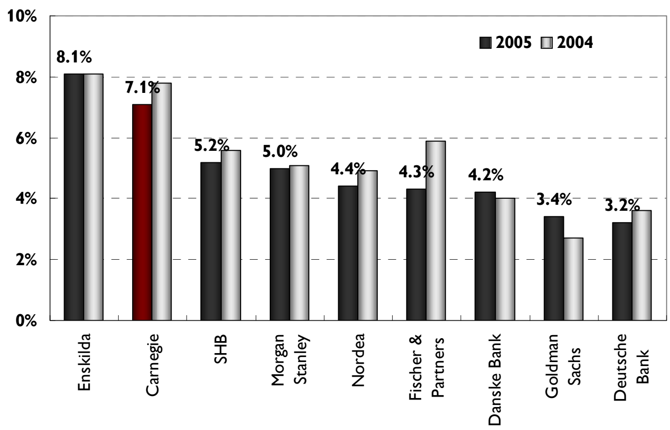
Stock mkt turnover, EURm	Q4(05), Y/Y chg	12MY/Y chg	FY 2005	FY 2004
Stockholm	24%	9%	405,203	370,774
Helsinki	41%	24%	223,428	180,808
Copenhagen	85%	58%	125,712	79,717
Oslo	73%	74%	189,483	108,725
Aggregate Nordic	44%	28%	943,826	740,024

Source: NOREX, and Carnegie Research, January 2006



Market position

Carnegie's share of the aggregate Nordic turnover was 7.1% in 2005, down from 7.9 % in 2004 and making Carnegie the second largest actor in the Nordic stock markets. In the ranking of stockbrokers made by Prospera, Carnegie improved its position in Norway to No 1, held the No 2 position in Sweden and the No 4 position in Finland, and fell to No 3 in Denmark.



Source: NOREX and Carnegie Research, January 2006

Income

Securities' income in 2005 was SEK 1,503 million, up 25% Y/Y, reflecting the turnover increase on the Nordic stock exchanges of 28%. Commission income was SEK 982 million, up 17% Y/Y. Commission in the last quarter 2005 was SEK 281 million, up 30% Y/Y following the strong turnover increase in the Nordic stock exchanges of 44% from the same period last year. Net commission generated from non-Nordic clients in 2005 was 46% of the total commission volume from institutional clients. Underwriting fees amounted to SEK 132 million in 2005, reflecting a number of successfully completed secondary placings, IPOs and new share issues. Income from trading-related activities increased by 76% to SEK 329 million in 2005 (SEK 187 million), including SEK 77 million generated in the last quarter. The main part of trading income was generated in the equity trading and in the equity finance operations.

Expenses and profit before taxes

Total expenses before profit-share amounted to SEK 730 million in 2005, up 10% from last year. Operating profit before profit-share was SEK 773 million (SEK 541 million), up 43% Y/Y. Profit before taxes in 2005 increased by 43% Y/Y to SEK 391 million, reflecting the strong leverage in the business model.

Business area: Investment Banking

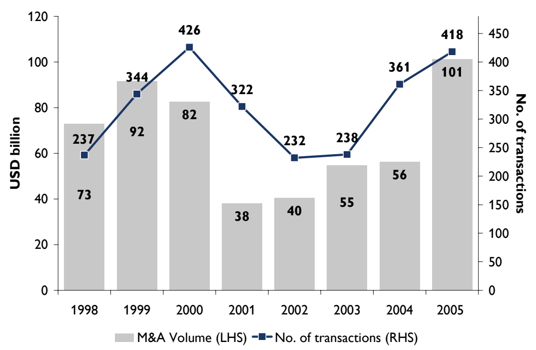
(SEK million)	Oct - Dec 2005	Oct - Dec 2004	Jan - Dec 2005	Jan - Dec 2004	Chg.
Underwriting fees	*43*	*21*	*137*	*139*	*-1%*
Net income from financial positions	*3*	*4*	*40*	*8*	
Advisory fees	*241*	*164*	*556*	*363*	*53%*
Total income	*288*	*188*	*733*	*511*	44%
Personnel expenses	-43	-46	-156	-162	-4%
Other expenses	-29	-26	-111	-103	8%
Total operating expenses excluding profit-share	*-72*	*-71*	*-267*	*-265*	1%
Business area operating profit before profit-share	*216*	*117*	*467*	*246*	90%
Allocation to profit-share system	-107	-58	-231	-122	89%
Total expenses	*-179*	*-129*	*-497*	*-386*	29%
Business area profit before taxes	*109*	*59*	*236*	*124*	90%
Cost/income Ratio, %	62%	68%	68%	76%	
Number of employees, average	124	141	127	139	
Number of employees, period-end	124	141	124	141	

Market environment

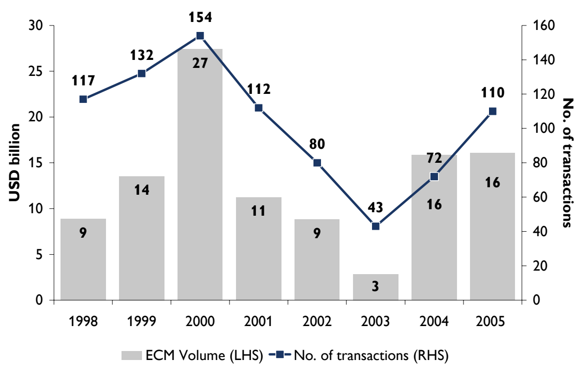
The European M&A volume continued to increase in the last quarter, which resulted in the best year since 2000. In the Nordic region, activity really took off in 2005; the volume of announced transactions jumped 80% from 2004 to USD 101 billion, including the bid for Danish telecom operator TDC of USD 15 billion, the largest private equity bid worldwide last year. The increase in the number of deals has not kept pace with the rise in volume, as average deal values once again increase.

The Nordic ECM volume showed a slight increase from 2004 to USD 16 billion. During 2005, 26 initial public offerings were launched, of which the majority in Norway, at an aggregate value of USD 5 billion, an increase in number of transactions, but still small volumes.

Nordic M&A volume (USDbn)



Nordic ECM volume (USDbn)



Source: Thomson Financial Securities Data 11/10/05. Announced M&A transactions with Nordic target or acquirer and Nordic ECM transactions.

Carnegie

Market position

In the Nordic M&A league table, Carnegie was ranked No 9 (No 4) in terms of volume, and No 2 (No 1) in terms of number of transactions, with a recorded transaction volume of USD 10.7 billion, in 2005. Carnegie had an advisory role in 2 of the top 15 M&A deals.

Nordic M&A transactions 2003-2005

2005 Adviser	USD million	#
1. Goldman Sachs	39,576	16
2. JP Morgan	39,340	29
3. Deutsche Bank	35,259	25
4. Enskilda	30,987	59
5. Citigroup	19,720	14
6. Morgan Stanley	19,040	24
7. ABN AMRO	15,172	28
8. Merrill Lynch	13,282	7
9. Carnegie	**12,172**	**45**
10. Lazard	10,800	9
Total market with advisers	111,149	456
Total market w/o advisers	11,942	1,316
Total market	*123,092*	*1,772*

2004 Adviser	USD million	#
1. JP Morgan Chase	10,167	20
2. Goldman Sachs	9,278	10
3. UBS	8,768	19
4. Carnegie	**6,209**	**36**
5. Morgan Stanley	5,271	8
6. Lehman Brothers	4,369	4
7. Deutsche Bank	4,080	11
8. Lazard	3,671	7
9. SHB	3,656	27
10. ABG Sundal Collier	3,536	13
Total market with advisers	42,954	302
Total market w/o advisers	10,424	1,187
Total market	**53,378**	**1,489**

2003 Adviser	USD million	#
1. Danske Markets	11,114	3
2. Carnegie	**8,548**	**36**
3. Enskilda	7,978	35
4. ABG Sundal Collier	6,864	17
5. Nordea	6,155	20
6. Deutsche Bank	5,524	13
7. JP Morgan Chase	4,610	5
8. Merrill Lynch	4,468	6
9. ABN Amro	4,123	13
10. UBS	3,937	4
Total market with advisers	47,791	221
Total market w/o advisers	10,100	1,074
Total market	**57,892**	**1,295**

In the ECM market, Carnegie was No 1 (No 6) in terms of volume, with an aggregate transaction value of USD 2 billion. Within IPOs, Carnegie had a lead manager role in 6 of the top 12 IPOs, of which 5 in the Norwegian market; Bergesen World Wide Gas, Cermaq, Eastern Drilling, Polimoon and Kongsberg Automotives, and in Sweden; Orexo and TradeDoubler.

Nordic ECM transactions 2003-2005

2005 Adviser	USD million	#
1. Carnegie	**1,969**	**32**
2. Merrill Lynch	1,825	2
3. Goldman Sachs	1,572	7
4. Citigroup	1,544	3
5. Enskilda	1,338	30
5. ABN Amro	921	7
7. Nordea	700	3
8. Morgan Stanley	690	2
9. UBS	516	2
10. First Securities ASA	364	8
Total Market	**12,848**	**94**

2004 Adviser	USD million	#
1. Goldman Sachs	2,815	6
2. Deutsche Bank	2,023	2
3. Morgan Stanley	1,476	1
4. ABN Amro	1,405	7
5. Lehman Brothers	1,302	2
6. Carnegie	**987**	**17**
7. Citigroup	970	2
8. Enskilda	607	13
9. UBS	445	3
10 JP Morgan Chase Chase	442	2
Total Market	**14,020**	**61**

2003 Adviser	USD million	#
1. Lehman Brothers	1,032	1
2. Enskilda	349	10
3. Carnegie	**265**	**14**
4. ABN Amro	231	4
5. JP Morgan Chase	187	1
6. UBS	159	1
7. CSFB	140	2
8. Cazenove	82	1
9. Goldman Sachs	82	1
10 ABG Sundal Collier	19	1
Total Market	**2,560**	**34**

Nordic Initial Public Offerings 2003-2005

2005 Adviser	USD million	#
1. Enskilda	2,515	13
2. Nordea	1,753	2
2. Morgan Stanley	1,753	2
4. Carnegie	**1,531**	**8**
5. Citigroup	1,204	2
6. Danske Markets	1,050	2
7. DnB NOR ASA	839	3
8. ABN Amro	787	2
9. Merrill Lynch	745	1
10. UBS	654	1
Total Market	**4,490**	**26**

2004 Adviser	USD million	#
1. Carnegie	**1,049**	**3**
2. Merrill Lynch	687	1
3. UBS	540	2
4. ABG Sundal Collier	419	3
5. Enskilda	382	5
6. CIBC	163	1
6. Goldman Sachs	163	1
8. ABN Amro	121	1
9. Nomura	50	1
10 Pareto Fonds AS	32	2
Total Market	**1,868**	**15**

2003 Adviser	USD million	#
1. Enskilda	37	1
2. ABG Sundal Collier	37	1
3. HSH Nordbank	16	1
Total Market	**53**	**2**

Source: Thomson Financial Securities Data, January 2006.

During the fourth quarter, Carnegie's structured finance teams in Stockholm and Copenhagen have arranged and placed 26 equity-linked instruments with a total value of SEK 1,500 million.

Income

Income in Investment Banking for the full year 2005 of SEK 733 million was 44% ahead of last year. Advisory fees, mainly generated in M&A-assignments, accounted for 75% of total income. Net income from financial positions of SEK 40 million (SEK 8 million) included part of the income generated from structured financial products.

Expenses and profit before taxes

Total expenses before profit-share in 2005 were SEK 267 million, up 1% Y/Y. The business area made a profit before taxes of SEK 236 million for the year (SEK 124 million), an improvement of 90%.

Business area: Asset Management

(SEK million)	Oct - Dec 2005	Oct - Dec 2004	Jan - Dec 2005	Jan - Dec 2004	Chg.
Regular fees	120	97	401	349	15%
Performance fees	128	12	209	17	
Total fees from mutual funds	*248*	*109*	*610*	*366*	67%
Regular fees	29	21	103	91	13%
Performance fees	58	17	59	18	
Total fees from discretionary fund management	*87*	*38*	*162*	*109*	48%
Advisory fees	*12*	*3*	*20*	*17*	18%
Total income	*347*	*151*	*791*	*492*	61%
Personnel expenses	-48	-40	-165	-156	6%
Other expenses	-60	-33	-162	-132	22%
Net provisions for credit losses	0	0	0	0	
Total operating expenses excluding profit-share	*-108*	*-73*	*-327*	*-288*	13%
Business area operating profit before profit-share	*239*	*78*	*464*	*203*	128%
Allocation to profit-share system	-119	-38	-229	-99	132%
Total expenses	*-226*	*-111*	*-556*	*-387*	44%
Business area profit before taxes	*121*	*40*	*235*	*105*	124%
Cost/income ratio, %	65%	73%	70%	79%	
Period-end assets under management (SEK billion)*			*92*	*62*	
- whereof mutual funds			48	29	
- whereof discretionary fund management			44	33	
Number of employees, average	135	131	135	133	
Number of employees, period-end	133	132	133	132	

Market environment

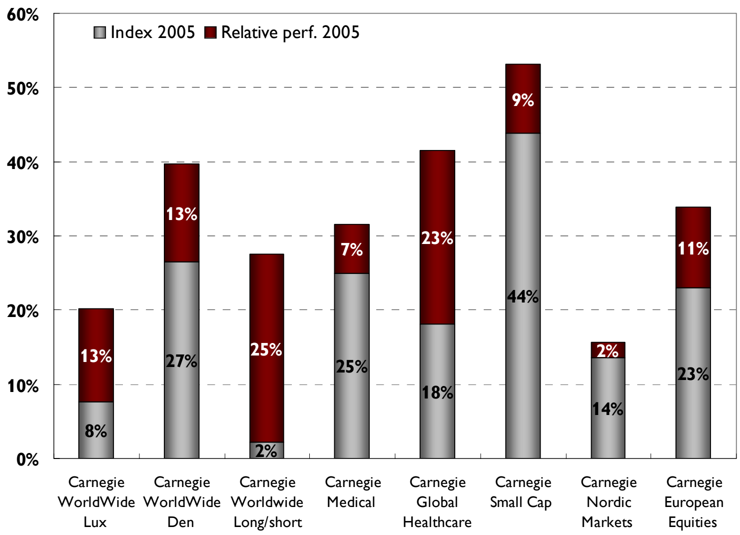
The Nordic and European equity markets continued to be strong also in the last quarter. The MSCI world index, benchmark index for one of Carnegie's largest funds, was up 8% in 2005. Competition has increased from international as well as from local players. The demand from investors for specialist managers with an active approach to asset management has increased, making Carnegie Asset Management well positioned.

Clients and products

Carnegie's product range includes discretionary asset management services, mutual fund products and managed and structured portfolios ("fund of funds"). The product range comprises products within three asset classes - equities, fixed income and real estate. At year-end 2005 about 80% of the total assets under management were invested into equity-oriented products. Income from mutual funds is generated from funds sold through Carnegie's organisation and distributed through external networks (such as SkandiaLink and Max Matthiessen in Sweden, Fennia in Finland and Danske Bank in Denmark). During 2005, one of the aims has been to widen the distribution channels also outside the Nordic region. Carnegie has been able to differentiate itself through a combination of strong performance history, highly professional client servicing and infrastructure and focused relationships and progress of the efforts can now be seen in a high quality international client base including well-established fund-of-funds.

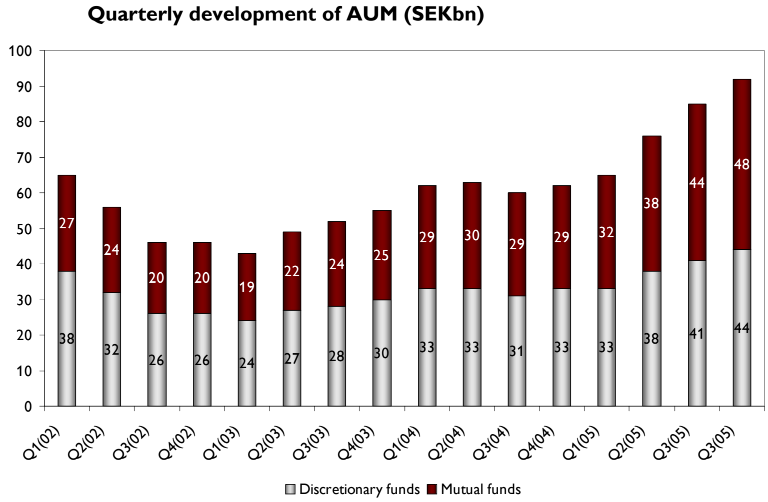
Rating and product performance

Overall performance in Carnegie's investment products continued to be strong also in the last quarter of 2005. For 2005, performance was better than benchmark index for close to 90% of the assets under management in equity funds. To highlight some of the top-performing products, it can be mentioned that the largest products, Carnegie WorldWide in Denmark and Luxembourg, outperformed their indices by 13 percentage points respectively. Carnegie's hedge fund WorldWide Long/Short, continued to be successful and generated an absolute return of 27% for 2005 (absolute return for 2004 was 17%). Carnegie Global Healthcare outperformed its benchmark index by 23 percentage points. In terms of external rating, over 95% of Carnegie's total assets under management in rated equity funds held 4- or 5-star ratings at year-end.[2] During the period, Carnegie was, by Swedish Dagens Industri and Morningstar, awarded The Fund Management Company of the Year and portfolio manager, Anders Hallberg, Carnegie Global Healthcare, was awarded The Portfolio Manager of the Year 2005. Johan Ståhl, portfolio manager for Carnegie Small Cap, and Mikael Randel, portfolio manager, Carnegie WorldWide, received Silver stars. This is the second time in 5 years that Carnegie receives these prestigious awards.



[2] Source: Morningstar, Fondmarknaden and W-rating, January 2006. Five stars is the maximum ranking.

Assets under management
Assets under management (AUM) includes discretionary managed portfolios and mutual funds, and amounted to SEK 92 billion at 31 December 2005, an increase of SEK 30 billion from the beginning of the year, due to increasing asset values of SEK 19 billion and a net inflow of SEK 11 billion. About SEK 6 billion of AUM represents advisory mandates relating to discretionary assignments for Private Banking clients.



Income
Total income in Asset Management in 2005 was up 61% to SEK 791 million (SEK 492 million), mainly related to total AUM increasing by 48% from the beginning of the year, and to the sharp increase in performance fees. The underlying growth in total income excluding performance fees was 14%. Income from **mutual fund products** was up 67% to SEK 610 million (SEK 366 million), corresponding to an increase of AUM in mutual funds of 65% from year-end. Fund products distributed through third parties generate a net fee after distribution costs. Income from **discretionary mandates** was SEK 162 million (SEK 109 million), an increase of 48% corresponding to an increased AUM in discretionary funds of 33%.

Around 22% of Carnegie's assets under management (discretionary mandates as well as mutual funds) have a **performance-related fee structure**. The performance fees are realised and accounted for partly at year-end and partly on a quarterly basis. In 2005, total performance fees amounted to SEK 268 million, of which 69% was accounted for in the last quarter. Income from mutual fund products included SEK 209 million (SEK 17 million) in performance fees, while discretionary mandates generated SEK 59 million (SEK 18 million) in performance fees.

Other income of SEK 20 million (SEK 17 million) was mainly generated from asset management advisory services.

Expenses and profit before taxes
Total expenses before profit-share in 2005 of SEK 327 million were up 13% and profit before taxes improved by 124 % to SEK 235 million (SEK 105 million).

Business area: Private Banking

(SEK million)	Oct - Dec 2005	Oct - Dec 2004	Jan - Dec 2005	Jan - Dec 2004	Chg.
Total income	*151*	*125*	*486*	*467*	4%
Personnel expenses	-43	-63	-174	-207	-16%
Other expenses	-62	-42	-177	-166	6%
Net provisions for credit losses	0	0	0	1	
Total operating expenses excluding profit-share	*-106*	*-105*	*-350*	*-372*	-6%
Business area operating profit before profit-share	*45*	*20*	*136*	*95*	43%
Allocation to profit-share system	-22	-10	-67	-47	
Total expenses	*-128*	*-115*	*-417*	*-419*	0%
Business area profit before taxes	*23*	*10*	*69*	*48*	43%
Cost/income ratio, %	85%	92%	86%	90%	
Client volume (SEK billion)*			54	31	
Number of employees, average	168	204	171	200	
Number of employees, period-end	168	192	168	192	

Market position
Activity in the private banking sector was boosted by continued strong equity markets. Competition in this field is increasing from both domestic and international actors. Carnegie's Private Banking sales activities to existing and new clients generated a good inflow during the quarter, and Carnegie improved its position from No 6 last year to No 3 in the Nordic Private Banking Award 2006 ranking from Euromoney.

Client volume
The Private Banking client volume represents the gross value of all private client accounts, including discretionary and advisory accounts, as well as all types of securities, mutual funds, deposits and lending. The Private Banking client volume amounted to SEK 54 billion at 31 December 2005, up SEK 23 billion from the beginning of the year. The increase reflects increasing asset values and a good inflow from new clients as well as increased share of existing clients' total assets. About SEK 6 billion of the client volume relates to discretionary assignments for which Asset Management has advisory mandates, and is also included in the AUM presented by business area Asset Management.

Income
Private Banking income is generated as fees from discretionary asset management and mutual fund management, brokerage commission from advisory accounts, sales provision from distribution of Carnegie's and external mutual funds, interest net from lending and deposits and advisory fees from legal and insurance advice. Total income in 2005 was up 4% to SEK 486 million (SEK 467 million). Adjusted for structural changes in connection with the divestment of the pension advisory operations and the separation of the business areas, Private Banking income increased by 18% from last year. The main part of income was generated from advisory accounts and fees from discretionary asset management and mutual fund management.

Expenses and profit before taxes

Total expenses before profit-share were SEK 417 million, unchanged from last year. Personnel expenses decreased by 16%, reflecting the reorganisation of the operations in Sweden at the end of 2004 and the transfer of the pension advisory operations, which resulted in a personnel reduction of 15%. Profit before taxes in 2005 increased by 43% Y/Y to SEK 69 million, of which SEK 23 million (SEK 10 million) was generated in the last quarter.

D. Carnegie & Co AB (publ)

Stockholm, 2 February 2006

Karin Forseke
Chief Executive Officer

Auditor's examination

We have reviewed this year-end report and fourth-quarter report 2005 in accordance with Swedish generally accepted standards for such reviews. A review is significantly less in scope than an examination in accordance with generally accepted auditing standards. During our review nothing came to our attention to indicate that the year-end report and interim report does not comply with the requirements pertaining to listed companies and the Annual Accounts Acts.

Stockholm, 2 February 2006

KPMG Bohlins AB

Anders Ivdal
Authorised Public Accountant

Quarterly development

The table below presents the quarterly development for the Carnegie Group from 2003 and onwards. A pro forma calculation of the quarterly development in 2004 of the Asset Management operations, at that time part of the joint business area Asset Management & Private Banking, has been made. Allocation differences may occur between the quarters. From the first quarter 2004, figures are restated according to IFRS. Key ratios regarding 2003 have not been restated due to the transition to IFRS. Should they have been restated, the impact would have been immaterial.

(SEK in millions)	**Q1(03)**	**Q2(03)**	**Q3(03)**	**Q4(03)**	**Q1(04)**	**Q2(04)**	**Q3(04)**	**Q4(04)**	**Q1(05)**	**Q2(05)**	**Q3(05)**	**Q4(05)**
Consolidated Income Statement Data:												
Securities income	199	241	228	247	369	284	208	340	327	386	363	427
Investment Banking income	97	74	87	110	114	139	70	188	97	162	187	288
Asset Management income (excl Private Banking from 2004)	169	196	210	224	122	109	111	151	126	138	180	347
Private Banking income					130	121	91	125	107	112	116	151
Total income	**464**	**511**	**524**	**581**	**735**	**653**	**480**	**805**	**656**	**797**	**847**	**1,213**
Personnel expenses	-222	-196	-174	-187	-212	-221	-203	-247	-205	-208	-212	-247
Redundancy expenses	-6	-31	-9	-15	-	-	-	-	-	-	-	-
Other expenses	-177	-163	-147	-148	-176	-187	-162	-180	-170	-190	-173	-266
Net credit losses	0	0	1	0	0	0	1	0	0	0	-2	-3
Total expenses before profit-share	**-405**	**-389**	**-330**	**-349**	**-388**	**-407**	**-365**	**-427**	**-374**	**-399**	**-386**	**-517**
Op profit bef res from principal inv	**59**	**122**	**195**	**232**	**347**	**246**	**115**	**378**	**282**	**399**	**461**	**696**
Result from principal investments	-3	-4	0	1	-1	-6	-7	-7	0	0	0	0
Operating profit before profit-share	**56**	**118**	**195**	**234**	**346**	**239**	**108**	**372**	**282**	**399**	**461**	**696**
Allocation to profit-share system	-23	-56	-95	-114	-170	-119	-54	-182	-137	-197	-228	-345
Total expenses excl principal inv	**-428**	**-445**	**-424**	**-463**	**-557**	**-526**	**-419**	**-609**	**-512**	**-596**	**-614**	**-862**
Operating profit before taxes	**33**	**62**	**100**	**120**	**176**	**121**	**52**	**190**	**145**	**202**	**233**	**351**
Taxes	-10	-19	-31	-43	-55	-37	-16	-32	-45	-62	-72	-84
Net profit	**23**	**43**	**69**	**77**	**122**	**84**	**37**	**158**	**100**	**139**	**161**	**267**
Consolidated Balance Sheet Data:												
Total assets	11,177	13,846	14,411	14,618	15,818	17,452	18,198	23,015	21,769	24,641	23,732	30,859
Margin lending	1,594	2,206	1,969	3,120	3,286	3,227	3,222	6,612	4,686	4,636	4,176	4,428
Deposits and borrowing fr general public	4,614	5,883	5,131	5,145	5,403	5,281	4,762	5,424	6,922	6,922	6,730	6,893
Shareholders' equity	982	1,012	1,065	1,145	1,068	1,143	1,174	1,330	1,041	1,224	1,379	1,721
Operating Data and Key Ratios:												
Earnings per share	0.34	0.64	1.04	1.15	1.82	1.26	0.56	2.35	1.50	2.09	2.42	3.99
Earnings per share, fully diluted	0.34	0.64	1.03	1.14	1.79	1.25	0.56	2.34	1.49	2.06	2.38	3.87
Average number of shares	66.7	66.7	66.7	66.7	66.7	66.7	66.7	66.7	66.7	66.7	66.7	67.7
Avg number of shares, full dilution	66.7	66.8	67.4	67.2	67.7	67.1	67.0	67.5	67.2	67.6	67.8	68.9
Cost/income ratio, %	93	88	81	79	76	81	89	76	78	75	72	71
Compensation/income ratio, %	53	50	51	52	52	52	54	54	52	51	52	49
Operating margin, %	7	12	19	21	24	19	11	24	22	25	28	29
Tier 1 ratio, %	23.6	20.6	18.2	22.7	14.5	14.1	15.0	16.8	13.6	12.4	11.5	13.6
Capital adequacy, %	23.6	20.6	18.2	22.7	14.5	14.1	15.0	16.8	13.6	12.4	11.5	20.4
Average no of full-time employees	835	786	777	775	779	785	800	792	745	751	749	742
Number of full-time equivalent employees	836	778	782	774	781	794	802	779	738	756	754	741
Total income per employee (avg)	0.6	0.6	0.7	0.8	0.9	0.8	0.6	1.0	0.9	1.1	1.1	1.6
Period-end AUM (SEK billion)	44	49	52	55	62	63	60	62	65	76	85	92

Segmental reporting

Segmental reporting	*Total*		*Securities*		*Investment Banking*		*Asset Management*		*Private Banking*		*Principal investments*	
(SEK million)	*12M(05)*	*12M(04)*	*12M(05)*	*12M(04)*	*12M(05)*	*12M(04)*	*12M(05)*	*12M(04)*	*12M(05)*	*12M(04)*	*12M(05)*	*12M(04)*
Income statement												
Total income	*3,514*	*2,672*	*1,503*	*1,202*	*733*	*511*	*791*	*492*	*486*	*467*	-	-
Personnel expenses	-870	-883	-376	-358	-156	-162	-165	-156	-174	-207	-	-
Other expenses	-799	-705	-349	-303	-111	-103	-162	-132	-177	-166	-	-
Net provisions for credit losses	-5	1	-5	0	-	-	0	0	0	1	-	-
Total operating expenses excluding profit-s	*-1,674*	*-1,586*	*-730*	*-661*	*-267*	*-265*	*-327*	*-288*	*-350*	*-372*	-	-
Operating profit before result from principal investments and profit-share	*1,840*	*1,086*	*773*	*541*	*467*	*246*	*464*	*203*	*136*	*95*	-	-
Result from principal investments	0	-21	-	-	-	-	-	-	-	-	0	-21
Operating profit before profit-share	*1,840*	*1,064*	*773*	*541*	*467*	*246*	*464*	*203*	*136*	*95*	*0*	*-21*
Allocation to profit-share system	-909	-524	-382	-267	-231	-122	-229	-99	-67	-47	0	11
Total expenses	*-2,583*	*-2,111*	*-1,112*	*-928*	*-497*	*-386*	*-556*	*-387*	*-417*	*-419*	*0*	*11*
Profit before taxes	*931*	*540*	*391*	*274*	*236*	*124*	*235*	*105*	*69*	*48*	*0*	*-11*
Taxes	-264	-139										
Net profit	*667*	*401*										

Carnegie presents segmental reporting in accordance with IAS 14. Carnegie has defined the existing business areas as primary segments. Information in the interim report is presented as above. Information regarding assets, investments in associates, liabilities, investments and depreciations related to the primary segments is presented in the annual report. Information for the secondary segments, defined as geographical area, regarding income, assets and investments, is also presented in the annual report.

Statutory consolidated income statement
(SEK million)

	Oct - Dec 2005	*Oct - Dec 2004*	*Jan - Dec 2005*	*Jan - Dec 2004*
Commission income	1,126	681	3,122	2,348
Commision expense	-52	-28	-163	-100
Net Commission income	*1,074*	*653*	*2,959*	*2,248*
Interest income	106	89	364	326
Interest expenses	-75	-53	-288	-199
Net interest income	*31*	*36*	*76*	*127*
Dividends received	0	0	2	5
Net profit from financial transactions	108	107	478	284
Other income	0	8	0	8
Total income	*1,214*	*805*	*3,515*	*2,672*
General administrative expenses	-838	-595	-2,523	-2,054
Depreciation of tangible and amortisation of intangible fixed assets	-21	-13	-55	-58
Total expenses	*-859*	*-609*	*-2,579*	*-2,112*
Operating profit before provisions for credit losses	*355*	*196*	*936*	*560*
Provisions for credit losses, net	-3	0	-5	1
Write-down of financial fixed assets	-1	-7	-1	-7
Operating profit	*351*	*189*	*931*	*554*
Result from associated companies	0	1	0	-14
Profit before taxes	*351*	*190*	*931*	*540*
Taxes	-84	-32	-264	-139
Net profit	*267*	*158*	*667*	*401*
Earnings per share (SEK)	3.99	2.37	9.98	6.01
Earnings per share, fully diluted (SEK)	3.87	2.34	9.68	5.94
Average number of shares	66,799,944	66,701,600	66,799,944	66,701,600
Number of shares entitled to dividend (pro forma)	69,039,700	66,701,600	69,039,700	66,701,600
Number of shares related to outstanding warrants	3,771,700	7,200,000	3,771,700	7,200,000
Total number of shares, incl effect of issued warrants	68,856,137	67,470,558	68,856,137	67,470,558

Statements of changes in financial position
(SEK millions)

	Group	
Current operations	*Jan - Dec 2005*	*Jan - Dec 2004*
Cash flow from operations before changes in working capital	675	469
Changes in working capital	5,252	-2,325
Cash flow from current operations	*5,928*	*-1,856*
Cash flow from investment activities	-80	-20
Change in long-term liabilities	486	-
Exercised warrants	74	-
Distributed dividend	-396	-211
Cash flow rom financing activities	*164*	*-211*
Cash flow for the period	*6,013*	*-2,087*
Liquid funds at the beginning of the year	3,088	5,189
Exchange differences in liquid funds	143	-15
Liquid funds at the end of the period	*9,243*	*3,088*

Statutory consolidated balance sheet
(SEK million)

Assets	*Dec 31 2005*	*Dec 31 2004*
Cash and bank deposits in central banks	316	128
Loan to credit institutions	8,968	2,961
Loans to general public	4,428	6,612
Bonds and other interest bearing securities	1,828	1,305
Shares and participations	7,096	6,576
Shares and participations in associated companies	-	5
Intangible fixed assets	85	45
Tangible fixed assets	66	77
Other assets	7,619	4,926
Prepaid expenses and accrued income	454	204
Total assets	*30,859*	*22,839*
Liabilities and shareholders' equity		
Liabilities to credit institutions	8,830	7,397
Deposits and borrowing from general public	6,893	5,424
Other liabilities	11,708	7,886
Accrued expenses and prepaid income	1,222	801
Subordinated loan	486	-
Shareholders' equity	1,721	1,330
Total liabilities and shareholders' equity	*30,859*	*22,839*

Changes in shareholders' equity
(SEK millions)

	Dec 31 2005	*Dec 31 2004*
Shareholders' equity - opening balance	1,330	1,145
Dividend (Q1)	-396	-211
Translation differences	49	-5
Write-down of Goodwill	-3	-
Exercised warrants	74	-
Net profit for the period	667	401
Shareholders' equity - closing balance	*1,721*	*1,330*

IFRS effects for 2004

See further comments under accounting policies, page 8.

Income statement in summary	*Q4 2004 according to IFRS*	*IFRS effect*	*Q4 2004 according to Sw Gaap*
Depreciation intangible fixed assets (Goodwill)	*-58*	*+4,9*	*-63*
Net profit	*401*	*+4,9*	*396*
Balance sheet in summary			
Intangible fixed assets (Goodwill)	*45*	*+4,9*	*40*
Shareholders' equity	*1,330*	*+4,9*	*1,325*

Share capital

At 31 December 2005, the share capital of Carnegie amounted to SEK 135,459,800 distributed among 67,729,900 shares. In January 2006, another 1,309,800 shares were issued in accordance with Carnegie's 2003/2006 warrant programme, increasing the share capital by SEK 2,619,600 to SEK 138,079,400 and the number of shares outstanding to 69,039,700.

Shareholders

Larger shareholders, 31 December 2005		*No of shares*	*Votes and capital*
Landsbanki Islands		13 797 780	20,4%
Carnegie employees	1)	7 537 000	11,1%
Robur fonder		3 020 490	4,5%
Didner & Gerge aktiefonder		2 640 000	3,9%
Franklin-Tempelton Funds		2 074 041	3,1%
Danske Capital fonder		1 720 370	2,5%
Carnegie Personal AB (net)	2)	1 422 761	2,1%
SHB/SPP Fonder & Livförsäkringar		1 406 811	2,1%
Nordea Fonder		1 293 450	1,9%
Hermes Investment Mgmt Ltd		589 909	0,9%
First Swedish National Pension Fund		517 100	0,8%
Second Swedish National Pension Fund		511 231	0,8%
Lannebo fonder		469 900	0,7%
Abu Dhabi Investment		432 900	0,6%
UN Joint Staff Pensionfund		426 000	0,6%
Sub-total		*37 859 743*	*55,9%*
Other		29 870 157	44,1%
Total		*67 729 900*	*100,0%*

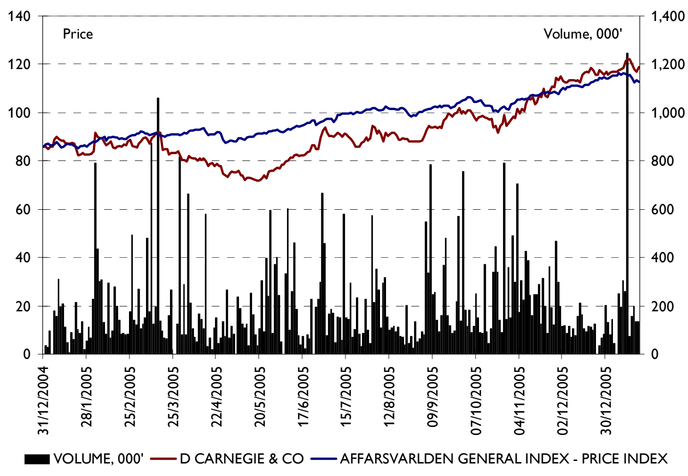
1) Shares held by employees are individual holdings. Group management; Lars Bjerrek, Mats Bremberg, Niklas Ekvall, Karin Forseke, Matti Kinnunen, Mats-Olof Ljungkvist, Stig Vilhelmson and Mark Walker, represents a total of 1,170,000 shares, corresponding to 1.7% of the shares outstanding, included in the total employee shareholding.
2) The number of shares reflects the net position held by Carnegie Personal AB, a company owned by the foundation Stiftelsen D. Carnegie & Co. Carnegie Personal AB previously administered the lock-up and lock-in agreements related to the transfer-restricted shares held by employees.

Employee shareholding

Total shareholding by employees is estimated at 11% of the total number of shares outstanding at 31 December 2005. Employee trading in the Carnegie share is only allowed during open periods, starting the day after the announcement of an interim report and closing the day before the first day of the reporting month.

Open periods 2006, all dates inclusive:
3 February - 28 February
27 April – 31 May
14 July – 31 August
26 October – 30 November

Share price development and turnover 1 Jan 2005 – 20 January 2006



Share information (SEK)	
Market value 31 Dec 2005 (SEKm)	7,924
Share price 31 Dec 2005	117
Share price 31 Dec. 2004	86
Share price at the IPO	115
Year high 2005	118.5
Year low 2005	70.8
All time high	150
All time high date	7 June 2001

Listing: Stockholmsbörsen (SWE), List O
Code: SE0000798829
Listed since: 2001-06-01
Trading lot: 100 shares
Symbol: CAR

Warrant programmes

Warrant programme	No. of warrants	Of which exercised as per 31 Dec 2005	Exercise price[1] (SEK)	Subscription period	No. of warrants outstanding at 31 Dec 2005	Increased equity if fully subscribed (SEKm)	Corresponding share of capital
2002/2005	2,400,000	0	158	1 Apr 2003-29 Apr 2005	Expired	-	-
2003/2006	2,400,000	1,028,300	72	1 Apr 2004-28 Apr 2006	1,371,700[2]	173	3.6%
2004/2007	2,400,000	0	101	1 Apr 2005-27 Apr 2007	2,400,000	242	3.6%

1 The exercise prices have been set to 120% of the average share price the week after publication of the year-end reports.
2 In January 2006, 1,309,800 warrants were exercised, leaving 61,900 warrants outstanding.

At 31 December 2005 there were two warrant programmes outstanding, distributed to Carnegie employees in 2003 and 2004. Under the 2003/2006 programme 1,028,300 shares have been subscribed for in 2005 at the exercise price of SEK 72, which has increased the total equity by SEK 74,037,600 in total and the total number of shares outstanding at year-end were 67,729,900. In January 2006, another 1,309,800 shares were issued, increasing the share capital by SEK 2,619,600 to SEK 138,079,400 and the number of shares outstanding to 69,039,700, which number has formed the basis of the Board's dividend proposal for 2005.

The aggregate dilution effect in terms of profit per share is calculated in accordance with IAS 33. The net profit is divided by the total number of shares including the number of shares to be issued corresponding to the calculated net present value (at current share price) of issued warrants. The aggregate dilution effect in terms of profit per share of the remaining issued warrants is 3%, based on the share price at 31 December 2005 (SEK 117).