

INTERIM REPORT JANUARY 1 – MARCH 31 2002

- OPERATING INCOME SEK 103 (141) MILLION
- OPERATING PROFIT SEK 6 (1) MILLION
- CONTINUED GROWTH IN PRIVATE BANKING
- INCREASED CONCENTRATION ON CORE AREAS

Performance and financial position

Group

Hagströmer & Qviberg (H&Q) reports for the first quarter of 2002 earnings before tax and minority items of SEK 6 (1) million. Market activity was low during the period. Turnover on the Stockholm Exchange declined.

Total operating income amounted to SEK 103 (141) million, a decline of 27 percent compared to the same period last year. Net income from commissions and fees declined by 22 percent to SEK 69 (88) million. Of the income from commissions and fees SEK 23 (20) million was attributable to financial advisory services and underwriting, an increase of 15 percent. Net earnings from financial transactions including dividends and net interest declined by 35 percent to SEK 34 (52) million.

Operating expenses amounted to SEK 97 (140) million, a decline of 31 percent. Personnel expenses declined by 32 percent to SEK 65 (95) million, and other expenses by 29 percent to SEK 32 (45) million. The cost-reduction programmes implemented during 2001 had full impact during the first quarter of this year.

After the end of the period a decision was taken to further concentrate the business to prioritised areas:

- Financial planning and asset management
- Corporate advisory services and capital acquisition
- Trade in stocks and derivatives

These measures include a merger of the company's research activities within the framework of a joint unit, and a reallocation of resources to prioritised areas.

During the first quarter the office in San Francisco was closed. The business in New York is being evaluated.

The group's liquid funds amounted to SEK 339 (1,474 per December 31, 2001) million. Shareholders' equity amounted to SEK 392 (389 per December 31, 2001) million, corresponding to SEK 78 (78 per December 31, 2001) per share. Capital adequacy for the group amounted to 32 (26 per December 31, 2001) percent.

The number of employees in the group on March 31 was 246 (329 per March 31, 2001; 247 per December 31, 2001). The average number of employees during the period was 247 (332).

H&Q Investment Banking

Operating income for H&Q Investment Banking amounted to SEK 45 million, a decline of 26 percent compared to the same period last year and a decline of 34 percent compared to the fourth quarter of 2001. A lower level of market activity, reduced brokerage fees due to considerably lower demand for secondary market analysis, and fewer completed capital acquisition assignments explain the decline in operating income compared with the previous year. Earnings were positive for this business unit.

The number of employees on March 31 was 70 (86 per March 31, 2001; 73 per December 31, 2001).

H&Q Private Banking

Operating income for H&Q Private Banking amounted to SEK 58 million, which is unchanged in relation to the fourth quarter of 2001 but represents a decline of 22 percent compared to the first quarter of last year. A generally lower level of market activity and lower market values have been partly countered by increased sales of structured products and a continued net inflow to asset management. Earnings were positive for this business unit.

Total managed capital was unchanged compared to the end of 2001 and amounted to SEK 18 billion.

The number of employees on March 31 was 100 (146 per March 31, 2001; 102 per December 31, 2001).

Miscellaneous

The annual general meeting on April 9 approved a dividend for financial year 2001 of SEK 5 per share (common and preferred stock). The record date for payment of dividends was established as Friday, April 12, 2002. Payment is expected to take place through VPC on April 17, 2002.

In addition the annual general meeting voted to approve a new issue of a maximum of 150,000 preferred shares to leading executives and key personnel. If this offering is fully subscribed share capital will increase by a maximum of SEK 6 million.

Outlook

The level of market activity so far this year has been low. Meanwhile, measures taken earlier to reduce the company's costs and the measures now being taken to strengthen income mean that Hagströmer & Qviberg is well equipped to improve its earnings and profitability when the economic environment for the financial industry improves.

Stockholm, April 16, 2002

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Forthcoming reports

Interim report Jan-Jun
Interim report Jan-Sep

July 16, 2002
October 17, 2002

GROUP TRENDS PER QUARTER (SEKm)	1Q 02	4Q 01	3Q 01	2Q 01	1Q 01
Commissions and fees, net	69	94	63	85	88
Net interest income	8	14	8	14	12
Financial transactions including dividends, net	26	37	4	-16	40
Other operating income	-	3	-	58	1
Operating income	103	148	75	141	141
Operating expenses	-97	-115	-100	-140	-140
Profit before tax and minorities	6	33	-25	1	1

KEY RATIOS	Jan-Mar 02	Jan-Mar 01	Apr 01-Mar 02	Jan-Dec 01	Jan-Dec 00	Jan-Dec 99*
Operating income, SEKm	103	141	467	505	935	1,065
Operating expenses, SEKm	-97	-140	-452	-495	-685	-712
Profit before tax and minorities, SEKm	6	1	15	10	250	353
Earnings per share before dilution, SEK	0.4	0.2	-0.6	-0.8	36	49
Earnings per share after dilution, SEK	0.4	0.2	-0.5	-0.8	35	47
Return on equity per share, SEK	78	95	75	78	92	57
Operating margin, %	6%	1%	3%	2%	27%	33%
Return on equity, %	-1%	17%	-1%	-1%	46%	83%
Capital adequacy, %	32%	28%	n/a	26%	24%	n/a

* Comparison figures for 1999 are corresponding figures pro forma.

CONSOLIDATED INCOME STATEMENT (SEKm)		Jan 1, 2002 Mar 31, 2002	Jan 1, 2001 Mar 31, 2001
Income from commissions and fees	Note 1	80	100
Expenses from commissions and fees		-11	-12
Net interest income		8	12
Dividends received		1	2
Net result of financial transactions		25	38
Other operating income		-	1
Total operating income		103	141
General administrative expenses		-86	-128
Depreciation and write-down of tangible and intangible fixed assets		-6	-4
Other operating expenses		-5	-8
Net credit losses		-	-
Total operating expenses		-97	-140
Operating profit		6	1
Tax on profit /loss for the period		-4	0
Minority share of period's profit		0	-
Profit for the period		2	1
Earnings per share before dilution, SEK		0.4	0.2
Earnings per share after dilution, SEK		0.4	0.2
Average number of shares before dilution		5,175,421	5,056,571
Average number of shares after dilution		5,458,624	5,224,276
Number of shares outstanding before dilution		5,175,724	5,180,624
Number of shares outstanding after dilution		5,458,624	5,222,624

CONSOLIDATED BALANCE SHEET (SEKm)		Mar 31, 2002	Dec 31, 2001
Lending to credit institutions		339	1,474
Lending to the public		807	782
Shares and participations		1,995	1,948
Other assets	Note 2	602	544
Total assets		3,743	4,748
Deposits and borrowing from the public		1,251	1,529
Other liabilities	Note 2	2,089	2,819
Minority share of equity		11	11
Shareholder's equity	Note 3	392	389
Total equity, provisions and liabilities		3,743	4,748

CASH FLOW STATEMENT (SEKm)

	Jan 1, 2002 Mar 31, 2002	Jan 1, 2001 Mar 31, 2001
Cash flow from continuing operations	6	2
Cash flow from operative assets and liabilities	-1,138	818
Cash flow from continuing operations	-1,132	820
Cash flow from investing activities	-3	-8
Cash flow from financing activities	0	12
Cash flow for the period	-1,135	824
Liquid funds at beginning of period	1,474	-469
Liquid funds at end of period	339	355

Accounting principles

This interim report has been prepared in accordance with the recommendations of the Swedish Financial Accounting Standards Council for interim reports (RR20), and the regulations of the Swedish Financial Supervisory Authority 2001:19. The accounting principles and methods of calculation are unchanged from those used in the annual report for 2001. New recommendations from the Financial Accounting Standards Council have had no effect on the accounts for the first quarter.

Definitions

Earnings per share after tax

Net profit after tax in relation to the average number of shares during the period. Consideration has been taken to buy-back of the company's own shares, 12,500. In the calculation of the average number of shares after dilution, outstanding warrants with exercise prices of SEK 71 and SEK 133 have been included.

Shareholders' equity per share

Shareholders' equity in relation to the number of shares on the closing day. Consideration has been taken to buy-back of 12,500 of the company's own shares at an average price of SEK 118 and issue payments from warrants with exercise price SEK 71 and SEK 133.

Operating margin

Operating profit in relation to operating income.

Return on equity

Profit after tax in relation to average shareholders' equity. In the calculation consideration has been taken to buy-back of the company's own shares, 12,500, and issue payments from warrants with exercise price SEK 71 and SEK 133. Returns are calculated on a moving 12-month basis.

Liquid funds

Liquid funds include cash and central bank balances, lending to credit institutions and liabilities to credit institutions.

Capital adequacy

Capital base in relation to risk-weighted amount for market and credit risks.

Notes (all amounts in SEKm)

Note 1– Income from commissions and fees

Income from commissions and fees includes brokerage fees of 67 (90).

Note 2 – Other assets/Other liabilities

Other assets includes stock-related derivative instruments with positive value in the amount of 265 (actual value). Other liabilities includes stock-related derivative instruments with negative value in the amount of 121 (actual value).

Note 3 – Shareholders' equity

Shareholders' equity includes preferential share capital in the amount of 57. The number of outstanding preferred shares amounts, after conversion, to 1,418,331. Terms and conditions for this are described in the prospectus to shareholders of Hagströmer & Qviberg AB (publ) as of September 21, 1999.

Group	Mar 31, 2002	Mar 31, 2001
Balance at beginning of period	389	469
New issue of warrants	0	11
Translation differences etc.	1	1
Profit/loss for the year	2	1
Balance at end of period	392	482

This interim report has not been subject to an auditor's review.

Hagströmer & Qviberg (H&Q) is a leading investment bank with a focus on Growth.

H&Q finances Growth companies and supports those who create, build and finance Growth – entrepreneurs and also companies and foundations. The business involves mainly advisory services, equities and derivatives trading, asset management and financial planning, and is conducted within the business units H&Q Investment Banking and H&Q Private Banking.

The company's head office is in Stockholm. Business is also conducted in five further Swedish cities and from Oslo, New York and Luxembourg. H&Q has around 250 employees.

The company is listed on the Stockholm Stock Exchange (HAGQ.ST).

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