

# Länsförsäkringar Alliance

## YEAR-END REPORT 2005

A summary of the 2005 banking and insurance year for 24 regional insurance companies in alliance.

### 2005 in brief

- The technical result for non-life insurance improved to SEK 2,496 M (1,957). Operating profit amounted to SEK 7,027 M (3,213), which is the best result ever. Länsförsäkringar's share of the non-life insurance market was 30.6% (32.3).
- As a result of the favorable earnings, many of the regional insurance companies are paying a bonus to their customers. In total, the bonuses amount to nearly SEK 1 billion.
- The total return in the life assurance company was 14.9% (6.4). The bonus rate was raised from 4 to 6% on October 1. On March 1, the rate will be raised to 9%. Earnings from life assurance operations totaled SEK 4,584 M (2,348).
- Operating income from bank operations before loan losses and tax amounted to SEK 203 M (171) and SEK 154 M (127) after loan losses. Lending to the public rose 19% to SEK 47 billion (39). Deposits by the public increased by 9% to SEK 21 billion (19). Mortgage lending rose 30% to SEK 31 billion (24).
- The combined ratio for non-life insurance improved further, amounting to 89% (93). Operating income for life assurance improved by SEK 76 M.
- The Swedish Quality Index survey showed that Länsförsäkringar has Sweden's most satisfied non-life insurance, life assurance and bank customers in the private customer segment. The survey also showed that Länsförsäkringar is the leader in non-life insurance for corporate customers.
- For the third year in a row, Länsförsäkringar was named "Non-life Insurance Company of the Year" by the Swedish magazine Affärsvärlden, based on a survey of Swedish businessmen and women, and "Pension Management Company of the Year" by Investment & Pensions Europe, also for the third consecutive year.

#### **Tommy Persson, Managing Director Länsförsäkringar AB, the Alliance's jointly-owned company:**

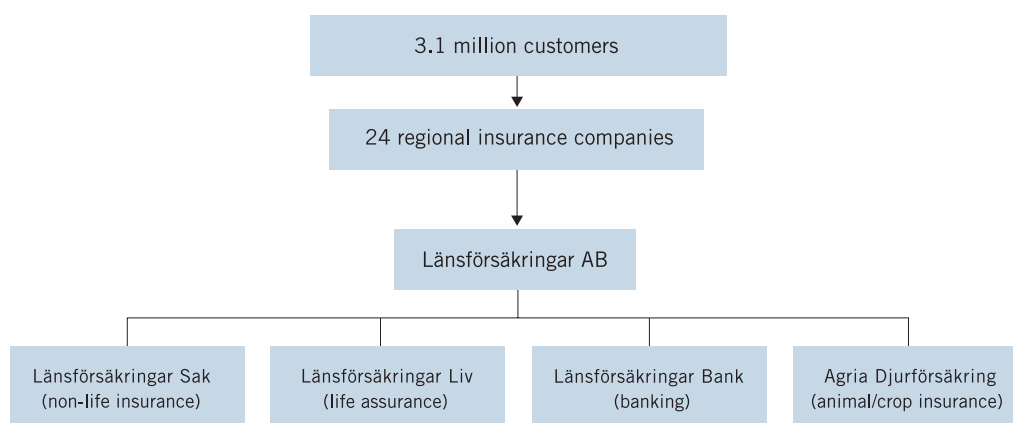
The Länsförsäkringar Alliance is reporting the best combined result in its history. The record earnings within non-life insurance means that many regional insurance companies are allocating their customers bonuses totaling nearly SEK 1 billion. The total return for the life assurance company was 14.9%, as a result of which the bonus is being raised to 9%. During the past 20 years, the bonus rate to our pension customers has averaged 9.6%. Few secure savings programs can match this return. An ever-increasing number of non-life insurance customers are becoming bank customers, which is a prerequisite for our bank venture. We have Sweden's most satisfied customers in all categories. Our strategy with local and independent companies working in alliance has again proven its advantages. The results in 2005 are a fantastic foundation from which to pursue our growth and expansion objectives.

The Länsförsäkringar Alliance is neither a legal entity nor, in the legal sense of the term, a Group; it is an alliance between 24 independent regional insurance companies that jointly own Länsförsäkringar AB. Länsförsäkringar's earnings from non-life insurance consist of the sum total of the earnings of the 24 regional insurance companies and of the jointly-owned Länsförsäkringar AB, excluding life assurance and banking. Figures in parentheses refer to 2004. All market share figures are preliminary. Official full-year figures published by Swedish Insurance Federation on February 15, 2006.



# Länsförsäkringar Alliance

The Länsförsäkringar Alliance comprises 24 regional and customer-owned insurance companies and the jointly owned Länsförsäkringar AB with subsidiaries in non-life, life assurance and pension insurance, banking and financial services, asset management and animal insurance. The Länsförsäkringar Alliance is based on a strong belief in the local market presence, and its customer contacts are conducted through the regional insurance companies. Länsförsäkringar AB enables the companies to reach economies of scale and, through service and strategic development, opportunities are created for the insurance companies to achieve success in their respective markets. The regional insurance companies offer a broad range of insurance, bank services and other financial solutions for corporate customers and private individuals. The Länsförsäkringar Alliance has more than 3 million customers and a combined total of approximately 5,000 employees.



## Develop existing customer relations

The number of customers served by the regional insurance companies increased by 34,000 during 2005 to 3,134,000. The sector comprising corporate customers showed the greatest increase, 3%, and 23% of the customers have at least two engagements within life assurance, non-life insurance or banking. The strategy of the Länsförsäkringar Alliance is to encourage

existing customers to broaden their relations by offering them competitive products in all three core business areas. The customers are offered opportunities to broaden their engagements between the business areas and meet more of their needs in the same areas.

A strong increase has been noted in customers engaged in all three core business areas. The largest percentage increase

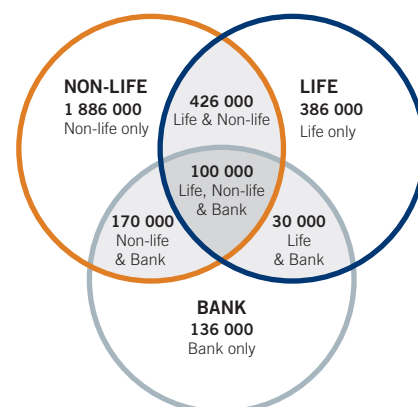
was noted among agricultural customers. Cross-selling continues to increase in all market sectors. In the Private and Agricultural markets, non-life insurance customers are showing a particularly strong increase in their engagement and becoming bank customers. Among corporate customers, many non-life insurance customers also chose to become life assurance customers during the year.

## Current ratings

Company	Institute	Long-term rating	Short-term rating
Länsförsäkringar Bank	Standard & Poor's	A-/positive	A-2(K-1)
Länsförsäkringar Bank	Moody's	A3/stable	P-2
Company	Institute	Rating	
Länsförsäkringar AB	Standard & Poor's	A-/Stable	
Länsförsäkringar AB	Moody's	A3/Stable	
Länsförsäkringar Sak	Standard & Poor's	A/Stable	
Länsförsäkringar Sak	Moody's	A2/Stable	
Agria Djurförsäkring	Standard & Poor's	A-/pi*	

\*Pi means that the rating, for which there is no forecast, is based on public information such as annual reports.

CUSTOMER DISTRIBUTION AT DECEMBER 31, 2005



Total 3,134,000 customers

# Non-life insurance\*

- The technical result improved to SEK 2,496 M (1,957) and operating income amounted to SEK 7,027 M (3,213).
- As a result of the favorable earnings, many of the regional insurance companies are paying a bonus to their customers. In total, the bonuses amount to nearly SEK 1 billion.
- Combined ratio improved to 89 (93).
- The solvency margin rose to 171% (125).
- Strong position of market leadership. Market share amounted to 30.6% (32.3).
- Sweden's most satisfied non-life insurance customers, according to Swedish Quality Index.
- Länsförsäkringar was named "Insurance Company of the Year" for the third consecutive year.
- Several major claims during the year – Hurricane Gudrun was the largest.

Länsförsäkringar Alliance maintained its position as the market leader in Swedish non-life insurance. The market share, calculated as premiums paid, was 30.6% (32.3).

The portfolio of housing products declined somewhat during the year, although some recovery was noted for homeowner insurance during the latter part of 2005.

Accident insurance products for the private sector showed a continued favorable trend in portfolio growth and increased by 2.8 percentage points. The portfolio of private and corporate motor vehicle insurance also showed some increase in the number of policies. Competition and pressure on prices increased in the corporate market as more players have started to sell corporate insurance. Länsförsäkringar's premium portfolio in corporate insurance declined slightly – a continued large volume of policies are sold through brokers, between 35 and 40%. The market for health and healthcare products is attracting stronger focus. Product development work continued and a new concept will be launched during 2006.

The early part of 2005 was a period of extensive damage. Hurricane Gudrun led to total gross claims costs estimated at SEK 2.8 billion. However, as a result of the Länsförsäkringar Alliance's extensive

reinsurance cover, net costs will have only a marginal effect on earnings over the short term. The major claims burden on the reinsurance system will lead to a higher level of reinsurance premiums during the next few years, however. During 2005, more fire damage claims were also filed than during 2004.

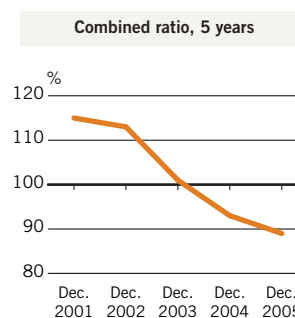
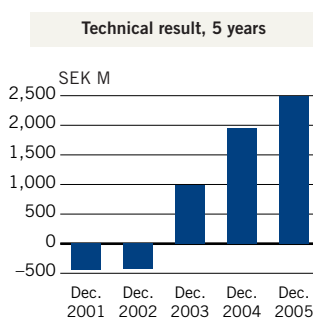
The combined ratio showed further improvement during 2005 and amounted to 89 (93). This result is attributable to Länsförsäkringar's damage prevention and efficiency enhancement measures. Income rose more than costs during the period. Premiums earned rose by 2% to SEK 16,215 M (15,861), while claims costs were 2% lower than in the preceding year and amounted to SEK 11,554 M (11,752). The claims ratio declined to 71% (74).

The technical result improved to SEK 2,496 M (1,957). The strong improvement in operating income, which amounted to SEK 7,027 M (3,213), was largely attributable to positive trends in the financial markets. The total return was 11.9% (5.6).

Länsförsäkringar Alliance's specialist company for animal and crop insurance, Agria Djurförsäkring, reported a technical result of SEK 60.8 M (81). Premiums earned by Agria rose to SEK 888 M (824).

KEY FIGURES	2005	2004
Premiums earned <sup>1)</sup> , SEK M	16,215	15,861
Technical result, SEK M	2,496	1,957
Operating income, SEK M	7,027	3,213
Net asset value, SEK M	28,015	20,249
Solvency margin, %	171	125
Claims ratio	71	74
Expense ratio	18	19
Combined ratio	89	93

<sup>1)</sup> After ceded reinsurance.



\*Länsförsäkringar's earnings from non-life insurance consist of the sum of the earnings of the 24 regional insurance companies, Agria and Länsförsäkringar AB, excluding life assurance and banking. The value and changes in value of the regional insurance companies' holdings of shares in Länsförsäkringar AB and subordinated loans have been eliminated.

# Life assurance and pension insurance

- Sweden's most satisfied customers, according to Swedish Quality Index.
- Customers who save in life assurance and pension insurance are offered one of the highest bonus rates in the industry. The bonus rate was raised on October 1, 2005 from 4% to 6%, before tax and fees, and will be raised to 9% on March 1, 2006
- Key figures were stronger. The collective consolidation increased by 11 percentage points to 114%, the solvency margin rose two percentage points to 125% and the administration result improved by SEK 76 M.
- The total return for traditional life assurance amounted to 14.9% (6.8), and the New World's return was 17.1% (9.6). Investment & Pensions Europe, the leading trade magazine, named Länsförsäkringar Sweden's "Pension Management Company of the Year" for the third consecutive year.

## Länsförsäkringar Liv

SEK M	2005	2004
Premium income, net	9,472	8,676
Total assets	140,681	120,967
Total return, traditional management, %	14.9	6.4
Return, New World, %	17.1	9.6

Total premiums for life and unit-linked assurance amounted to SEK 9,472 M (8,676), an increase of 9%. New sales amounted to SEK 14,403 M (16,192). The total market share in terms of premium income was 7.6%. Measured as new sales, the market share was 8.4%. Continued efficiency improvements are being made in the life assurance operations. During 2005, the administration result improved by SEK 76 M. An important area in which efficiency can be improved is customer contacts, where simpler and clearer tools will help strengthen the potential for growth.

## Traditional life assurance

SEK M	2005	2004
Premium income, net	5,789	5,255
Investment income, net	13,111	6,265
Profit after tax	4,760	3,720
Investment assets	105,146	93,856
Total assets	111,102	100,158
Solvency ratio, %	125	123
Collective consolidation, %	114	103

The high returns during recent years, combined with reduced costs, have strengthened the balance sheet and solvency. This

provides scope for a large portion of equities in the investment portfolio, which, according to experience, creates good potential for favorable value growth. The risk of a decline in shares in an investment portfolio comprising a large percentage of equities is controlled by comprehensive share protection.

The return on Swedish equities was 38.1% (19.4) and the return on foreign equities was 27.0% (6.3). Total return for the fixed-income portfolio was 5.0% (3.9).

Traditional life assurance operations generated a total return of 14.9% (6.4).

The solvency ratio at December 31, 2005 was 125% (123). Solvency is a measure of a life assurance company's financial position and shows the value of the company's assets in relation to its guaranteed undertakings toward customers. The lowest permitted solvency ratio is 104%.

Collective consolidation was also strengthened and amounted to 114% (103) at December 31, 2005. Collective consolidation is a measure of a life assurance company's capacity to provide a bonus. It shows the value of the company's assets in relation to guaranteed undertakings to customers and non-guaranteed bonuses for customers, that is, the entire capital assured. The measure is theoretical since it reflects a situation where the company would pay out the entire capital assured during a single day. The shortest payment period in a traditional pension

insurance policy is five years and the average maturity is about 23 years.

On October 1, 2005, the bonus rate on traditional savings was raised from 4% to 6% before fees and yield tax. As a result of the exceptionally high total return during 2005, the bonus rate will be raised again, to 9%, on March 1, 2006. This means that customers who save in life assurance and pension insurance are currently being offered one of the highest bonus rates in the industry. Since the life assurance operations were started in 1985, the average annual bonus rate has been 9.6%.

## New World

Länsförsäkringar's New World management alternative has a higher portion of equities but a lower guarantee than traditional management. The high portion of equities, 70%, generates potential for a good return in the long term. After five years or in the event of death, the customer is guaranteed repayment of premiums paid less fees and yield tax. New World management is only available from Länsförsäkringar.

Supported by strong stock market trends, the New World portfolio rose 17.1% (9.6) during 2005. Swedish and Japanese equities rose sharply during the year, making the greatest contribution to New World's favorable return. European and Asian equities also generated favo-

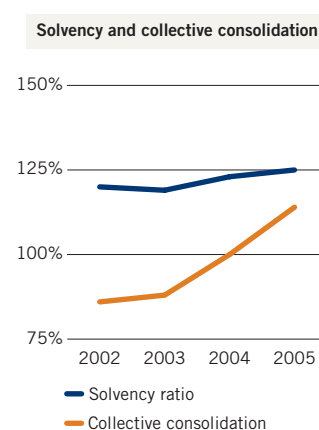
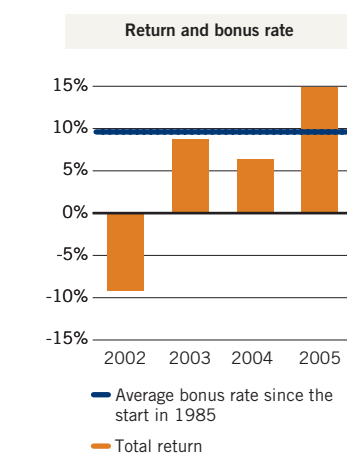
able returns, while the performance of North American equities was relatively weak. Interest rates declined during the first half of 2005, which was favorable for New World. During the autumn, interest rates turned upward, although only marginally, which had a negative impact on New World. Average annual return since the start of the New World portfolio is 7.9%.

### Unit-linked insurance

SEK M	2005	2004
Premium income, net	3,683	3,420
Investment income, net	6,933	1,557
Loss after tax	-97	-242
Total assets	32,261	23,366

All funds in Länsförsäkringar's unit-linked insurance offering yielded positive returns during the year. The offering also includes funds from ABN AMRO, Société Générale and Fidelity.

Average value growth for the top ten funds was about 66%, while the total average increase was about 37%. Alfred Berg Russia was the fund with the strongest performance during 2005, up 103.9%. ABN AMRO Latin America, ABN AMRO Eastern Europe, Fidelity India Focus Fund and SGAM Japan Small Cap also performed strongly, with value increases ranging from 64.9% to 80.5%. Funds that invest in growth markets were also lifted by the weakening of the Swedish krona (SEK) against the dollar (USD), since



several countries in South America and Asia have currencies that are tied to USD. The weaker SEK was the main reason why Länsförsäkringar North America Fund rose by 22.4%, despite a weak performance on US stock markets during the year.

More diversified equity funds, such as Fidelity Global Focus, Länsförsäkringar Total Fund, Länsförsäkringar Global Fund and Länsförsäkringar Pension 2000 funds, rose between 26.7% and 36.5%. The favorable returns for equity funds meant that Länsförsäkringar Fund-of-funds High Risk, which invests only in equity funds, increased by 39.7%. Fund-of-funds Normal and Fund-of-funds Low Risk, which also include fixed-income funds, were up 29.8% and 20.1%, respectively, during the same period.

Other funds generating a strong return are Länsförsäkringar Small Company Fund, Länsförsäkringar Growth Market Fund and the Fidelity Japan Fund, all of which improved more than 52.4%. A comprehensive Japanese reform program and favorable earnings growth in the companies benefited funds that invest in Japan. It was difficult for fixed-income funds to generate high returns during 2005 due to low interest rates and relatively small interest-rate fluctuations. Länsförsäkringar Euro Bond Fund was up 9.5%, while Länsförsäkringar Bond Fund rose by 4.0%.

### INVESTMENT INCOME IN 2005 FOR LÄNSFÖRSÄKRINGAR LIV, TRADITIONAL MANAGEMENT, INCLUDING PROPERTY COMPANIES AND NEW WORLD

#### Amounts in SEK M

Investment	Market value Jan. 1, 2005	%	Net investment	Change in value	%	Market value Dec. 31 2005	%	Direct return	%	Total return	%
Interest-bearing, total	46,283	51	11,390	452	0.9	58,125	57	2,061	4.1	2,513	5.0
Total equities, excl. Alternative Investments	34,192	37	-9,392	8,306	27.8	33,106	32	843	2.8	9,149	30.6
Alternative Investments	6,959	8	-315	-268	-4.4	6,376	6	1,710	27.9	1,442	23.5
Properties	3,497	4	1,442	172	4.7	5,111	5	157	4.3	329	9.0
Financing of investments	-13	0	0	0	0.0	-13	0	-1	-7.8	-1	-7.8
<b>TOTAL</b>	<b>90,918</b>	<b>100</b>	<b>3,125</b>	<b>8,662</b>	<b>9.6</b>	<b>102,705</b>	<b>100</b>	<b>4,770</b>	<b>5.3</b>	<b>13,432</b>	<b>14.9</b>
Other <sup>1)</sup>	5,465		-351	627		5,741		-219		408	
<b>TOTAL</b>	<b>96,383</b>		<b>2,774</b>	<b>9,289</b>	<b>9.7</b>	<b>108,446</b>		<b>4,551</b>	<b>4.8</b>	<b>13,840</b>	

<sup>1)</sup> Includes surplus value of equities in subsidiaries and associated companies, which is not reported in Länsförsäkringar Liv AB but in the consolidated accounts.

# Banking operations

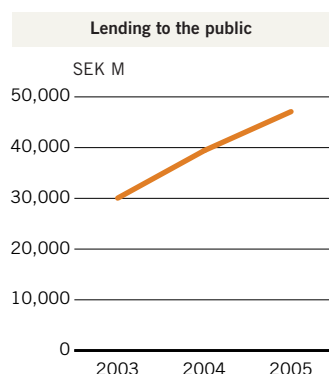
- Operating income before loan losses and tax amounted to SEK 203 M (171) and after loan losses to SEK 154 M (127).
- Lending to the public rose 19% to SEK 47 billion (39). Deposits from the general public increased by 9% to SEK 21 billion (19). Mortgage loans rose 30% to SEK 31 billion (24).
- Standard & Poor's changed the bank's outlook from "stable" to "positive", which confirms the favorable growth in banking operations and the bank's strategic importance for the Länsförsäkringar Alliance.
- For the second year in a row, the Swedish Quality Index showed that bank customers in Länsförsäkringar are more satisfied than private customers in other banks. In addition, the index showed that Länsförsäkringar also has the most satisfied home mortgage customers.
- All funds generated positive returns.

## Banking

SEK M	2005	2004
Operating income	154.0	126.6
Total assets	51,661	43,016
Interest margin, %	1.69	2.02
Number of customers	593,000	568,000

Mortgage lending increased during the year by 30% to SEK 31 billion. Standard & Poor's credit rating institute changed the bank's outlook from stable to positive in January 2006. As a result of its strong rating with Standard & Poor's, lending costs declined further during the year.

Revenues rose 7% to 1 299 (1 214) SEK M. Administrative expenses increased by 5% to SEK 1,097 M (1,042). Operating income amounted to SEK 203 M (171). Income after tax totaled SEK 154 M (127), corresponding to a return on average equity of 4.1% (4.3).



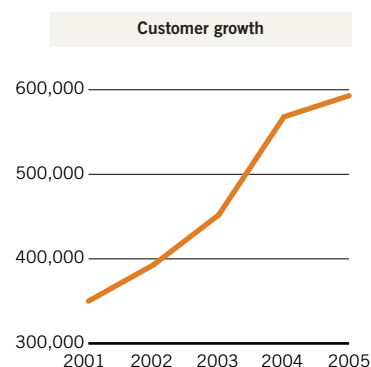
## Broader offering

Länsförsäkringar has nearly 2.6 million customers in the private market and 600,000 banking customers. Growth is high, particularly among insurance customers who also become bank customers. The percentage of home insurance customers who have elected to place their mortgage loans in the bank increased during the year by 20%.

Despite the rapid influx of new bank customers during recent years, there is still strong potential for growth. Home-owners comprise one of the most important target groups for Länsförsäkringar's banking operations, particularly in view of surveys showing that mortgage transactions are often the basis for a person's choice of bank.

## Sweden's most satisfied bank and home mortgage customers

The total number of customers rose by 25,000 to 593,000 (568,000). For the second consecutive year, Swedish Quality Index shows that Länsförsäkringar's private bank customers are more satisfied than customers of other banks. Länsförsäkringar is near the top of the list in all categories covered by the survey, with a total rating of 76, which is much higher than the average rating of 70 for other banks. The survey measures image, expect-



tations, product quality, service quality and value for money. In addition, the survey shows that Länsförsäkringar is also the bank that comes closest to meeting its customers' expectations. Another Swedish Quality Index survey of mortgage institutes shows that Länsförsäkringar's home mortgage customers are more satisfied than private customers of other mortgage institutions.

## All funds generated a positive return

Länsförsäkringar Fondförvaltning is a subsidiary of Länsförsäkringar Bank. Operating income amounted to SEK 64 M (46). The improvement in earnings was attributable primarily to an increase in assets under management.

The net inflow in Länsförsäkringar's funds amounted to SEK 2,945 M in 2005. Länsförsäkringar Fondförvaltning's mana-

ged volume at year-end was SEK 53.9 (40.1) billion. Länsförsäkringar Fondförvaltning, accordingly, is maintaining its volume as Sweden's fifth largest fund management company. All of Länsförsäkringar's mutual funds yielded positive returns during 2005. The equities funds yielded a return of more than 20% and the Small Company Fund and Growth Market Fund each rose by more than 62%.

Ten of Länsförsäkringar's funds now have five-star ratings by Morningstar, the international rating institute. This means that one of every three funds has the highest rating. In conjunction with the most recent rating at year-end 2005, Morningstar upgraded six of Länsförsäkringar's pension funds from four to five stars.



## Income statements and balance sheets

### NON-LIFE INSURANCE<sup>1)</sup>

Income statement, SEK M	2005	2004
Premiums earned, after ceded reinsurance	16,215	15,861
Investment income transferred from financial operations	829	856
Claims payments, after ceded reinsurance	-11,554	-11,752
Operating expenses	-2,967	-3,004
Other technical revenues/expenses	-3	-3
<b>Technical result from non-life insurance operations before bonuses and discounts</b>	<b>2,496</b>	<b>1,957</b>
Bonuses and discounts	-842	-203
<b>Technical result from non-life insurance operations after bonuses and discounts</b>	<b>1,654</b>	<b>1,754</b>
Total investment income	6,382	2,510
Investment income transferred to insurance operations	-829	-856
Other non-technical expenses	-180	-195
<b>INCOME BEFORE APPROPRIATIONS AND TAX</b>	<b>7,027</b>	<b>3,213</b>

Balance sheet, SEK M	Dec. 31, 2005	Dec. 31, 2004
<b>ASSETS</b>		
Shares and participations	22,765	16,674
Bonds and other interest-bearing securities	22,445	18,568
Other investment assets	9,064	9,256
<b>Total investment assets</b>	<b>54,274</b>	<b>44,498</b>
Reinsurers' portion of technical reserves	1,474	838
Other assets	8,620	9,114
Prepaid costs and accrued income	765	600
<b>TOTAL ASSETS</b>	<b>65,133</b>	<b>55,050</b>

#### SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES

Shareholders' equity	17,610	9,361
Untaxed reserves	3,693	7,473
Technical reserves, before ceded reinsurance	31,927	28,814
Other liabilities	10,501	7,983
Accrued costs and prepaid income	1,402	1,419
<b>TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>	<b>65,133</b>	<b>55,050</b>

<sup>1</sup> Länsförsäkringar's earnings from non-life insurance comprise the sum of the earnings for the 24 regional insurance companies and the Länsförsäkringar AB, excluding life assurance and banking. The balance between the regional insurance companies and the Länsförsäkringar AB has been eliminated. The value and change in value of the Länsförsäkringar regional insurance companies' holdings of shares in Länsförsäkringar AB, and the debenture loan, have been eliminated. Länsförsäkringar is neither a legal entity nor, in the legal sense of the term, a group; it is an alliance between 24 independent regional insurance companies that jointly own Länsförsäkringar AB.

### LÄNSFÖRSÄKRINGAR LIV (LIFE ASSURANCE)

Income statement, SEK M	2005	2004
Premium income, gross	9,609	8,869
Premium income, net	9,472	8,676
Investment income, net	20,165	6,882
Claims payments	-5,291	-4,359
Other technical revenues		5
Change in technical reserves	-17,527	-6,496
Operating expenses	-1,379	-1,456
Technical result, life assurance operations	5,440	3,252
Non-technical result	-177	-162
Income before appropriations and tax	5,263	3,090
Tax	-679	-742
<b>NET PROFIT</b>	<b>4,584</b>	<b>2,348</b>

Balance sheet, SEK M	Dec. 31, 2005	Dec. 31, 2004
<b>ASSETS</b>		
Intangible assets	1,821	1,873
Investment assets	100,817	89,679
Investment assets for which policyholders bear the investment risk	31,033	22,070
Reinsurers' portion of technical reserves	730	732
Receivables	401	659
Other assets	2,918	3,149
Prepaid expenses and accrued income	2,961	2,805
<b>TOTAL ASSETS</b>	<b>140,681</b>	<b>120,967</b>

#### SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES

Share capital	8	8
Funds plus net profit for the period	18,777	15,969
Technical reserves	87,053	78,739
Reserves for life assurance for which policyholders bear the investment risk	31,034	22,074
Provisions for other risks and expenses	93	109
Deposits from reinsurers	750	754
Liabilities	2,508	2,816
Accrued expenses and prepaid income	458	498
<b>TOTAL SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES</b>	<b>140,681</b>	<b>120,967</b>



**BANKING OPERATIONS**

Income statement, SEK M	2005	2004
Net interest income	873.4	829.7
Net commission income	276.4	213.7
Other revenue	149.7	170.2
<b>Total revenue</b>	<b>1,299.5</b>	<b>1,213.6</b>
Personnel costs	-244.2	-236.6
Other expenses	-852.7	-805.6
<b>Total expenses</b>	<b>-1,096.9</b>	<b>-1,042.2</b>
<b>Income before loan losses</b>	<b>202.6</b>	<b>171.4</b>
Loan losses, net	-48.6	-44.8
<b>Income from banking operations</b>	<b>154.0</b>	<b>126.6</b>
<b>TOTAL OPERATING INCOME</b>	<b>154.0</b>	<b>126.6</b>
Tax	-44.7	59.4
<b>NET PROFIT</b>	<b>109.3</b>	<b>186.0</b>

Balance sheet, SEK M	Dec. 31, 2005	Dec. 31, 2004
<b>ASSETS</b>		
Lending to the public	47,094	39,426
Bonds	2,603	1,198
Tangible and intangible assets	114	99
Other assets	1,850	2 293
<b>TOTAL ASSETS</b>	<b>51,661</b>	<b>43,016</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits and borrowing from the public	21,535	20,048
Securities issued	24,850	18,155
Other liabilities	1,375	1,322
Subordinated loan	1,050	1,050
Shareholders' equity	2,851	2,442
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>51,661</b>	<b>43,016</b>

## Financial calendar

### First quarter:

Interim report, January–March, Länsförsäkringar Bank, April 25, 2006

Interim report, January–March, Länsförsäkringar Hypotek, April 25, 2006

Solvency report, January–March, life assurance, April 25, 2006

### Second quarter:

Interim report, January–June, Länsförsäkringar Bank, August 29, 2006

Interim report, January–June, Länsförsäkringar Hypotek, August 29, 2006

Interim report, January–June, Länsförsäkringar Alliance, August 29, 2006

Solvency report, January–March, life assurance, August 18, 2006

### Third quarter:

Interim report, January–September, Länsförsäkringar Bank, October 23, 2006

Interim report, January–September, Länsförsäkringar Hypotek, October 23, 2006

Interim report, January–September, Länsförsäkringar Alliance, October 23, 2006

Solvency report, January–September, life assurance, October 24, 2006



### For further information, please contact

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