

## interim report january - june 2010

### » leading-edge mobile bank services «

#### january - june 2010

- Operating income increased by 54 percent to SEK 529.0 million (343.1)
- Profit for the period increased by 52 percent to SEK 107.7 million (70.9)
- Earnings per share before dilution were up 49 percent to SEK 0.64 (0.43)

#### april – june 2010

- Operating income increased by 34 percent to SEK 256.3 million (191.0)
- Profit for the period increased by 20 percent to SEK 54.8 million (45.6)
- Earnings per share before dilution were up 18 percent to SEK 0.33 (0.28)

- Continued focus on banking services – launch of savings account and more mobile solutions
- Acquisition of Konsumentkredit a strategic element in the banking business
- Successful integration of eQ
- Good organic influx of customers in the quarter

net savings (january-june)

**SEK 6.7** (5.9)  
billion

total savings capital (30 june)

**SEK 91.2** (53.9)  
billion

net commission (january-june)

**SEK 34** (29)  
per trade

number of active accounts (30 june)

**316,000** (249,600)

number of trades (january-june)

**8,646,670** (7,666,200)

cost coverage (january-june)

**61** (49)  
percent

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# ceo's statement

## eventful quarter with clear objective

The second quarter of the year was eventful for both Nordnet and the market. One thing's for sure: Nordnet continues to challenge the Jurassic banks.

### Continued development of our banking business

During the quarter Nordnet continued the journey it has begun towards becoming the leading bank for savings in the Nordic countries. The most obvious development is the acquisition of Konsumentkredit, a loan provider with around 20,000 customers. This acquisition is a strategic element in the development of our banking business, adding significant expertise within risk assessment, sales and administration of loan products. For our existing customers the acquisition will lead to better loan products, while our shareholders will benefit from greater profitability owing partly to a higher return on our excess deposit.

During the quarter we launched our savings account in Sweden and Finland, and this has been well received by both existing and new customers. By the end of the year Nordnet will offer a range of banking services on the Swedish market, with the other Nordic countries to follow.

### Leading mobile services

In recent months the stock market has been marked by concerns over the economies of eurozone countries, resulting in significant share price volatility. This has been clearly reflected in the activity of savers, with a new record number of trades at Nordnet in May. Continuing concern could, however, have negative consequences in the longer term as savers adopt a more cautious approach to the stock market and look around for other ways to save.

The above-mentioned savings account could provide an alternative. Major stock market volatility is also increasing demand for mobile services as savers want the ability to follow the market wherever they may be. In the past quarter Nordnet launched a new version of our iPhone app, and at the end of June we launched an Android app. I can say without the slightest hesitation that Nordnet's mobile bank services are at the absolute leading edge of our industry – developed for, and together with, active savers.

### Successful integration of eQ

The bulk of the work of integrating eQ was carried out during the past quarter. This involved a migration of 40,000 customers to Nordnet's platform, demonstrating the strength of our technical stability and Nordic focus. This allows us to look ahead and focus on expanding our offering to Finnish savers, with modern savings products and improved service.

Our journey towards becoming the leading bank for savings in the Nordic countries is continuing. Want to join us?

Unbank yourself!



Carl-Viggo Östlund  
Chief Executive Officer, Nordnet AB



# business development

## introduction

The first six months of 2010 were marked by a high level of activity in all customer segments, partly as a result of a major focus on the economies of eurozone countries, which has led to market turbulence. Lending has increased marginally since the beginning of the year, while interest margins have improved owing to greater investments in covered bonds. The level of net commission for the first six months of the year was SEK 34 per trade, and SEK 35 per trade in the second quarter. This improved level is primarily due to increased customer activity.

The number of active accounts is 316,000, which is an increase of 27 percent over the past twelve-month period. There are now 275,800 active customers. Since the start of the year, the number of active accounts has increased organically by 18,600 and the number of active customers by 16,700. On average, each customer has 1.15 accounts. In the second quarter, eQ's customer base was transferred to Nordnet's platform, following which the number of accounts and customers was adjusted in accordance with Nordnet's definition of "active". The amount of customers has also been adjusted for the number which has had an account in both Nordnet and eQ. Some 11,000 accounts and 4,900 customers have consequently been classified as inactive.

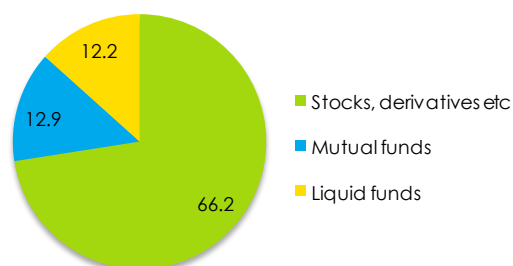
Our customers made an average of 69,200 trades a day during the period, which is an increase of 15 percent on the year-earlier period. Systems uptime was 99.93 percent.

Our customers' total savings capital increased by 69 percent compared with the first six months of 2009, which is equivalent to SEK 37.3 billion. At the end of the period it totalled SEK 91.2 billion. Net savings during the period were SEK 6.7 billion.

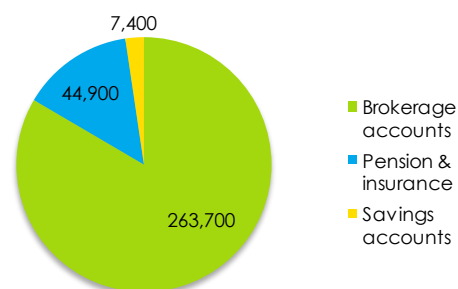
At the end of the period 77,200 accounts had fund savings, which is an increase of 8,000 since the beginning of 2010. Savings capital in funds totalled SEK 12.9 billion, which is an increase of SEK 1.7 billion since the beginning of 2010.

There were approx. 44,900 accounts with pension savings and endowment insurance at the end of the period, representing an increase of 6,400 accounts since the start of the year. Total savings capital increased by SEK 3.3 billion to approximately SEK 16 billion. To date, approximately 5,400 accounts have linked up with Nordnet Tjänstepension [Nordnet Occupational Pension], with a total savings capital of approx. SEK 600 million.

Savings capital (SEKbn)



Number of accounts



## revenues and expenses

### January to June 2010

Operating income for the period rose by 54 percent to SEK 529.0 million. This was primarily due to improved net commission as a result of increased customer activity and improved net interest. During the period, 8.6 million trades were made, compared with 7.7 million in the year-earlier period. Net commission per trade was SEK 34, compared with SEK 29 in the year-earlier period.

Operating expenses before credit losses rose by 57 percent to SEK 393.9 million compared with the same period in 2009. Excluding expenses attributable to eQ, expenses before credit losses rose by 23 percent. These higher expenses are primarily due to increased personnel and consulting costs, as well as marketing expenses in conjunction with the *Unbank yourself* campaign in the second quarter of 2010. Excluding marketing, operating expenses rose by 59 percent to SEK 359.8 million.

Operating profit rose by 46 percent to SEK 135.1 million and net profit climbed by 52 percent to SEK 107.7 million. The profit margin was 20 (21) percent. Earnings per share before dilution rose by 49 percent to SEK 0.64 (0.43).

Cost coverage, i.e. operating income excluding transaction-related net commission in relation to operating expenses, amounted to 61 percent (49). Our aim is to achieve 100 percent cost coverage by the end of 2011. Operating income excluding transaction-related net commission rose by 94 percent compared with the year-earlier period. This is due mainly to increased net interest, increased commission from fund operations and the acquisition of eQ. Marketing expenses rose by 45 percent over the period to SEK 34.2 million. The acquisition cost per net new account over the period relating to marketing investments averaged SEK 1,800 (1,300).

First six months	Sweden		Norway		Denmark		Finland		Germany		Luxembourg		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Operating income	239.5	168.2	99.3	84.5	47.4	39.1	107.8	21.2	19.8	20.6	15.2	9.5	529.0	343.1
Operating expenses	-166.0	-133.6	-57.3	-49.8	-27.2	-23.7	-108.6	-18.6	-14.5	-15.1	-14.7	-9.8	-388.4	-250.6
<b>Operating profit before</b>	<b>73.4</b>	<b>34.6</b>	<b>42.0</b>	<b>34.7</b>	<b>20.2</b>	<b>15.4</b>	<b>-0.7</b>	<b>2.6</b>	<b>5.3</b>	<b>5.5</b>	<b>0.5</b>	<b>-0.3</b>	<b>140.6</b>	<b>92.5</b>
Goodwill and non-recurring items	-	-	-	-	-	-	-	-	-	-	-	-	-5.4	-
<b>Operating profit</b>	<b>73.4</b>	<b>34.6</b>	<b>42.0</b>	<b>34.7</b>	<b>20.2</b>	<b>15.4</b>	<b>-0.7</b>	<b>2.6</b>	<b>5.3</b>	<b>5.5</b>	<b>0.5</b>	<b>-0.3</b>	<b>135.1</b>	<b>92.5</b>
<b>Operating margin</b>	<b>31%</b>	<b>21%</b>	<b>42%</b>	<b>41%</b>	<b>43%</b>	<b>39%</b>	<b>neg</b>	<b>12%</b>	<b>27%</b>	<b>27%</b>	<b>3%</b>	<b>neg</b>	<b>26%</b>	<b>27%</b>
Number of accounts	179,200	164,800	47,300	44,300	18,900	15,600	60,100	13,100	10,100	10,000	400	1,800	316,000	249,600
Savings capital (SEK billion)	48.7	35.0	10.0	8.1	5.4	3.9	25.4	3.0	1.6	1.3	0.3	2.6	91.2	53.9
Number of trades	4,166,900	3,563,000	1,705,000	1,916,000	1,043,700	1,008,000	1,285,600	673,000	405,300	444,800	40,200	60,800	8,646,700	7,665,600

## Second quarter 2010

Operating income for the period rose by 34 percent to SEK 256.3 million. The main reason for this was improved net interest compared with the year-earlier period owing to greater investments in covered bonds. Operating expenses before credit losses rose by 46 percent to SEK 191.9 million and operating expenses, excluding marketing, rose by 47 percent to SEK 170.9 million. These higher operating expenses are primarily due to the acquisition of eQ and marketing expenses in conjunction with the *Unbank yourself* campaign during the quarter. Excluding costs attributable to eQ, operating expenses before credit losses rose by 12 percent.

Operating profit rose by 7 percent to SEK 64.4 million and net profit for the period climbed by 20 percent to SEK 54.8 million. The profit margin was 21 (24) percent. Earnings per share before dilution rose by 18 percent to SEK 0.33. Net savings for the second quarter totalled SEK 2.7 billion.

Nordnet estimates that operating profits for the second quarter will be burdened with about 15 MSEK relating to operations in Finland, which in the long term will not be maintained within the group.

## mobile launches and high activity

During the second quarter, Nordnet's customers made 4,298,600 trades on all markets, which equal an increase of 198,600 compared to the same period last year. The market share on the Nordic stock exchanges was 6.7 percent of the number of trades. An increase in algorithmic trading, i.e. computerized trading, has had an effect on the market share.

## Sweden

In the second quarter, Nordnet's share of the Swedish stock market was 5.9 percent in terms of trades and 4.2 percent in terms of turnover, compared with 9.8 and 5.4 percent respectively in the year-earlier period. The Swedish business has gained a significant number of new customers, with endowment insurance and brokerage accounts in particular showing strong customer interest. In the second quarter Nordnet launched a new version of

its iPhone app along with an Android app, and the number of transactions via mobile channels has increased each month. The "Simple Login" function was introduced in April, allowing customers to see all their accounts in one place via a single login. Since May Nordnet's customers have had the possibility of opening a savings account. Together with a new web page providing customers with an overview of their finances, these services represent important steps in our aim of becoming the leading bank for savings in the Nordic countries. There will be more news to come in the area of banking this autumn.

### Norway

Nordnet's share of the Norwegian stock market in the second quarter was 8.5 percent in terms of trades and 6.6 percent in terms of turnover, compared with 12.7 and 8.6 percent respectively in the year-earlier period. In April the Oslo Stock Exchange switched to the London Stock Exchange's trading system, which for customers has meant greater transparency and the scrapping of round lots. The Oslo Stock Exchange fell by more than 10 percent in the quarter, reducing the risk appetite of Norwegian savers. Nordnet has also developed its mobile services in Norway, with the launch of a new version of its iPhone app and an Android app.

### Denmark

Nordnet's share of the Danish stock market in the second quarter was 6.5 percent in terms of trades and 4.5 percent in terms of turnover, compared with 8.8 and 6.7 percent respectively in the year-earlier period. During the quarter Nordnet launched bond trading, which means that customers now have access to a complete offering within securities trading. As on other markets, an application was also launched for Android mobiles. In June we launched a Danish version of the Nordnet blog, which since before has become popular in Sweden. This provides savers with tips and advice on savings from both external equities experts and Nordnet representatives.

### Finland

Nordnet's share of the Finnish stock market in the second quarter was 6.8 percent in terms of trades and 4.1 percent in terms of turnover, compared with 4.6 and 2.6 percent respectively in the year-earlier period. The integration of eQ progressed according to schedule, with the entire Finnish customer base using Nordnet's platform since the beginning of June. In conjunction with the transfer of customers, Nordnet's definition of active accounts has been applied, and around 11,000 accounts have consequently been classified as inactive. Around 1,000 new accounts were opened during the quarter. New products introduced onto the Finnish market in the quarter include a savings account, the Nordnet Kompassi analysis service and Nordnet's Android app.

### Germany and Luxembourg

In Germany, Nordnet's focus on the heavy trader segment is continuing. The process of phasing out the Luxembourg business continued in the quarter, and the majority of this business' accounts have now been moved to Keytrade Luxembourg.

Broker	Number of trades		Market share	
	January-June 2010	Market share	January-June 2009	Market share
1 SEB Enskilda	8,030,377	8.58%	5,733,832	8.12%
<b>2 Nordnet</b>	<b>6,896,195</b>	<b>7.37%</b>	6,312,374	8.94%
3 Credit Suisse	6,177,103	6.60%	3,091,126	4.38%
4 Handelsbanken	4,546,885	4.86%	3,353,140	4.75%
5 Morgan Stanley	4,291,825	4.59%	3,854,592	5.46%
6 Avanza Bank	4,001,165	4.28%	3,694,439	5.23%
7 Deutsche Bank	3,938,630	4.21%	3,217,904	4.56%
8 Citadel Securities	3,815,612	4.08%	172,282	0.24%
9 Fortis Bank	3,086,236	3.30%	2	0.00%
10 Swedbank	3,044,807	3.25%	1,809,693	2.56%
<b>Total the Nordic Exchanges</b>	<b>93,565,152</b>	<b>100%</b>	<b>70,586,824</b>	<b>100%</b>

The ten biggest brokers in the Nordic region with regard to the number of trades on the stock exchanges in Stockholm, Oslo, Helsinki, and Copenhagen in the first six months of 2010 and the respective players' figures for the first six months of 2009. Nordnet's share for 2009 does not include eQ, which was acquired in July of that year. Source: Official statistics from the various stock exchanges.

## financial position

Nordnet has no direct exposure to the problems caused by uncertainty in respect of the value of credits and other receivables. Loans take place using securities as collateral, and Nordnet has well developed procedures for dealing with overlending. The excess deposit is placed in Swedish Treasury bills, mortgage bonds and the Nordic banking system.

At the end of the period the group's liquid funds amounted to SEK 855 million, of which frozen assets amounted to SEK 127 million. Liquid funds include loans to credit institutions. The group's equity amounted to SEK 1,005 million. Equity is divided over 167,827,831 shares at SEK 5.99 per share.

With regard to the financial conglomerate in which Nordnet AB (publ) is the parent company, the asset base amounted to SEK 691 million and the capital requirement to SEK 475 million, producing a capital surplus of SEK 217 million.

## other

### parent company

The parent company is a holding company. Net interest income for the first six months of the year amounted to SEK -0.3 million. This amount includes internal group interest income of SEK 2.6 million. The parent company's operating income amounted to SEK 17.2 million and relates to internal Group administrative services. The parent company's loss after financial items amounted to SEK 19.2 million. The parent company's liquid funds amounted to SEK 27.7 million, and its equity to SEK 616.9 million.

### employees

The number of full-time employees as of June 30, 2010 was 360 (272). The average number of full-time positions for the first six months was 367 (271). Full-time employees include temporary employees but not employees on parental or other leave. The increase in the number of employees is mainly attributable to the acquisition of eQ.

### significant risks and uncertainty factors

Nordnet's operations are influenced by a number of business environment factors, the effects of which on the Group's profit and financial position can be controlled to varying degrees. When assessing the Group's future development, it is important to take into account the risk factors alongside any opportunities for profit growth. A description of Nordnet's exposure to risk and handling of risks can be found in note 7 in the Annual Report for 2009. There have been no significant changes since that time.

### closely related transactions

Nordnet's transactions with closely related parties can be found in note 6 in the Annual Report for 2009. During the first six months, a debenture loan of SEK 100 million was issued, with E. Öhman J:or Fondkommission acting as advisor. Apart from this, there have been no significant changes.

On June 30 Nordnet signed an agreement to acquire 100 percent of the shares in Konsumentkredit i Sverige AB. The selling group includes E. Öhman J:or AB and Tom Dinkel Spiel. The acquisition is partly conditional on approval by the Swedish Financial Supervisory Authority and approval of an issue in kind regarding the equity component of the purchase price at an extraordinary general meeting in Nordnet AB on August 11, 2010. For more information, see the section entitled "Acquisition of Konsumentkredit" on page 7.

## performance-related share programme 2010

In accordance with the decision of the Annual General Meeting of April 22, 2010, Nordnet established a long-range performance-related share incentive programme in the second quarter, called "Performance-Related Share Programme 2010", covering about 20 people including the CEO.

Employees who participate in "Performance-Related Share Programme 2010" can set aside an amount corresponding to maximum 5 percent of their gross compensation for share purchases on NASDAQ OMX Stockholm during the 12-month period from the implementation of the programme. If the shares purchased are retained by the employee for at least three years after purchase, and if the employee has been employed within the Nordnet group during the entire three-year period, then the employee will have the right to a compensation-free matching of those shares according to a predetermined amount.

Due to the Performance-Related Share Programme 2010, the Annual General Meeting decided to authorize the board to carry out acquisition and transfer of shares in Nordnet AB (publ) on NASDAQ OMX Stockholm. This authorization may be exercised on one or more occasions before the Annual General Meeting in 2011. A maximum of 232,000 shares shall be acquired in order to ensure delivery of shares to participants in Performance-Related Share Programme 2010. Of these, a maximum of 53,440 shares may be purchased and transferred in order to cover general payroll taxes and other costs related to the Performance-Related Share Programme 2010. No shares have been acquired this quarter.

## acquisition of Konsumentkredit

On June 30 Nordnet signed an agreement to acquire 100 percent of the shares in Konsumentkredit i Sverige AB ("Konsumentkredit"). This acquisition is a strategic element in the development of Nordnet's banking business, adding significant expertise within risk assessment, sales and administration of loan products.

Konsumentkredit offers unsecured loans and has lending equal to SEK 1.4 billion to 20,000 customers. Konsumentkredit's operating profit for 2009 amounted to SEK 57 million. The group's equity amounts to SEK 75 million. Following the acquisition, Konsumentkredit will remain a separate company and brand. In the longer term Nordnet intends to offer unsecured loans under its own name.

The acquisition is being made for a purchase price of approximately SEK 250 million, including SEK 75 million in equity. The purchase price is made up of 70 percent newly issued shares in Nordnet and 30 percent cash through a debenture loan which is subscribed for by the sellers. The number of newly issued shares amounts to 6,478,665, resulting in approximately 3.9 percent dilution for existing shareholders. The price per share was set based on the volume-weighted average price of the last 15 trading days in April 2010. The value may however change depending on the company's share price at the point of transaction. The acquisition is expected to have a pre-tax earnings effect of approximately SEK 6-7 million a month for Nordnet, and earnings per share are estimated to increase by approximately SEK 0.30-0.35 a year following the transaction.

The acquisition is partly conditional on approval by the Swedish Financial Supervisory Authority and approval of an issue in kind regarding the equity component of the purchase price at an extraordinary meeting of the shareholders in Nordnet AB (publ) on August 11 at 18.00 CET. Owners with more than 50 percent of Nordnet's shares and votes have committed to voting for the proposal.

The selling group includes Konsumentkredit's CEO Harald Kjessler, E. Öhman J:or AB and Tom Dinkelspiel. Members of Nordnet's Board who are deemed to have a conflict of interest have not taken part in dealing with this matter or in the decision regarding the acquisition.

## contingent liabilities

In June of 2004, securities firm CTA Lind & Co Scandinavia AB was declared bankrupt, upon which compensation was paid out to its investors from the Swedish investor compensation programme. Since adequate funds were not provisioned within the program, the Swedish National Debt Office will now levy fees on those institutes which at the time of the bankruptcy were covered by the investor compensation programme. Total fees are estimated at 140

MSEK, a burden which is to be shared among about 190 institutes, including Nordnet's subsidiary Nordnet Bank AB. It is not possible to state today the amount that may be levied against Nordnet Bank AB.

## events after the reporting date

On July 1 Jacob Kaplan joined as Chief Financial Officer of Nordnet. Jacob was born in 1973 and has a degree in Civil Engineering from the Royal Institute of Technology in Stockholm and an MSc in Business and Economics from Stockholm University. He joins Nordnet from Nasdaq OMX, where he held the post of Finance Director of the Transaction Services Nordic business area.

On July 9 Nordnet signed an agreement with Finland-based Paikallisosuuspankit (POP) to phase out the cooperation that was in place between eQ and POP. The 12,500 customers covered by this cooperation are now offered an account with Nordnet. POP will receive compensation of EUR 0.5 million from Nordnet and profit sharing of up to EUR 0.5 million. This agreement will result in further strengthening of the Finnish customer base.

## future reports

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Year-end report 2010 February 2011

An extraordinary general meeting will be held on August 11, 2010 at 18.00. at Gustavslundsvägen 141, Bromma, Sweden to address the matter of the acquisition of Konsumentkredit. The invitation to shareholders and further information is available on the company's website.

The information in this report is that which Nordnet AB (publ) is required to publish in accordance with the Swedish Financial Instruments Trading Act and/or the Swedish Securities Act. This information was submitted to the market for publication on 21 July 2010 at 08.30 CET.

The Board of Directors and Chief Executive Officer hereby certify that this half-year interim report provides a true and fair view of the parent company and group's business, financial position and earnings and describes significant risks and uncertainty factors faced by the parent company and those companies within the group.

Bromma, 21 July 2010,

Claes Dinkelspiel  
Chairman of the Board

Anna Frick  
Member of the Board

Bengt Baron  
Member of the Board

Bo Mattsson  
Member of the Board

Kjell Hedman  
Member of the Board

Simon Nathanson  
Member of the Board

Tom Dinkelspiel  
Member of the Board

Ulf Dinkelspiel  
Member of the Board

Carl-Viggo Östlund  
Chief Executive Officer

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Group websites: [www.nordnet.se](http://www.nordnet.se), [www.nordnet.no](http://www.nordnet.no), [www.nordnet.dk](http://www.nordnet.dk), [www.nordnet.fi](http://www.nordnet.fi), [www.nordnet.de](http://www.nordnet.de), [www.nordnet.lu](http://www.nordnet.lu) [www.aktiedirekt.se](http://www.aktiedirekt.se), [www.vcw.se](http://www.vcw.se), [www.derivatinfo.com](http://www.derivatinfo.com)

# review report

## **Introduction**

We have conducted a limited review of the enclosed interim financial statements for Nordnet AB (publ) as of 30 June 2010 and the six-month period that concluded on this date. The true and fair preparation and presentation of these interim financial statements pursuant to IAS 34 and the Swedish Act on Annual Accounts of Credit Institutions and Securities Companies (ÅRKL) are the responsibility of the Board of Directors and Chief Executive Officer. Our responsibility is to report our conclusions concerning these interim financial statements on the basis of our limited review.

## **Orientation and Scope of Limited Review**

We have conducted our limited review pursuant to the Standard for Limited Review (SÖG) 2410 "Limited review of interim financial information conducted by the company's appointed auditor". A limited review consists of making inquiries, primarily to individuals responsible for financial and accounting matters, as well as performing analytical procedures and taking other limited review measures. A limited review has a different focus and significantly less scope than an audit according to RS Auditing Standards in Sweden and generally accepted auditing practice. The review procedures undertaken in a limited review do not enable us to obtain a level of assurance where we would be aware of all important circumstances that would have been identified had an audit been conducted. Therefore, a conclusion reported on the basis of a limited review does not have the level of certainty of a conclusion reported on the basis of an audit.

## **Conclusion**

Based on our limited review, no circumstances have come to our attention that would give us reason to believe that the interim financial statements have not been prepared pursuant to IAS 34 and the Swedish Annual Accounts Act for the Group, and pursuant to the Swedish Annual Accounts Act for the Parent Company, in all material respects.

Stockholm, 21 July 2010

Ernst & Young AB

Anna Peyron

Authorized Public Accountant

Consolidated Income Statement (SEK million)	Note	3 months	3 months	6 months	6 months	12m rolling	12 months
		Apr-Jun 2010	Apr-Jun 2009	Jan-Jun 2010	Jan-Jun 2009	Jul-Jun 2010	Jan-Dec 2009
Interest income		87.6	48.6	166.9	108.6	307.5	249.2
Interest expenses		-9.8	-7.7	-18.0	-25.4	-37.5	-44.8
Commission income		232.4	195.1	464.7	359.0	930.1	824.4
Commission expenses		-72.7	-63.3	-140.7	-128.0	-272.0	-259.3
Net result of financial transactions		6.2	8.4	23.7	9.7	50.7	36.7
Other operating income		12.6	9.9	32.5	19.2	74.4	61.1
Negative goodwill effect		-	-	-	-	53.8	53.8
<b>Total operating income</b>		<b>256.3</b>	<b>191.0</b>	<b>529.0</b>	<b>343.1</b>	<b>1,106.9</b>	<b>921.0</b>
General administrative expenses	1	-149.1	-100.3	-308.7	-193.4	-632.5	-517.2
Depreciation and amortization	2	-20.3	-15.9	-48.0	-32.4	-102.7	-87.0
Other operating expenses	3	-22.5	-14.9	-37.2	-24.4	-70.5	-57.7
<b>Total expenses before credit losses</b>		<b>-191.9</b>	<b>-131.1</b>	<b>-393.9</b>	<b>-250.2</b>	<b>-805.7</b>	<b>-661.9</b>
<b>Profit before credit losses</b>		<b>64.4</b>	<b>59.9</b>	<b>135.0</b>	<b>92.9</b>	<b>301.2</b>	<b>259.1</b>
Net credit losses		0.0	0.1	0.0	-0.4	-5.7	-6.2
<b>Operating profit</b>		<b>64.4</b>	<b>60.0</b>	<b>135.1</b>	<b>92.5</b>	<b>295.5</b>	<b>252.9</b>
Tax on profit for the period		-9.6	-14.4	-27.4	-21.6	-55.3	-49.5
<b>Profit for the period</b>		<b>54.8</b>	<b>45.6</b>	<b>107.7</b>	<b>70.9</b>	<b>240.2</b>	<b>203.4</b>
<b>Of which, attributable to:</b>							
shareholders of the Parent Company		54.8	45.6	107.7	70.9	241.0	204.1
the non-controlling interest		-	-	-	-	-0.7	-0.7
Average number of shares before dilution		167,827,831	164,344,624	167,636,289	164,344,624	168,299,690	165,008,025
Earnings per share before dilution		0.33	0.28	0.64	0.43	1.43	1.23
Average number of shares after dilution		169,544,251	168,869,997	169,544,251	168,869,997	169,600,439	168,926,185
Earnings per share after dilution		0.32	0.27	0.64	0.42	0.17	1.21
<u>Note 1</u>							
Personnel costs		-72.6	-50.8	-155.1	-100.7	-310.2	-255.8
Other administrative expenses		-76.5	-49.5	-153.6	-92.7	-322.8	-261.4
		-149.1	-100.3	-308.7	-193.4	-633.0	-517.2
<u>Note 2</u>							
Goodwill amortization		0.1	-	-5.4	-	-5.4	-
Depreciation		-20.4	-15.9	-42.6	-32.4	-97.3	-87.0
		-20.3	-15.9	-48.0	-32.4	-102.7	-87.0
<u>Note 3</u>							
Marketing		-21.0	-14.6	-34.2	-23.5	-64.7	-54.1
Other operating expenses		-1.5	-0.3	-3.0	-0.9	-5.7	-3.6
		-22.5	-14.9	-37.2	-24.4	-70.5	-57.7
<b>Consolidated Statement of Comprehensive Income</b>		<b>3 months</b>	<b>3 months</b>	<b>6 months</b>	<b>6 months</b>	<b>12m rolling</b>	<b>12 months</b>
		<b>Apr-Jun 2010</b>	<b>Apr-Jun 2009</b>	<b>Jan-Jun 2010</b>	<b>Jan-Jun 2009</b>	<b>Jul-Jun 2010</b>	<b>Jan-Dec 2009</b>
<b>Profit for the period</b>		<b>54.8</b>	<b>45.6</b>	<b>107.7</b>	<b>70.9</b>	<b>240.2</b>	<b>203.4</b>
<u>Income/expenses recognized directly against shareholders' equity</u>							
Change in value of assets available for sale		-13.8	1.2	-13.9	-	1.1	15.0
Tax on change in value of assets available for sale		3.6	-	3.7	1.2	0.8	-1.7
Translation of foreign operations		-18.6	-2.6	-56.4	15.8	-55.8	16.4
Other		-0.4	-	0.8	-	-	-
<b>Total other comprehensive income after tax</b>		<b>-29.1</b>	<b>-1.4</b>	<b>-65.9</b>	<b>17.0</b>	<b>-54.0</b>	<b>29.7</b>
<b>Total comprehensive income after tax</b>		<b>25.7</b>	<b>44.2</b>	<b>41.8</b>	<b>87.9</b>	<b>186.2</b>	<b>233.1</b>
<b>Of which, attributable to:</b>							
shareholders of the Parent Company		25.7	44.2	41.8	87.9	186.2	233.8
the non-controlling interest		-	-	-	-	-	-0.7

Consolidated Statement of Financial Position (SEK million)	30/6/2010	30/6/2009	31/12/2009
<b>Assets</b>			
Loans to credit institutions	855.3	3,478.9	2,383.9
Loans to the public	4,823.9	2,995.9	4,586.3
Financial assets at fair value	420.4	17.2	727.2
Financial assets available for sale	4,698.6	1,058.5	2,741.6
Financial assets - policy holders bearing the risk	15,424.3	9,688.4	11,866.2
Intangible fixed assets	370.7	277.8	416.3
Tangible fixed assets	30.8	38.1	38.7
Other assets	786.6	348.3	920.6
Prepaid expenses and accrued income	94.2	41.0	73.5
<b>Total assets</b>	<b>27,504.8</b>	<b>17,944.1</b>	<b>23,754.1</b>
<b>Liabilities</b>			
Liabilities to credit institutions	-	-	24.8
Deposits and borrowing by the public	9,759.0	6,932.7	9,874.5
Liabilities to policyholders	15,424.3	9,688.4	11,869.4
Other liabilities	1,083.9	315.1	811.8
Accrued expenses and deferred income	118.1	110.7	114.6
Subordinated liabilities	114.4	39.7	22.6
<b>Total liabilities</b>	<b>26,499.6</b>	<b>17,086.6</b>	<b>22,717.7</b>
<b>Shareholders' equity</b>			
Share capital	167.8	165.0	166.9
Other capital contributions	302.0	321.1	304.1
Other provisions	8.2	30.4	43.7
Accrued profit including profit for the period	527.1	341.0	521.7
<b>Total shareholders' equity</b>	<b>1,005.1</b>	<b>857.5</b>	<b>1,036.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>27,504.8</b>	<b>17,944.1</b>	<b>23,754.1</b>
<b>Consolidated changes in shareholders' equity (SEK million)</b>			
<b>Opening shareholders' equity</b>	<b>1,036.4</b>	<b>851.8</b>	<b>851.8</b>
Profit for the period	107.7	70.9	203.3
Total other comprehensive income after tax	-65.9	17.0	29.7
Dividend	-83.8	-82.2	-82.2
Conversion of convertible debenture loan	10.8	-	18.3
Sales of treasury shares	-	-	-
<b>Closing shareholders' equity</b>	<b>1,005.1</b>	<b>857.5</b>	<b>1,036.4</b>

Consolidated Statement of Cash Flows (SEK million)	3 months Apr-Jun 2010	3 months Apr-Jun 2009	6 months Jan-Jun 2010	6 months Jan-Jun 2009	12m rolling Jul-Jun 2010	12 months Jan-Dec 2009
<b>Operating activities</b>						
Cash flow from operating activities before changes in working capital	51.8	61.6	126.6	103.4	284.1	261.0
Cash flow from changes in working capital	150.2	74.0	88.4	324.4	1,077.7	1,313.7
Cash flow from operating activities	202.0	135.6	215.0	427.8	1,361.8	1,574.7
<b>Investing activities</b>						
Purchases and disposals of intangible and tangible fixed assets	-5.9	-7.3	-15.3	-9.8	-55.1	-49.7
Net investments in financial instruments	-1,189.3	-962.6	-1,659.6	-1,052.4	-4,052.7	-3,445.5
Acquisitions of subsidiaries	0.0	0.0	0.0	0.0	140.7	140.7
Disposals of subsidiaries	0.0	0.0	0.0	0.0	20.1	20.1
Cash flow from investing activities	-1,195.1	-969.9	-1,674.8	-1,062.2	-3,947.0	-3,334.3
<b>Financing activities</b>						
Cash flow from financing activities	-83.8	-82.2	-8.7	-90.9	31.7	-50.5
Exchange rate difference for cash and equivalents	-18.4	0.0	-59.9	0.0	-70.0	-10.1
<b>Cash flow for the period</b>	<b>-1,095.4</b>	<b>-916.5</b>	<b>-1,528.5</b>	<b>-725.3</b>	<b>-2,623.4</b>	<b>-1,820.3</b>
<b>Cash and equivalents at the start of the period</b>	<b>1,950.8</b>	<b>4,395.4</b>	<b>2,383.9</b>	<b>4,204.2</b>	<b>3,478.9</b>	<b>4,204.2</b>
<b>Cash and equivalents at the end of the period</b>	<b>855.4</b>	<b>3,478.9</b>	<b>855.4</b>	<b>3,478.9</b>	<b>855.4</b>	<b>2,383.9</b>

Income Statement - Parent Company (SEK million)	3 months Apr-Jun 2010	3 months Apr-Jun 2009	6 months Jan-Jun 2010	6 months Jan-Jun 2009	12m rolling Jul-Jun 2010	12 months Jan-Dec 2009
Net sales	7.4	7.5	17.2	11.7	31.8	26.2
<b>Total operating income</b>						
Other external costs	-4.2	-5.6	-7.9	-6.4	-9.8	-8.3
Personnel costs	-14.4	-12.6	-28.1	-22.3	-52.9	-47.2
Other operating expenses	-0.1	-0.7	-0.4	-1.0	-10.0	-10.6
<b>Operating profit</b>	<b>-11.2</b>	<b>-11.4</b>	<b>-19.2</b>	<b>-18.0</b>	<b>-40.9</b>	<b>-39.7</b>
<b>Profit from financial investments:</b>						
Income from participations in affiliated companies	-	-	-	-	114.0	114.0
Other interest and similar income	1.8	0.4	2.6	0.8	3.2	1.4
Interest expense	-2.1	6.2	-3.3	-1.8	-4.8	-3.2
<b>Profit after financial items</b>	<b>-11.6</b>	<b>-4.8</b>	<b>-19.9</b>	<b>-19.0</b>	<b>71.6</b>	<b>72.4</b>
Tax on profit for the year	2.9	1.2	5.1	4.9	10.9	10.7
<b>Profit for the year</b>	<b>-8.6</b>	<b>-3.6</b>	<b>-14.8</b>	<b>-14.1</b>	<b>82.4</b>	<b>83.1</b>

Balance Sheet - Parent Company (SEK million)	30/6/2010	30/6/2009	31/12/2009
<b>Assets</b>			
Financial fixed assets	764.2	738.5	758.6
Current assets	23.5	29.8	35.2
Cash and bank balances	27.7	5.6	17.9
<b>Total assets</b>	<b>815.4</b>	<b>773.9</b>	<b>811.7</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	616.9	574.8	706.9
Current liabilities	198.5	199.1	104.8
<b>Total liabilities and shareholders' equity</b>	<b>815.4</b>	<b>773.9</b>	<b>811.7</b>

Capital requirements for the financial conglomerate (SEK million)	30/6/2010	31/12/2009
Shareholder's equity, Group	1,005.1	1,036.4
Plus debenture loan	100.0	-
Less dividend for the 2009 financial year	-	-83.8
Less assumed dividend for the 2010 financial year	-43.1	-
Less intangible fixed assets and deferred tax receivables	-370.7	-416.3
<b>Capital base</b>	<b>691.4</b>	<b>536.3</b>
Capital requirement for regulated units within the banking and securities sector	447.2	447.8
Theoretical solvency requirement for non-regulated units in the largest financial sector	2.9	2.2
Capital requirement for regulated units within the insurance sector	24.7	23.5
<b>Capital requirement</b>	<b>474.8</b>	<b>473.5</b>
<b>Capital surplus</b>	<b>216.6</b>	<b>62.8</b>
<b>Capital coverage ratio</b>	<b>1.46</b>	<b>1.13</b>

The table above relates to the financial conglomerate consisting of Nordnet AB (publ) and all its subsidiaries. The capital basis of the financial conglomerate has been calculated in accordance with the consolidation method. The Group-based financial statements have been compiled in accordance with the same accounting principles as the consolidated financial statements.

## accounting principles

Nordnet AB's (publ) consolidated financial statements are compiled in accordance with International Financial Reporting Standards (IFRS) approved by the EU. This report for the Group has been compiled in accordance with IAS 34, Interim Financial Reporting. Furthermore, Nordnet is compliant with the Swedish Act on Annual Accounts of Credit Institutions and Securities Companies (ÅRKL) and the regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25). The interim report for the Parent Company has been compiled in accordance with the Annual Accounts Act. The accounting principles applied in this report are those described in the Nordnet Annual Report for 2009, Note 5, the section entitled "Accounting principles applied". Accounting principles and calculation methods are unchanged from those applied in the Annual Report for 2009.

Financial development per quarter - Group (SEK million)	Q2 10	Q1 10	Q4 09	Q3 09	Q2 09	Q1 09	Q4 08	Q3 08
Operating income	256.3	272.7	265.9	258.2	191.0	152.1	164.0	170.0
General administrative expenses	-149.1	-160.1	-179.3	-147.3	-100.6	-93.7	-89.2	-86.8
Depreciation	-20.4	-21.7	-31.4	-23.2	-15.9	-16.5	-16.6	-16.2
Other operating expenses	-22.5	-14.7	-16.6	-13.9	-14.6	-8.9	-10.2	-7.7
Net credit losses	0.0	0.0	-3.9	-1.9	0.1	-0.5	-7.0	-2.3
<b>Profit before goodwill and non-recurring items</b>	<b>64.3</b>	<b>76.1</b>	<b>34.6</b>	<b>71.9</b>	<b>60.0</b>	<b>32.5</b>	<b>41.0</b>	<b>57.0</b>
Goodwill and non-recurring items	0.1	-5.5	0.0	53.8	-	-	-4.6	-
<b>Operating profit</b>	<b>64.4</b>	<b>70.6</b>	<b>34.6</b>	<b>125.7</b>	<b>60.0</b>	<b>32.5</b>	<b>36.4</b>	<b>57.0</b>
Net interest	77.8	71.0	65.9	55.2	40.9	42.3	49.9	67.6
Net commission - not trade related	8.9	23.2	27.5	23.6	5.3	4.9	3.8	6.6
Net commission - trade related	150.7	141.1	138.1	144.9	126.6	94.3	102.2	86.3
Net result of financial transactions	6.2	17.5	7.9	19.1	8.4	1.3	0.1	2.5
Other income	12.6	19.9	26.5	15.4	9.8	9.3	8.0	7.0
<b>Operating income</b>	<b>256.3</b>	<b>272.7</b>	<b>265.9</b>	<b>258.2</b>	<b>191.0</b>	<b>152.1</b>	<b>164.0</b>	<b>170.0</b>
Earnings per share before dilution	0.33	0.32	0.18	0.63	0.28	0.15	0.17	0.27
Cost coverage	55%	66%	56%	61%	49%	49%	53%	76%
Return on shareholders' equity	5%	5%	3%	11%	5%	3%	3%	5%
Capital coverage ratio	1.46	1.36	1.14	1.09	1.71	1.68	1.57	1.41
<b>Quarterly statistics</b>								
Number of accounts at end of the period	316,000	317,800	308,600	304,500	249,600	238,600	230,900	218,300
Total savings capital (SEK billion)	91.2	96.2	90.4	89.7	53.9	42.8	39.1	45.2
Average savings capital per account (SEK)	288,700	302,700	293,000	294,400	215,900	179,400	169,000	207,000
Number of trades	4,298,600	4,348,100	4,121,000	4,151,000	4,100,000	3,566,000	3,806,000	2,684,000
Number of trading days	62	63	65	66	64	63	62	66
Number of trades per day	69,300	69,000	63,400	62,900	64,100	56,600	61,400	40,700
Number of trades per account and month	4.5	4.6	4.5	5.0	5.6	5.1	5.6	4.1
Net commission per trade (SEK)	35	32	34	35	31	27	27	32

<b>Key figures - Group</b>	<b>30/6/2010</b>	<b>30/6/2009</b>	<b>31/12/2009</b>
Operating margin (%)	26%	27%	27%
Profit margin (%)	20%	21%	22%
Investments in tangible assets, SEK million	6.0	1.7	8.3
Investments in intangible assets, SEK million	9.1	8.1	25.1
Of which, internal development expenses	1.5	2.0	3.5
Marketing, SEK million	34.2	23.5	54.1
Earnings per share before dilution, SEK	0.64	0.43	1.23
Earnings per share after dilution, SEK	0.64	0.42	1.21
Return on shareholders' equity (%)	11%	8%	22%
Shareholders' equity per share, SEK	5.99	5.22	6.21
Dividend per share, SEK	-	-	0.50
Share price, SEK	27.60	15.30	23.60
Market capitalization at the end of the period, SEK million	4,632	2,514	3,940
Shareholders' equity, SEK million	1,005.1	857.5	1,036.8
Capital base, SEK million	691.4	551.3	536.6
Capital coverage ratio	1.46	1.70	1.13
Average number of shares before dilution	167,636,289	164,344,624	165,008,025
Average number of shares after dilution	169,544,251	168,869,997	168,926,185
Number of shares at end of period	167,827,831	164,344,624	166,937,285
Number of full-time employees at end of period	360	272	353
<b>Customer related key financial figures:</b>			
Number of active accounts at end of the period	316,000	249,600	308,600
Total savings capital at end of period, SEK million	91.2	53.9	90.4
Average savings capital per account at end of period, SEK	288,723	215,900	292,909
Cash deposits at end of period, SEK million	12,034.7	8,691.8	11,022.3
Managed Client Funds, SEK million	76.8	511.1	512.1
Lending at end of period, SEK million	4,823.9	2,995.9	4,586.3
Lending/deposits (%)	40%	32%	42%
Number of trades for the period	8,646,672	7,666,233	15,937,800
Number of trades per day	69,173	60,364	61,774
Number of trades per active account	27.4	32.0	59.8
Number of trades per active account and month	4.6	5.3	5.0
Average net commission revenue per trade, SEK	34	29	32
DART (Daily Average Revenue from Trading), SEK	3,366,900	2,706,000	2,871,000
Annual average income/savings capital (%)	1.1%	1.5%	1.5%
Average yearly income per account, SEK	3,321	2,801	3,447
Average yearly operating expenses per account, SEK	-2,443	-2,045	-2,479
Average yearly profit per account, SEK	878	756	968