



» the nordic platform in place «

Interim report January - September 2010
Carl-Viggo Östlund, CEO and Jacob Kaplan, CFO
Live tweet (in Swedish): twitter.com/nordnet, #nnq310

Financial overview (January-September)

- Operating income increased by 12 percent to SEK 730.7 million (655.1)
- Profit after tax decreased by 27 percent to SEK 126.5 million (174.0)
- Earnings per share before dilution were down 29 percent to SEK 0.75 (1.06)

net savings

8.9 (9.5)

billion Swedish kronor

total savings capital

96.2 (89.7)

billion Swedish kronor

net commission

31 (31)

Swedish kronor per trade

number of active accounts

346,800 (304,500)

number of trades

12,319,200 (11,817,100)

cost coverage

60 (54)

percent



investments for the future and decreased trade activity impact profit

- Maintained market share, but activity has decreased
- Price campaign in Finland to ensure succesful integration
- SEK 15m in costs connected to operations that will be phased out
- SEK 5m in non-recurring costs from personnel cutbacks
- Negative goodwill of SEK 53.8m in comparison numbers from 2009



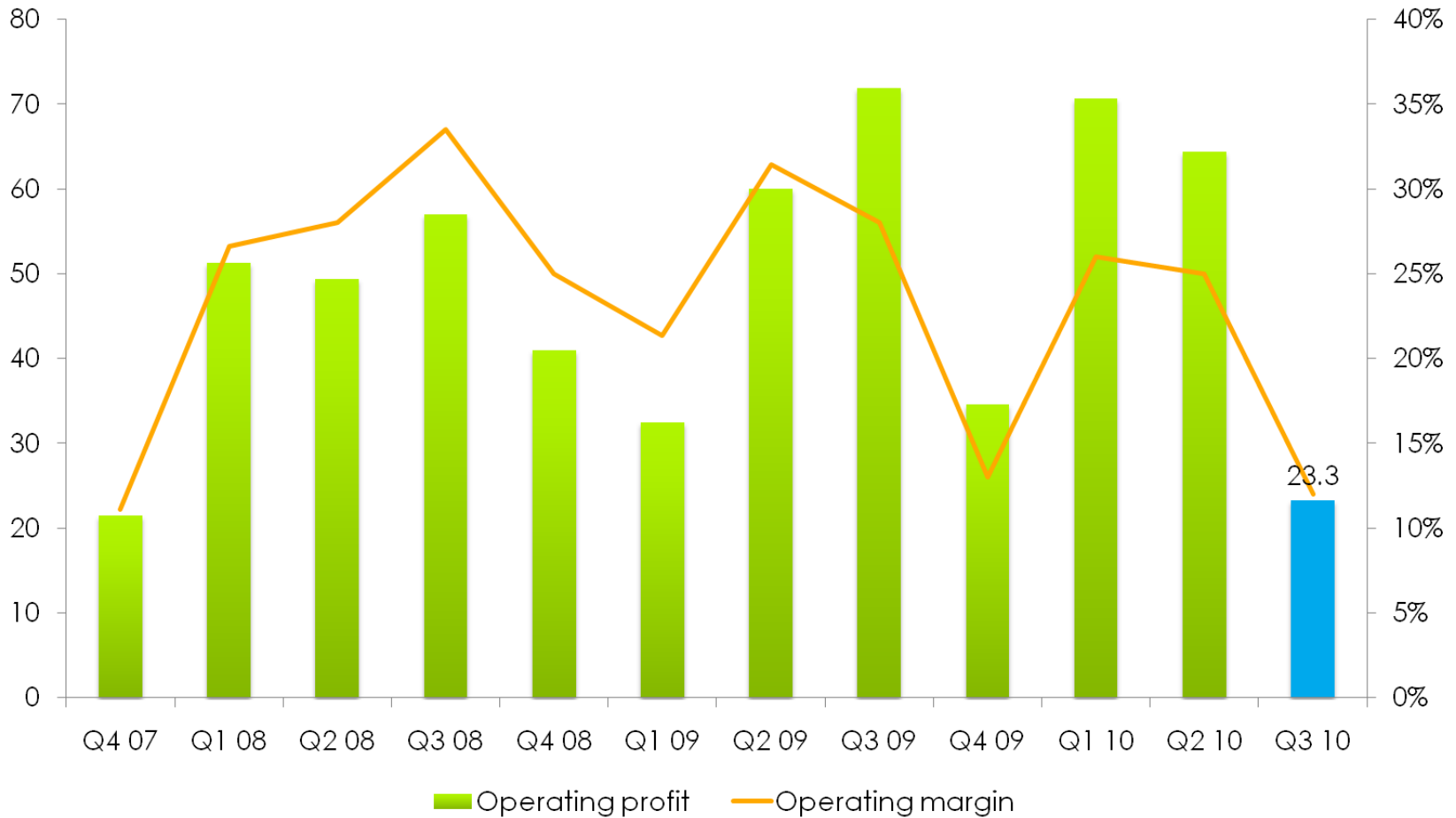
Highlights (July-September)

- Sale of Nordnet Germany
- Acquisition of Konsumentkredit
- Agreement with Finnish POP
- Continued investments in the Nordnet brand
- ETF supermarket launched in all Nordic countries



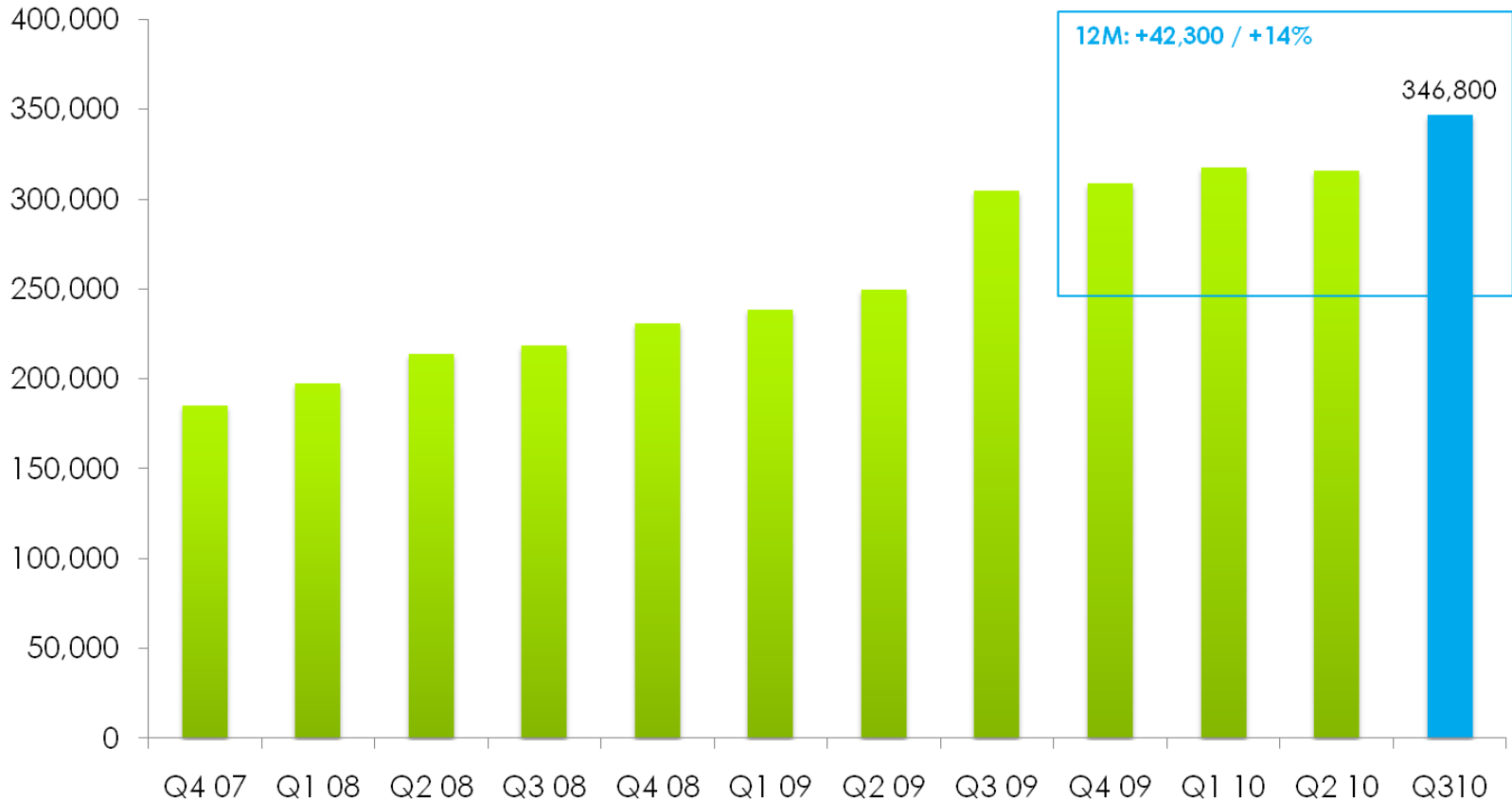
Operating profit

-68% compared to Q3 2009 (excl. negative goodwill)



Number of active accounts

Konsumenkredit adds approx. 22,000 accounts and customers

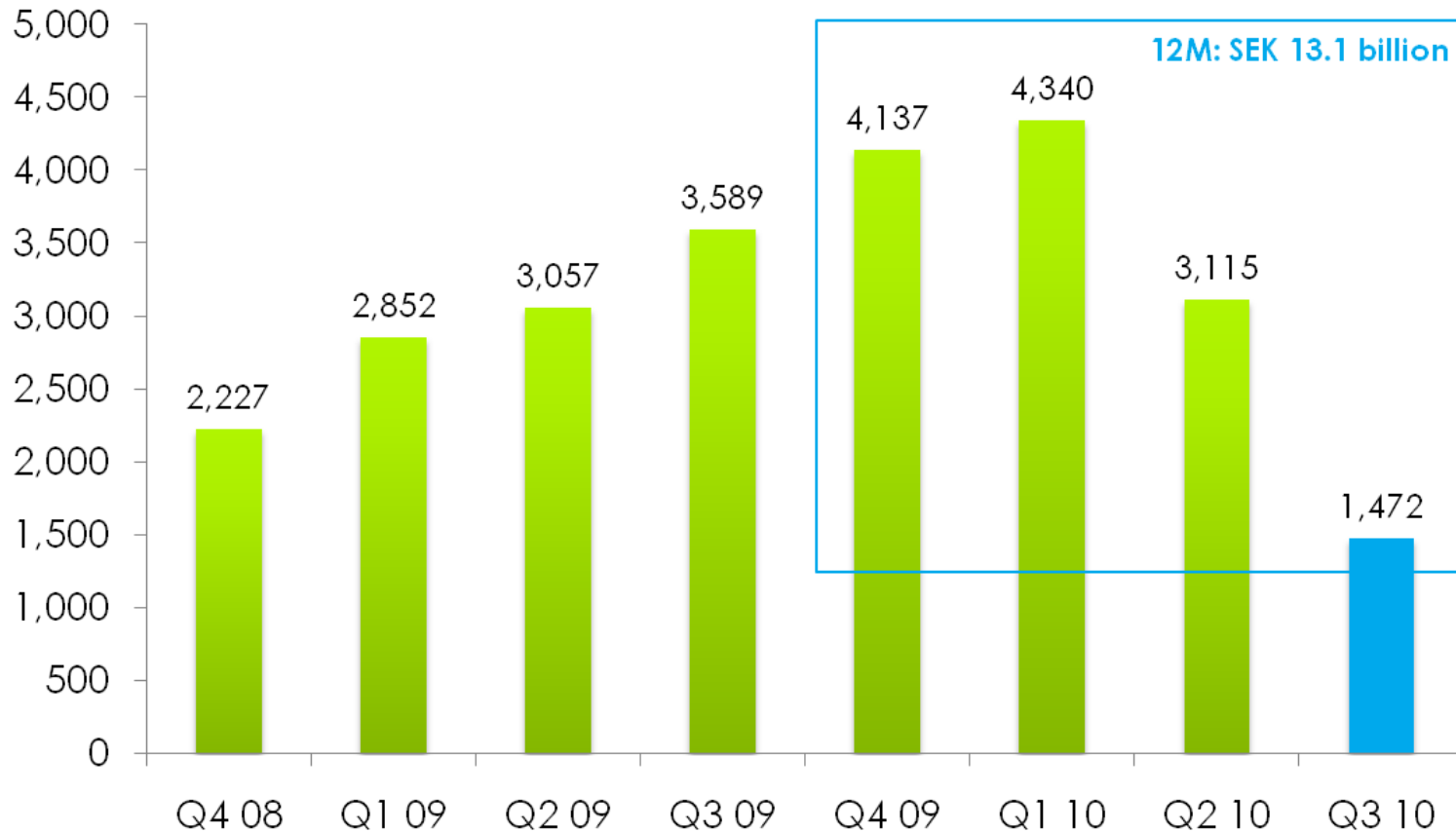


Total number of customers 303,800



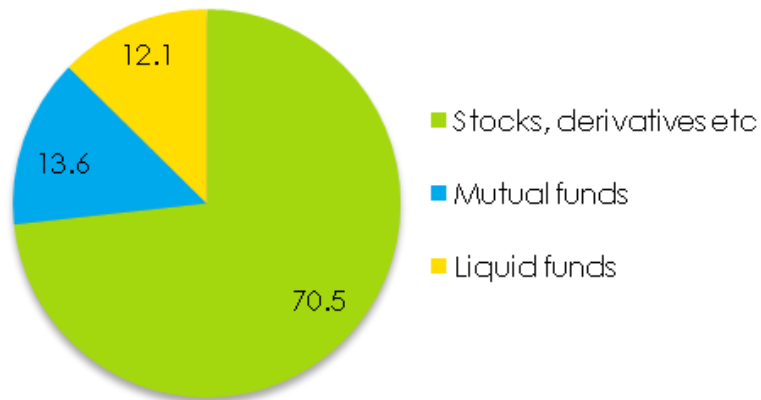
Net savings

Savers more cautious despite positive markets

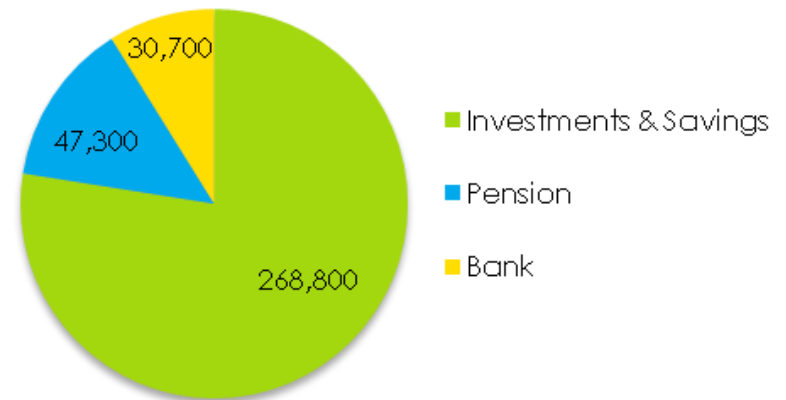


Savings capital and accounts distribution

(SEKbn)



(#)



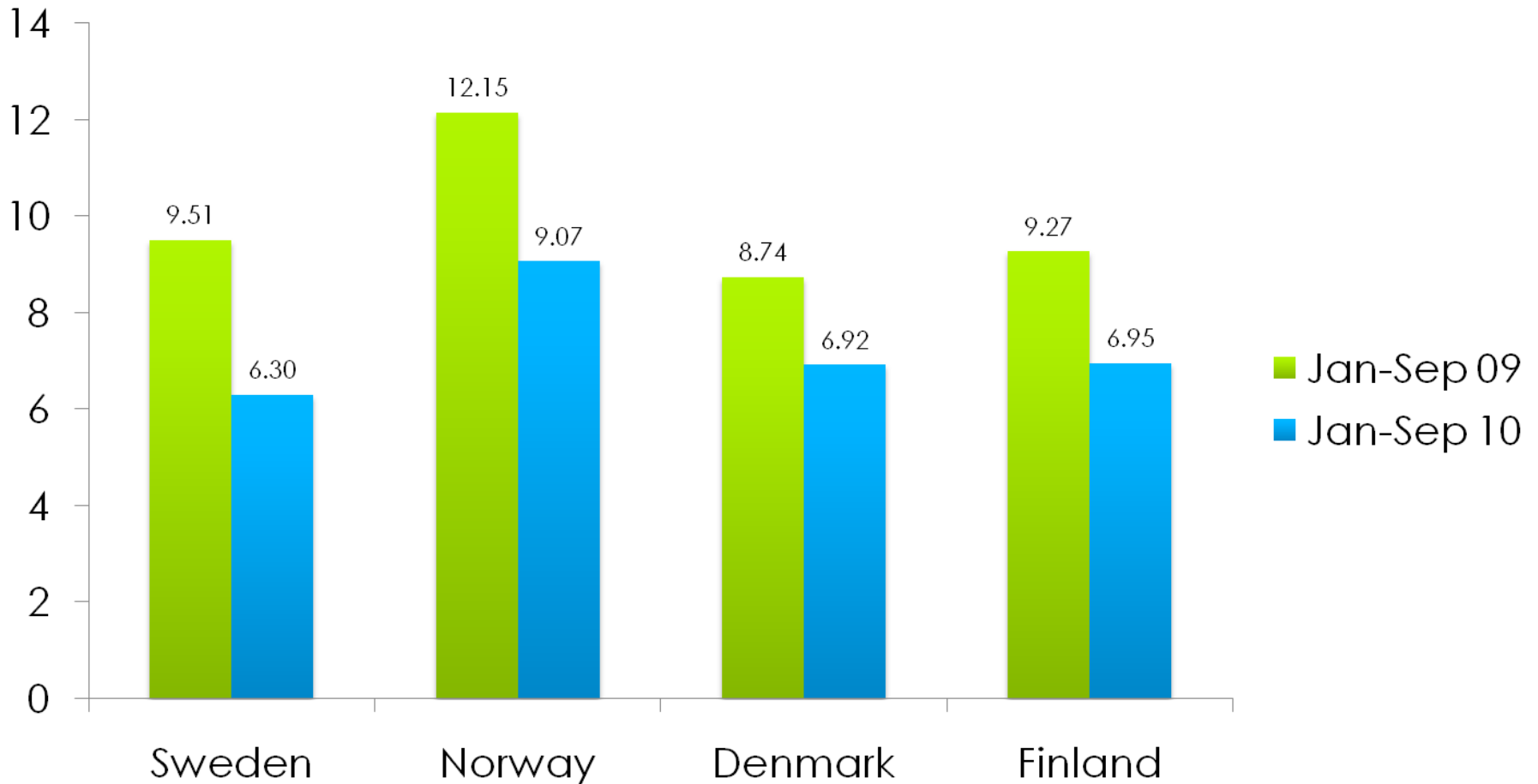
Market shares January – September

Algorithmic trading players still in positive momentum

Broker	Number of trades Jan-Sept 2010	Market share	Number of trades Jan-Sept 2009	Market share
1 SEB Enskilda	11,717,350	8.54%	8,530,744	8.24%
2 Nordnet	9,816,913	7.15%	10,314,067	9.96%
3 Credit Suisse	8,865,499	6.46%	4,743,274	4.58%
4 Handelsbanken	6,572,849	4.79%	4,952,646	4.78%
5 Morgan Stanley	6,469,177	4.71%	5,204,339	5.02%
6 Citadel Securities	6,308,304	4.60%	646,385	0.62%
7 Deutsche Bank	5,921,961	4.32%	4,496,153	4.34%
8 Avanza Bank	5,764,356	4.20%	5,397,294	5.21%
9 ABN AMRO	4,952,552	3.61%	682,523	0.66%
10 Swedbank	4,420,156	3.22%	2,941,251	2.84%
Total, Nordic primary exchanges	137,209,098	100%	103,582,380	100%



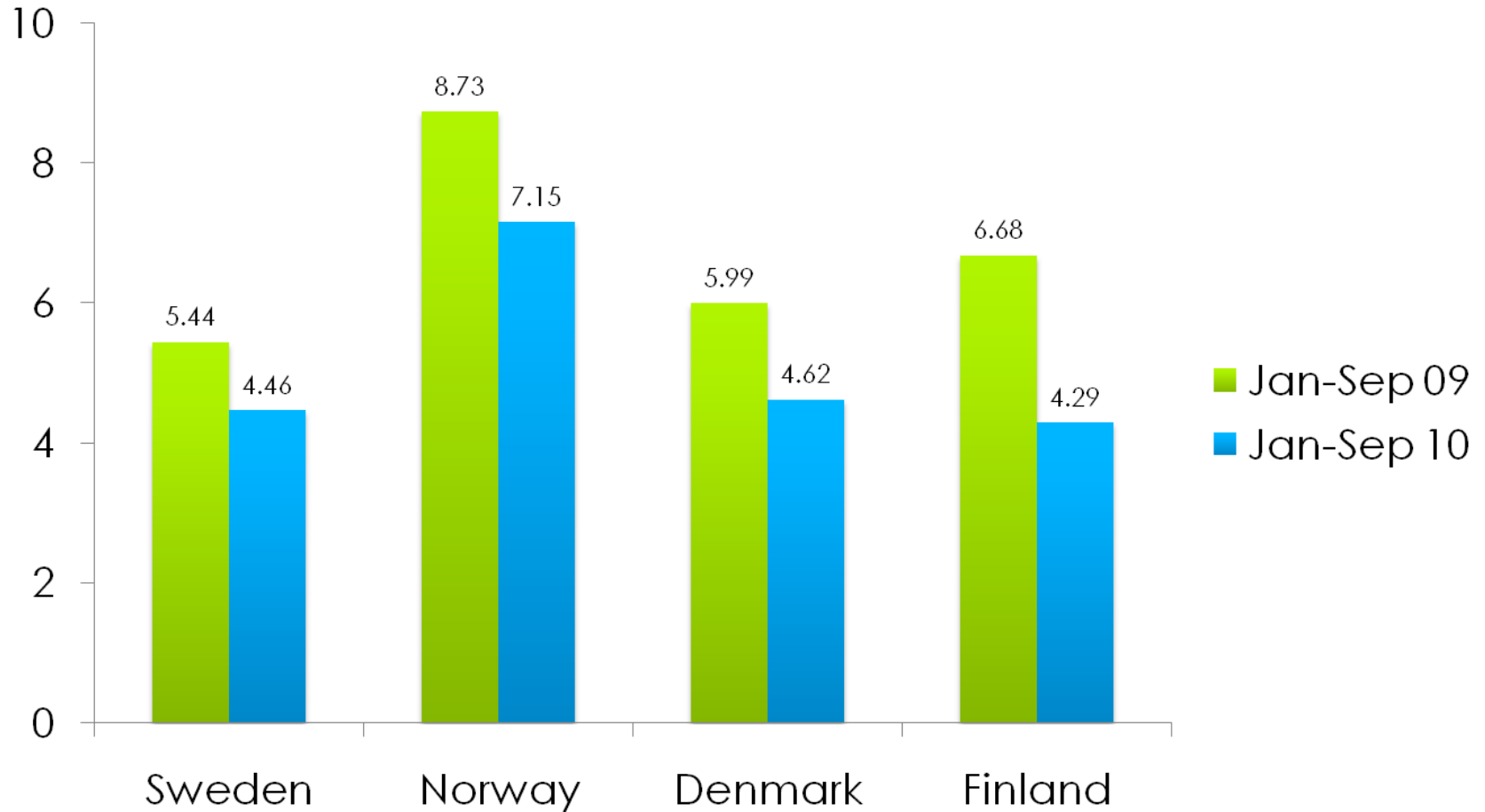
Market shares (Trades)



Source: Official statistics from the various primary stock exchanges



Market shares (Turnover)



Source: Official statistics from the various primary stock exchanges



Consolidated Income Statement (SEK million)	3 months	3 months	9 months	9 months
	Jul-Sep 2010	Jul-Sep 2009	Jan-Sep 2010	Jan-Sep 2009
Net interest income	66.8	55.2	215.7	138.4
Net commission income	110.1	168.5	434.0	399.5
Other income	24.8	34.5	81.0	63.4
Total operating income	201.7	258.2	730.7	601.3
General administrative expenses	-145.6	-146.1	-454.8	-339.4
Depreciation and amortization	-19.5	-23.2	-67.1	-55.6
Other operating expenses	-12.8	-15.1	-50.0	-39.5
Total operating expenses	-178.0	-184.4	-571.9	-434.5
Profit before credit losses	23.7	73.8	158.8	166.8
Net credit losses	-0.5	-1.9	-0.4	-2.3
Operating profit	23.3	125.7	158.3	218.3
Tax on profit for the period	-4.4	-22.7	-31.8	-44.3
Profit for the period	18.8	103.0	126.5	174.0
Profit for the period excl. negative goodwill	18.8	49.2	126.5	120.2



Financial development per quarter - Group (SEK million)	Q3 10	Q2 10	Q1 10	Q4 09	Q3 09	Q2 09	Q1 09	Q4 08
Operating income	201.7	256.3	272.7	265.9	258.2	191.0	152.1	164.0
Operating expenses and depreciation	-177.9	-192.0	-196.6	-227.3	-184.4	-131.1	-119.1	-116.0
Net credit losses	-0.5	0.0	0.0	-3.9	-1.9	0.1	-0.5	-7.0
Profit before goodwill and non-recurring items	23.3	64.3	76.1	34.6	71.9	60.0	32.5	41.0
Goodwill and non-recurring items	0.1	0.1	-5.5	-	53.8	-	-	-4.6
Operating profit	23.4	64.4	70.6	34.6	125.7	60.0	32.5	36.4
New accounts	30,800	-1,800	9,200	4,100	54,900	11,000	7,700	12,600
Net commission per trade (SEK)	26	35	32	34	35	31	27	27
Number of trades per day	55,600	69,300	69,000	63,400	62,900	64,100	56,600	61,400



Consolidated Statement of Financial Position (SEK million)	30/9/2010	30/9/2009	31/12/2009
Loans to credit institutions	904	3,037	2,384
Loans to the public	5,923	3,974	4,586
Financial assets	3,627	3,830	3,469
Financial assets - policy holders bearing the risk	16,762	11,524	11,866
Tangible and intangible assets	610	467	455
Other assets	516	1,719	994
Total assets	28,343	24,551	23,754
Deposits and borrowing by the public	9,743	10,146	9,875
Liabilities to policyholders	16,762	11,524	11,869
Other liabilities	678	1,926	949
Shareholders' equity	1,160	955	1,036
Total liabilities and shareholders' equity	28,343	24,551	23,729



Capital requirements for the financial conglomerate (SEK million)	30/9/2010	31/12/2009
Shareholder's equity, Group	1,160.0	1,036.4
Plus debenture loan	175.7	-
Less dividend for the 2009 financial year	-	-83.8
Less assumed dividend for the 2010 financial year	-50.6	-
Less intangible fixed assets and deferred tax receivables	-577.8	-416.3
Capital base	707.3	536.3
Capital requirement for regulated units within the banking and securities sector	567.9	447.8
Theoretical solvency requirement for non-regulated units in the largest financial sector	8.5	2.2
Capital requirement for regulated units within the insurance sector	24.3	23.5
Capital requirement	600.7	473.5
Capital surplus	106.6	62.8
Capital coverage ratio	1.18	1.13



Outlook

- Sale of Nordnet Germany to be completed in Q4
- Uncertainty of activity levels
 - Highlights the importance of 100% cost coverage from other income than trading commission
- eQ platform to be phased out in 1H 2011
- Continued investments for the future
- Continued focus on customer growth



Financial objectives

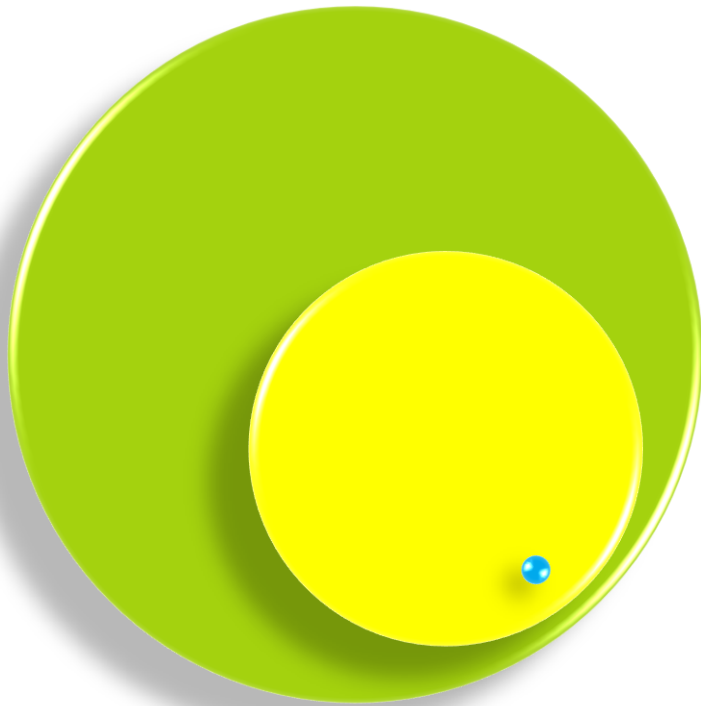
- 100% cost coverage from other income than trading commission at the end of 2011
- Double the revenues from levels of 2007 while maintaining a high operating margin within 2-3 years

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



for more information:
org.nordnet.se

connect with nordnet:
twitter.com/nordnet
facebook.com/nordnet



unbank yourself  nordnet

Unbank yourself

