13 July 2006

Carnegie – January-June 2006

Net profit second quarter SEK 296 million (SEK 139 million)

- Carnegie's **net profit** for the first half year 2006 was SEK 584 million (SEK 239 million), of which SEK 296 million (SEK 139 million) was generated in the second quarter, a Y/Y increase of 113%. **Earnings per share** for the first half year were SEK 8.46 (SEK 3.58), fully diluted SEK 8.35 (SEK 3.54).
- **Total income** for the first half year 2006 increased by 71% to SEK 2,479 million (SEK 1,454 million). Income in the second quarter was SEK 1,240 million (SEK 797 million), at the same level as the first quarter of 2006, due to particularly strong income in Securities and Investment Banking. In the second quarter, Securities' income increased by 59% Y/Y to SEK 614 million. Investment Banking generated SEK 280 million, an increase of 73% from the second quarter 2005, and 16% above the first quarter. Asset Management income was up 47% Y/Y to SEK 202 million, and Private Banking income was up 28% to SEK 144 million.
- **Assets under management** amounted to SEK 99 billion, a decrease of SEK 2 billion from the end of the first quarter, of which net inflows were SEK 5 billion and asset values decreased by SEK 7 billion.
- **Total expenses before profit-share** were SEK 830 million (SEK 773 million), an increase of 7% Y/Y. Total expenses for the second quarter was SEK 402 million (SEK 399 million), a Y/Y increase of 1%. The communicated cost range for 2006 of SEK 1,700 to SEK 1,800 million remains unchanged.
- **Personnel changes:** Peter Bäärnhielm has been appointed Nordic Head of Investment Banking in addition to his role as Head of Investment Banking in Sweden. He will also join Group Management.

Quotations from Stig Vilhelmson, CEO:

"The markets have been very much in our favour which has led to a record result despite the turbulence at the end of the period."

"We will relentlessly continue our quest to become world champions in all that we undertake. We strive always to be our clients' first choice."

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 interim report has not been reviewed by the company's auditors.

Teleconference

Carnegie's CEO Stig Vilhelmson and Mats-Olof Ljungkvist (CFO) will present the first half year results at a teleconference held 13 July at 4.00 PM (CET). It will be open to the public. In order to participate, please call +44 (0)20 7154 2638. 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 Stig Vilhelmson (CEO) +46 8 676 86 01, Mats-Olof Ljungkvist (CFO) +46 8 5886 90 13 or Birgitta Henriksson (IR) +46 8 5886 86 39.

Financial calendar 2006

Interim report January-September 25 October (please note, revised date)

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.

The Carnegie Group

(SEK million)	Apr - Jun 2006	Apr - Jun 2005	Jan - Jun 2006	Jan - Jun 2005	Chg.	Jan - Dec 2005
Income statement						
Securities	614	386	1,253	713	76%	1,503
Investment Banking	280	162	522	259	102%	733
Asset Management	202	138	414	264	57%	791
Private Banking	144	112	290	219	33%	486
Total income	*1,240*	*797*	*2,479*	*1,454*	71%	*3,514*
Personnel expenses	-223	-208	-466	-413	13%	-870
Other expenses	-179	-190	-365	-360	1%	-799
Net provisions for credit losses	0	0	1	0		-5
Total operating expenses excluding profit-share	*-402*	*-399*	*-830*	*-773*	7%	*-1,674*
Operating profit before profit-share	*839*	*399*	*1,649*	*681*	142%	*1,840*
Allocation to profit-share system	-415	-197	-815	-334	144%	-909
Total expenses	*-817*	*-596*	*-1,645*	*-1,107*	49%	*-2,583*
Profit before taxes	*423*	*202*	*834*	*346*	141%	*931*
Taxes	-127	-62	-250	-107	133%	-264
Net profit	*296*	*139*	*584*	*239*	144%	*667*
Earnings per share (SEK)	4.29	2.09	8.46	3.58		9.98
Earnings per share, fully diluted (SEK)	4.23	2.06	8.34	3.54		9.68

Market environment

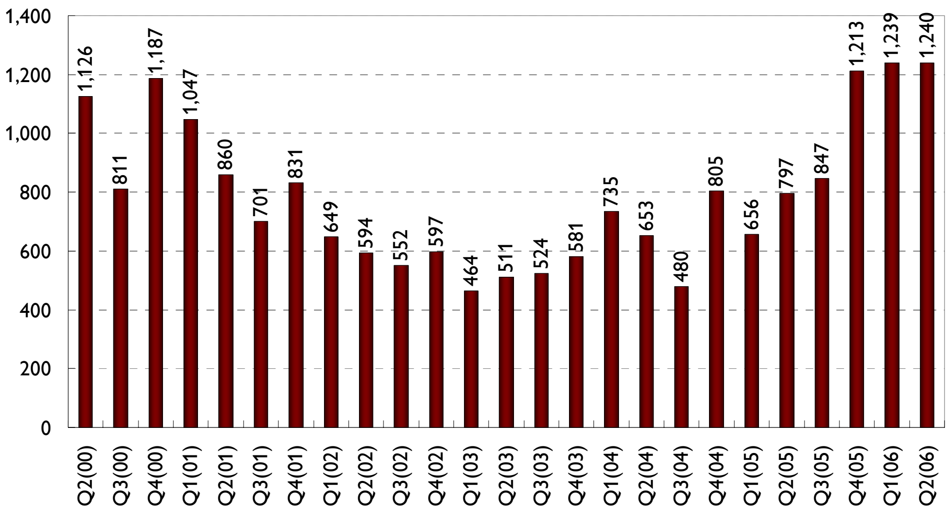
Following the positive market development in the beginning of 2006, market conditions became more volatile in May. The increase in share indices from year-end peaked at levels around 17 per cent (Carnegie Nordic index) but fell back to a 5 per cent increase for the first six months. Aggregate turnover on the Nordic stock exchanges continued to be strong in the second quarter, with turnover levels slightly higher than in the first quarter. The turnover increase in the second quarter was 61 per cent Y/Y, reflecting the strong activity especially in the Norwegian and Swedish stock markets.

Stock mkt turnover, EURm	Q2(06), Y/Y chg	Q2 2006	Q2 2005
Stockholm	66%	163,404	98,571
Helsinki	34%	76,477	56,967
Copenhagen	2%	32,034	31,278
Oslo	135%	90,671	38,607
Aggregate Nordic	61%	362,586	225,423

Income

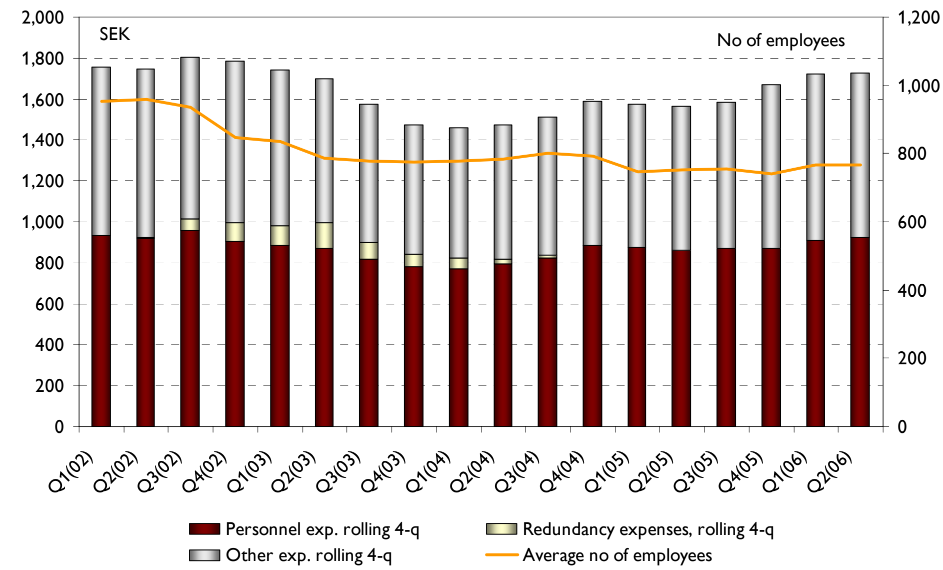
Total income in the first half year 2006 was SEK 2,479 million (SEK 1,454 million), an increase of 71 per cent Y/Y. In the second quarter, **Securities** income increased by 59 per cent Y/Y to SEK 614 million, mainly reflecting the strong turnover on the Nordic equity markets of 61 per cent and favourable trading conditions. **Investment Banking** generated total income of SEK 280 million (SEK 162 million), an increase of 73 per cent Y/Y, and 16 per cent up from the strong first quarter, following continued strong corporate activity in Norway and Sweden. **Asset Management** income showed an increase of 47 per cent Y/Y to SEK 202 million, of which SEK 5 million in performance fees. **Private Banking** income was SEK 144 million, an increase of 28 per cent from the same period last year.

Quarterly income (SEK million)



Total expenses and estimated cost base for 2006
Total expenses before profit-share in the first half year 2006 were SEK 830 million (SEK 773 million), up 7 per cent Y/Y. The increase reflects a general increase in personnel expenses and unchanged other expenses. Total expenses excluding profit-share for the last four quarters were 1,731 million (including one-off expenses of SEK 64 million). Based on current market conditions, the estimated total expenses before profit-share in 2006 remain unchanged in the range of SEK 1,700 to 1,800 million.

Total expenses, rolling 4-quarter (SEK million)

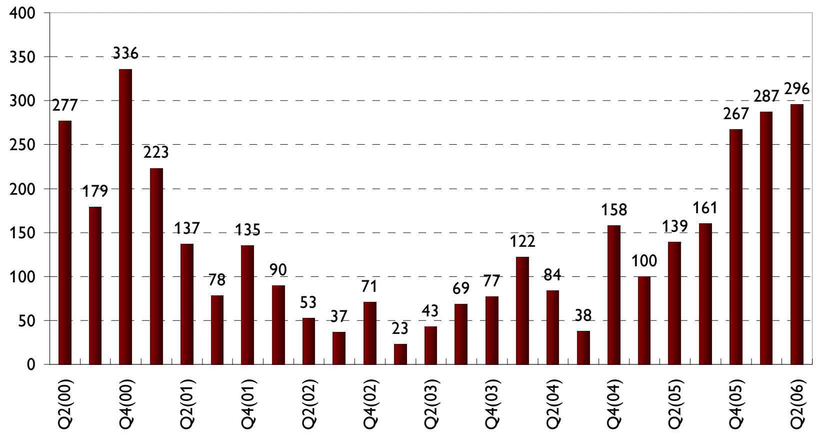


Allocation to profit-share in the first half year 2006 was SEK 815 million (SEK 334 million), following the fixed formula for profit-share allocation: 50 per cent of the Group's operating profit before profit-share, after deduction of a STIBOR-related return on shareholders' equity.[1]

[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 net profit for the first half year 2006 was SEK 584 million (SEK 239 million), corresponding to a return on equity for the last 12-month-period of 61 per cent. The net profit for the second quarter was SEK 296 million (SEK 139 million), Carnegie's best quarter ever, excluding one-off income.

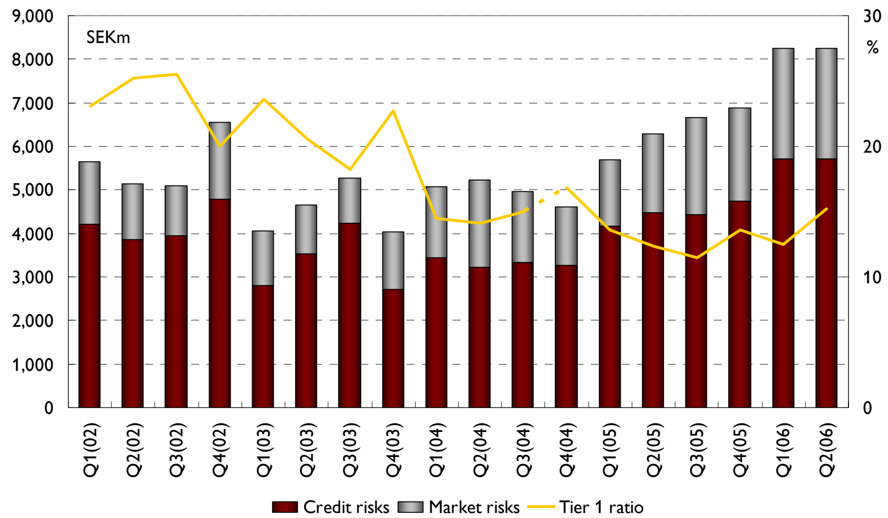
Net profit, quarterly (SEK million)



Risk-weighted assets and capital adequacy

Risk-weighted assets has increased by 24 per cent from year-end to SEK 8.6 billion. due to credit risks increasing by 24 per cent to SEK 5.9 billion and market risks increasing by 24 per cent to SEK 2.7 billion. The increase in credit risk is related to increasing margin lending to private clients and increased lending to other banks. Total risk-weighted assets, as defined by the Swedish FSA, are illustrated in the graph below.

Risk-weighted assets and capital adequacy (SEK million, %)



The total regulatory capital base at 30 June 2006 amounted to SEK 1,521 million, including Tier 1 capital of SEK 1,040 million and Tier 2 capital of SEK 481 million. The corresponding Tier 1 ratio was 12.2 per cent, and the capital adequacy was 17.8 per cent at 30 June 2006.

Liquidity, financing and investments

Carnegie's principal need for liquidity is to support the day-to-day operations, through secured and unsecured short-term funding. 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 the first half year 2006, the change in working capital was SEK 7,295 million (SEK 2,199 million). A more relevant measure of the liquidity is the cash flow from operations before changes in working capital, which was SEK 616 million in the first half year 2006 (SEK 262 million). Capital expenditures in the first six months 2006 were SEK 15 million (SEK 17 million). See page 20 for further information.

KEY DATA	*Apr - Jun 2006*	*Apr - Jun 2005*	*Jan - Jun 2006*	*Jan - Jun 2005*	*Jan - Dec 2005*
Earnings per share (SEK)	4.29	2.09	8.46	3.58	9.98
Earnings per share, fully diluted (SEK)	4.24	2.06	8.35	3.54	9.68
Dividend per share					9.19
Book value per share (SEK)	-	-	25.3	18.3	25.4
Share price (SEK)	-	-	132.0	92.5	117.0
Price/earnings multiple	-	-	9.0	14.2	11.7
Number of shares at period-end	69,130,100	66,701,600	69,130,100	66,701,600	67,729,900
Average number of shares	69,097,318	66,701,600	68,960,121	66,701,600	66,799,944
Number of shares related to outstanding warrants	2,371,500	4,800,000	2,371,500	4,800,000	3,771,700
Total number of shares, incl effect of issued warrants	70,015,468	67,572,562	70,015,468	67,572,562	68,856,137
Cost/income ratio, %	66%	75%	66%	76%	74%
Profit margin, %	24%	17%	24%	16%	19%
Return on equity, (12 mo) %			61%	35%	49%
Total assets (SEK million)			44,143	24,641	30,859
Margin lending (SEK million)			5,573	4,636	4,428
Deposits and borrowing from general public (SEK million)			8,161	6,922	6,893
Total regulatory capital base (SEK million)			*1,521*	*776*	*1,408*
Tier I capital			*1,040*	*776*	*939*
-Shareholders' equity			1,751	1,224	1,721
-Goodwill			-8	-18	-8
-Intangible fixed assets			-14	-26	-20
-Deferred tax assets			-126	-114	-119
-Dividends					-634
-Profit after tax and foreign exchange differences			-564	-289	
Tier II capital					
-Subordinated loan			*481*		*469*
Total risk-weighted asset (SEK million)			*8,547*	*6,289*	*6,888*
Risk-weighted assets (Credit risks)			5,885	4,487	4,745
Risk-weighted assets (Market risks)			2,662	1,802	2,143
Tier I Ratio, %			12.2%	12.3%	13.6%
Capital adequacy, %			17.8%	12.3%	20.4%
Number of employees, average	770	751	768	747	747
Number of employees, period-end	774	756	774	756	741
Period-end assets under management (SEK billion)*			99	76	92

Key ratios	*2002*	*2003*	*2004*	*2005*	*H1(05)*	*H1(06)*
Net profit (SEK million)	250	211	401	667	239	584
Earnings per share (SEK)	3.75	3.17	6.01	9.98	3.58	8.46
Earnings per share, fully diluted (SEK)	3.75	3.14	5.94	9.68	3.54	8.35
Dividend per share (SEK)	8.93	3.16	5.93	9.19	-	-
Tier 1 ratio	20.4%	22.7%	16.8%	13.6%	12.3%	12.2%
Capital adequacy	20.4%	22.7%	16.8%	20.4%	12.3%	17.8%

Definitions of key ratios

Key ratios have been restated for 2004 according to IFRS. Key ratios regarding 2002-2003 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 23). 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.

Accounting policies

This Interim report has been prepared in accordance with IAS 34, Interim Financial Reporting and RR 31 Interim Financial reporting for Groups. 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. This Interim report has been prepared in accordance with all IFRS Standards endorsed by the EU Commission and all interpretations of those standards, IFRIC. The accounting policies and calculation methods used in this report are the same as those used in the 2005 Annual Report.

The parent company in summary

Total income in the parent company D. Carnegie & Co AB in the first half year 2006 was SEK 0 million (SEK 0 million), and the company was showing a loss before financial items of SEK -15 million (SEK -7 million). The net loss before taxes was SEK -16 million (SEK -5 million). At 30 June 2006, cash and liquid assets amounted to SEK 688 million. No capital expenditure was made during the period (SEK 0 million). Shareholders' equity adjusted for the equity part (72%) of untaxed reserves at 30 June 2006 was SEK 901 million (SEK 719 million).

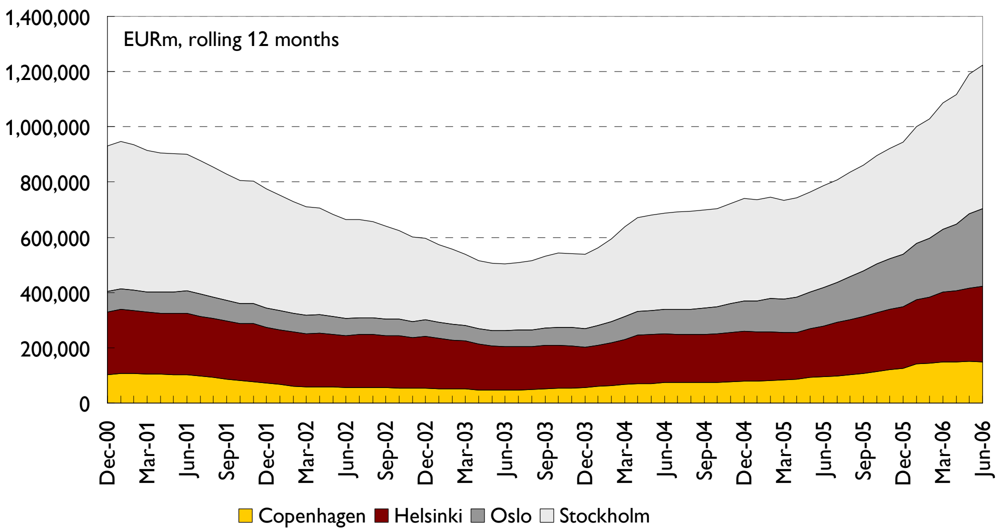
Securities

(SEK million)	Apr - Jun 2006	Apr - Jun 2005	Jan - Jun 2006	Jan - Jun 2005	Chg.	Jan - Dec 2005
Net commission income	*342*	*219*	*719*	*444*	62%	*982*
ECM fees	*78*	*38*	*196*	*61*	219%	*132*
Net interest income	*66*	*15*	*86*	*37*	136%	*61*
Proprietary trading and market making	180	139	319	221	45%	395
Net interest income from financial positions	-52	-26	-67	-49	37%	-66
Other income from financial positions	0	0	0	-1		-1
Net income from financial positions	*128*	*113*	*253*	*171*	47%	*329*
Total income	*614*	*386*	*1,253*	*713*	76%	*1,503*
Personnel expenses	-97	-86	-196	-174	13%	-376
Other expenses	-77	-82	-158	-157	1%	-349
Net provisions for credit losses	-1	0	-1	0		-5
Total operating expenses excluding profit-share	*-174*	*-169*	*-355*	*-331*	7%	*-730*
Business area operating profit before profit-share	*440*	*217*	*898*	*382*	135%	*773*
Allocation to profit-share system	-218	-108	-444	-188		-382
Total expenses	*-392*	*-276*	*-799*	*-519*	54%	*-1,112*
Business area profit before taxes	*222*	*110*	*454*	*194*	134%	*391*
Cost/income ratio, %	64%	72%	64%	73%		74%
Number of employees, average	330	312	330	311		313
Number of employees, period-end	333	317	333	317		317

Market development

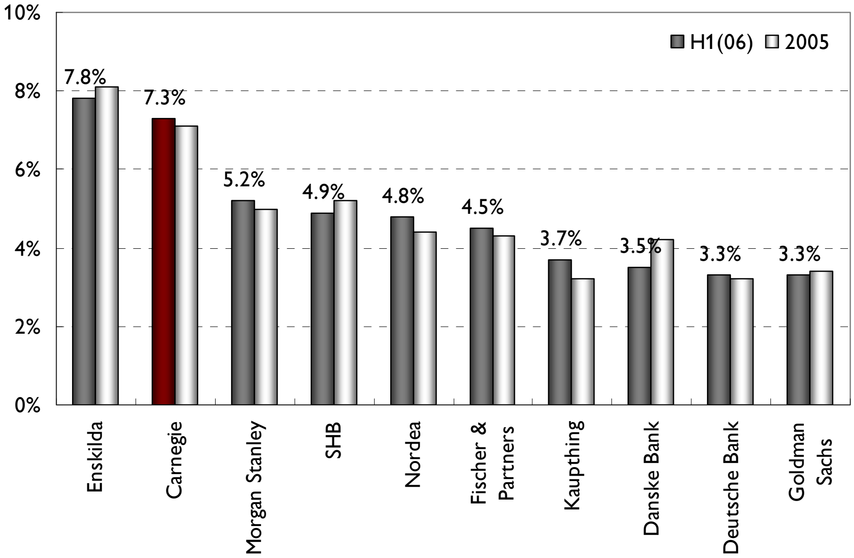
Aggregate turnover on the Nordic stock exchanges in the first half year showed record levels. Turnover in the second quarter 2006 was up 61 per cent Y/Y, following the increased volatility. In particular, the turnover in May was strong and doubled Y/Y. The geographical markets in the Nordic region showed different patterns in the second quarter; the Norwegian market saw a Y/Y increase of 135 per cent, and in Sweden, the largest market, turnover increased by over 66 per cent Y/Y.

Turnover in the Nordic stock markets



Market position

Share of Nordic stock market turnover (%)



Carnegie's share of the aggregate Nordic turnover was 7.3 per cent in the first half year 2006, an increase from 7.1 per cent for the full year 2005. In Sweden, Carnegie was ranked No 1 (shared position) in a survey by Financial Hearings. In the sector ranking Carnegie had a No 1 position in 11 out of 18 sectors. Carnegie shared the No 1 position for best analyst.

Income

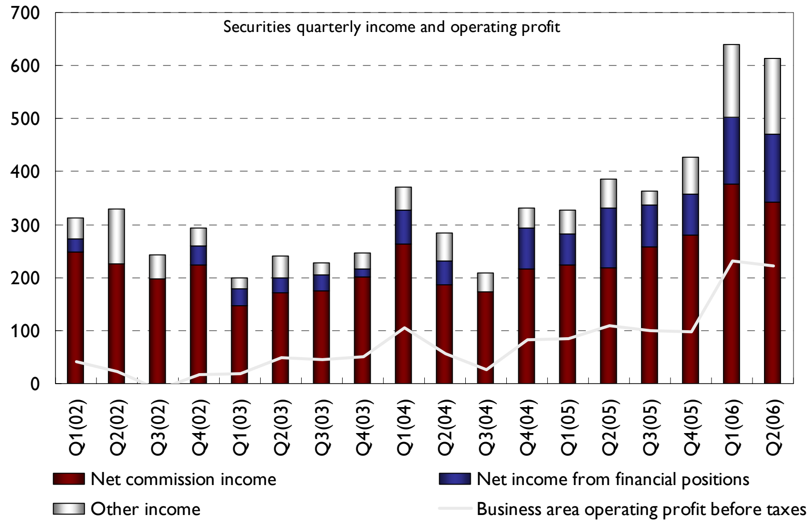
Securities' income in the first half year was SEK 1,253 million, up 76 per cent Y/Y. Income for the second quarter was SEK 614 million, up 59 per cent Y/Y and only 4 per cent below the previous quarter. Commission income in the second quarter was SEK 342 million, up 56 per cent Y/Y, in line with the turnover development in the Nordic stock markets of 61 per cent. Net commission generated from non-Nordic clients in the first half year represented 47 per cent of the total commission volume from institutional clients. ECM fees (income from Equity Capital Markets transactions) amounted to SEK 78 million during the second quarter, reflecting a number of successfully completed new share issues and secondary placings, especially in the Norwegian market. Income from proprietary trading and market making increased by 29 per cent Y/Y to SEK 180 million in the second quarter 2006 (SEK 139 million) due to favourable market conditions.

Expenses and profit before taxes

Total expenses before profit-share amounted to SEK 355 million in the first half year of 2006, up 7 per cent Y/Y. Profit before taxes was up 134 per cent Y/Y to SEK 454 million.

Quarterly development – Securities

The graph below shows the quarterly development of income and profit before taxes.

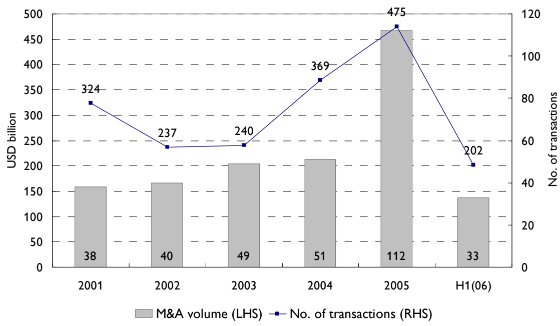


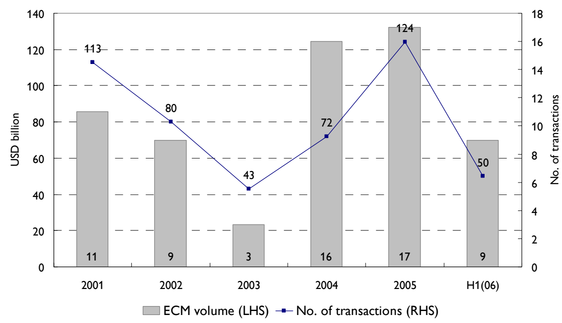
Investment Banking

(SEK million)	*Apr - Jun 2006*	*Apr - Jun 2005*	*Jan - Jun 2006*	*Jan - Jun 2005*	*Chg.*	*Jan - Dec 2005*
ECM fees	*102*	*46*	*237*	*65*	265%	*137*
Net income from financial positions	*-1*	*27*	*13*	*33*	-61%	*40*
Advisory fees	*179*	*89*	*273*	*161*	69%	*556*
Total income	*280*	*162*	*522*	*259*	102%	*733*
Personnel expenses	-38	-39	-88	-75	17%	-156
Other expenses	-26	-28	-54	-53	2%	-111
Total operating expenses excluding profit-share	*-64*	*-66*	*-142*	*-128*	11%	*-267*
Business area operating profit before profit-share	*216*	*95*	*380*	*130*	191%	*467*
Allocation to profit-share system	-107	-47	-188	-64	193%	-231
Total expenses	*-171*	*-113*	*-330*	*-192*	71%	*-497*
Business area profit before taxes	*109*	*48*	*192*	*66*	190%	*236*
Cost/income Ratio, %	61%	70%	63%	74%		68%
Number of employees, average	127	129	127	130		127
Number of employees, period-end	126	128	126	128		124

Market environment

The M&A (Mergers & Acquisitions) deal volume was at low levels in the beginning of 2006. In the second quarter, the activity increased and included an increasing number of larger deals. For the first half year 2006 the deal volume was USD 33 billion, about half of the volume for the first half of 2005.





Source: Thomson Financial Securities Data, July 2006

The ECM volume in the first half year 2006 was at the same level as last year, with a total of 50 transactions and a transaction value of USD 9 billion. The IPO activity flattened out towards the end of the quarter due to the increased uncertainty in the market.

Market position

Nordic Mergers & Acquisitions

Carnegie was number two in terms of volume and number of transactions in the first half year 2006 with a total of 28 transactions corresponding to a value of USD 11.6 billion. All top 6 advisors received league table credit of USD 4.6 billion for Indap's public bid for Gambro, announced in April. Carnegie was adviser to Gambro's Board of Directors and provided a fairness opinion.

Nordic M&A ranked by volume, H1(06) Announced		
Adviser	USD million	#
1. Enskilda	14,180	33
2. Carnegie	**11,643**	**28**
3. Lazard	6,029	8
4. Goldman Sachs	5,851	4
5. Citigroup	5,521	9
6. Morgan Stanley	5,423	7
6. ABG Sundal Collier	4,190	14
8. KPMG Corporate Finance	3,279	17
9. Lehman Brothers	3,186	1
10. Merrill Lynch	3,174	1
Total market with advisers	43,172	897

Nordic ECM transactions

In the Nordic Equity capital markets, Carnegie maintained its top position in the ECM league table during the first half year 2006 with 17 transactions at a total value of USD 1.9 billion. Of the top 15 ECM transactions in the first half year 2006, Carnegie had a role in 6. Carnegie acted as (joint) global coordinator and bookrunner in 3 IPOs during the first half year, Kapp-Ahl (Sweden) and Arrow Seismic (Norway) in the first quarter and FIM Corporate Finance (Finland) in the second quarter.

ECM

Nordic ECM ranked by volume, H1(06) Announced		
Adviser	USD million	#
1. Carnegie	**1,940**	**17**
2. Pareto Securities	1,323	8
3. Enskilda	1,103	13
4. Deutsche Bank	891	4
5. ABG Sundal Collier	660	4
6. UBS	616	3
7. DnB NOR	554	4
8. Merrill Lynch	315	3
9. Goldman Sachs	214	2
10. First Securities	167	1
Total market with advisers	8,602	56

IPO

Nordic IPO ranked by volume, H1(06) Announced		
Adviser	USD million	#
1. ABG Sundal Collier	650	3
2. UBS	577	2
3. Enskilda	471	3
4. Carnegie	**228**	**3**
5. Goldman Sachs	116	1
6. Mandatum Pankki	65	1
7. Nomura	29	1
8. Union Securities	0	1
8. Leede Financial Markets	0	1
Total market with advisers	2,136	13

Source: Thomson Financial Securities Data, July 2006

Income

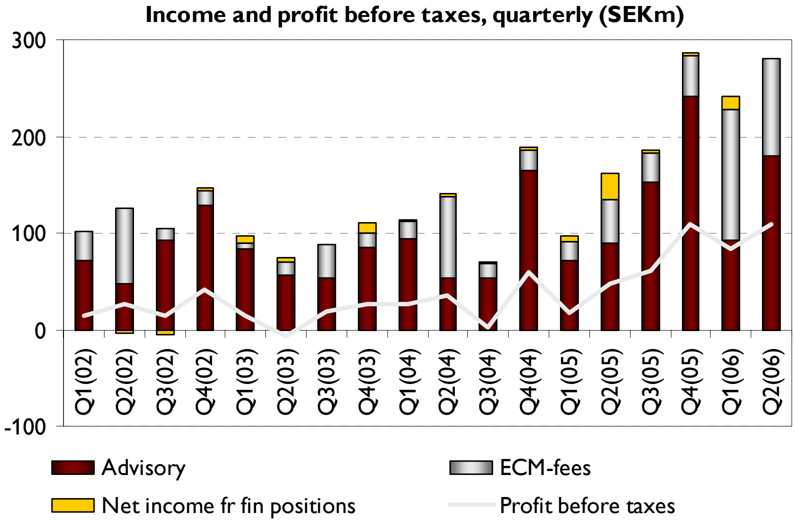
Income for the first half year 2006 of SEK 522 million (SEK 259 million) increased by 102 per cent Y/Y. Income in the second quarter of SEK 280 million, was 17 per cent up from the first quarter, following continued strong ECM activity from the first quarter and improved M&A fees, accounting for 63 per cent of income.

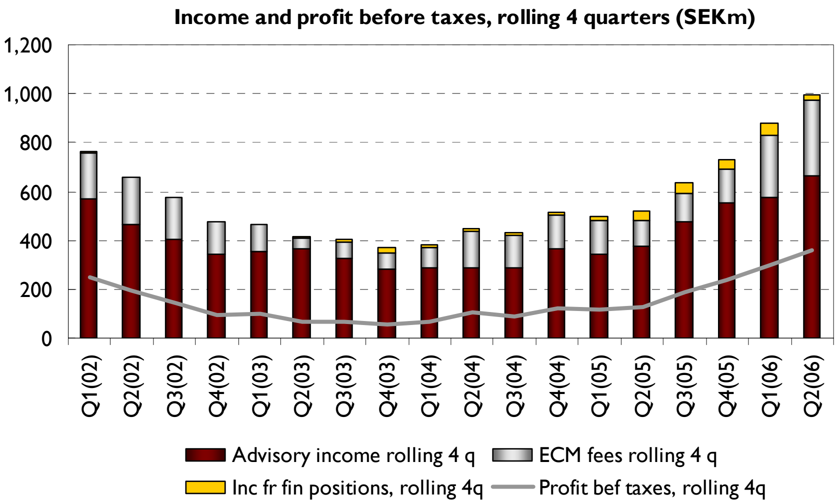
Expenses and profit before tax

Total expenses before profit-share in the first half year 2006 were SEK 142 million, up 11 per cent Y/Y. The business area made a profit before taxes of SEK 192 million for first half year (SEK 66 million).

Quarterly development

The graphs below show the quarterly and the rolling 4-quarter development of income and profit before taxes for business area Investment Banking.





Asset Management

(SEK million)	Apr - Jun 2006	Apr - Jun 2005	Jan - Jun 2006	Jan - Jun 2005	Chg.	Jan - Dec 2005
Regular fees	153	88	284	181	58%	401
Performance fees	1	24	43	29		209
Total fees from mutual funds	*154*	*111*	*328*	*210*	56%	*610*
Regular fees	36	23	68	48	40%	103
Performance fees	4	2	5	2		59
Total fees from discretionary fund management	*40*	*25*	*72*	*50*	44%	*162*
Advisory fees	*8*	*1*	*14*	*3*	330%	*20*
Total income	*202*	*138*	*414*	*264*	57%	*791*
Personnel expenses	-41	-41	-87	-78	11%	-165
Other expenses	-36	-39	-76	-70	8%	-162
Total operating expenses excluding profit-share	*-78*	*-80*	*-162*	*-148*	10%	*-327*
Business area operating profit before profit-share	*124*	*58*	*252*	*116*	118%	*464*
Allocation to profit-share system	-62	-29	-124	-57	119%	-229
Total expenses	*-139*	*-108*	*-287*	*-205*	40%	*-556*
Business area profit before taxes	*63*	*29*	*127*	*59*	116%	*235*
Cost/income ratio, %	69%	79%	69%	78%		70%
Period-end assets under management (SEK billion)*			*99*	*76*		*92*
- whereof mutual funds			51	38		48
- whereof discretionary fund management			48	38		44
Number of employees, average	134	136	134	135		135
Number of employees, period-end	134	136	134	136		133

Market environment

The favourable market conditions for equity products during the first part of 2006 were followed by increasing volatility towards the end of the period. In Sweden, the net inflow to equity funds was positive for the first half year, although a substantial outflow from equity funds could be seen in the second quarter[2].

Rating and product performance

During the quarter, performance for about 75 per cent of the assets under management in rated equity funds was better than the relevant benchmark indices. In terms of external rating, 99 per cent of Carnegie's total assets under management in rated equity funds held 4- or 5-star ratings.[3]

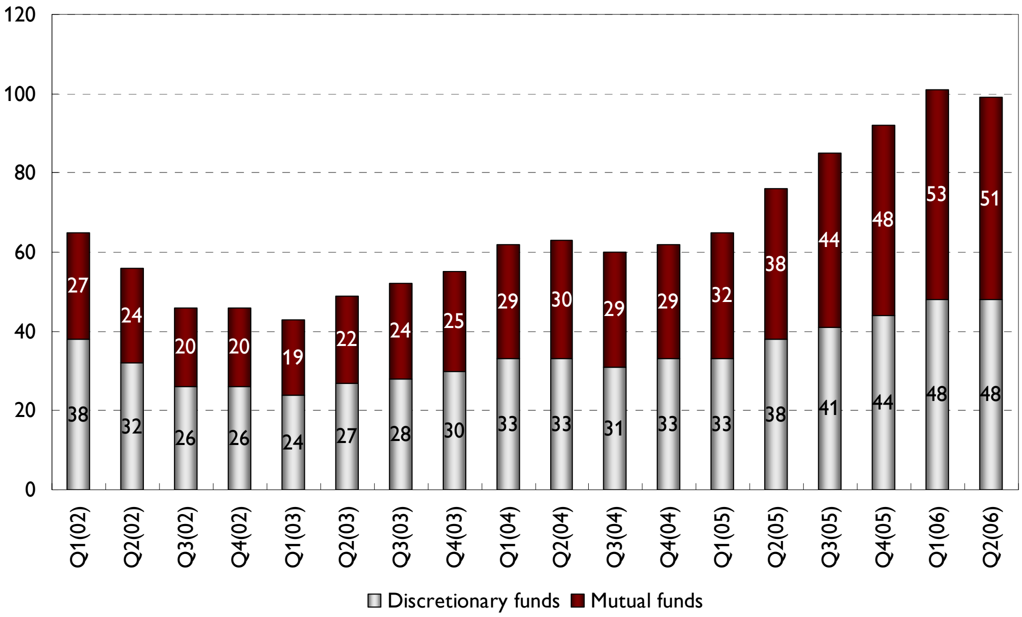
Assets under management

Assets under management (AUM) include discretionary managed portfolios and mutual funds and amounted to SEK 99 billion at 30 June 2006. During the second quarter, total AUM decreased by SEK 2 billion, reflecting a continued net inflow of SEK 5 billion and a decrease of SEK 7 billion in asset values. About SEK 6 billion of AUM represents advisory mandates relating to discretionary assignments for Private Banking clients.

[2] Source: Fondbolagens förening, July 2006

[3] Rating 4 or 5 in any of the rating systems Morningstar, Fondmarknaden or W-rating, June 2006. Five stars is the maximum ranking.

Quarterly development of AUM (SEKbn)



Income

Total income in Asset Management in the first half year 2006 was SEK 414 million (SEK 264 million), an increase of 57 per cent, reflecting the Y/Y increase in assets under management of 30 per cent and a shift towards high-margin products. Income in the second quarter was SEK 202 million (SEK 138 million), and included income from **mutual fund products** of SEK 154 million (SEK 111 million) and income from **discretionary mandates** of SEK 40 million (SEK 25 million).

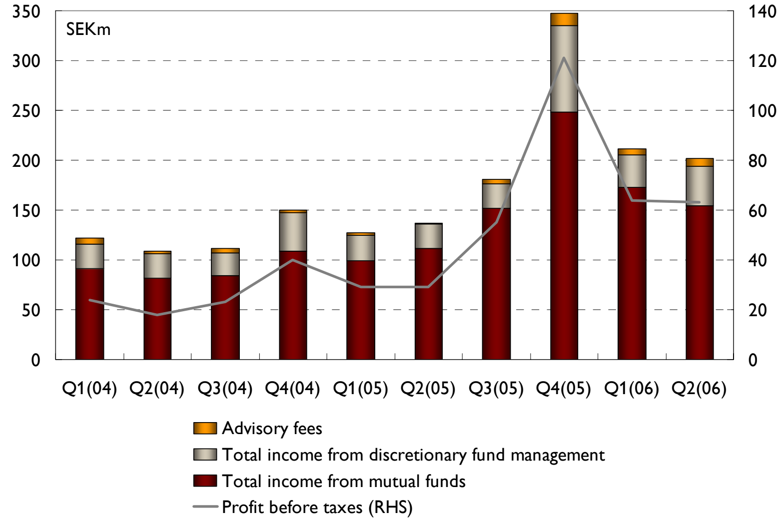
About 21 per cent of the total assets under management (discretionary mandates as well as mutual funds) had a **performance-related fee structure** at 30 June 2006. The performance fees are realised and accounted for mainly at year-end and to some extent on a quarterly basis, according to the terms of the client agreements. In the first half year 2006, total performance fees amounted to SEK 48 million, of which SEK 5 million in the second quarter, mainly generated from discretionary mandates.

Expenses and profit before taxes

Total expenses before profit-share for the first half year of SEK 162 million increased by 10 per cent Y/Y, and the profit before taxes improved by 116 per cent Y/Y to SEK 127 million.

Quarterly development

The graph below presents the quarterly development in 2004-2006 of the Asset Management operations. The financial information for 2004 is based on pro forma calculations.



Private Banking

(SEK million)	Apr - Jun 2006	Apr - Jun 2005	Jan - Jun 2006	Jan - Jun 2005	Chg.	Jan - Dec 2005
Total income	*144*	*112*	*290*	*219*	33%	*486*
Personnel expenses	-47	-43	-95	-86	11%	-174
Other expenses	-39	-41	-77	-80	-4%	-177
Net provisions for credit losses	1	0	1	0		0
Total operating expenses excluding profit-share	*-85*	*-84*	*-171*	*-166*	3%	*-350*
Business area operating profit before profit-share	*58*	*28*	*120*	*53*	125%	*136*
Allocation to profit-share system	-29	-14	-59	-26		-67
Total expenses	*-114*	*-98*	*-230*	*-192*	20%	*-417*
Business area profit before taxes	*30*	*14*	*61*	*27*	124%	*69*
Cost/income ratio, %	79%	87%	79%	88%		86%
Client volume (SEK billion)*			50	45		54
Number of employees, average	180	174	177	171		171
Number of employees, period-end	181	175	181	175		168

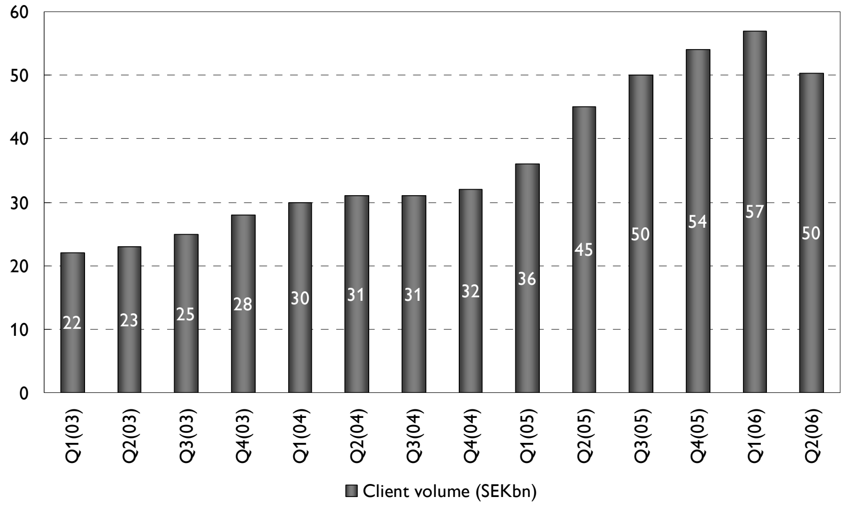
Market position

The market conditions were favourable for Private Banking in the first quarter, and the increased activity continued into the second quarter, although the activity slowed down towards the end of the period.

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 50 billion at 30 June 2006, down SEK 4 billion from the beginning of the year, including the effect of decreasing asset values towards the end of the period. About SEK 6 billion of the client volume relates to discretionary assignments for which Asset Management have advisory mandates, and is also included in the AUM presented by business area Asset Management.

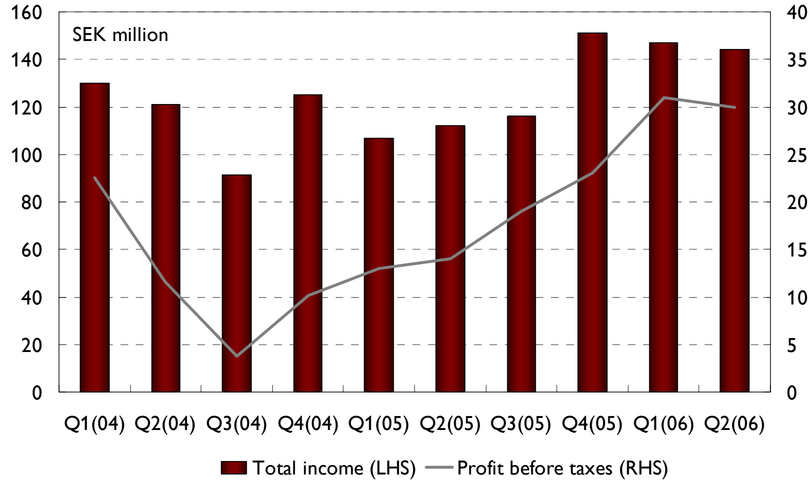
Client volume (SEK billion)



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 the first half year 2006 was SEK 290 million (SEK 219 million), an increase of 33 per cent from the previous year, reflecting the increased client volume of 11 per cent Y/Y and the high activity in the private banking market. The main part 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 for the first half year was SEK 171 million, up 3 per cent Y/Y. Profit before taxes in the first half year 2006 was up by 124 per cent Y/Y to SEK 61 million.

Quarterly development
The graph below presents quarterly income and profit before taxes for Private Banking for 2004-2006. The financial information for 2004 is based on a pro forma calculation and includes income and result from Carnegie's pension advisory operation, which was transferred to Max Matthiessen during the first quarter 2005.



D. Carnegie & Co AB (publ)

Stockholm, 13 July 2006

Stig Vilhelmson
Chief Executive Officer

Segmental reporting

Segmental reporting (SEK million)	Total H1(06)	Total H1(05)	Securities H1(06)	Securities H1(05)	Investment Banking H1(06)	Investment Banking H1(05)	Asset Management H1(06)	Asset Management H1(05)	Private Banking H1(06)	Private Banking H1(05)
Total income	*2,479*	*1,454*	*1,253*	*712*	*522*	*259*	*414*	*264*	*290*	*219*
Personnel expenses	-466	-413	-196	-174	-88	-75	-87	-78	-95	-86
Other expenses	-365	-360	-158	-157	-54	-53	-76	-70	-77	-80
Net provisions for credit losses	1	0	-1	0	-	-	0	0	1	0
Total operating expenses excluding profit-s	*-830*	*-773*	*-355*	*-331*	*-142*	*-128*	*-162*	*-148*	*-171*	*-166*
Operating profit before profit-share	*1,649*	*681*	*898*	*381*	*380*	*130*	*252*	*116*	*120*	*53*
Allocation to profit-share system	-815	-334	-444	-188	-188	-64	-124	-57	-59	-26
Total expenses	*-1,645*	*-1,107*	*-799*	*-519*	*-330*	*-192*	*-287*	*-205*	*-230*	*-192*
Profit before taxes	*834*	*346*	*454*	*194*	*192*	*66*	*127*	*59*	*61*	*27*
Taxes	-250	-107								
Net profit	*584*	*239*								

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 the annual report. In addition to this, 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 millions)

	Apr - Jun 2006	*Apr - Jun 2005*	*Jan - Jun 2006*	*Jan - Jun 2005*	*Jan - Dec 2005*
Commission income	1,050	649	2,142	1,222	3,122
Commision expense	-43	-35	-87	-68	-163
Net commission income	*1,007*	*615*	*2,055*	*1,154*	*2,959*
Interest income	162	87	276	176	364
Interest expenses	-122	-78	-208	-145	-288
Net interest income	*40*	*9*	*68*	*30*	*76*
Dividends received	1	2	1	1	2
Net profit from financial transactions	193	172	355	268	478
Total income	*1,240*	*797*	*2,479*	*1,454*	*3,515*
General administrative expenses	-801	-584	-1,613	-1,085	-2,523
Depreciation of tangible and amortisation of intangible fixed assets	-16	-11	-33	-23	-55
Total expenses	*-817*	*-596*	*-1,646*	*-1,108*	*-2,579*
Operating profit before provisions for credit losses	*423*	*202*	*833*	*346*	*936*
Provisions for credit losses, net	0	0	1	0	-5
Write-down of financial fixed assets	-	-	-	-	-1
Profit before taxes	*423*	*202*	*834*	*346*	*931*
Taxes	-127	-62	-250	-107	-264
Net profit	*296*	*139*	*584*	*239*	*667*
Earnings per share (SEK)	4.29	2.09	8.46	3.58	9.98
Earnings per share, fully diluted (SEK)	4.24	2.06	8.35	3.54	9.68
Average number of shares	69,097,318	66,701,600	68,960,121	66,701,600	66,799,944
Number of shares related to outstanding warrants	2,371,500	4,800,000	2,371,500	4,800,000	3,771,700
Total number of shares, incl effect of issued warrants	70,015,468	67,572,562	70,015,468	67,572,562	68,856,137

Statements of changes in financial position
(SEK millions)

	Group		
Current operations	*Jan - Jun 2006*	*Jan - Jun 2005*	*Jan - Dec 2005*
Cash flow from operations before changes in working capital	616	262	675
Changes in working capital	7,295	2,199	5,253
Cash flow from current operations	*7,911*	*2,460*	*5,928*
Cash flow from investment activities	-14	-19	-80
Change in long-term liabilities	-5	0	486
Exercised warrants	102	-	74
Distributed dividend	-634	-396	-396
Cash flow from financing activities	*-538*	*-396*	*164*
Cash flow for the period	*7,360*	*2,045*	*6,013*
Liquid funds at the beginning of the year	9,244	3,088	3,088
Exchange differences in liquid funds	-105	160	143
Liquid funds at the end of the period	*16,498*	*5,293*	*9,244*

Statutory consolidated balance sheet
(SEK millions)

Assets	*June 30 2006*	*June 30 2005*	*Dec 31 2005*
Cash and bank deposits in central banks	761	321	316
Loan to credit institutions	15,738	5,080	8,968
Loans to general public	5,573	4,636	4,428
Bonds and other interest bearing securities	1,721	1,423	1,828
Shares and participations	10,458	7,781	7,096
Shares and participations in associated companies	-	5	-
Intangible fixed assets	65	44	85
Tangible fixed assets	66	73	66
Other assets	9,192	4,228	7,619
Prepaid expenses and accrued income	570	851	454
Total assets	*44,143*	*24,441*	*30,859*
Liabilities and shareholders' equity			
Liabilities to credit institutions	21,448	6,763	8,830
Deposits and borrowing from general public	8,161	6,922	6,893
Other liabilities	10,647	8,804	11,708
Accrued expenses and prepaid income	1,655	728	1,222
Subordinated loan	481	-	486
Shareholders' equity	1,751	1,224	1,721
Total liabilities and shareholders' equity	*44,143*	*24,441*	*30,859*

Changes in shareholders' equity
(SEK millions)

	June 30 2006	*June 30 2005*	*Dec 31 2005*
Shareholders' equity - opening balance	1,721	1,330	1,330
Dividend (Q1)	-634	-396	-396
Translation differences	-20	51	49
Write-down of Goodwill	-	-	-4
Exercised warrants	102	-	74
Net profit for the period	584	239	667
Shareholders' equity - closing balance	*1,751*	*1,224*	*1,721*

Ownership structure

Larger shareholders 30 June 2006	No of shares	Votes and capital%
Carnegie employees[1]	5,530,408	8.0%
Robur fonder	3,571,080	5.2%
Barclays Global Investors[2]	3,523,842	5.1%
Firstnordic fonder	1,476,570	2.1%
Nordea fonder	1,332,512	1.9%
SHB/SPP fonder	1,174,763	1.7%
Franklin-Tempelton Funds	1,166,841	1.7%
Didner & Gerge aktiefond	1,140,000	1.6%
Catella fonder	1,088,000	1.6%
Abu Dhabi Investment	816,987	1.2%
SEB fonder	771,766	1.1%
Other	47,537,331	68.8%
Total	**69,130,100**	**100.0%**

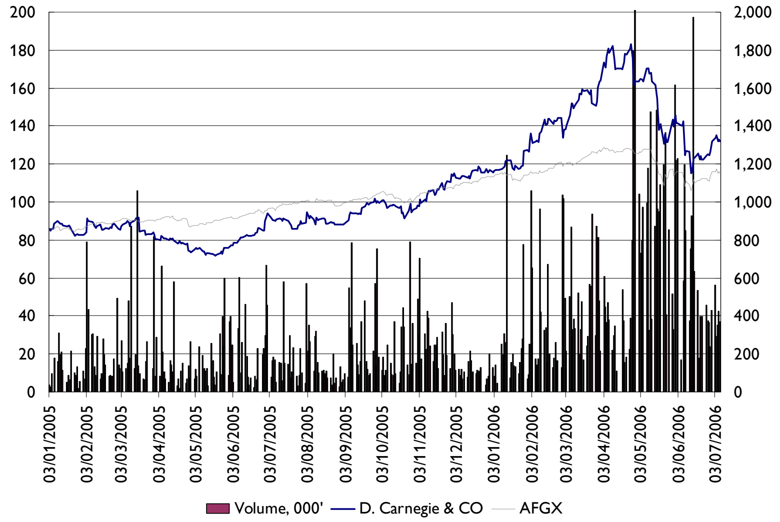
1) Shares held by employees are individual holdings. Group management: Lars Bjerrek, Peter Bäärnhielm, Jim Cirenza, Niklas Ekvall, Matti Kinnunen, Mats-Olof Ljungkvist, and Stig Vilhelmson represents a total of 1,150,000 shares, corresponding to 1.7 per cent of the shares outstanding, included in the total employee shareholding.
2) On 11 July Barclays Global Investors disclosed the acquisition of another 3,521,819 shares in Carnegie. After the acquisition, Barclays Global Investors holds a total of 7,045,661 shares, corresponding to 10.2 per cent of the total number of shares outstanding.

Employee shareholding

Total shareholding by employees is estimated at 8 per cent of the total number of shares outstanding at 30 June 2006. 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.

Remaining open periods 2006, all dates inclusive:
14 July – 31 August
26 October – 30 November

Share price development and turnover 1 January 2005 – 7 July 2006



Share information (SEK)	
Market value 30 June 2006 (SEKm)	9,125
Share price 30 June 2006	132
Share price 31 Dec. 2005	117
Share price at the IPO	115
Year high 2006	188.0
Year low 2006	112.5
All time high	188.0
All time high date	25 April 2006

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	Exercise price[1] (SEK)	Subscription period	No. of warrants outstanding at 30 June 2006	Increased equity if fully subscribed (SEKm)	Corresponding share of capital
2004/2007	2,400,000	101	1 Apr 2005-27 Apr 2007	2,371,500	242	3.6%

1) The exercise price was set at 120% of the average share price the week after the publication of the year-end report.

At 30 June 2006 there was one warrant programme outstanding, distributed to Carnegie employees in 2004. The strike price is SEK 101 and the programme adds SEK 242 million to equity in 2007 if exercised in full. At 30 June 2006, 28,500 warrants had been exercised.

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 1.4%, based on the share price at 30 June 2006 (SEK 132).