

YEAR-END REPORT 2000

- ENFORCED POSITION AS FINANCIER AND ADVISOR WITHIN IT/TELECOM AND AS ADVISOR TO ENTREPRENEURS
- PRE-TAX PROFIT SEK 250 MILLION, CORRESPONDING TO SEK 35 PER SHARE
- DIVIDEND PROPOSED AT SEK 17 PER SHARE

Performance and Financial Position Group

Hagströmer & Qviberg (H&Q) reports for the period January 1 to December 31, 2000 a pre-tax profit of SEK 250 million (1999 pro forma SEK 353 million). Earnings per share after tax were SEK 35 (47).

Operations were strong during the first quarter of the year, but then slowed as a result of lower market activity and worsened market conditions. The decrease in the pre-tax profit compared to last year is primarily due to the positive effects of Corporate Finance-related holdings during the fourth quarter of 1999.

Operating revenues were SEK 935 (1,065) million. H&Q Technology contributed with 50 percent of the operating revenues and H&Q Private Banking contributed with 46 percent.

Income from commissions and fees during the period increased by 27 percent to SEK 651 (514) million. Of the income from commissions and fees, revenues from Corporate Finance contributed with 25 percent.

Net income from financial transactions including dividends decreased by 52 percent to SEK 268 (553) million, of which 2 (64) percent was income from Corporate Finance-related holdings.

Operating expenses were SEK 685 (712) million, a decrease of 4 percent. Of the operating expenses, 72 percent was attributable to personnel costs and 28 percent to other costs. Allocations for bonuses were 51 percent of the personnel costs.

Shareholders' equity as of December 31, 2000 was SEK 469 (281) million, which corresponds to SEK 92 (57) per share.

Return on equity was 46 percent. The group's net borrowing amounted to SEK 469 million.

There were 344 (277) employees in the group as of December 31, 2000.

Parent company

The parent company is reporting a net turnover of SEK 0 million and a pre-tax profit of SEK -4 million for the period January 1 to December 31, 2000.

H&Q Technology

Revenues and profit for H&Q Technology developed well compared to last year for the comparable units. This was the result of several capital-raising and

advisory assignments during the first half of the year and the favourable conditions for Trading.

During the year H&Q Technology has extended its position as financial advisor within IT/Telecom to institutions and companies. This has been possible due to the efforts made earlier, which have continued strongly during the year.

During the second half of the year revenue and earnings decreased compared to the first half-year due to a weak market. This contributed to several capital-raising assignments being postponed. The conditions for H&Q Tech Market and Corporate Finance-related holdings were also negatively affected by the poorer market situation. The continuous arbitrage and market maker activities within Trading, however, developed well.

During the fourth quarter a representation office for Research was established in San Francisco. In 2001 offices connected to Research and Corporate Finance are to be established in Helsinki and Munich.

As of December 31, 2000 there were 83 (56) employees within H&Q Technology.

H&Q Private Banking

H&Q Private Banking has shown good trends during the year resulting from a strong service offering, a strong inflow of new clients and account volumes, as well as high market activity, primarily at the beginning of the year.

The slower market climate during the second half-year, however, despite the good inflow of new clients and account volumes, had a negative impact on the profit and the total account value. Total capital in client accounts as of December 31, 2000 was SEK 24 billion (SEK 24 billion, excluding J.S. Gadd & Cie S.A.).

During the period H&Q Private Banking has strengthened its position in the market for asset management and advice to entrepreneurs, companies, institutions, and organisations. The main force behind this has been the efforts taken with regard to Financial Planning, which greatly increased the inflow of new clients and client account volumes. The concept and service offering with regard to Financial Planning will be continually developed via a strengthened organisation

and geographical coverage, as well as increased partner co-operation.

As of December 31, 2000 there were 159 (127) employees within H&Q Private Banking.

Miscellaneous

During the period the parent company, H&Q Holding AB, changed name to Hagströmer & Qviberg AB. As of July 3, 2000 the H&Q share has been listed on the Stockholm Stock Exchange O-list. The listing of H&Q's debentures on the Stockholm Stock Exchange SOX-list occurred in September.

During the first half-year, 10 percent of an incubation company, Starhouse AB, was acquired.

In December the subsidiary J.S. Gadd & Cie S.A. Geneva, with fellow subsidiary, operative within asset management, were divested.

In the last few years H&Q has established a strong position as financier and advisor to companies within IT/Telecom, and as advisor to entrepreneurs. Growth has mainly occurred with good profitability. During the second half-year of 2000 the weak market trends contributed to a generally lower profit level. In view of this, the profit was specifically affected negatively by write-downs related to H&Q Tech Market and Corporate Finance-related holdings. Profit for the group has also been burdened by costs for developing

infrastructure and continued expansion of the organisation within all areas.

The outlook for 2001 is largely tied to the general market performance.

Dividend

The Board of Directors and the Chief Executive Officer propose that the dividend to shareholders shall be SEK 17.00 per share.

Stockholm, February 12, 2001

Anders Böös, CEO, Telephone +46 8-696 17 00

Annual General Meeting

The Annual General Meeting will be held on April 4, 2001 at 15.00 CET in the "Winter Garden" of the Grand Hotel in Stockholm.

Upcoming report dates, 2001

Annual Report 2000	March 2001
Interim Report, Jan.-Mar. 2001	April 23, 2001

GROUP TRENDS PER QUARTER (SEKm)	4Q 00	3Q 00	2Q 00	1Q 00	4Q 99*
Commissions and fees, net	121	115	137	219	195
Net interest income	19	12	11	8	17
Financial transactions including dividends, net	24	38	105	101	335
Other operating revenue	13	6	-	-	-
Participation in earnings of associated companies	1	3	1	1	-5
Operating revenue	178	174	254	329	542
Operating expenses	-175	-142	-182	-186	-330
Profit before tax	3	32	72	143	212

KEY RATIOS

	Jan-Dec 00	Jan-Dec 99*	Jan-Dec 98*
Operating revenue, SEKm	935	1 065	487
Operating expenses, SEKm	-685	-712	-450
Profit before tax, SEKm	250	353	37
Earnings per share, SEK	35	47	5
Return on equity per share, SEK	92	57	57
Operating margin, percent	27%	33%	8%
Return on equity, percent	46%	83%	9%
Capital adequacy, percent	24%	-	-

CONSOLIDATED INCOME STATEMENT (SEKm)

		Jan 1, 2000 Dec 31, 2000	Jan. 1, 1999* Dec 31, 1999
Commission and fee-based revenue	note 1	651	514
Commission and fee-based expenses		-59	-55
Interest income		155	113
Interest expenses		-105	-56
Dividends received		24	31
Net revenue from financial transactions		244	522
Other operating revenue		19	-
Participation in earnings of associated companies		6	-4
Total operating revenue		935	1 065
General administrative expenses		-623	-618
Depreciation of tangible fixed assets and amortisation of intangible fixed assets		-23	-48
Other operating expenses		-39	-45
Credit losses, net		-	-1
Total operating expenses		-685	-712
Operating profit		250	353
Tax		-69	-106
Net profit		181	247

CONSOLIDATED BALANCE SHEET (SEKm)

		Dec 31, 2000	Dec 31, 1999*
Lending to credit institutes		106	558
Lending to the public		1 658	1 367
Shares and participations		2 084	2 325
Other assets	note 2	690	745
Total assets		4 538	4 995
Liabilities to credit institutes		575	3
Deposits and advances from the public		1 714	2 142
Other liabilities	note 2	1 780	2 569
Shareholders' equity	note 3	469	281
Total liabilities and shareholders' equity		4 538	4 995

GROUP CASH FLOW ANALYSIS (SEKm)

	Jan 1, 2000 Dec 31, 2000
Cash flow from current operations	241
<u>Cash flow from current assets and liabilities</u>	<u>-1 282</u>
Cash flow from current operations	-1 041
Cash flow from investment activities	-37
<u>Cash flow from financing activities</u>	<u>54</u>
Cash flow for the year	-1 024
Liquid funds at the beginning of the period	555
Liquid funds at the end of the period	-469

* Comparison figures are for corresponding figures pro forma.

Notes (Amounts in SEKm)

This year-end report was prepared in accordance with the Swedish Annual Accountants Act (1995:1559) governing credit institutions and securities companies (ÅRKL) and the regulations of the Swedish Financial Supervisory Authority (FFFS 1999:14).

Note 1 – Income from commissions and fees

Income from commissions and fees includes brokerage fees of 548 (428).

Note 2 – Other assets/Other liabilities

Other assets includes derivative instruments with positive value in the amount of 228 (actual value). Other liabilities includes derivative instruments with negative value in the amount of 125 (actual value).

Note 3 – Shareholders' equity

Shareholders' equity includes preference capital in the amount of 58. The conditions for this are described in the prospectus to shareholders' in Hagströmer & Qviberg AB (publ) as of September 21, 1999.

Definitions**Earnings per share after tax**

Earnings after tax in relation to the average number of shares during the period, 5,226,124. Outstanding options with a redemption price of SEK 71, in all 208,750, have been included in the calculation of average number of shares.

Shareholders' equity per share

Shareholders' equity in relation to the number of shares on the closing day, 5,226,124. Consideration has been taken of approved reduction of premium funds and issued capital from subscribed options with a redemption price of SEK 71.

Operating margin

Operating earnings in relation to operating revenues.

Return on equity

Earnings after tax in relation to average shareholders' equity. In the calculation consideration has been taken of approved reduction of premium funds and issued capital from subscribed options with a redemption price of SEK 71.

Capital adequacy

The capital base in relation to the risk-weighted amount for market and credit risks.

This year-end report has not been subject to an auditor's review.