

INTERIM REPORT JANUARY 1 - MARCH 31 2006



STRONG GROWTH IN VOLUME AND EARNINGS

- + OPERATING INCOME SEK 219 (95) MILLION
- + OPERATING EARNINGS SEK 82 (18) MILLION
- + EARNINGS AFTER TAX SEK 58 (13) MILLION
- + EARNINGS PER SHARE SEK 8.6 (2.7)
- + OPERATING MARGIN DOUBLED TO 38 (19) PERCENT
- + ASSETS UNDER MANAGEMENT INCREASED SEK 10 BILLION IN FIRST QUARTER TO SEK 64 BILLION, OF WHICH NET INFLOW SEK 2.2 BILLION

HQ IN BRIEF

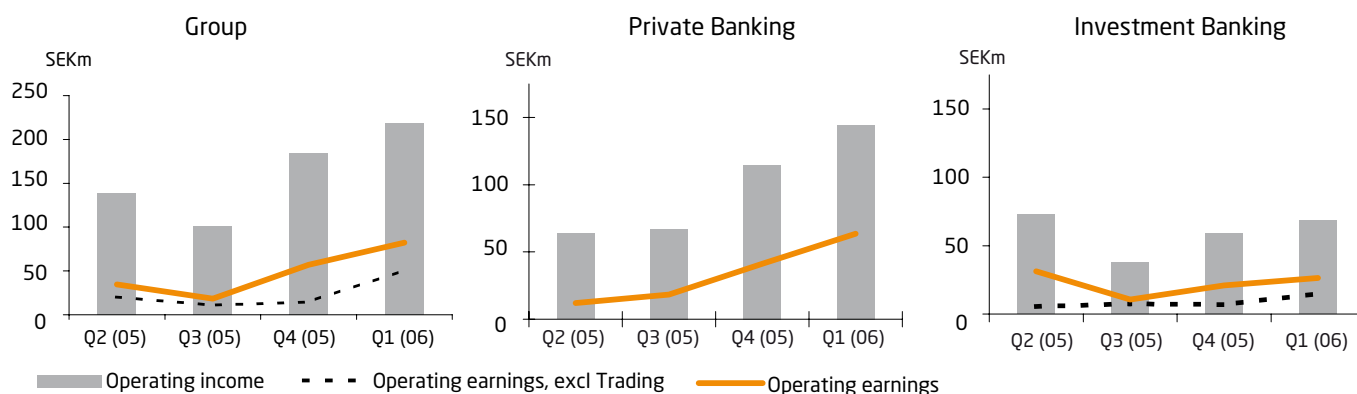
COMMENTS FROM CEO PATRIK ENBLAD

Developments in the first quarter have exceeded our expectations. Income has almost doubled, while operating earnings and earnings per share have tripled relative to the first quarter of 2005, pro forma including HQ Fonder. This positive trend has continued during April.

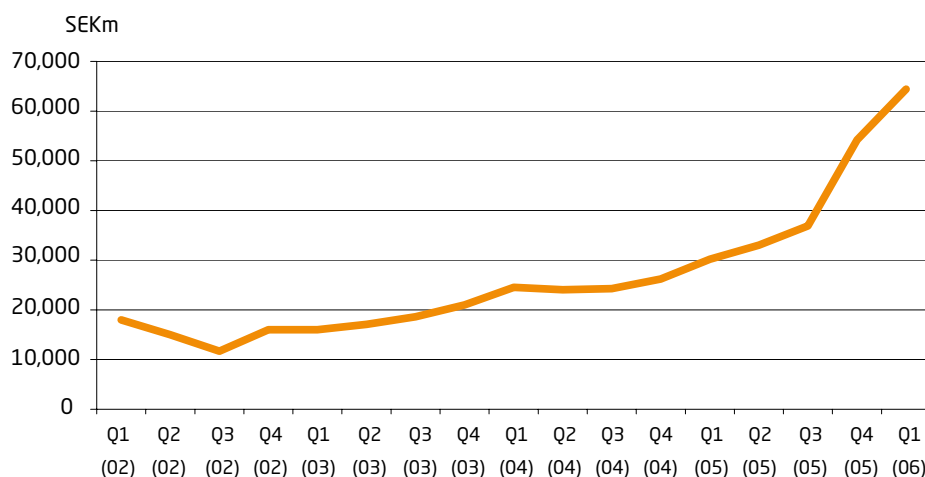
HQ's business concept has for a long time been to explore, innovate and perform, a concept that has successively earned success through increasingly large market shares and a strengthened position. HQ has developed from a private brokerage into a manager of assets, and in other words has moved from volatility to stability.

Advanced financial services and tailored solutions sometimes demand bank status, and with the launch of HQ Bank we are also able to deliver this type of service. HQ Bank is one of several strategic steps in securing HQ's leading position. Our focus is on added-value services. By exploring, innovating and performing we will refine our own niches and take a profitable position in both Investment Banking and Private Banking. This will benefit HQ's clients, employees and our shareholders.

INCOME AND OPERATING EARNINGS



GROWTH IN ASSETS UNDER MANAGEMENT



THE GROUP - ACCOUNTING PERIOD JANUARY 1 - MARCH 31, 2006

STRONG EARNINGS GROWTH

Hagströmer & Qviberg AB (HQ) reports for the first quarter operating earnings of SEK 82 (18) million, and earnings after tax of SEK 58 (13) million, corresponding to SEK 8.6 (2.7) per share.

HQ Fonder was merged with HQ on October 28, 2005 and is subsequently included in the consolidated accounts. HQ Fonder is therefore not included in the comparative figures for the first quarter of 2005. Pro forma including HQ Fonder, operating earnings have improved by 183 percent to SEK 82 (29) million. As a result of the merger, amortisation of intangible fixed assets has been charged to earnings at SEK 3 (0) million.

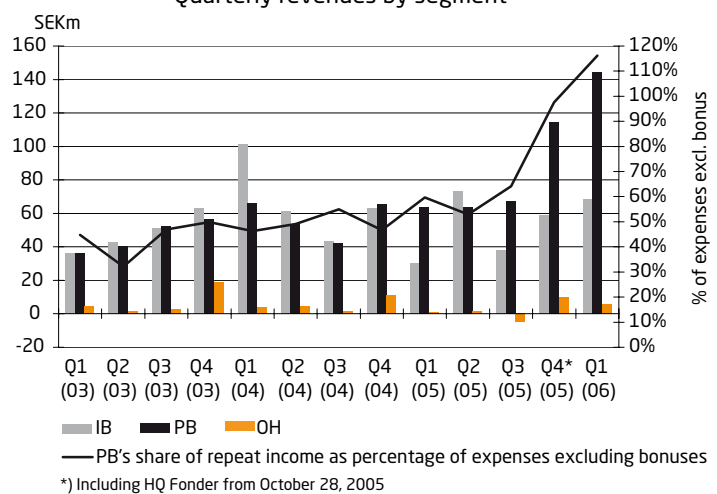
The earnings trend has been strong, particularly within Private Banking, but Investment Banking has also performed well. Asset management fees and net interest income from custodian account clients increased sharply compared with the same period in the previous year, which contributed to a greater proportion of repeat income and improved earnings. The operating margin has doubled to 38 (19) percent, which considerably exceeds HQ's financial target of an average 25 percent operating margin across the business cycle.

REPEAT INCOME INCREASING IN SCOPE

In total operating income amounted to SEK 219 (95) million, an increase of 131 percent. Pro forma 2005 including HQ Fonder this increase was 88 percent. Net income from commissions and fees increased by 116 percent to SEK 149 (69) million. Of net income from commissions and fees, SEK 195 (81) million were secondary, including asset management fees, an increase of 141 percent. This increase is explained by the inflow of managed volumes, which generated a greater proportion of repeat income in the form of asset management fees. In addition, the level of activity on the stock market was higher. Net income from commissions and fees also includes income of SEK 23 (15) million from financial advisory services and underwriting, an increase of 53 percent. Trading on the company's own account, comprising the net result of financial transactions and dividends, increased by 154 percent to SEK 61 (24) million, of which Trading accounted for SEK 43 (16) million.

As the net inflow of new client volumes has risen, the proportion of repeat income has also risen. Repeat income includes asset management fees and net interest income from the public, less expenses for commissions and fees. Repeat income in Private Banking increased by 177 percent to SEK 61 (22) million, which means that 115 (60) percent of Private Banking's current expenses excluding bonuses are covered by repeat income.

Quarterly revenues by segment

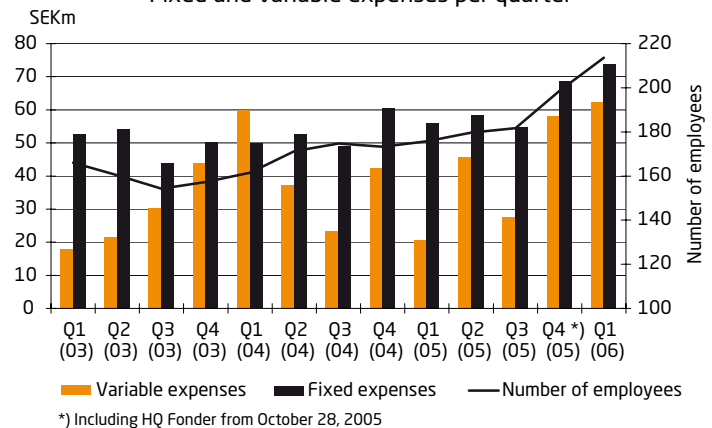


INCREASED EXPENSES LINKED TO HIGHER PROFIT SHARING PROVISIONS

Operating expenses for the period amounted to SEK 137 (77) million, an increase compared to the preceding year of 78 percent. One contributing factor to the increase in expenses is the merger with HQ Fonder, the costs of which were not included in the earnings for the first quarter of 2005. Pro forma 2005 including HQ Fonder, the increase amounted to 56 percent. This increase is explained primarily by higher provisions for profit sharing as a result of the positive earnings trend. Provisions for profit sharing therefore increased to SEK 49 (15) million. The profit sharing system is directly linked to earnings and no profit share is paid if earnings are negative for the particular department.

Fixed expenses increased by 32 percent to SEK 74 (56) million, which is mainly explained by the merger with HQ Fonder and higher personnel expenses consequent upon new recruitment. Cost control remains good. Fixed expenses per employee have remained more or less constant over time.

Fixed and variable expenses per quarter



CASH AND CASH EQUIVALENTS, CAPITAL ADEQUACY, NET INTEREST INCOME AND PERSONNEL

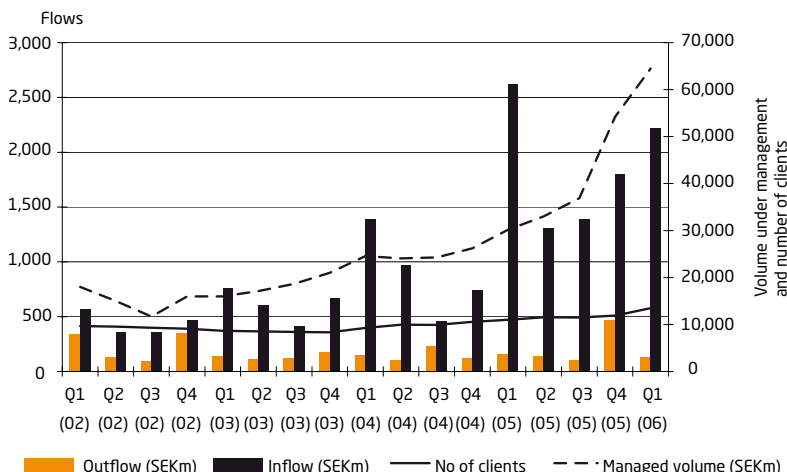
The group's cash and cash equivalents amounted to SEK 1,182 (374 per December 31, 2005) million. Equity amounted to SEK 852 (875 per December 31, 2005) million, corresponding to SEK 126 (129 per December 31, 2005) per share. Consolidated capital adequacy amounted to 35 (42 per December 31, 2005) percent. The current level of capital adequacy exceeds both the legal requirement of at least 8 percent and HQ's financial target of a minimum of 15 percent.

Average lending to the public and deposits have increased during the first quarter compared with the preceding year. Net interest income attributable to HQ's custodian account clients has therefore increased by 16 percent during the first quarter to SEK 11.9 (10.3) million.

The number of employees in the group amounted to 214, compared with 199 at the start of the year. The average number of employees during the period amounted to 209 (173).

ASSETS UNDER MANAGEMENT

Total assets under management have increased by SEK 10 billion during the first quarter to SEK 64 billion, an increase of 19 percent compared to the start of the year. Since March 31, 2005 total assets under management pro forma including HQ Fonder have risen by SEK 23 billion, an increase of 56 percent, which considerably exceeds HQ's financial target of annual volume growth of 20 percent. The net inflow of assets under management during the period amounted to SEK 2.2 billion, which represents organic growth of 16 percent annualised. As the net inflow of assets under management has increased, so has the proportion of repeat income. Asset management fees, net less expenses for commissions and fees, increased by SEK 38 million, or 317 percent to SEK 50 (12) million.



HQ BANK

As previously announced subsidiary Hagströmer & Qviberg Fondkommission AB received authorisation on January 25 from the Swedish Financial Supervisory Authority to conduct banking operations. This authorisation provides expanded opportunities to manage wealth. Among other things, HQ will offer payment settlements and increased credit. From April 3, Hagströmer & Qviberg Fondkommission AB has been conducting banking operations under the name HQ Bank AB.

OTHER

The annual general meeting of shareholders held on March 30 voted to approve the board's proposal of a dividend of SEK 12 per share. Payment was made via VPC on Friday, April 7, 2006. The meeting also approved a split of the company's shares with each share being divided into two shares. The last day of trade in the un-split shares was April 7, 2006.

OUTLOOK

The year has started positively. HQ is exceeding all its financial targets in the form of volume growth, profitability and capital adequacy. The development work that was initiated in 2002, with the model of HQ being the leader within its niches, is now demonstrating strength. The transition from a transaction company into a cash-flow-generating savings company has been completed and will now be even clearer with the launch of HQ Bank.

HQ is growing throughout, and this is taking place in a controlled manner. As the inflow of assets under management increases, so does repeat income, which means a more stable foundation for continued profitable growth.

HQ's operating target is to have assets under management of SEK 100 billion latest 2010. Once this goal has been achieved, this will mean asset management fees of over SEK 1 billion for Private Banking assuming existing margins (currently 1.18 percent). With the current rate of growth it is expected that this target will be achieved before 2010.

Overall HQ envisages a good outlook for continued strong growth in turnover and earnings during 2006 even though the performance of the Stockholm Stock Exchange cannot be expected to be as strong as in previous years.

Stockholm, April 19, 2006

Patrik Enblad, Chief Executive Officer, Telephone +46 8 696 17 00

FORTHCOMING REPORTS

Interim report, second quarter 2006

Interim report, third quarter 2006

July 18, 2006

October 17, 2006

CONSOLIDATED INCOME STATEMENT (SEKm)		2006	2005
		Jan - Mar	Jan - Mar
Income from commissions and fees	Note 1	218	96
Expenses from commissions and fees		-69	-27
Interest income		18	11
Interest expense		-9	-9
Dividends received		12	1
Net result of financial transactions		49	23
Other operating income		0	0
Total operating income		219	95
Personnel expenses		-99	-55
General administrative expenses		-23	-16
Depreciation and amortisation of fixed assets		-4	-1
Other operating expenses		-11	-5
Credit losses and bad debt losses		0	-
Total operating expenses		-137	-77
Operating profit/loss		82	18
Tax on profit/loss for the period		-24	-5
Profit/loss for the period		58	13
Profit/loss per share before dilution, SEK		8.6	2.7
Profit/loss per share after dilution, SEK		8.6	2.7
Average number of shares before dilution		6,778,620	4,701,050
Average number of shares after dilution		6,778,620	4,701,050
Number of shares outstanding before dilution		6,778,620	4,701,050
Number of shares outstanding after dilution		6,778,620	4,701,050

CONSOLIDATED BALANCE SHEET (SEKm)		31 Mar 2006	31 Dec 2005
Lending to credit institutions		1,182	374
Lending to the public		1,078	970
Shares and participations		2,964	2,916
Intangible fixed assets	Note 2	598	601
Other assets	Note 3	2,032	1,894
Total assets		7,854	6,755
Liabilities to credit institutions		148	453
Deposits and borrowing from the public		2,615	2,061
Other liabilities	Note 3	4,239	3,366
Equity		852	875
Total equity and liabilities		7,854	6,755

CONSOLIDATED CHANGE IN EQUITY (SEKm)		31 Mar 2006	31 Mar 2005	31 Dec 2005
Equity, start of period		875	390	390
Re-evaluation of trading inventory per IAS 39		-	-1	-1
Adjusted equity, start of period		875	389	389
Dividend		-81	-28	-28
Share redemption		-	-	-116
Merger HQ Fonder		-	-	536
Translation difference		-	-1	-
Profit/loss for the period		58	13	94
Equity, end of period		852	373	875

GROUP TRENDS PER QUARTER (SEKm)		2006	2005	2005	2005	2005
		Jan - Mar	Oct - Dec	Jul - Sep	Apr - Jun	Jan - Mar
Net income from commissions and fees		149	134	69	73	69
Net interest income		9	3	1	3	2
Financial transactions including dividends, net		61	39	30	62	24
Other operating income		0	8	0	1	0
Operating income		219	184	100	139	95
Operating expenses		-137	-127	-82	-104	-77
Operating profit/loss		82	57	18	35	18

KEY FIGURES		2006	2005	2005 - 2006	2005	2004	2003
		Jan - Mar	Jan - Mar	Apr - Mar			
Operating income, SEKm		219	95	642	518	519	406
Operating expenses, SEKm		-137	-77	-450	-390	-377	-320
Operating profit/loss, SEKm		82	18	192	128	142	86
Earnings per share before dilution, SEK		8.6	2.7	29.4	19.4	21.2	11.6
Equity per share, SEK		126	79	126	129	83	78
Operating margin, %		38%	19%	30%	25%	28%	21%
Return on equity, % *		25%	19%	25%	15%	27%	15%
Capital adequacy, %		35%	28%	35%	42%	32%	35%

* Returns are calculated on a rolling 12 months basis

INFORMATION BY SEGMENT (SEKm)

	Investment Banking		Private Banking		Other/Eliminations		Total	
	2006 Jan-Mar	2005 Jan-Mar	2006 Jan-Mar	2005 Jan-Mar	2006 Jan-Mar	2005 Jan-Mar	2006 Jan-Mar	2005 Jan-Mar
Operating income	69	30	144	64	6	1	219	95
Operating expenses	-43	-27	-81	-46	-13	-4	-137	-77
Operating profit/loss by segment	26	3	63	18	-7	-3	82	18
Tax	-	-	-	-	-24	-5	-24	-5
Profit/loss for the period	26	3	63	18	-31	-8	58	13

CONSOLIDATED CASH FLOW STATEMENT (SEKm)

	2006 Jan - Mar	2005 Jan - Mar
Cash flow from operating activities	68	2
Cash flow from assets and liabilities of operating activities	741	26
Cash flow from operating activities	809	28
Cash flow from investing activities	-1	-3
Cash flow from financing activities	0	0
Cash flow for the period	808	25
Cash and cash equivalents at start of the period	374	160
Cash and cash equivalents at end of the period	1,182	185

ACCOUNTING POLICIES

Hagströmer & Qviberg's interim report is presented in accordance with the IFRS standards adopted by the EU, and the interpretations of these standards adopted by the EU, IFRIC. This report is presented in accordance with IAS 34, Interim Financial Reporting, and the regulations and general advice of the Swedish Financial Supervisory Authority regarding annual reporting for credit institutions and securities companies (FFFS 2002:22). The accounting policies and methods of calculation are unchanged from those applied in the annual report for 2005.

NOTES (ALL AMOUNTS IN SEK M)

Note 1 – Income from commissions and fees

Income from commissions and fees includes brokerage fees of 109 (63) for the three-month period.

Note 2 – Intangible fixed assets

In conjunction with the merger with HQ Fonder intangible assets that meet the requirements of IFRS 3 and IAS 38 have been identified in the form of client relationships, distribution agreements and brands. Client relationships are estimated to have an economic lifetime of 20 years and are therefore amortised over this period. In conjunction with the merger goodwill arose of 227.

Note 3 – Other assets/Other liabilities

Other assets includes stock-related derivative instruments with positive value in the amount of 1,391 (fair value), as well as currency-related derivative instruments with positive value in the amount of 21 (fair value). Other liabilities includes stock-related derivative instruments with negative value in the amount of 2,067 (fair value) as well as currency-related derivative instruments with negative values in the amount of 16 (fair value).

DEFINITIONS

Earnings per share after tax

Net profit for the period in relation to the average number of shares during the period.

Equity per share

Equity in relation to the number of shares outstanding on the balance sheet day.

Operating margin

Operating profit/loss in relation to operating income.

Return on equity

Net profit for the period in relation to average equity. Returns are calculated on a rolling twelve-month basis.

Cash and cash equivalents

Cash and cash equivalents includes cash and balances with central banks as well as lending to credit institutions.

Capital adequacy

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

This report has not been the subject of a review by the company's auditors.

INVESTMENT BANKING

Investment Banking conducts business in research, trade in stocks and derivatives on behalf of clients and on the company's own account, capital market transactions, and advice in connection with acquisitions and mergers. The business focuses on providing advice and ideas that offer clients added value.

	2006 Jan-Mar	2005 Jan-Mar
(SEKm)		
Brokerage income	28	17
Income from financial advisory services and underwriting	7	10
Net interest income/expense	-1	-2
Net result of financial transactions, including dividends	43	15
Transaction expenses	-9	-11
Other operating income	1	1
Total operating income	69	30
Personnel expenses	-32	-18
General administrative expenses	-6	-5
Depreciation and amortisation of fixed assets	0	-1
Other operating expenses	-5	-3
Credit losses and bad debt losses	0	0
Total operating expenses	-43	-27
Operating profit/loss	26	3
Average number of employees	47	47
Operating margin	37%	11%
Assets under management at end of period	11,504	7,134

RESULTS AND POSITION

Operating income for HQ Investment Banking amounted to SEK 69 (30) million, an increase of 130 percent compared to the same period in the preceding year. The increase is explained primarily by trading on the company's own account, which demonstrated improved earnings as a consequence of increased volatility and thus better conditions for conducting such trade. The Equities service area continues to develop in a positive direction with a focus on case-driven research in the attempt to always deliver added value. The level of activity within Corporate Finance is high. During the period there have been a number of new recruitments in order to meet increased demand for structured placements and advisory assignments. Lead times in these projects are often long, which means that the full impact in terms of income and earnings is not expected until the second half of the year.

The business unit reports earnings before tax of SEK 26 (3) million.

TRENDS AND STRATEGY

HQ Investment Banking delivers added value. This takes place in many different ways. One area where HQ has always had great knowledge is in options and forwards, so-called derivatives. This is made apparent through a leading position as market maker on the Stockholm Stock Exchange. Being a market maker means that HQ continuously undertakes to list bid and ask prices for certain shares, options and forwards and therefore maintain a market in the agreed securities. The trend in the market for trading on the company's own account is headed towards increased competition and therefore increased exposure to risk. HQ has chosen to not increase its risk mandate, and to instead focus more on traditional market making, which is associated with lower risk. Meanwhile share price fluctuations on the Stockholm Stock Exchange have increased during the quarter, and this is expected to persist. This means opportunities for continued good income for trading on the company's own account.

PRIVATE BANKING

Private Banking is a leading player in the field of private banking and asset management. Business is conducted in the following service areas – Mutual Funds, Asset Management and Financial Planning, Pensions, Emerging Markets and External Distribution of structured products and funds. Since October 28, 2005, HQ Fonder is included in HQ Private Banking's consolidated earnings.

	2006 Jan-Mar	2005 Jan-Mar
(SEKm)		
Brokerage fees and other commission income	87	50
Management fees	96	18
Transaction and commission expenses	-60	-16
Net interest income	10	9
Net result of financial transactions, including dividends	11	2
Other operating income	0	1
Total operating income	144	64
Personnel expenses	-51	-24
General administrative expenses	-12	-8
Depreciation and amortisation of fixed assets	-1	0
Other operating expenses	-17	-14
Credit losses and bad debt losses	0	0
Total operating expenses	-81	-46
Operating earnings	63	18
Average number of employees	91	66
Operating margin	44%	28%
Assets under management at end of period	52,974	23,049
Total income/average assets under management	1.18%	1.20%

RESULTS AND POSITION

Operating income for HQ Private Banking amounted to SEK 144 (64) million, an increase of 125 percent compared with the same period in the preceding year. This business unit has expanded since the first quarter of 2005, partly through the merger with HQ Fonder and the acquisitions of Alfred Berg's Privatismäkleri and Alterum's operations, and partly through a broadened offering of products and services such as pensions, entrepreneur services and a number of new asset management services.

Brokerage fees and other commission income have increased by 74 percent to SEK 87 (50) million. This increase is largely explained by successful launches of a number of new capital-guarantee products, but is also attributable to the generally high level of activity on the market. During the first quarter HQ launched a number of new capital-guarantee products and there has been great interest in these.

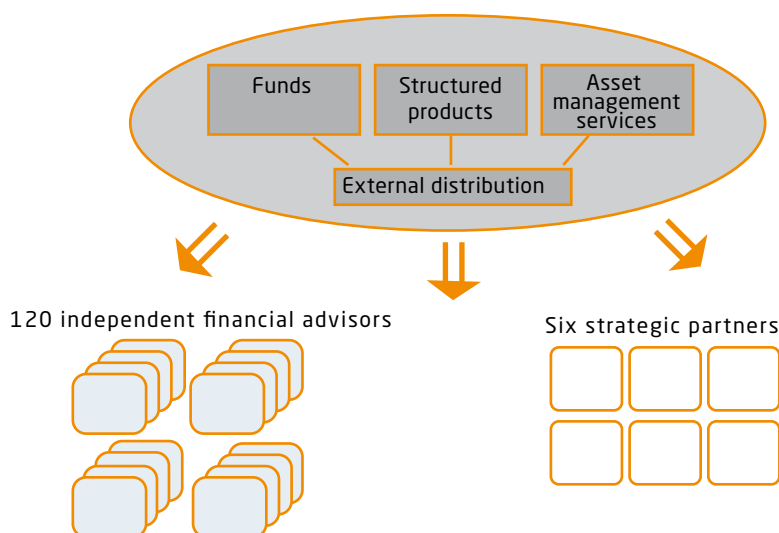
Total assets under management by HQ Private Banking have increased to SEK 53 (45 per December 31, 2005) billion, an increase of 18 percent compared to the start of the year. The net inflow of new client volumes during the period amounted to SEK 2.2 billion, representing organic growth of 19 percent. As the inflow of new volumes has increased, so repeat income in the form of asset management fees and net interest income less expenses for commissions and fees, has increased by 177 percent to SEK 61 (22) million, which corresponds to 42 (34) percent of Private Banking's total income. Meanwhile this means that 115 (60) percent of Private Banking's current expenses excluding bonuses are covered by repeat income.

The business unit reports earnings before tax of SEK 63 (18) million.

DISTRIBUTION FORCE

HQ Private Banking has since 1998 built up a network of partners and distributors. Through its network of partners, HQ Private Banking is able to strengthen its delivery of quality services within asset management and financial planning.

During the first quarter the distribution force was further strengthened through a number of new distribution agreements. There are now significant economies of scale to expand distribution of not only structured products but also funds and asset management services.



PRIVATE BANKING

HQ FONDER

A SUCCESSFUL QUARTER FOR HQ FONDER

The first quarter of 2006 was a successful one for HQ Fonder and for its fund unit holders. Of the company's 18 funds, all except one are able to demonstrate positive returns. The share funds have generally exhibited the strongest trends, while the hedge funds and, in particular, the interest-rate funds have generated lower returns.

FAVOURABLE MARKET CONDITIONS FOR SHARES

The world's stock markets are still in the upward phase that started in October 2002. The combination of high growth and low inflation in the global economy is beneficial to stock markets. Growth in the US economy is starting to slow, but instead economic activity in important areas such as Europe and Japan has started to increase.

Even though the many interest rate rises implemented in the USA are now starting to have a tightening effect, the high level of growth has surprised many. The interest rate situation is still relatively low in relation to growth. In Europe and Japan interest rate rises have only started recently. Overall this means that the interest rate climate is still favourable for the stock markets.

There have been worries that the sharply rising prices of raw materials would mean higher inflationary pressure. This has not been the case. Companies have been able to compensate themselves through improved productivity, largely thanks to globalisation.

GREAT INTEREST IN EMERGING MARKETS

Several of the markets included in HQ Fonder's specialist areas, Swedish shares and shares on emerging markets, have demonstrated very strong growth. Rysslandsfond (Russia), Indienfond (India), Kinafond (China) and Sverigefond (Sweden) are all able to demonstrate rises in the order of 15 percent or more.

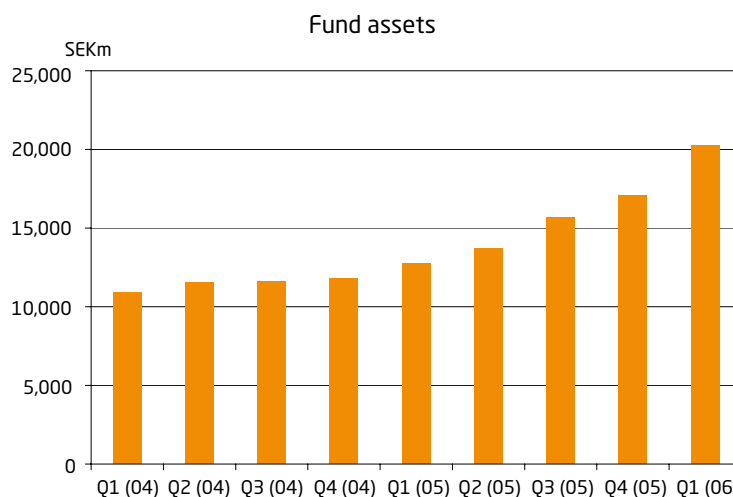
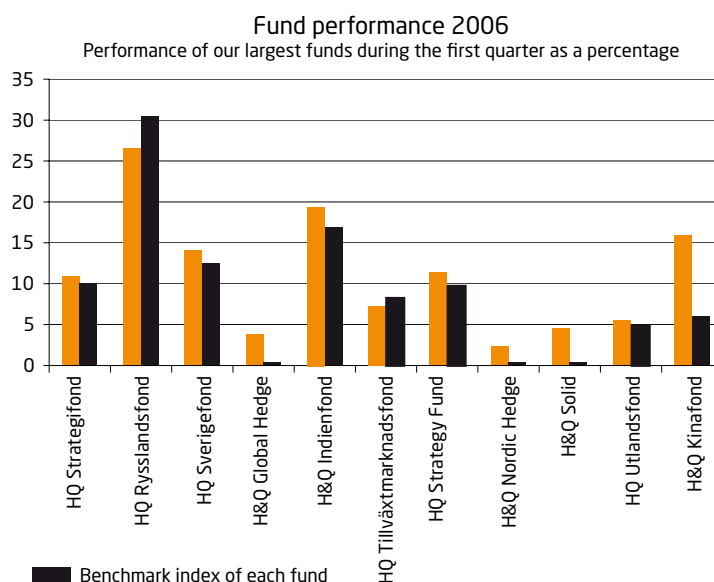
High prices for raw materials benefit many emerging markets, including Russia. The same cannot be said for India and China, but the outlook for greatly increased domestic consumption is now good. Another important explanation of the favourable performance of many emerging markets is that increasingly many investors are now seeking out these markets. This is apparent not least at HQ Fonder, where it is those funds that invest in emerging markets that are currently generating the greatest interest.

The Tillväxtmarknadsfond (emerging markets) is demonstrating good performance, but not at the level of HQ Fonder's other funds on emerging markets. The explanation of this is that Korea and Taiwan, the two largest markets in the category, have experienced weak trends.

The strong performance of the Swedish stock market is explained primarily by the strong earnings trend. In addition, rumours of acquisitions are continually circulating, which drives up share prices.

ACTIVE MANAGEMENT PAYS OFF

The good outcome of the management of assets is largely explained by market trends. But HQ Fonder is dedicated to active management and the choice of shares is therefore of great importance. HQ Fonder's philosophy is to primarily invest in well-run companies that have a low valuation and have generated good returns for a prolonged period. This has created a surplus return, in many cases even during the first quarter of the year.





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