



**» strong earnings and continued focus on costs «**

Interim report January – March 2011

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Live tweet (in Swedish): [twitter.com/nordnet](https://twitter.com/nordnet), #nnq111

# financial overview (january-march)

- Operating income increased by 6 percent to SEK 290.1 million (272.7)
- Profit after tax 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)

net savings

**5.2** (4.3)

billion Swedish kronor

total savings capital

**106.2** (96.2)

billion Swedish kronor

net commission

**28** (32)

Swedish kronor per trade

number of active accounts

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

number of trades

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

cost coverage

**96** (66)

percent



# cutting costs to secure goals and vision

- Conservative view on 2011 activity level
- Early action with strong force to secure goals and vision
- Cost reduction of 15%, giving a total cost of approx. SEK 60 million per month with full effect during Q2 2011

## **Measures taken to reach new cost levels:**

Reduce number of consultants

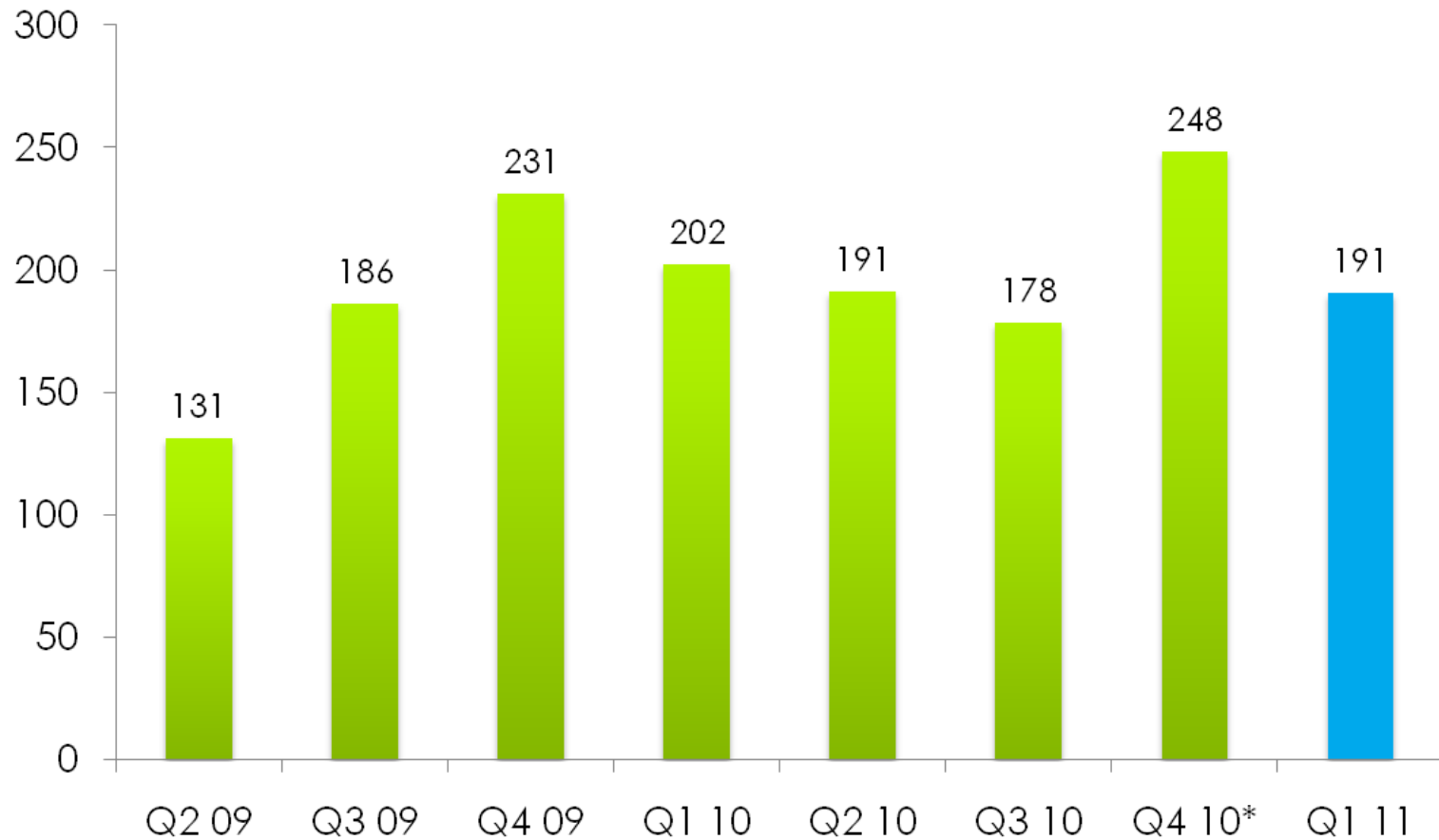
Reduce investments in marketing

Review of number of co-workers

Closure of eQ platform



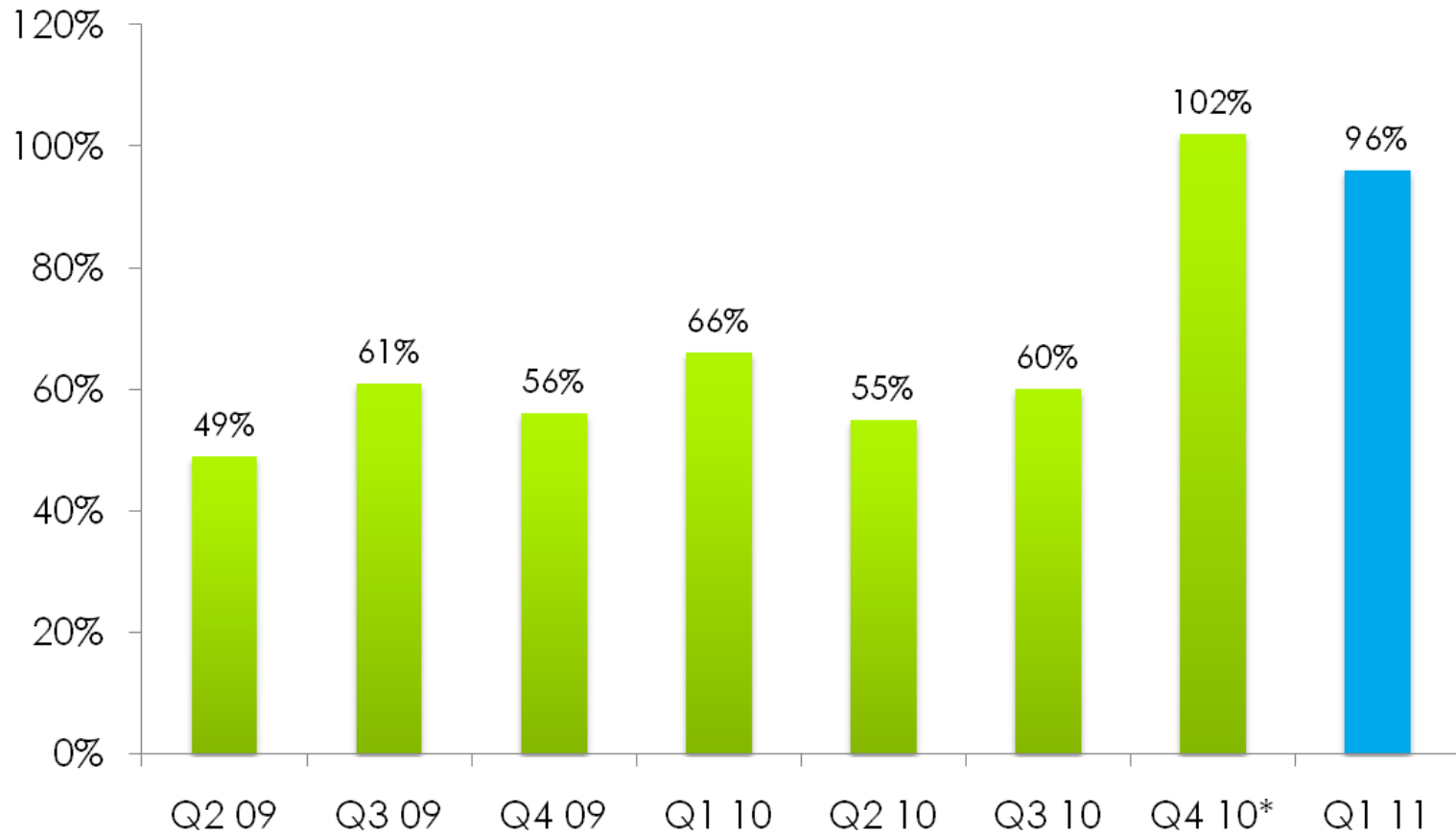
# cost development (incl. credit losses)



*\*Including extraordinary items of approx. SEK 30 million*



# cost coverage development



*\*Including capital gains and other extraordinary items*



# highlights (january-march)

- Cost adjustments progressing as planned
- Nordnet Finland profitable
- Unbank yourself campaign launched in Finland
- Toppenlånet launched in Sweden
- Bank/broker of the year in Denmark for third consecutive year

## Undskyld alle gammelbanker. Men nu blev vi Årets Bank/Børsmægler igen.

Hemmeligheden? At man som bruger hos os let kan tage magten over sine egne penge. Kurtagen for at investere er lav, og vi trækker ingen årlige gebyrer.

[Læs mere](#) om, hvorfor Dansk Aktionærforenings medlemmer 3 år i træk har kåret Nordnet til den [bedste bank til investering](#).

Åbn depot

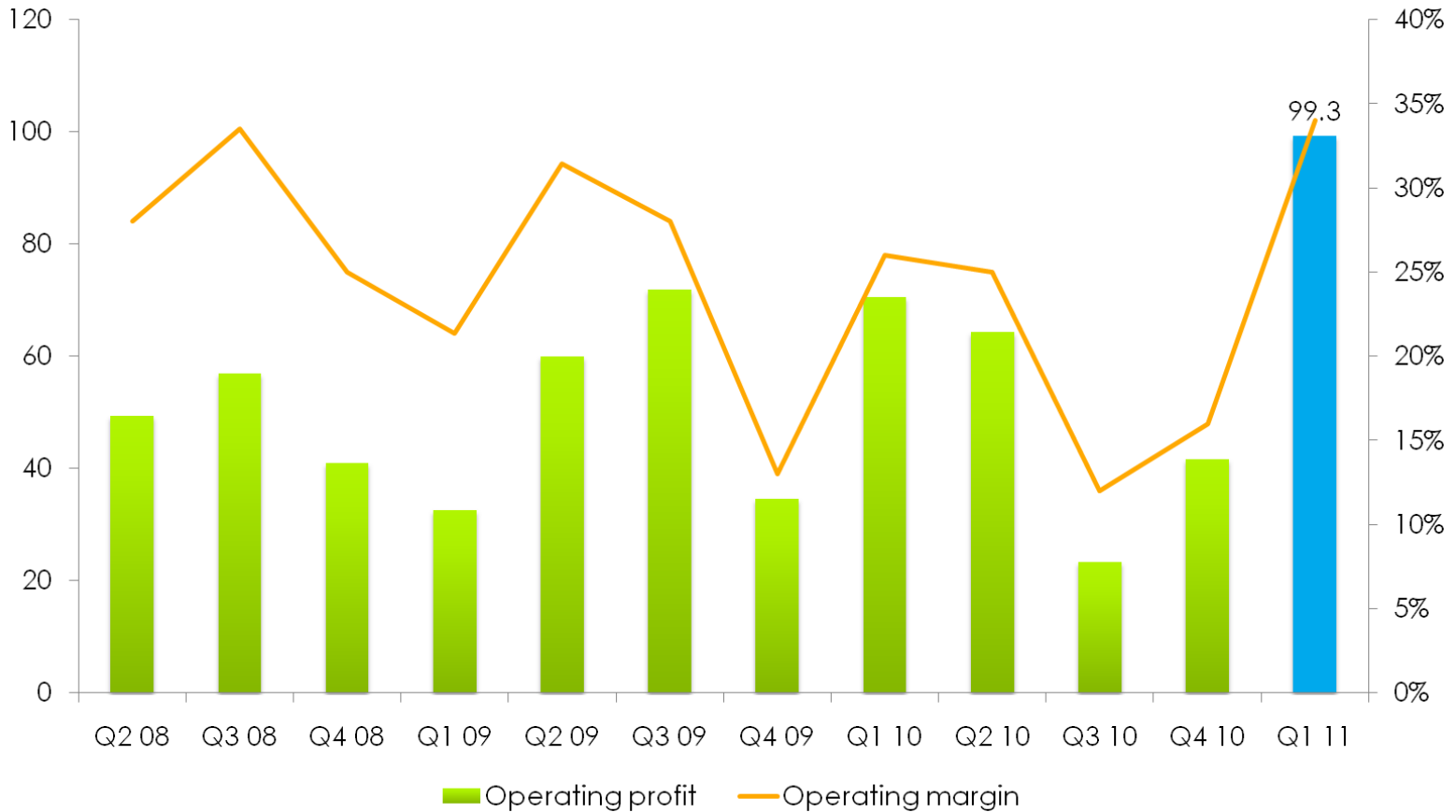


Unbank yourself



# operating profit

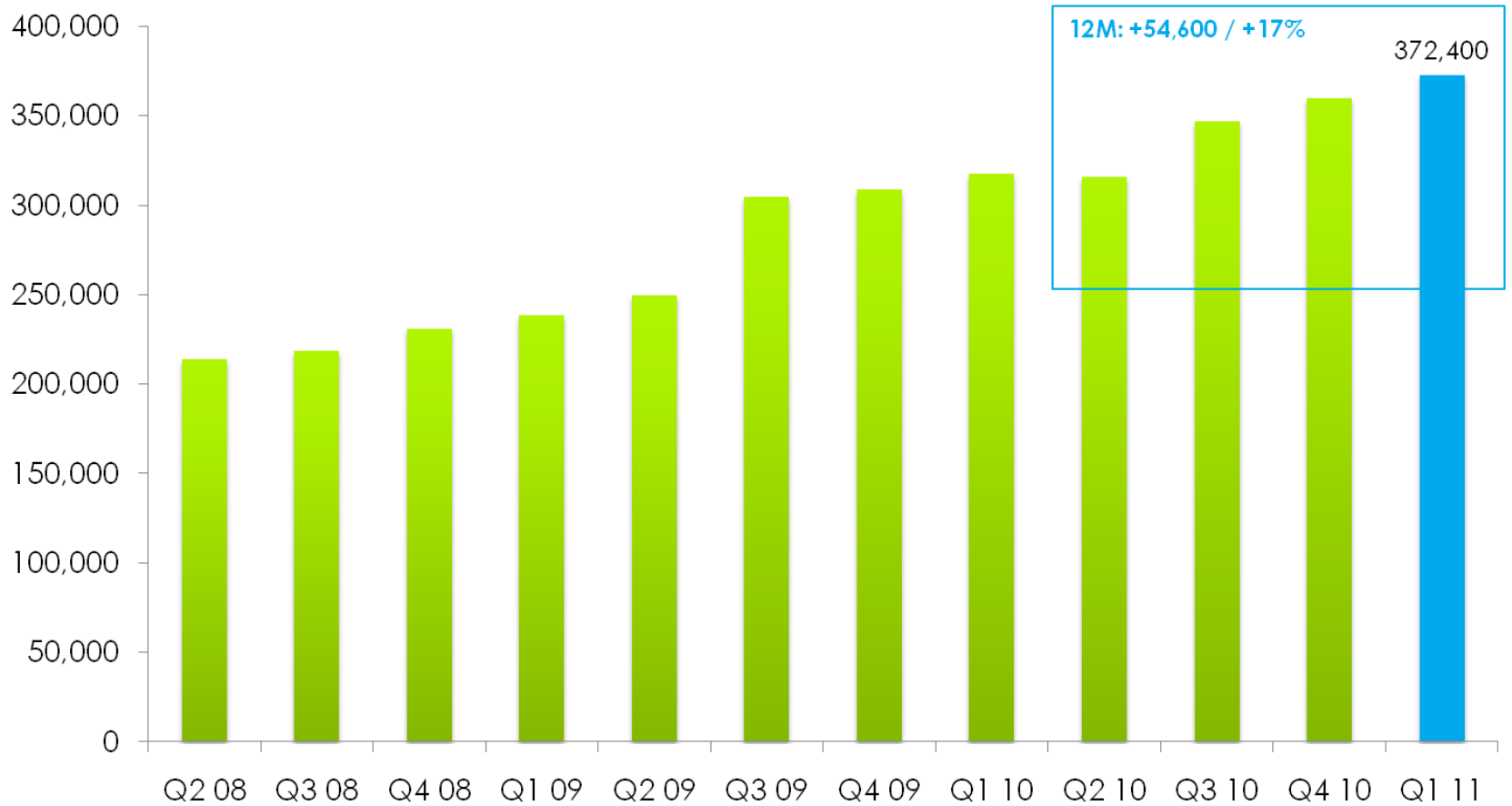
+41% compared to Q1 2010



*Extraordinary items are excluded*



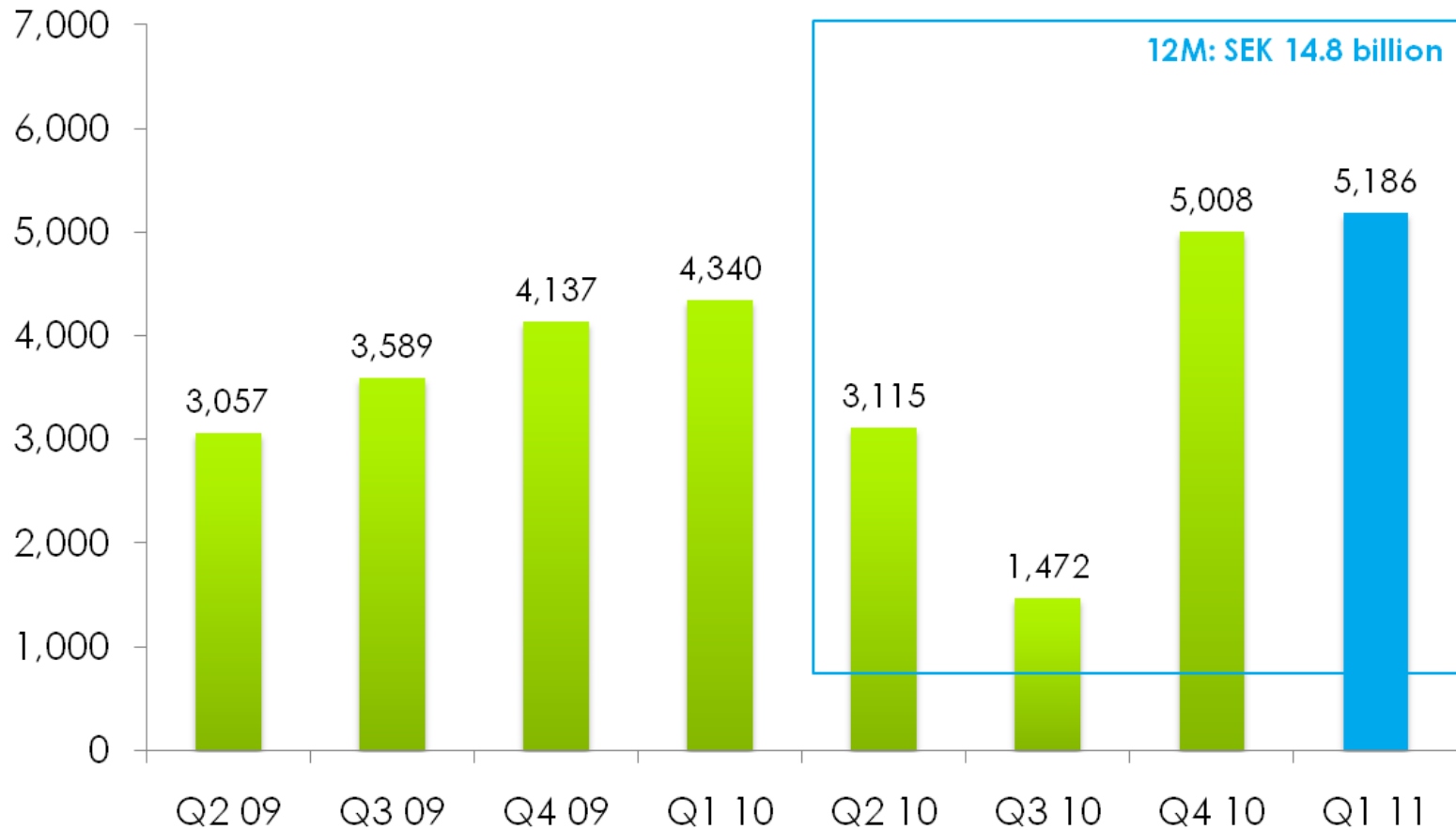
# number of active accounts



Total number of customers: 322,900



# net savings



Net savings/customer: SEK 17,300



<b>Consolidated Income Statement (SEK million)</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>
Net interest income	133.7	71.0	327.8	390.4
Net commission income	132.8	164.3	557.1	525.7
Other income	23.6	37.4	43.7	181.8
<b>Total operating income</b>	<b>290.1</b>	<b>272.7</b>	<b>928.6</b>	<b>1,097.9</b>
General administrative expenses	-149.4	-160.1	-653.8	-643.1
Depreciation and amortization	-18.6	-27.2	-87.7	-79.0
Other operating expenses	-11.1	-14.7	-68.8	-65.2
<b>Total operating expenses</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>118.4</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>Earnings per share before dilution</b>	<b>0.45</b>	<b>0.32</b>	<b>1.21</b>	<b>1.32</b>



<b>Financial development per quarter - Group (SEK million)</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>
Operating income	290.1	349.8	201.7	256.3	272.7	265.9	312.0	191.0
Operating expenses and depreciation	-179.1	-238.4	-178.0	-191.9	-202.0	-227.3	-184.4	-131.1
Net credit losses	-11.7	-9.7	-0.5	0.0	0.0	-3.9	-1.9	0.1
<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>
New accounts	12,400	13,200	30,800	-1,800	9,200	4,100	54,900	11,000
Net commission per trade (SEK)	28	28	26	35	32	34	35	31
Number of trades per day	66,800	60,100	55,600	69,300	69,000	63,400	62,900	64,100



<b>Consolidated Statement of Financial Position (SEK million)</b>	<b>31/03/2011</b>	<b>31/03/2010</b>	<b>31/12/2010</b>
Loans to credit institutions	803	1,951	2,778
Loans to the public	6,430	4,823	6,016
Financial assets	2,959	3,861	1,959
Financial assets - policy holders bearing the risk	19,639	15,279	17,105
Tangible and intangible assets	577	423	589
Other assets	355	1,118	345
<b>Total assets</b>	<b>30,763</b>	<b>27,456</b>	<b>28,792</b>
Deposits and borrowing by the public	9,042	9,885	9,790
Liabilities to policyholders	19,641	15,278	17,108
Other liabilities	766	1,231	653
Shareholders' equity	1,313	1,062	1,241
<b>Total liabilities and shareholders' equity</b>	<b>30,763</b>	<b>27,456</b>	<b>28,792</b>



<b>Capital requirements for the financial conglomerate (SEK million)</b>	<b>31/03/2011</b>	<b>31/03/2010</b>	<b>31/12/2010</b>
Shareholder's equity, Group	1,313.4	1,062.0	1,241.1
Plus debenture loan	175.7	100.0	175.7
Less proposed dividend for the previous financial year	-87.5	-83.8	-
Less assumed dividend for the current financial year	-31.5	-21.2	-87.5
Less intangible fixed assets and deferred tax receivables	-544.7	-389.6	-554.6
<b>Capital base</b>	<b>825.4</b>	<b>667.4</b>	<b>774.7</b>
Capital requirement for regulated units within the banking and securities sector	483.6	466.3	455.7
Theoretical solvency requirement for non-regulated units in the largest financial sector	2.0	2.1	2.0
Capital requirement for regulated units within the insurance sector	26.2	23.5	26.4
<b>Capital requirement</b>	<b>511.8</b>	<b>491.9</b>	<b>484.1</b>
<b>Capital surplus</b>	<b>313.6</b>	<b>175.5</b>	<b>290.6</b>
<b>Capital coverage ratio</b>	<b>1.61</b>	<b>1.36</b>	<b>1.60</b>



# 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 years

# vision

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

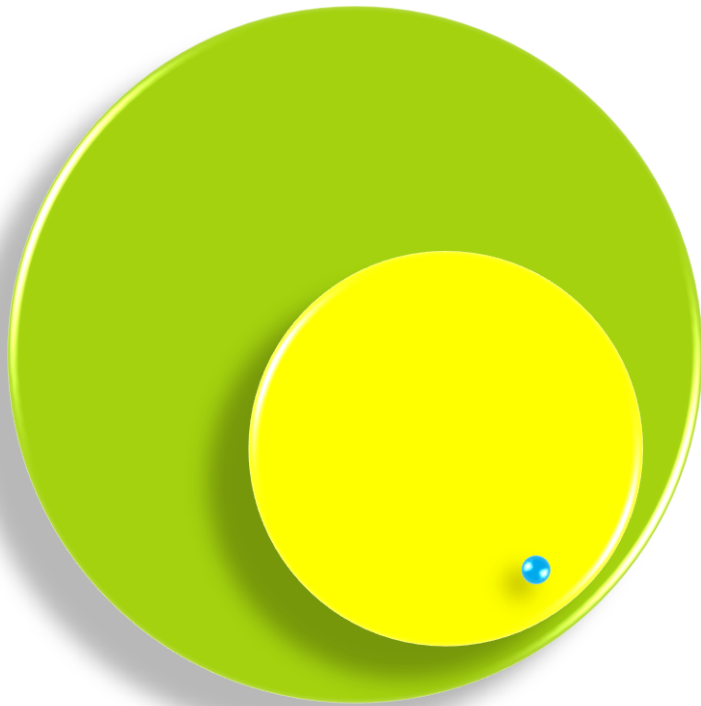


# nordic savings market

- Sweden: 1.4% of total savings market, 4.8% of total net inflow (2010)
- Norway: 8.0% of total direct shareholders, 0.3% of total mutual fund owners (2010)
- Denmark: 0.9% of total direct shareholders, 0.3% of total mutual fund owners (Q1 2011)
- Finland: 7.1% of total direct shareholders, 0.2% of total mutual fund owners (Q1 2011)



# the nordic 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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