

## interim report january – march 2011

# » strong earnings and continued focus on costs «

### january – march 2011

- Operating income increased by 6 percent to SEK 290.1 million (272.7)
- Operating profit increased by 41 percent to SEK 99.3 million (70.6)
- Profit after tax for the period rose by 49 percent to SEK 78.8 million (52.9)
- Earnings per share before dilution rose by 42 percent to SEK 0.45 (0.32)

- Cost adjustments progressing as planned
- Decreased trading activity
- Favourable growth in accounts and high net savings

net savings (january-march)

**SEK 5.2** (4.3)  
billion

total savings capital (31 march)

**SEK 106.2** (96.2)  
billion

net commission (january-march)

**SEK 28** (32)  
per trade

number of active accounts (31 mar)

**372,400** (317,800)

number of trades (january-march)

**4,175,300** (4,348,100)

cost coverage (january-march)

**96** (66)  
percent

[read more](#)

More about Nordnet for investors and media can be found at [www.org.nordnet.se](http://www.org.nordnet.se).  
To become a customer, visit [www.nordnet.se](http://www.nordnet.se).

# ceo's statement

## strong earnings and continued focus on costs

In summing up the first quarter of 2011, it is clear to me that Nordnet is moving in the right direction. The cost saving measures we launched at the start of the year are enabling us to address the impact on income of the strong SEK and the lower level of trading activity that began in the latter half of 2010, while we continue to expand our Nordic base. However, it is crucial that we continue to maintain our focus on costs.

### A strong result

Two important components in the structural efforts we implemented in 2010 were the acquisition of Konsumentkredit and the integration in Finland of eQ, which we acquired at an earlier stage. Both are now contributing to profit and, in particular to the considerable strengthening in net interest.

The favourable growth in customer numbers seen in 2010 is continuing in 2011 and slightly more than 12,000 Nordic savers have chosen to open accounts with Nordnet in the first quarter. At the start of the year, we launched our "Unbank yourself" campaign in Finland with good results. Development in Finland is generally very positive, demonstrating that we can now consider the integration of eQ to be a very successfully completed process.

Other favourable events during the quarter that I would like to highlight include the naming of Nordnet as "Bank/Stockbroker of the Year" in Denmark for the third consecutive year – this year with the widest ever margin on our competitors.

### Continued focus on costs

The cost cutting measures we have announced are progressing as planned and will remain in focus for the foreseeable future. In 2010, we saw declining trading activity in the latter half of the year and it is important that we be prepared for a continued weak market. In Norway and Denmark, it has been especially clear that savers have adopted a more cautious attitude to the market. For the same reason, we are also continuing to work towards our target of generating 100 percent coverage of our costs from sources other than commission by the end of the year.

At the same time, we are continuing to enhance our existing services – Nordnet is, and will continue to be, the well-rounded alternative in an otherwise square and conventional financial sector. Our plans still include broadening our offering and are very much part of our strategy as we move ahead, although our planning has been adjusted somewhat and our principal focus is to maintain stable earnings even in periods of lower activity.

Unbank yourself!



Carl-Viggo Östlund  
CEO, Nordnet AB



# business development

## introduction

The year has begun with a higher level of activity than there was towards the end of 2010, while securities lending has increased since the start of the year. Net commission for the period January to March was SEK 28 per trade, compared with SEK 32 in the corresponding quarter in 2010. The foremost explanation for this lower level is the stronger SEK.

The number of active accounts is 372,400, corresponding to an increase of 17 percent over the past twelve-month period. The number of active customers amounts to 322,900. Each customer has an average of 1.15 accounts.

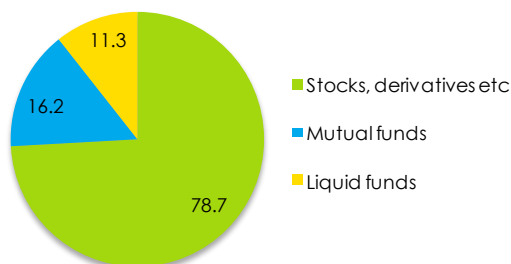
Our customers made an average of 66,300 trades per day during the quarter, which is a decline of 4 percent compared with the year-earlier period. In the fourth quarter of 2010, an average 60,100 trades per day were made. Systems accessibility was 99.95 percent in the first quarter.

Our customers' total savings capital amounted to SEK 106.2 billion at the end of the period, an increase of SEK 4 billion since the start of the year. Net savings during the period were SEK 5.2 billion.

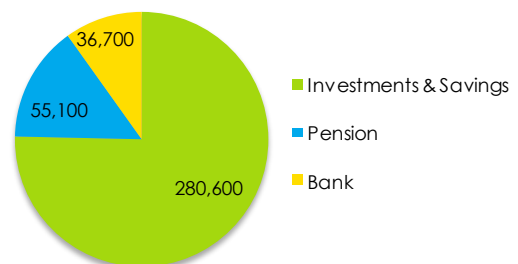
The number of accounts with fund savings was 83,100 at the end of the period, which is an increase of 2,200 since the start of the year. Savings capital in funds totalled SEK 16.2 billion, which was SEK 0.9 billion higher than at the start of 2011.

There were approximately 55,100 accounts with pension savings and endowment insurance at the end of the period, representing an increase of 3,700 accounts since the start on the year. Total savings capital amounted to approx. SEK 20.3 billion, an increase of some SEK 2.6 billion. To date, approximately 6,700 accounts have linked up with Nordnet Tjänstepension [Nordnet Service Pension], with a total savings capital of approximately SEK 860 million.

Savings capital (SEK billion)



Number of accounts



The chart shows the distribution of active accounts between the Investments & Savings, Pension and Bank business areas. Brokerage accounts are included in Investments & Savings, pension saving and endowment insurance accounts in Pension, and savings and loan accounts in Bank.

## income and expenses

### January – March 2011

Operating income rose by 6 percent over the period to SEK 290.1 million, mainly thanks to increased interest income. During the period, 4.2 million trades were made compared with 4.3 million in the year-earlier period. Net commission per trade was SEK 28, compared with SEK 32 in the year-earlier period.

Operating costs before credit losses decreased by 11 percent to SEK 179.1 million compared with the first quarter of 2010. The foremost explanation is the cost cutting measures implemented during the period. These mainly entail the closure of the former eQ platform, fewer consultants, decreased investment in marketing and a review of the number of employees. Operating costs, excluding marketing, fell by 10 percent to SEK 169.3 million.

Operating profit rose by 41 percent to SEK 99.3 million and the profit after tax climbed by 49 percent to SEK 78.8 million. The profit margin was 27 (19) percent. Earnings per share before dilution rose by 42 percent to SEK 0.45 (0.32).

Cost coverage, i.e. operating income excluding transaction-related net commission in relation to operating expenses, amounted to 96 (66) percent. Our goal is to have a cost coverage of 100 percent by the end of 2011.

Operating income excluding transaction-related net commissions rose by 31 percent compared with the previous year. The principal explanation is improved net interest. Investment in marketing fell by 26 percent over the period to SEK 9.8 million. The acquisition cost per net new account over the period relating to marketing investment averaged SEK 1,300 (1,400).

As a stage in its Nordic strategy, Nordnet has established a local presence in all markets – most recently through a branch office in Denmark in 2010. Consequently, all of the Nordic markets now have an identical structure, which is why a new allocation model was introduced in the first quarter of 2011, whereby each country's operations bear part of the costs for the common technical and administrative platform. In analysing the comparison figures in the table below, it should be borne in mind that the figures for 2010 reflect the earlier cost allocation structure.

Table: Profit per country

January - March	Sweden		Norway		Denmark		Finland		Sold operations*		Group	
	2011	2010	2011	2010	2011	2010	2011	2010	2010	2009	2010	2009
Operating income	171.4	116.5	49.1	51.2	21.3	22.9	48.3	58.8	-	23.3	290.1	272.7
Operating expenses	-108.8	-80.9	-27.6	-28.7	-19.0	-12.9	-35.4	-52.6	-	-21.5	-190.8	-196.6
<b>Operating profit before capital gains &amp; neg. goodwill</b>	<b>62.6</b>	35.6	<b>21.5</b>	22.5	<b>2.3</b>	10.0	<b>12.9</b>	6.2	-	1.8	<b>99.3</b>	76.1
Capital gains & neg. goodwill	-	-	-	-	-	-	-	-	-	-	-	-5.5
<b>Operating profit</b>	<b>62.6</b>	35.6	<b>21.5</b>	22.5	<b>2.3</b>	10.0	<b>12.9</b>	6.2	-	1.8	<b>99.3</b>	70.6
<b>Operating margin</b>	<b>37%</b>	31%	<b>44%</b>	44%	<b>11%</b>	44%	<b>27%</b>	11%	-	8%	<b>34%</b>	26%
Number of accounts	221,100	171,700	52,200	46,300	22,400	18,100	76,700	70,100	-	10,800	372,400	317,000
Savings capital (SEK billion)	59.3	49.8	13.0	11.4	6.3	5.4	27.5	25.1	-	4.5	106.2	96.2
Number of trades	2,265,800	2,045,500	700,200	904,100	449,100	521,100	760,200	637,600	-	239,800	4,175,300	4,348,100

\*Refers to the divested operations in Germany and Luxembourg

## market development

During the first quarter, Nordnet's customers made 4,175,300 trades on all markets, corresponding to a decline of 172,800 compared with the year-earlier period. The decline can primarily be attributed to the fact that Nordnet no longer maintains operations in Germany and Luxembourg. Net savings, that is, customers' deposits less withdrawals, amounted to SEK 5.2 billion, an increase of SEK 0.9 billion compared with the corresponding quarter in 2010.

### Sweden

Trading activity among Swedish customers rose by about 11 percent compared with the corresponding quarter in 2010. Over the quarter, the level of service to customers improved, despite an increased load. In January, Nordnet's first private loan product (developed in-house), the Toppenlånet loan, was launched, addressing a target group with strong creditworthiness that appreciates the flexibility this loan offers. Toppenlånet is a direct result of product knowledge obtained through the acquisition of Konsumentkredit by Nordnet. The pensions offering achieved good growth over the quarter and it is clear that mass media attention to fees benefits companies like Nordnet. Swedish savings statistics for 2010 show Nordnet's share of the total savings market to be 1.4 percent. Of the total net inflow over the full year, Nordnet's customers accounted for 4.8 percent.

### Norway

Oslo Børs rose marginally in the first quarter and customers initially adopted a positive attitude to the market. However, risk appetite abated in March as a result of the unrest in North Africa and the disaster in Japan, leading

to net sales of shares by savers. Compared with the corresponding quarter in 2010, the number of trades decreased by 23 percent, which could, to a certain extent, be explained by lower activity in the most active customer segments and a generally more cautious attitude to the market among savers. Customer recruitment was strong over the period and Nordnet arranged several activities with customers, including “Den Store Sparedagen” (Great Savings Day), which was held in Oslo, Bergen, Stavanger and Trondheim. As a step in further strengthening relations with customers, an activation program has been initiated whereby all Norwegian customers will be contacted by phone during the year. Norwegian savings statistics for 2010 show that Nordnet’s share of the total number of direct shareholders amounted to 8 percent, while its share of savers in mutual funds was 0.3 percent.

### Denmark

Danish customers’ trading activity decreased by about 14 percent compared with the corresponding quarter in 2010, which can be explained by an increased caution among the savers. Over the first quarter, Nordnet continued to build up its presence in Denmark – customer service, tele-sales and the Nordnet School have now all been established in the market. During the period, Nordnet was, for the third consecutive year, and for the fourth time in all, named “Bank/Stockbroker of the Year” by the Danish Shareholders Association. Never before has the margin between Nordnet and its competitors been so wide – bearing clear witness to Danish savers’ appreciation of its services. The year began with a strong and accelerating influx of new customers. On an annual basis, the number of accounts has grown by about 24 percent. A contributing factor is Nordnet’s pension offering, which has been received very favourably by the market. Danish savings statistics for the first quarter of 2011 show that Nordnet’s share of the total number of direct shareholders amounted to 0.9 percent, while its share of savers in mutual funds was 0.3 percent.

### Finland

In 2010, Nordnet’s Finnish operations devoted considerable focus to the integration of eQ, which had been acquired earlier. The old eQ platform was finally phased out in March 2011, marking the final stage of the integration process. From the start of 2011, operations have resumed their highly aggressive focus and the quarter was characterized by a high level of activity. The “Unbank yourself” campaign was launched at the start of the year through activities including a television campaign, a large number of customer gatherings and smaller-scale marketing activities. There was a considerable influx of new customers throughout the period and customers increased their trades by 9 percent compared with the year-earlier period. Activity was boosted by activities including substantial focus on Nokia, a popular share among Finnish savers. Finnish savings statistics for the first quarter of 2011 show that Nordnet’s share of the total number of direct shareholders amounted to 7.1 percent, while its share of savers in mutual funds was 0.2 percent.

## financial position

Nordnet offers two types of lending – loans with securities as collateral and unsecured loans. For both, Nordnet has well developed procedures for dealing with overlending.

For unsecured loans, a tried and tested scoring model is used to assess the credit risk of private individuals applying for credit. The model assesses the risk associated with each loan application and provides the basis for approval and pricing. The credit risk in these lending operations is to be considered higher than in Nordnet’s other operations, although this is matched by higher interest margins.

Nordnet’s deposit surplus is mainly invested in covered bonds and the Nordic banking system.

At the end of the period, the group’s liquid funds amounted to SEK 803 million, of which frozen assets amounted to SEK 246 million. Liquid funds include loans to credit institutions. In addition, the group has interest-bearing investments with a total fair value of SEK 2,769 million. The Group’s equity amounted to SEK 1,313 million. The equity is divided over 175,027,886 shares at SEK 7.50 per share.

As regards the financial conglomerate in which Nordnet AB (publ) is the parent company, the asset base amounted to SEK 825 million and the capital requirement to SEK 512 million, producing a capital surplus of

approximately SEK 314 million. At the close of the quarter, the capital coverage ratio amounted to 1.61, compared with 1.36 at the corresponding time in 2010.

## other

### parent company

The parent company is a holding company. Net interest for the period January-March amounted to an expense of SEK 1.9 million. This amount includes internal group interest income of SEK 1.8 million. The parent company's operating income amounted to SEK 18.6 million and relates to internal Group administrative services. The parent company's loss after financial items amounted to SEK 2.3 million. The parent company's liquid funds amounted to SEK 1.6 million, and its equity to SEK 924.3 million.

### employees

As of 31 March 2011, the company had 358 (353) full-time employees. The average number of employees for the first quarter was 345 (345). Full-time employees include temporary employees but not employees on parental or other leave.

### significant risks and uncertainties

Nordnet's operations are influenced by a number of environmental 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 2010. There have been no significant changes since that time.

### transactions with closely related parties

E. Öhman J:or AB is a closely related party to Nordnet AB (publ) since E. Öhman J:or AB has a direct holding in Nordnet AB (publ) and the owners of E. Öhman J:or AB have a direct holding in Nordnet AB (publ). E. Öhman J:or Fondkommission AB and Emric AB are closely related parties to Nordnet AB (publ) in that E. Öhman J:or AB is a shareholder in the companies. During the period, the Nordnet Group has had business relations with Öhman J:or Fondkommission AB on the same terms as with other stockbrokers and the management of unsecured loans has been outsourced to Emric AB. For additional information, please see Note 6 in the 2010 Annual Report.

### 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 acquisitions and transfers of shares in Nordnet AB (publ) on the NASDAQ OMX Stockholm exchange. 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.

## acquisition of customer base from POP

In the fourth quarter of 2010, Nordnet acquired 10,000 customers from the Finnish Local Cooperative Bank Group (POP), which previously had a partnership agreement with eQ. The purchase consideration, which is based on an independent valuation of eQ's customers carried out previously by KPMG, amounted to EUR 0.5 million and has an amortization period of eight years.

## 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 SEK 140 million, 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.

## future calendar events

The Annual General Meeting will be held at 6.00 p.m. CET today, 28 April 2011, at Sergels torg 3 (at the north-eastern end of the Kulturhuset cultural centre), Sergels Torg in Stockholm.

Interim Report January–June 2011	21 July 2011
Interim Report January–September 2011	20 October 2011
Year-end report 2011	February 2012

## presentation to analysts, shareholders and the media

CEO Carl-Viggo Östlund and CFO Jacob Kaplan will be presenting the results and answering any questions about the report on Thursday 28 April at 11.15 a.m. CET at a telephone conference/audiocast that can be followed on the Internet at [www.org.nordnet.se](http://www.org.nordnet.se). To participate by phone, call +46 (0)8 5352 6440 (Sweden) or +44 (0)20 7136 2051 (UK). Confirmation code 3182482. The presentation will be held in English.

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 has been submitted to the market for publication on 28 April 2011 at 8.30 a.m. (CET).

Bromma, 28 April 2011,

Carl-Viggo Östlund  
CEO

For more information, please contact CEO Carl-Viggo Östlund, tel. +46 (0)8 506 330 30, +46 (0)70 609 58 81, [carl-viggo.ostlund@nordnet.se](mailto:carl-viggo.ostlund@nordnet.se) or Investor Relations Manager Adrian Westman, tel. +46 (0)8 506 331 51, +46 (0)73 509 04 00, [adrian.westman@nordnet.se](mailto:adrian.westman@nordnet.se).

Nordnet AB (publ)  
Box 14077, 167 14 Bromma  
Tel: +46 (0)8 506 330 30  
Registered company no.: 556249-1687

Visiting address: Gustavslundsvägen 141  
E-mail: [info@nordnet.se](mailto:info@nordnet.se)

Company website: [org.nordnet.se](http://org.nordnet.se)

Become a customer: [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)

<b>Consolidated Income Statement (SEK million)</b>	<b>Note</b>	<b>3 months Jan-Mar 2011</b>	<b>3 months Jan-Mar 2010</b>	<b>12 months Jan-Dec 2010</b>	<b>12 months rolling Apr-Mar 2011</b>
Interest income		144.5	79.3	368.8	434.0
Interest expenses		-10.9	-8.3	-41.0	-43.6
Commission income		194.4	232.3	823.4	785.5
Commission expenses		-61.6	-68.0	-266.2	-259.8
Net result of financial transactions		13.6	17.5	43.7	39.8
Other operating income		10.0	19.9	151.9*	142.0
<b>Total operating income</b>		<b>290.1</b>	<b>272.7</b>	<b>1,080.5</b>	<b>1,097.9</b>
General administrative expenses	1	-149.4	-160.1	-653.8	-643.1
Depreciation and amortization	2	-18.6	-27.2	-87.7	-79.0
Other operating expenses	3	-11.1	-14.7	-68.8	-65.2
<b>Total expenses before credit losses</b>		<b>-179.1</b>	<b>-202.0</b>	<b>-810.3</b>	<b>-787.4</b>
<b>Profit before credit losses</b>		<b>111.0</b>	<b>70.6</b>	<b>270.2</b>	<b>310.5</b>
Net credit losses		-11.7	0.0	-10.2	-21.8
<b>Operating profit</b>		<b>99.3</b>	<b>70.6</b>	<b>260.1</b>	<b>288.8</b>
Tax on profit for the period		-20.6	-17.8	-55.4	-58.2
<b>Profit for the period</b>		<b>78.8</b>	<b>52.9</b>	<b>204.6</b>	<b>230.5</b>
<b>Of which, attributable to:</b>					
shareholders of the Parent Company		78.8	52.9	204.6	230.6
the non-controlling interest		-	-	-	-
Average number of shares before dilution		175,027,886	167,444,747	169,475,689	175,027,886
Earnings per share before dilution		0.45	0.32	1.21	1.32
Average number of shares after dilution		175,027,886	169,544,251	171,537,967	175,027,886
Earnings per share after dilution		0.45	0.31	1.19	1.33
<b>Note 1</b>					
Personnel costs		-72.7	-82.7	-312.5	-302.8
Other administrative expenses		-76.6	-77.4	-341.3	-340.3
		-149.4	-160.1	-653.8	-643.1
<b>Note 2</b>					
Goodwill amortization		-	-5.5	-5.4	0.2
Depreciation		-18.6	-21.7	-82.3	-79.3
		-18.6	-27.2	-87.7	-79.0
<b>Note 3</b>					
Marketing		-9.8	-13.2	-63.9	-60.5
Other operating expenses		-1.4	-1.5	-4.9	-4.7
		-11.1	-14.7	-68.8	-65.2
<b>Consolidated Statement of Comprehensive Income</b>		<b>3 months Jan-Mar 2011</b>	<b>3 months Jan-Mar 2010</b>	<b>12 months Jan-Dec 2010</b>	<b>12 months rolling Apr-Mar 2011</b>
<b>Profit for the period</b>		<b>78.8</b>	<b>52.9</b>	<b>204.6</b>	<b>230.5</b>
<b>Income/expenses recognized directly against shareholders' equity</b>					
Change in value of assets available for sale		-4.8	-0.2	-16.3	-28.1
Tax on change in value of assets available for sale		1.3	0.0	4.3	7.4
Change in value of net investment hedges		-0.1	-	4.2	11.3
Tax on change in value of net investment hedges		-	-	-1.1	-3.0
Translation of foreign operations		-2.8	-36.7	-105.8	-71.9
<b>Total other comprehensive income after tax</b>		<b>-6.4</b>	<b>-36.8</b>	<b>-114.7</b>	<b>-84.3</b>
<b>Total comprehensive income after tax</b>		<b>72.3</b>	<b>16.1</b>	<b>89.9</b>	<b>146.2</b>
<b>Of which, attributable to:</b>					
shareholders of the Parent Company		72.3	16.1	89.9	146.2

\*Including capital gains

<b>Consolidated Statement of Financial Position (SEK million)</b>	<b>31/03/2011</b>	<b>31/03/2010</b>	<b>31/12/2010</b>
<b>Assets</b>			
Loans to credit institutions	803.1	1,950.7	2,777.9
Loans to the public	6,430.1	4,823.4	6,016.3
Financial assets at fair value	172.0	512.6	277.9
Financial assets available for sale	2,786.8	3,348.8	1,681.4
Financial assets - policy holders bearing the risk	19,639.1	15,279.3	17,104.9
Intangible fixed assets	544.7	389.7	553.6
Tangible fixed assets	32.3	33.7	35.4
Other assets	231.9	1,003.1	264.4
Prepaid expenses and accrued income	122.7	114.9	80.6
<b>Total assets</b>	<b>30,762.6</b>	<b>27,456.1</b>	<b>28,792.4</b>
<b>Liabilities</b>			
Deposits and borrowing by the public	9,042.0	9,884.8	9,790.3
Liabilities to policyholders	19,641.4	15,278.4	17,107.8
Other liabilities	469.5	995.3	350.8
Accrued expenses and deferred income	120.5	120.4	126.7
Subordinated liabilities	175.7	115.2	175.7
<b>Total liabilities</b>	<b>29,449.2</b>	<b>26,394.1</b>	<b>27,551.3</b>
<b>Shareholders' equity</b>			
Share capital	175.0	167.7	175.0
Other capital contributions	471.8	302.4	471.8
Other provisions	-77.5	6.8	-71.0
Accrued profit including profit for the period	744.0	585.0	665.3
<b>Total shareholders' equity</b>	<b>1,313.4</b>	<b>1,062.0</b>	<b>1,241.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>30,762.6</b>	<b>27,456.1</b>	<b>28,792.4</b>
<b>Consolidated changes in shareholders' equity (SEK million)</b>	<b>31/03/2011</b>	<b>31/03/2010</b>	<b>31/12/2010</b>
<b>Opening shareholders' equity</b>	<b>1,241.1</b>	<b>1,036.4</b>	<b>1,036.4</b>
Profit for the period	78.8	52.9	204.6
Total other comprehensive income after tax	-6.4	-36.8	-114.7
Dividend	-	-	-83.8
Conversion of convertible debenture loan	-	9.5	19.1
Interest adjustment of convertible debenture loan	-	-	-0.6
Non-cash issue	-	-	180.1
<b>Closing shareholders' equity</b>	<b>1,313.4</b>	<b>1,062.0</b>	<b>1,241.1</b>

<b>Consolidated</b>	<b>3 months</b>	<b>3 months</b>	<b>12 months</b>	<b>12 months rolling</b>
<b>Statement of Cash Flows (SEK million)</b>	<b>Jan-Mar 2011</b>	<b>Jan-Mar 2010</b>	<b>Jan-Dec 2010</b>	<b>Apr-Mar 2011</b>
<b>Operating activities</b>				
Cash flow from operating activities before changes in working capital	159.0	74.8	600.7	684.9
Cash flow from changes in working capital	-1,134.3	-61.8	-1,427.4	-2,499.9
Cash flow from operating activities	-975.3	13.0	-826.8	-1,815.0
<b>Investing activities</b>				
Purchases and disposals of intangible and tangible fixed assets	4.7	-9.4	-254.2	-240.1
Net investments in financial instruments	-1,003.1	-470.3	1,554.7	1,021.9
Acquisitions of subsidiaries	-	-	-53.5	-53.5
Cash flow from investing activities	-998.4	-479.7	1,247.0	728.3
<b>Financing activities</b>				
Cash flow from financing activities	-	75.2	9.2	-66.0
<b>Cash flow for the period</b>	<b>-1,973.7</b>	<b>-391.6</b>	<b>429.4</b>	<b>-1,152.7</b>
<b>Cash and equivalents at the start of the period</b>	<b>2,777.9</b>	<b>2,383.9</b>	<b>2,383.9</b>	<b>2,777.9</b>
Exchange rate difference for cash and equivalents	-1.1	-41.5	-35.4	5.1
<b>Cash and equivalents at the end of the period</b>	<b>803.1</b>	<b>1,950.7</b>	<b>2,777.9</b>	<b>1,630.3</b>
<b>Income Statement - Parent Company (SEK million)</b>				
	<b>3 months</b>	<b>3 months</b>	<b>12 months</b>	<b>12 months rolling</b>
	<b>Jan-Mar 2011</b>	<b>Jan-Mar 2010</b>	<b>Jan-Dec 2010</b>	<b>Apr-Mar 2011</b>
Net sales	18.6	9.9	33.3	42.0
<b>Total operating income</b>				
Other external costs	-2.1	-3.7	-15.0	-13.4
Personnel costs	-16.6	-13.7	-56.0	-58.9
Other operating expenses	-0.3	-0.4	-0.8	-0.7
<b>Operating profit</b>	<b>-0.3</b>	<b>-7.9</b>	<b>-38.6</b>	<b>-31.0</b>
<b>Profit from financial investments:</b>				
Income from participations in affiliated companies	-	-	137.5	137.5
Other interest and similar income	1.8	0.8	6.3	7.3
Interest expense and similar expense	-3.7	-1.2	-9.5	-12.0
<b>Profit after financial items</b>	<b>-2.3</b>	<b>-8.3</b>	<b>95.7</b>	<b>101.8</b>
Tax on profit for the period	0.5	2.2	9.5	7.8
<b>Profit for the period</b>	<b>-1.7</b>	<b>-6.1</b>	<b>105.2</b>	<b>109.6</b>
<b>Total Other Comprehensive Income - Parent company (SEK million)</b>				
	<b>3 months</b>	<b>3 months</b>	<b>12 months</b>	<b>12 months rolling</b>
	<b>Jan-Mar 2011</b>	<b>Jan-Mar 2010</b>	<b>Jan-Dec 2010</b>	<b>Apr-Mar 2011</b>
<b>Profit for the period</b>	<b>-1.7</b>	<b>-6.1</b>	<b>105.2</b>	<b>109.6</b>
<b>Income/expenses recognized directly against shareholders' equity</b>				
Group contribution	-	-	39.8	39.8
Tax on group contribution	-	-	-10.5	-10.5
Group contribution submitted	-	-	-27.5	-27.5
<b>Total other comprehensive income after tax</b>	<b>-</b>	<b>-</b>	<b>1.8</b>	<b>1.8</b>
<b>Total comprehensive income after tax</b>	<b>-1.7</b>	<b>-6.1</b>	<b>107.0</b>	<b>111.4</b>
<b>Balance Sheet - Parent Company (SEK million)</b>				
		<b>31/03/2011</b>	<b>31/03/2010</b>	<b>31/12/2010</b>
<b>Assets</b>				
Financial fixed assets		1,147.4	758.5	758.6
Current assets		223.8	138.4	35.2
Cash and bank balances		1.6	10.0	17.9
<b>Total assets</b>		<b>1,372.8</b>	<b>906.9</b>	<b>811.7</b>
<b>Shareholders' equity and liabilities</b>				
Shareholders' equity		924.3	708.1	706.9
Current liabilities		448.5	198.7	104.8
<b>Total liabilities and shareholders' equity</b>		<b>1,372.8</b>	<b>906.8</b>	<b>811.7</b>

Capital requirements for the financial conglomerate (SEK million)	31/03/2011	31/12/2010
Shareholder's equity, Group	1,313.4	1,241.1
Plus debenture loan	175.7	175.7
Less proposed dividend for the 2010 financial year	-87.5	-
Less assumed dividend for the 2011 financial year	-31.5	-87.5
Less intangible fixed assets and deferred tax receivables	-544.7	-554.6
<b>Capital base</b>	<b>825.4</b>	<b>774.7</b>
Capital requirement for regulated units within the banking and securities sector	483.6	455.7
Theoretical solvency requirement for non-regulated units in the largest financial sector	2.0	2.0
Capital requirement for regulated units within the insurance sector	26.2	26.4
<b>Capital requirement</b>	<b>511.8</b>	<b>484.1</b>
<b>Capital surplus</b>	<b>313.6</b>	<b>290.6</b>
<b>Capital coverage ratio</b>	<b>1.61</b>	<b>1.60</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 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 2010, Note 5, the section entitled "Accounting principles applied".

Financial development per quarter - Group (SEK million)	Q1 11	Q4 10	Q3 10	Q2 10	Q1 10	Q4 09	Q3 09	Q2 09
Net interest	133.7	112.1	66.8	77.8	71.0	65.9	55.2	40.9
Net commission - not trade related	14.7	16.7	15.6	8.9	23.2	27.5	23.6	5.3
Net commission - trade related	118.2	106.5	94.4	150.7	141.1	138.1	144.9	126.6
Net result of financial transactions	13.6	3.1	16.9	6.2	17.5	7.9	19.1	8.4
Other income	10.0	111.6	7.8	12.6	19.9	26.5	69.2	9.8
<b>Operating income</b>	<b>290.1</b>	<b>349.8</b>	<b>201.7</b>	<b>256.3</b>	<b>272.7</b>	<b>265.9</b>	<b>312.0</b>	<b>191.0</b>
General administrative expenses	-149.4	-198.9	-145.6	-149.1	-160.1	-179.3	-147.3	-100.6
Depreciation	-18.6	-20.6	-19.5	-20.3	-27.2	-31.4	-23.2	-15.9
Other operating expenses	-11.1	-18.8	-12.8	-22.5	-14.7	-16.6	-13.9	-14.6
Net credit losses	-11.7	-9.7	-0.5	0.0	0.0	-3.9	-1.9	0.1
<b>Expenses</b>	<b>-190.8</b>	<b>-248.1</b>	<b>-178.4</b>	<b>-191.9</b>	<b>-202.0</b>	<b>-231.2</b>	<b>-186.3</b>	<b>-131.0</b>
<b>Operating profit</b>	<b>99.3</b>	<b>101.7</b>	<b>23.4</b>	<b>64.4</b>	<b>70.6</b>	<b>34.6</b>	<b>125.7</b>	<b>60.0</b>
Earnings per share before dilution	0.45	0.45	0.11	0.33	0.32	0.18	0.18	0.28
Cost coverage	96%	102%	60%	55%	66%	56%	61%	49%
Return on shareholders' equity	6%	6%	2%	5%	5%	3%	19%	5%
Capital coverage ratio	1.61	1.60	1.18	1.46	1.36	1.14	1.09	1.71
<b>Quarterly statistics</b>	<b>Q1 11</b>	<b>Q4 10</b>	<b>Q3 10</b>	<b>Q2 10</b>	<b>Q1 10</b>	<b>Q4 09</b>	<b>Q3 09</b>	<b>Q2 09</b>
Number of accounts at end of the period	372,400	360,000	346,800	316,000	317,800	308,600	304,500	249,600
Total savings capital (SEK billion)	106.2	102.2	96.2	91.2	96.2	90.4	89.7	53.9
Average savings capital per account (SEK)	278,300	283,900	277,300	288,700	302,700	293,000	294,400	215,900
Number of trades	4,175,300	3,844,700	3,672,600	4,298,600	4,348,100	4,121,000	4,151,000	4,100,000
Number of trading days	63	64	66	62	63	65	66	64
Number of trades per day	66,300	60,100	55,600	69,300	69,000	63,400	62,900	64,100
Number of trades per account and month	4.0	3.8	3.5	4.5	4.6	4.5	5.0	5.6
Net commission per trade (SEK)	28	28	26	35	32	34	35	31

<b>Key figures - Group</b>	<b>31/03/2011</b>	<b>31/03/2010</b>	<b>31/12/2010</b>
Operating margin (%)	38%	26%	24%
Profit margin (%)	27%	19%	19%
Investments in tangible assets, SEK million	1.7	1.8	24.2
Investments in intangible assets excl. company acquisitions, SEK million	3.0	6.8	23.7
Of which, internal development expenses	0.7	0.8	1.9
Marketing, SEK million	9.8	13.2	63.9
Earnings per share before dilution, SEK	0.45	0.32	1.21
Earnings per share after dilution, SEK	0.45	0.31	1.19
Return on shareholders' equity (%)	6%	5%	18%
Shareholders' equity per share, SEK	7.50	6.33	7.09
Dividend per share, SEK	0.00	0.00	0.50
Share price, SEK	19.70	24.10	23.30
Market capitalization at the end of the period, SEK million	3,448	4,042	4,078
Shareholders' equity, SEK million	1,313.4	1,062.4	1,241.1
Capital base, SEK million	825.4	667.4	774.7
Capital coverage ratio	1.61	1.36	1.60
Average number of shares before dilution	175,027,886	167,444,747	169,475,689
Average number of shares after dilution	175,027,886	169,544,251	171,537,967
Number of shares at end of period	175,027,886	167,698,478	175,027,886
Number of full-time employees at end of period	358	353	356
<b>Customer related key financial figures:</b>			
Number of active accounts at end of the period	372,400	317,800	360,000
Total savings capital at end of period, SEK million	106.2	96.2	102.2
Average savings capital per trade-related active account at end of period, SEK	285,244	302,748	283,909
Cash deposits at end of period, SEK million	11,118.4	11,797.4	11,227.5
Managed Client Funds, SEK million	136.2	516.2	113.2
Lending at end of period, SEK million	6,430.1	4,823.4	6,016.3
Lending/deposits (%)	58%	41%	53%
Number of trades for the period	4,175,300	4,348,123	16,163,900
Number of trades per day	66,275	69,018	63,388
Number of trades per trade-related active account	11.2	13.9	44.9
Number of trades per trade-related active account and month	3.7	4.6	3.7
Average net commission revenue per trade, SEK	28	32	30
DART (Daily Average Revenue from Trading), SEK	2,711,300	3,226,000	2,885,100
Annual average income/savings capital (%)	0.3%	1.2%	1.1%
Average yearly income per account, SEK	2,640	3,472	3,232
Average yearly operating expenses per account, SEK	-1,622	-2,505	-2,454
Average yearly profit per account, SEK	1,018	967	778