



nordnet

**» leading-edge mobile bank services «**

Interim report January - June 2010

# Financial highlights (January-June)

- Operating income increased by 54 percent to SEK 529.0 million (343.1)
- Profit after tax 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)

net savings

**6.7** (5.9)

billion Swedish kronor

total savings capital

**91.2** (53.9)

billion Swedish kronor

net commission

**34** (29)

Swedish kronor per trade

number of active accounts

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

number of trades

**8,646,700** (7,666,200)

cost coverage

**61** (49)

percent



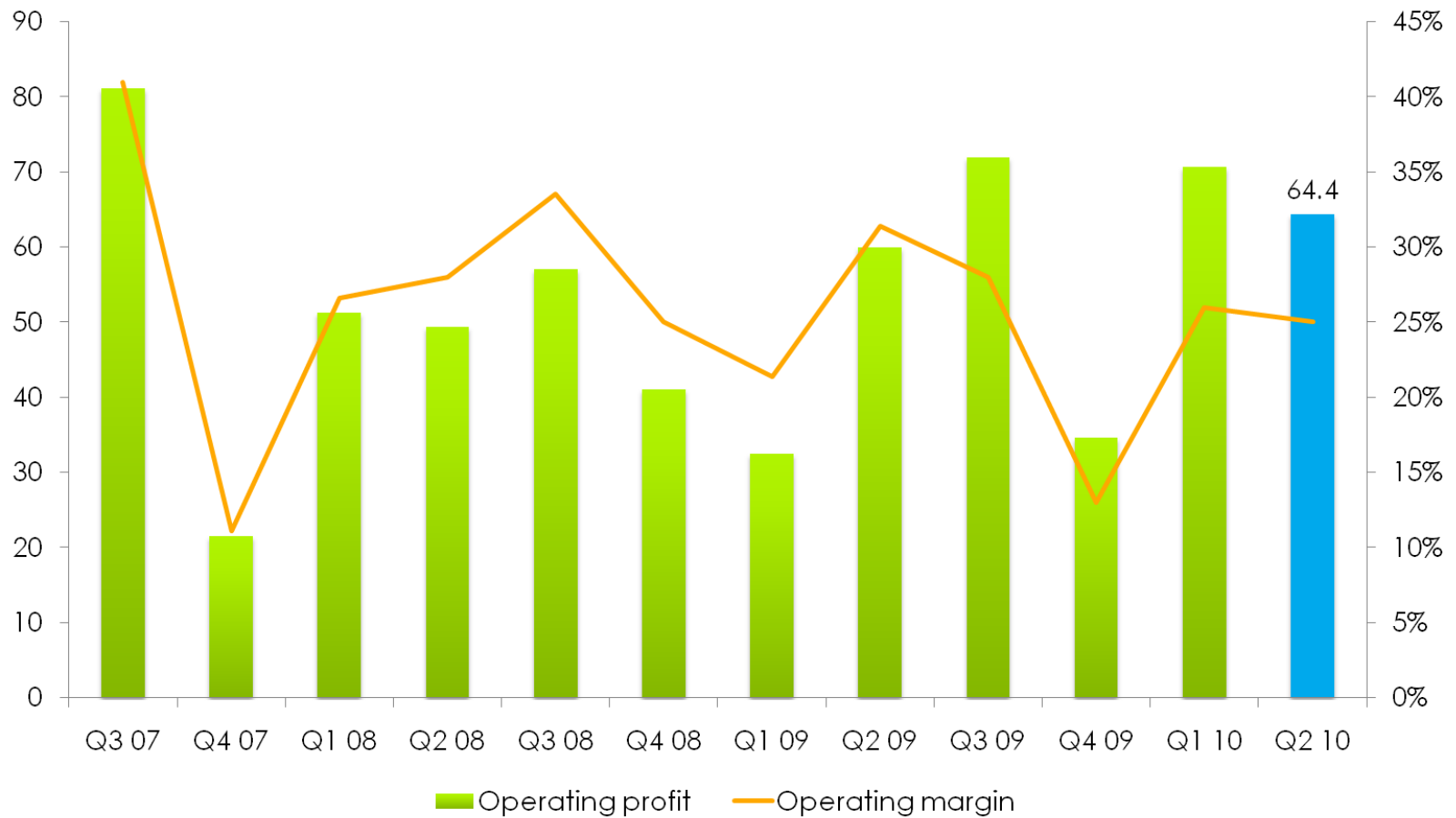
# General highlights (April-June)

- Focus on banking services
- Savings accounts launched in Sweden and Finland
- iPhone app v.2 and new Android app
- Trade record in May
- Acquisition of Konsumentkredit
- Successful integration of eQ



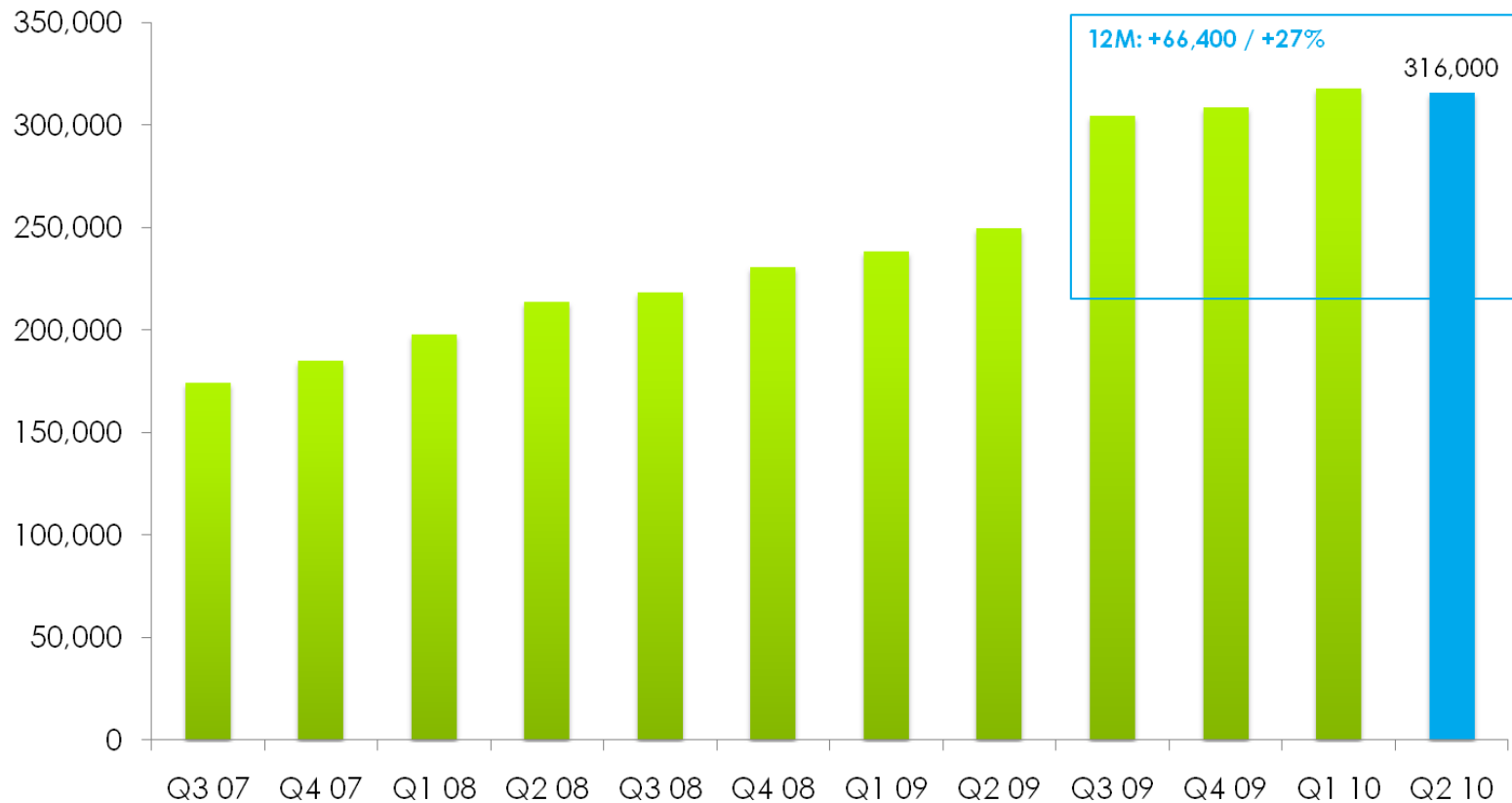
# Operating profit

+7% compared to Q2 2009



# Number of active accounts

Adjusted during Q2 in connection with eQ integration

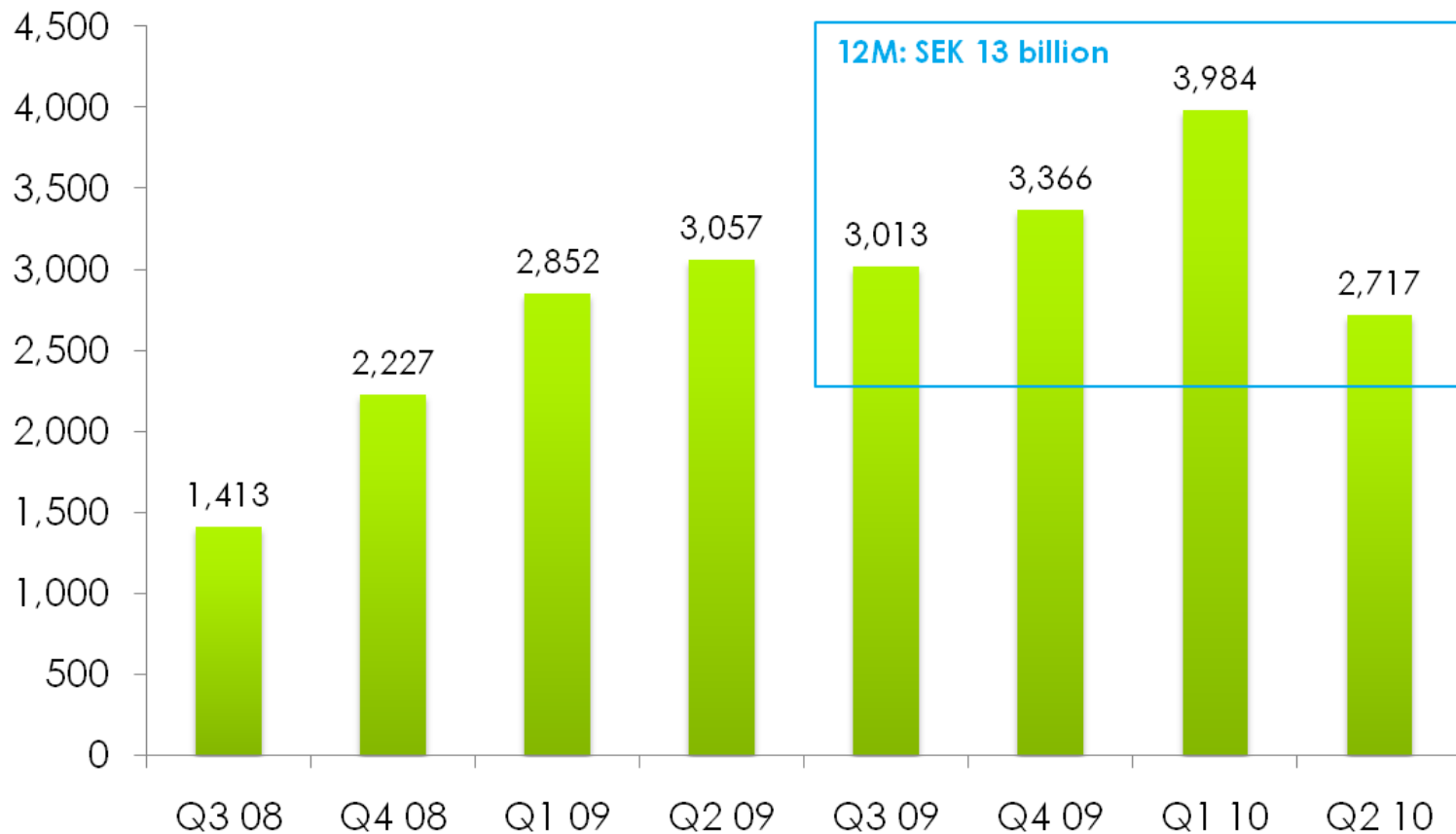


Total number of customers 275,800



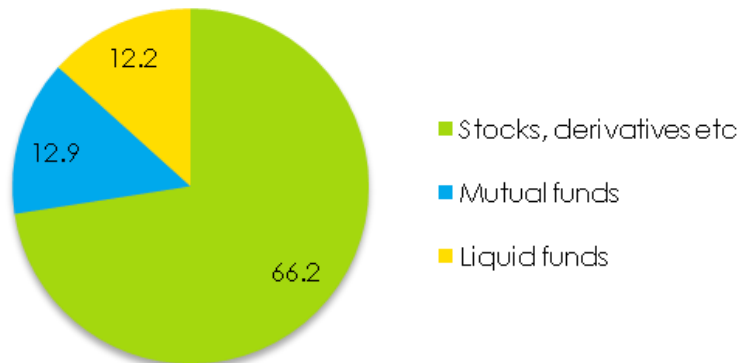
# Net savings

Turbulent markets make savers more cautious

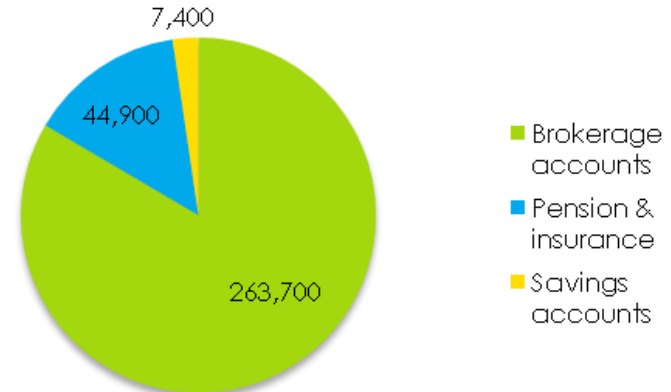


# Savings capital and accounts distribution

(SEKbn)



(#)



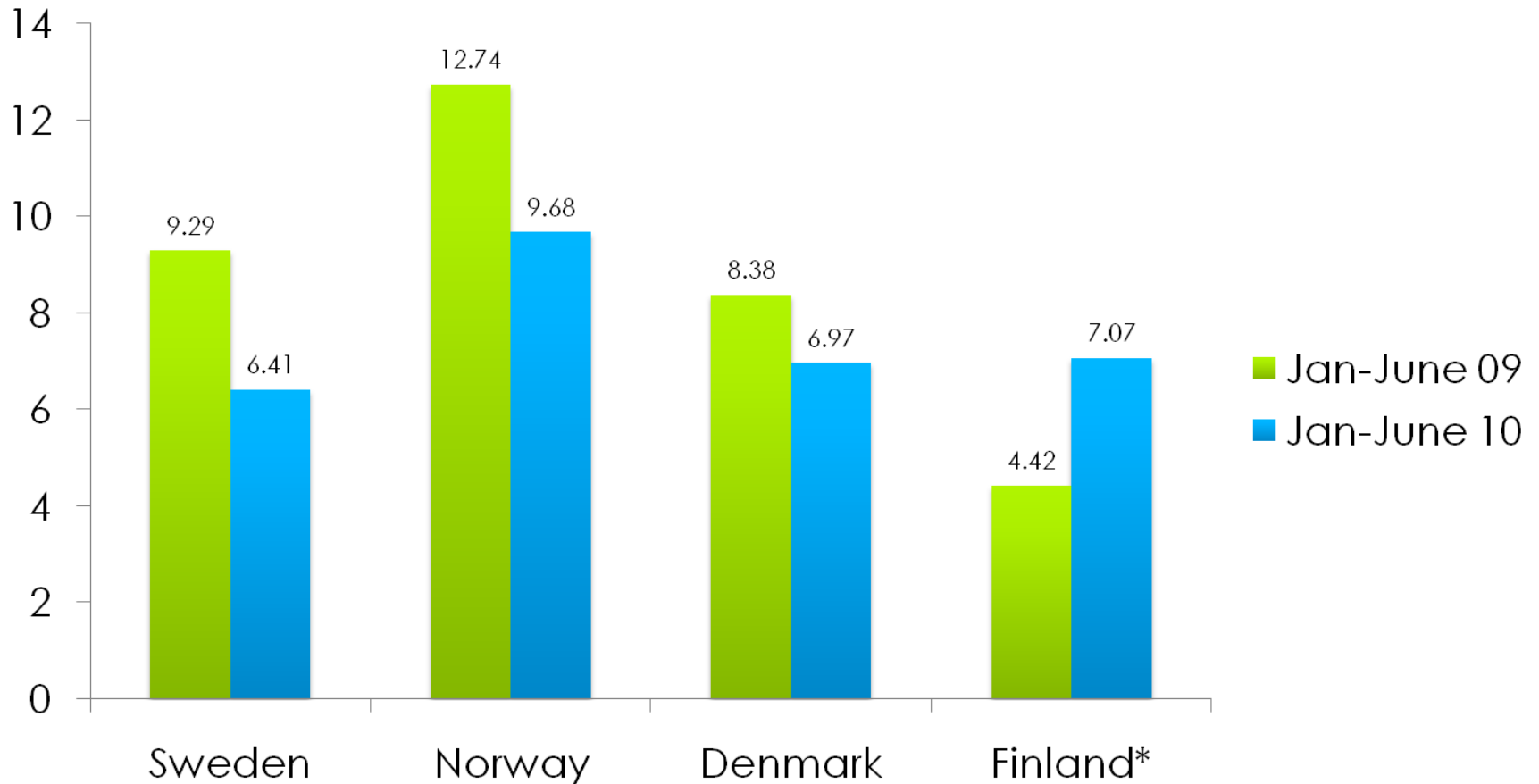
# Market shares January – June

Algorithmic trading players continue to grow

Broker	Number of trades January-June 2010	Market share	Number of trades 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>



# Market shares (Trades)

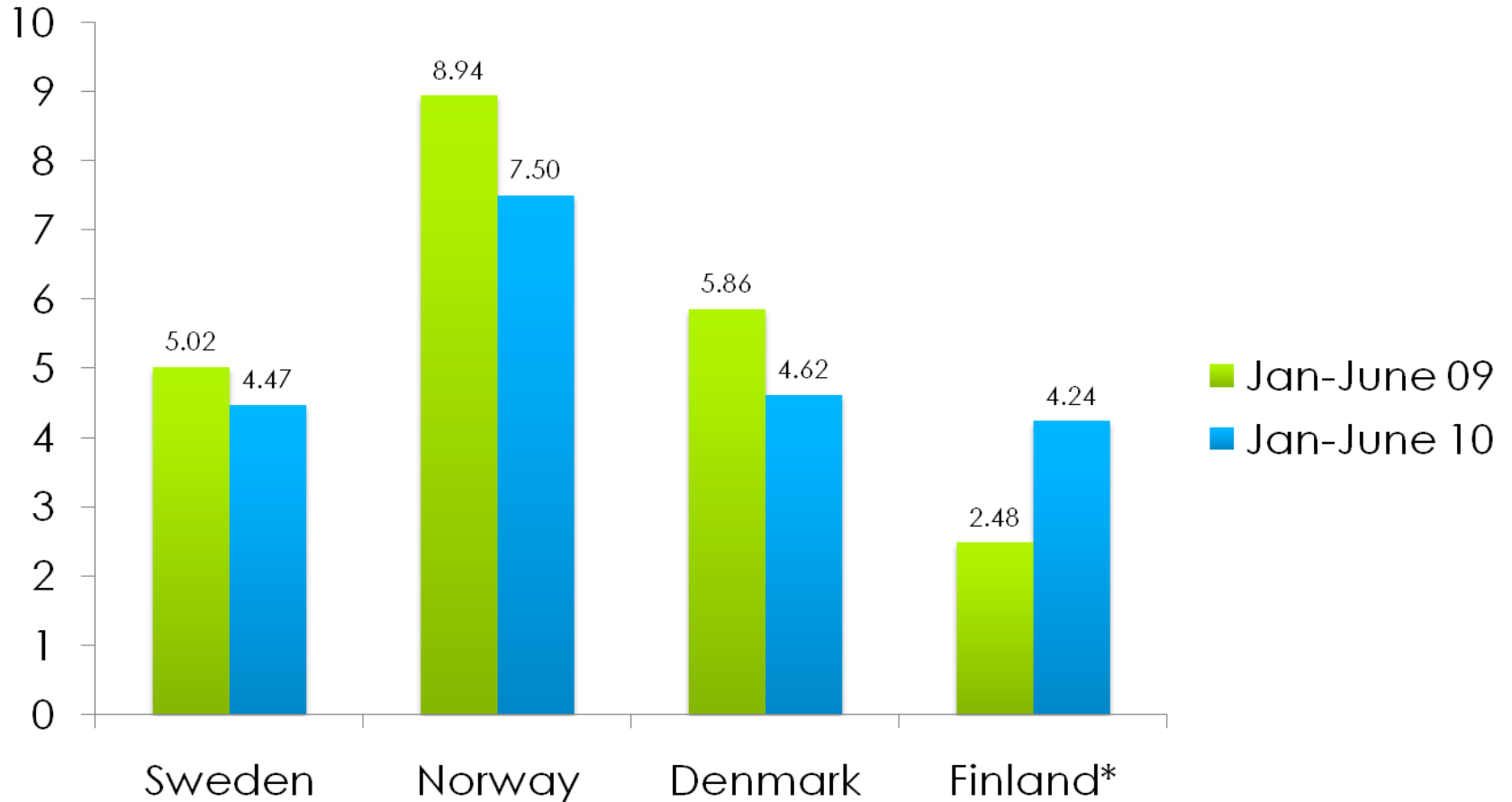


\*2009 figure does not include eQ

Source: Official statistics from the various stock exchanges



# Market shares (Turnover)



\*2009 figure does not include eQ

Source: Official statistics from the various stock exchanges



Consolidated Income Statement (SEK million)	3 months	3 months	6 months	6 months
	Apr-Jun 2010	Apr-Jun 2009	Jan-Jun 2010	Jan-Jun 2009
Net interest income	77.8	40.9	148.9	83.2
Net commission income	159.7	131.8	324.0	231.0
Other income	18.8	18.3	56.2	28.9
<b>Total operating income</b>	<b>256.3</b>	<b>191.0</b>	<b>529.0</b>	<b>343.1</b>
General administrative expenses	-149.1	-100.3	-308.7	-193.4
Depreciation and amortization	-20.3	-15.9	-48.0	-32.4
Other operating expenses	-22.5	-14.9	-37.2	-24.4
<b>Total operating expenses</b>	<b>-191.9</b>	<b>-131.1</b>	<b>-393.9</b>	<b>-250.2</b>
<b>Profit before credit losses</b>	<b>64.4</b>	<b>59.9</b>	<b>135.1</b>	<b>92.9</b>
Net credit losses	0.0	0.1	0.0	-0.4
<b>Operating profit</b>	<b>64.4</b>	<b>60.0</b>	<b>135.1</b>	<b>92.5</b>
Tax on profit for the period	-9.6	-14.4	-27.4	-21.6
<b>Profit for the period</b>	<b>54.8</b>	<b>45.6</b>	<b>107.7</b>	<b>70.9</b>



<b>Financial development per quarter - Group (SEK million)</b>	<b>Q2 10</b>	<b>Q1 10</b>	<b>Q4 09</b>	<b>Q3 09</b>	<b>Q2 09</b>	<b>Q1 09</b>	<b>Q4 08</b>	<b>Q3 08</b>
Operating income	256.3	272.7	265.9	258.2	191.0	152.1	164.0	170.0
Operating expenses and depreciation	-192.0	-196.6	-227.3	-184.4	-131.1	-119.1	-116.0	-110.7
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>
New accounts	9,400	9,200	4,100	54,900	11,000	7,700	12,600	218,300
Net commission per trade (SEK)	35	32	34	35	31	27	27	32
Number of trades per day	69,300	69,000	63,400	62,900	64,100	56,600	61,400	40,700



<b>Consolidated Statement of Financial Position (SEK million)</b>	<b>30/6/2010</b>	<b>30/6/2009</b>	<b>31/12/2009</b>
Loans to credit institutions	855	3,479	2,384
Loans to the public	4,824	2,996	4,586
Financial assets	5,119	1,076	3,469
Financial assets - policy holders bearing the risk	15,424	9,688	11,866
Tangible and intangible assets	401	316	455
Other assets	881	389	994
<b>Total assets</b>	<b>27,505</b>	<b>17,944</b>	<b>23,754</b>
Deposits and borrowing by the public	9,759	6,933	9,875
Liabilities to policyholders	15,424	9,688	11,869
Other liabilities	1,316	466	949
Shareholders' equity	1,005	858	1,036
<b>Total liabilities and shareholders' equity</b>	<b>27,505</b>	<b>17,944</b>	<b>23,729</b>



<b>Capital requirements for the financial conglomerate (SEK million)</b>	<b>30/6/2010</b>	<b>31/12/2009</b>
Shareholder's equity, Group	1,005.1	1,036.4
Plus convertible 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>



# Konsumentkredit

- A strategic element in the banking business development
- Adding expertise within risk assessment, sales and administration of loan products
- 20,000 customers, lending of SEK 1.4bn
- Will remain a separate company and brand
- Purchase price SEK 250m
- Expected PTP increase of approx. SEK 6-7m a month
- Expected EPS increase of approx. SEK 0.30-0.35 a year
- Conditional on approval from FSA (FI) & EGM



# A strategic element in the bank



Unbank yourself



# Outlook

- Continued market concern may make savers adopt a more cautious approach to the stock market
- Continued focus on banking services
  - A range of banking services in Sweden by year-end
  - More mobile services to come
- Luxembourg phasing out to be completed in Q3
- Savers will continue to look for alternatives to the Jurassic Banks



# Financial objectives

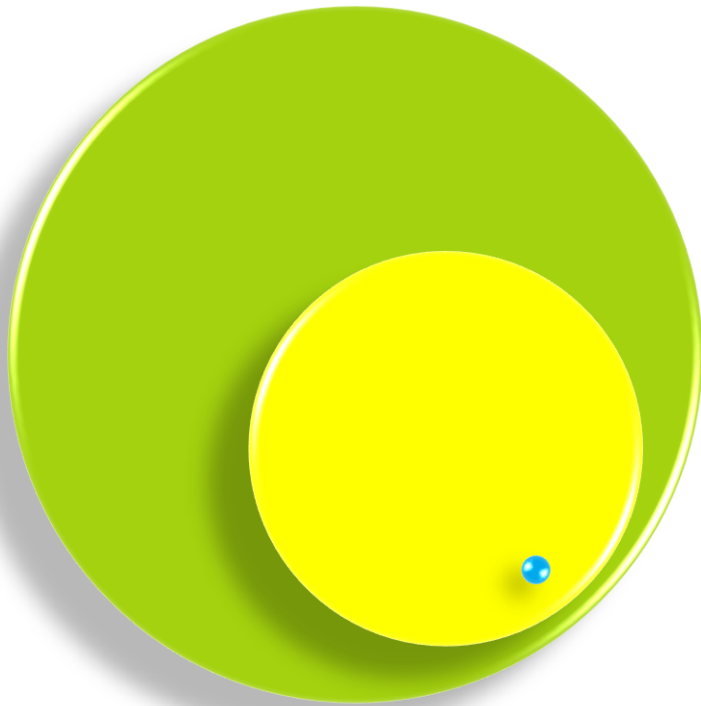
- 100% cost coverage from other income than trading commission at the end of 2011
- Double the revenues from levels of 2007 while maintaining a high operating margin within 2-3 years

## Vision

- To become the leading bank for savings in the Nordic countries by 2018



# Large potential



## Nordnet's potential client base

- 25 million people in the Nordic region
- 10 million save in shares and mutual funds
- Nordnet's existing clients 2010

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Unbank yourself

