



# Interim report January–June 2007

## New unique user-friendly web site

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### Financial development for the first half year

- ▣ Revenues increased by 12% to SEK 394.2 (350.5) million
- ▣ Profit decreased by 3% to SEK 124.5 (128.0) million
- ▣ Profit per share decreased by 4% to SEK 0.75 (0.78)
- ▣ Profit before tax decreased by 2% to SEK 176.0 (178.9) million

### Financial development for the second quarter

- ▣ Revenues increased by 7% to SEK 188.7 (176.5) million
- ▣ Profit decreased by 10% to SEK 55.1 (61.5) million
- ▣ Profit per share decreased by 11% to SEK 0.33 (0.37)
- ▣ Profit before tax decreased by 9% to SEK 78.3 (85.8) million

### Business development

- ▣ Number of accounts increased by 23% to 167,300 (135,900)\*
- ▣ Assets in deposits increased by 39% to SEK 57.3 (41.5) billion\*
- ▣ Number of trades per day increased by 8% to 36,600 (33,900)\*
- ▣ Assets in deposits for mutual funds increased by 62% to SEK 6.5 (4.0) billion\*
- ▣ Assets in deposits for Nordnet Pension increased by 137% to SEK 5.8 (2.5) billion\*
- ▣ New web site was launched on Nordnet's six markets

\* In comparison with the same period 2006

# CEO's comment

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## **"The new website is fantastic"\***

Thanks to our award-winning services our clients can save smarter. We offer very low fees and maximum freedom of choice with services and information that helps the clients to manage their savings.

Recently, we launched our new website, with revolutionizing simplicity and user-friendliness it gives our clients even better possibilities to save smarter. One of the most important competitive advantages is to offer the best website on the market – and that is what we are doing.

It's going well for Nordnet. We are showing strong growth while showing good profits. During the first six months of 2007 we grew by 17,800 new accounts, which corresponds to a 12% growth, which is close to our target of a 25% growth for the year. Insurance and pension savings, as well as savings in mutual funds, are increasing strongly. Cash deposits and lending are increasing as well. This means that our revenues, besides commission income from transactions, have had a very positive development. This has decreased the risk level in the business and increased the cost coverage ratio. Operating costs is developing according to plan. Business development is intense and we are rolling out more of our services on our markets. During the second half of the year, the launch of new services will continue at a high pace and we will also expand our sales resources. For 2008 our growth possibilities will therefore be stronger than ever and account growth has then the possibility to outpace the current target of 25% annually.

Profit development compared to last year has not been as good as the business development. There are several reasons for this. The increased growth in Finland and Germany and the pressure on commissions in the Nordic market have caused the average revenue per trade to fall. Operating costs have increased due to business expansion for future growth. Price pressure in the financial sector is continuing. Our efforts to grow will lead to higher volumes at low marginal costs which will compensate for lower margins.

Let me conclude by quoting some of our clients that have commented on the new web site:

*"It looks like your not only following the development in user-friendliness – you are leading it!"\**

*"The new web site is fantastic!"\**

*"This is great... Thanks. Easy and logical navigation. Better overview of my account!"\**

*"I just want to tell you that the new design and features are wonderful! You have really succeeded!"\**

Set your money free!

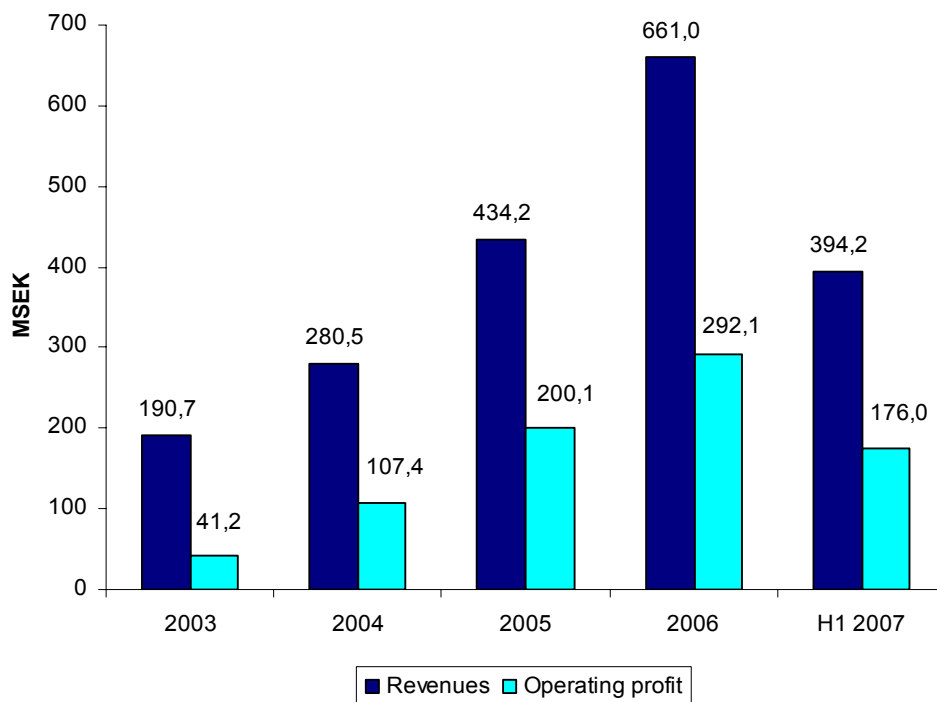


Klas Danielsson

\*Quotations from clients that have commented on the new web site.

# The Group's revenues and profit

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## The first half 2007

Revenues increased by 12% to SEK 394.2 (350.5) million. SEK 228.1 (235.6) million was net commission income, SEK 133.1 (94.5) million equalled net interest income, SEK 17.2 (15.9) million equalled fees and other income and SEK 15.8 (4.5) million is net income from financial transactions. Operating expenses before credit losses increased by 27% to SEK 217.7 (171.2) million. Profit before tax decreased by 2% and amounted to SEK 176.0 (178.9) million. Operating margin amounted to 45 (51)%. Profit after tax decreased by 3% and equalled SEK 124.5 (128.0) million. Profit margin amounted to 32 (37)%. Earnings per share decreased by 4% and amounted to SEK 0.75 (0.78). Earnings per share after dilution decreased by 1% and amounted to SEK 0.74 (0.75).

## The second quarter 2007

Revenues increased by 7% to SEK 188.7 (176.5) million. SEK 100.8 (116.9) million was net commission income, SEK 68.3 (51.5) million equalled net interest income, SEK 8.4 (8.2) million equalled fees and other income and SEK 11.2 (-0.1) million is net income from financial transactions. Operating expenses before credit losses increased by 22% to SEK 109.8 (90.3) million. Profit before tax decreased by 9% and amounted to SEK 78.3 (85.8) million. Operating margin amounted to 41 (49)%. Profit after tax decreased by 10% and equalled SEK 55.1 (61.5) million. Profit margin amounted to 29 (35)%. Earnings per share decreased by 11% and amounted to SEK 0.33 (0.37). Earnings per share after dilution decreased by 11% and amounted to SEK 0.32 (0.36).

Financial development per quarter (SEK million)	Q3 05	Q4 05	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07	Q2 07
Revenues	119,3	132,0	174,1	176,5	138,7	171,8	205,6	188,7
Operating expenses	-53,7	-53,0	-73,0	-82,5	-79,7	-97,3	-96,2	-97,7
Depreciation and amortization	-6,6	-7,0	-7,9	-8,2	-8,0	-11,1	-11,6	-12,7
<b>Profit before goodwill write-down and tax</b>	<b>59,0</b>	<b>72,0</b>	<b>93,2</b>	<b>85,8</b>	<b>51,0</b>	<b>63,4</b>	<b>97,8</b>	<b>78,3</b>
Goodwill write-down	-	-	-	-	-	-1,2	-	-
<b>Profit before tax</b>	<b>59,0</b>	<b>72,0</b>	<b>93,2</b>	<b>85,8</b>	<b>51,0</b>	<b>62,2</b>	<b>97,8</b>	<b>78,3</b>

Statistics per quarter	Q3 05	Q4 05	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07	Q2 07
Number of accounts at the end of the period	110 900	117 300	127 700	135 900	140 500	149 500	159 600	167 300
Assets under management (SEK billion)	32,1	36,3	42,8	41,5	44,1	49,4	54,0	57,3
Average account value (SEK)	290 000	310 000	335 000	304 000	314 000	330 000	338 000	343 000
Number of transactions	1 548 000	1 660 000	2 188 000	2 186 000	1 604 000	2 025 000	2 571 000	2 036 000
Number of trading days	66	64	65	64	65	64	64	62
Number of transactions per trading day	23 500	25 900	33 700	34 200	24 700	31 600	40 200	32 800
Number of transactions per account and month	4,7	4,9	6,0	5,5	3,9	4,7	5,5	4,2

### Revenues, expenses and profit allocated to geographical markets

Half year	Sweden		Norway		Denmark		Luxemburg		Germany		Finland		Group	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Operating income	212,0	182,4	104,3	104,3	47,9	40,8	12,0	11,0	13,1	9,5	4,9	2,5	394,2	350,5
Operating expenses	-114,8	-88,8	-47,9	-43,7	-21,2	-15,9	-4,1	-3,5	-20,3	-15,3	-9,9	-4,4	-218,2	-171,6
<b>Profit before tax</b>	<b>97,2</b>	<b>93,6</b>	<b>56,4</b>	<b>60,6</b>	<b>26,7</b>	<b>24,9</b>	<b>7,9</b>	<b>7,5</b>	<b>-7,2</b>	<b>-5,8</b>	<b>-5,0</b>	<b>-1,9</b>	<b>176,0</b>	<b>178,9</b>
<b>Operating margin</b>	<b>46%</b>	<b>51%</b>	<b>54%</b>	<b>58%</b>	<b>56%</b>	<b>61%</b>	<b>66%</b>	<b>68%</b>	<b>neg</b>	<b>neg</b>	<b>neg</b>	<b>neg</b>	<b>45%</b>	<b>51%</b>

Profitability and operating margins were good in Sweden, Norway, Denmark and Luxemburg. Finland and Germany continued to show a loss but growth increased and excluding marketing costs the businesses were close to breakeven.

## Business performance

### Revenues, costs and breakeven

Operating revenues excluding trading related commissions for the half year amounted to 88 (76)% of operating expenses. The goal for 2007 is a cost coverage ratio of 70–75%. The long-term goal is a 100% cost coverage ratio. Excluding marketing costs the cost coverage ratio for the first six months amounted to 112 (101)%. Revenues excluding trading related commissions increased by 42% compared with the same period 2006 due to increasing cash deposits and increased lending, growth for insurance and pension savings as well as for savings in mutual funds. Revenues were also positively affected by stronger sales of structured products and from distribution of IPOs. Other banks and brokers are showing strong interest to cooperate with Nordnet.

Operating expenses before credit losses for the half year increased by 27% compared with the previous year and amounted to SEK 36.3 (28.5) million per month. Excluding expenses for marketing, operating expenses increased by 33% and amounted to SEK 28.3 (21.3) million per month. The main explanation is increased personnel expenses. For 2007, operating expenses excluding costs for marketing are expected to increase by approximately 25%. Recently, the decision was made to expand the office in the Swedish city of Växjö to, among other things, provide client services for Swedish clients.

Nordnet's marketing investments for the half year increased with 10% and equalled SEK 47.7 (43.4) million. Long term growth and increasing brand recognition is a priority which means that significant investments in marketing and sales will continue. The acquisition cost for each new net account during the half year regarding marketing expenses was on average SEK 2,700 (2,300). The goal for 2007 is an acquisition cost of maximum SEK 2,500 for each new net account.

The breakeven level for the half year amounted to 4,900 (6,600) trades per day. The goal for 2007 is 4,000–8,000 trades per day. The long term goal is a breakeven level of zero trades per day. Excluding marketing costs the breakeven level for the half year amounted to -3,700 (-200) trades per day.

Breakeven analysis per month	Q3 05	Q4 05	Q1 06	Q2 06	Q3 06	Q4 06	Q1 07	Q2 07
Net interest (SEK million)	11,0	12,8	14,4	17,2	16,8	18,8	21,6	22,8
Net commission (SEK million)	1,2	2,2	3,1	3,4	2,4	3,2	4,3	3,9
Net result of financial transactions (SEK million)	0,3	0,3	1,5	0,0	-0,2	0,7	1,5	3,7
Other operating income (SEK million)	2,2	2,3	2,6	2,7	2,5	2,9	2,9	2,8
	14,7	17,6	21,6	23,3	21,5	25,6	30,3	33,2
Operating expenses (SEK million)	-19,7	-22,9	-28,7	-30,1	-29,2	-36,2	-36,0	-36,6
Required commission for breakeven (SEK million)	5,0	5,3	7,1	6,8	7,7	10,6	5,7	3,4
Cost coverage in percent	74%	77%	75%	77%	74%	71%	84%	91%
Net revenue per trade (SEK)	49	48	50	49	46	47	45	44
Number of trades per day for breakeven	4 700	5 200	6 600	6 600	7 700	10 600	5 900	3 800
Number of trades done per day	23 500	25 900	33 700	34 200	24 700	31 600	40 200	32 800

## Customers

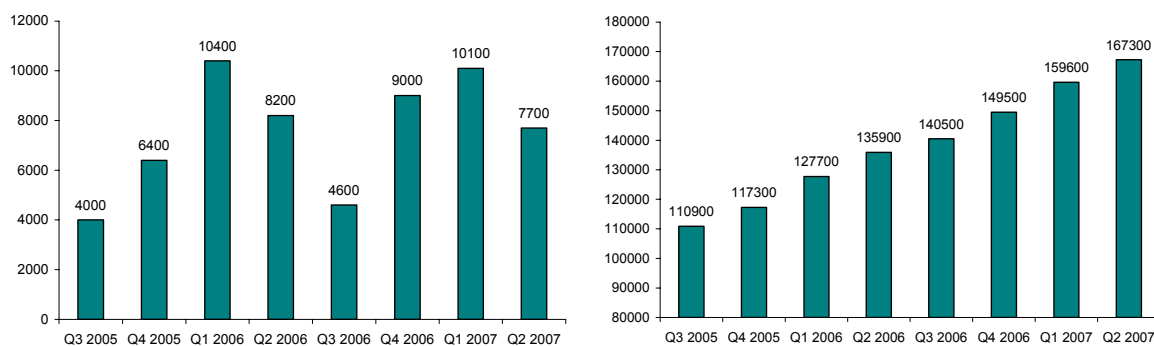
Nordnet is the leading actor in savings on the Internet in the Nordic region. The focus for the second half of 2007 will be to roll out services on more of Nordnet's markets, to develop our offer in the broader segment of savers and to reinforce our offer to the active traders and the wealthy clients. In Sweden, we will among other things, launch banking services and asset management services during the second half of the year.

Nordnet's new web site is strengthening our offering to the clients. We will continue to work hard with the web site for the foreseeable future, with significant resources, to ensure that Nordnet's web site is always the market leader when it comes to user-friendliness, simplicity, freedom of choice, financial information and customer help. Beside the continuous work with innovations and improvements, the clients' comments and wishes will be listened to and realized in new services and functions.

The Nordnet School is successfully run in Sweden, Norway and Denmark. The courses are very popular and interest is high. The courses, together with all our client events, are an important part of our work with clients.

The net number of accounts increased during the quarter by 12 (16)%, equivalent to 17,800, to 167,300. An increase of 23% compared to June 30, 2006. The growth goal for 2007 is a minimum of 25% new accounts, equivalent to 37,000 accounts.

Cash deposits increased during the period by 34 (49)%, to SEK 7.9 billion. Compared to June 30, 2006, the increase was 29 (59)%. Managed client funds amounted to SEK 0.7 (0.6) billion by the end of the half year. Margin lending increased during the half year by SEK 0.3 (0.2) billion, or 10%, to SEK 3.6 billion. Compared to June 30 2006, the increase was 28 (50)%.



The tables account for the organic growth in net number of new active accounts per quarter and for the total number of active accounts by the end of each quarter, for the last eight quarters.

The market development and new savings in the form of inflow of capital from new and existing clients of approximately SEK 3.5 (4.0) billion, or 7 (11)% of assets in custody by year end, resulted in total assets in custody for the period increasing by SEK 7.9 (5.0) billion to SEK 57.3 billion, which is equivalent to an increase of 16 (14)% from year end. Compared to June 30 2006, the increase was 38 (55)%. New savings are lower than the growth in number of accounts, due to the fact that new clients are depositing less than previously estimated and that new savings from existing clients have decreased slightly. The estimate is that new savings may increase during the second half of 2007. The goal for 2007 regarding new savings is lowered from a minimum of 25% to a minimum of 20%.

## Shares and other securities

On Nordnet's new web site there are a number of improvements for active traders as well as for people who are saving in shares. Share price information has been expanded with more information and a number of new functions. Account statements now contain substantially improved information regarding among other things the return on investment.

Nordnet's mobile phone service WinTrade Mobile with information and trading in real-time, is now compatible to a large number of cell phones. Demand is strong and the number of users is now approximately 3,000. The work to develop the trading application WinTrade goes on continuously and a new improved version will be launched during the third quarter. During the second half of 2007, there will be an increased focus on the most active traders with improved customer service and an improved client offering.

During the first half year, Nordnet completed 4,607,000 (4,375,000) trades\* in shares, warrants and derivatives, which equalled on average 36,600 (33,900) trades per trading day, an 8% increase per trading day compared to the same period last year. The number of trades per month and active account during the half year amounted to 4.8 (5.7).

During the second quarter, trading in British and Australian shares over the phone was launched. The aim is to launch trading in more foreign markets during the year.

The average net commission income per trade decreased by 10% to SEK 44 (49). During the second quarter it was SEK 44 (49). The increased account growth in Finland and Germany has led to a fall in the average net commission income per trade by 3% since the net commission income per trade is lower on these markets due to introductory commission offers. The price pressure in the Nordic market has caused the average net commission income per trade to fall by 10%.

\*A trade is a registered execution on an exchange or equivalent marketplace and thus not the same as an order, a deal or a contract note.

	Jan-June 2007		Jan-June 2006		Change in net commission income per trade (SEK)
	Net commission income per trade (SEK)	Share of number of trades	Net commission income per trade (SEK)	Share of number of trades	
Sweden	45,2	42%	50,0	43%	-9%
Norway	58,0	24%	59,9	29%	-3%
Denmark	45,2	14%	47,5	13%	-5%
Finland	13,4	6%	16,7	3%	-20%
Germany	18,2	12%	17,1	10%	7%
Luxemburg	110,8	1%	126,4	1%	-12%
<b>Average</b>	<b>44,2</b>		<b>49,3</b>		<b>-10%</b>

Nordnet's market shares of the number of trades on the Nordic markets for the first half year compared to the first half year 2006 was 5.9 (8.1)% on the Stockholm Stock Exchange, 10.1 (13.8)% on the Oslo Stock Exchange, 5.5 (6.8)% on the Copenhagen Stock Exchange and 2.0 (1.3)% on the Helsinki Stock Exchange. On a Nordic basis, in which the trades on these four exchanges are added together, Nordnet was the third largest broker with a market share of 5.7 (7.8)%. The market shares for several of the large international investment banks have increased significantly during the last few years on the Nordic Exchanges, despite the fact that they have not got a large Nordic private client base. This is an effect of increased proprietary trading stemming from program trading or algorithmic trading, which is automated trading based on advanced mathematical decision models. Nordnet's market share of the number of trades on the German exchange Xetra was for the period 0.51 (0.58)%.

Broker	Number of trades H1 2007	Market H1 2007	Number of trades H1 2006	Market H1 2006
1 Morgan Stanley	3 790 131	6,6%	2 215 071	5,1%
2 Lehman Brothers	3 295 888	5,8%	1 733 550	4,0%
3 Nordnet	3 261 592	5,7%	3 423 171	7,8%
4 Glitnir	3 113 079	5,5%	2 210 503	5,1%
5 SEB	3 075 474	5,4%	2 419 078	5,5%
6 Nordea	2 615 689	4,6%	2 426 361	5,5%
7 Danske Bank	2 355 160	4,1%	1 495 570	3,4%
8 Deutsche Bank	2 265 240	4,0%	1 777 875	4,1%
9 Handelsbanken	2 229 510	3,9%	2 032 569	4,6%
10 Avanza	1 964 769	3,4%	2 002 664	4,6%

The table accounts for the 10 largest brokers in total number of trades, and the total market share with regards to number of trades, on the four largest Stock Exchanges in the Nordic region (Stockholm, Oslo, Copenhagen and Helsinki) for the first half of 2007 and 2006.

## Mutual funds

Nordnet's new web site has a large number of services and functions to aid savers in mutual funds. Since Nordnet offers more than 800 mutual funds, focus is on developing services that makes it easier for the client to choose the best ones. A changing function has been launched which simplifies switching of mutual funds, where sales and buys are made on the same trading day. During the third quarter, a unique PPM service will be launched, which will be fully integrated with the new web site. A couple of asset management services will be launched during the second half of 2007. These services are expected to increase growth in assets in custody in mutual funds.

Of the total assets in custody as of June 30, 2007, SEK 6.5 billion was invested in mutual funds. During the half year it grew with 25 (13)%. By year end it amounted to SEK 5.2 billion. 32,400 (20,800) accounts, mainly in Sweden, held mutual funds by the end of the half year. Assets in custody in mutual funds is expected to increase significantly during the upcoming years, due to the initiatives within the area of pensions and the coming implementation of the Mutual fund supermarket in the rest of the Nordic region. The goal is that assets in custody in

mutual funds shall amount to a minimum of SEK 8.0 billion by the end of 2007, unless there is a negative development of market valuations.

Aktiedirekt launched a mutual fund supermarket in February. In April a mutual fund supermarket was launched in Norway. The locally managed mutual funds in Denmark, so called "investeringsforeninger," are traded on the exchange like shares. A market information service for the Danish mutual fund market, corresponding to the Swedish and Norwegian services, will be launched during the end of 2007. In Finland, a Mutual fund supermarket is expected to be launched during the first half of 2008.

## Pension savings

The number of insurance and pension accounts increased during the period with 4,300 (4,100) and amounted to 14,900 (7,700) as of June 30, 2007. By year end the number of accounts amounted to 10,600 (3,600). Assets in custody for Nordnet Pension as a whole increased during the period with SEK 2.2 billion to SEK 5.8 billion. By year end it amounted to SEK 3.6 billion. The goal is for the insurance and pension savings of Nordnet Pension to amount to at least SEK 8.0 billion by the end of 2007, unless there is a negative development of market valuations.

If pension and insurance accounts in cooperation with other insurance companies are included, total assets amounted to SEK 6.9 billion at the end of the half year.

From August 2007, Nordnet is a possible choice in the large occupational pension scheme KAP-KL that comprises about 950,000 employees in local authorities and regions. Nordnet aims to become eligible in more of the large occupational pension schemes that are collectively agreed.

"Kapitalförsäkring" attracted many new clients during the half year. Favourable terms, no capital gains tax, free withdrawals and the possibility to use margin lending with deductible interest rate costs, resulted in strong demand which is expected to continue and lead to good growth.

A proposition from the Swedish government was made in June to reinstall the right for individuals to move pension plans between insurance companies, however, this is applicable only to pension plans signed between January 2006 and February 2007. This is of course a step in the right direction, but it is not enough. Pension plans signed before January 1, 2006 are still not allowed to be moved. This means that approximately SEK 1,800 billion, about half the total private savings in Sweden, is locked up. Binding agreements make it impossible for the pension plan savers to change insurance companies. Despite high fees, and in some cases even bad return on investments, the savers are bound to the same insurance company for life. Who could ever think of not being allowed to move your savings in a bank, mutual funds or shares? Nordnet is lobbying for the right to move all pension plans and has recently launched the web site [www.faktaomflyttratt.nu](http://www.faktaomflyttratt.nu).

The work to launch insurance and pension services on the other Nordic markets are in progress. By the end of the third quarter the pension savings products should be available in Norway. Demand is expected to be strong.

## The Group and Parent company

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The Group's liquid assets amounted to SEK 3,296 million at the end of the period, of which SEK 931 million represents blocked funds. Liquid assets include chargeable treasury bills, etc. with a remaining maturity of maximum 90 days and lending to credit institutions. Share holders' equity for the Group amounted to SEK 747 million. The shareholders' equity is based on 165,018,878 shares at SEK 4.53 per share.



For the Group where Nordnet AB (publ) is the parent company, the capital base amounted to SEK 403 million and the capital needed amounted to SEK 266 million. This gives a capital adequacy quota of 1.5. For Nordnet Bank AB, the capital base amounted to SEK 472 million and the capital needed amounted to SEK 262 million. This gives a capital adequacy quota of 1.8.

The Parent Company's net interest income for the half year amounted to SEK -2.9 million. This figure includes the Group's internal interest rate expense of SEK 0.6 million. The Parent Company's revenues for the period amounted to SEK 5.4 million. The Parent Company's profit before tax for the half year equalled SEK -7.2 million. The Parent Company is a holding company without any business activity. The Parent Company's liquid assets equalled SEK 59.2 million and equity amounted to SEK 495 million. A dividend of SEK 82.5 million has been paid to shareholders.

In June, in accordance with the decision on the AGM, an incentive program in the form of stock options to employees, was realized. The offer was made at market conditions. The Stockholm Exchange has informed Nordnet that from July 1, 2007, Nordnet is subject to the Swedish Corporate Governance Code.

The number of permanent employees as of June 30, 2007, equalled 259 (197). As of year end, the number of employees equalled 238 (164). The numbers do not include employees on leave of absence or on parental leave.

## Substantial risks and factors of uncertainty

Nordnet's business is affected by a number of external factors, whose effects on the group's result and financial situation can be controlled at varying degree. While forming an opinion of the group's future development, it is vital to also observe the risks, as well as the possibilities of growth in profits. Nordnet's most significant risks and factors of uncertainty are described in the Annual review 2006, note 7, pages 70-71. No essential changes have occurred since then.

## Transactions with affiliated companies

Nordnet's transactions with affiliated companies are described in the Annual review 2006, note 6, pages 69-70. During the second quarter 2007, Nordnet and Öhman Fondkommission AB has made a repurchase agreement of SEK 460 million. The transaction is reported as loans to the public. The transaction is made to enhance the return on Nordnet's liquidity. According to the Board, the agreement is made on market terms and conditions. During the period Nordnet has also reimbursed subordinated perpetual debentures of SEK 50 million to E. Öhman J:or AB.

The Board of Directors declares that the undersigned six-months interim report provides a true and fair overview of the Parent Company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Bromma July 18, 2007

Claes Dinkelspiel  
Chairman of the Board

Annica Axelsson  
Board member

Bengt Baron  
Board member

Tom Dinkelspiel  
Board member

Ulf Dinkelspiel  
Board member

Bo Mattsson  
Board member

Nils Nilsson  
Board member

Sven Skarendahl  
Board member

Klas Danielsson  
CEO

For further information please contact:

Klas Danielsson, CEO, +46-8-506 330 30, +46-708-74 45 74, [klas.danielsson@nordnet.se](mailto:klas.danielsson@nordnet.se)

The information in this interim report is that which Nordnet AB (publ) is required to disclose under the Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. It was released for publication at 08.15 CET on July 18, 2007.

## Future report releases

Interim report for January-September 2007 will be released on October 24, 2007.

End of year financial report for 2007 will be released in February 2008.

## Company information

Nordnet AB (publ)

P.O. Box 14077

S-167 14 Bromma

Sweden

Phone +46-8-506 330 30

E-mail: [info@nordnet.se](mailto:info@nordnet.se)

Company registration number 556249-1687

Company web page: [www.org.nordnet.se](http://www.org.nordnet.se)

Group web pages: [www.nordnet.se](http://www.nordnet.se), [www.nordnet.no](http://www.nordnet.no), [www.nordnet.dk](http://www.nordnet.dk), [www.nordnetpankki.fi](http://www.nordnetpankki.fi), [www.nordnetbank.de](http://www.nordnetbank.de), [www.nordnet.lu](http://www.nordnet.lu), [www.aktiedirekt.se](http://www.aktiedirekt.se), [www.vcw.se](http://www.vcw.se)

## Audit report

Interim report January-June 2007

Set your money free!

### *Introduction*

We have reviewed the interim report for the period January 1, 2007 to June 30, 2007 for Nordnet AB (publ). The Board of Directors and the President are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34, the Annual Accounts Act of credit institutions and securities companies and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as of June 30, 2007, and of its financial performance and its cash flows for the six month period then ended in accordance with IAS 34, the Annual Accounts Act of credit institutions and securities companies and for the parent company the Annual Accounts Act.

Stockholm July 18, 2007  
Ernst & Young AB

Björn Fernström  
Authorized Public Accountant

Consolidated Income Statement (SEK million)		6 months	3 months	6 months	3 months	12 months	12 months
		jan-jun 2007	apr-jun 2007	jan-jun 2006	apr-jun 2006	Rolling	jan-dec 2006
Interest income		200,1	105,3	120,1	66,7	349,3	269,3
Interest expenses		-67,0	-37,0	-25,6	-15,2	-109,1	-67,7
Commission income		373,9	167,5	383,4	193,9	681,7	691,2
Commission expenses		-145,8	-66,7	-147,8	-77,0	-267,8	-269,7
Net result from financial transactions		15,8	11,2	4,5	-0,1	17,2	5,8
Other operating income		17,2	8,4	15,9	8,2	33,5	32,1
<b>Total operating income</b>		<b>394,2</b>	<b>188,7</b>	<b>350,5</b>	<b>176,5</b>	<b>704,8</b>	<b>661,0</b>
General administrative expenses	Note 1	-144,8	-74,1	-110,5	-61,9	-274,8	-240,6
Depreciation of tangible and intangible assets	Note 2	-24,2	-12,7	-16,1	-8,2	-44,5	-36,3
Other operating expenses	Note 3	-48,7	-23,0	-44,6	-20,2	-96,0	-91,9
<b>Total operating expenses</b>		<b>-217,7</b>	<b>-109,8</b>	<b>-171,2</b>	<b>-90,3</b>	<b>-415,3</b>	<b>-368,8</b>
<b>Operating profit before credit losses</b>		<b>176,5</b>	<b>78,9</b>	<b>179,3</b>	<b>86,2</b>	<b>289,5</b>	<b>292,2</b>
Net credit losses		-0,5	-0,6	-0,4	-0,4	-0,2	-0,1
<b>Profit before tax</b>		<b>176,0</b>	<b>78,3</b>	<b>178,9</b>	<b>85,8</b>	<b>289,3</b>	<b>292,1</b>
Tax		-51,5	-23,2	-50,9	-24,3	-86,0	-85,4
<b>Net profit</b>		<b>124,5</b>	<b>55,1</b>	<b>128,0</b>	<b>61,5</b>	<b>203,3</b>	<b>206,7</b>
Average number of shares before dilution		165 018 878	165 018 878	165 018 878	165 018 878	165 018 878	165 018 878
Basic earnings per share		0,75	0,33	0,78	0,37	1,23	1,25
Average number of shares after dilution		170 333 637	170 175 760	170 491 514	170 491 514	170 412 575	170 491 514
Diluted earnings per share		0,74	0,32	0,75	0,36	1,20	1,22
Earnings per share is calculated in accordance with IAS 33							
<u>Note 1</u>							
Personnel expenses		-80,8	-42,0	-61,4	-33,7	-147,2	-127,8
Other expenses		-64,0	-32,1	-49,1	-28,2	-127,6	-112,8
		-144,8	-74,1	-110,5	-61,9	-274,8	-240,6
<u>Note 2</u>							
Goodwill amortisation		-	-	-	-	-1,2	-1,2
Other depreciation		-24,2	-12,7	-16,1	-8,2	-43,3	-35,1
		-24,2	-12,7	-16,1	-8,2	-44,5	-36,3
<u>Note 3</u>							
Marketing expenses		-47,7	-22,5	-43,4	-19,7	-93,8	-89,4
Other		-1,0	-0,5	-1,2	-0,5	-2,2	-2,5
		-48,7	-23,0	-44,6	-20,2	-96,0	-91,9

	2007-06-30	2006-06-30	2006-12-31
<b>Consolidated balance sheet (SEK million)</b>			
Treasury bills and other eligible bills	1 552,9	2 740,8	2 391,8
Loans to credit institutions	1 743,4	402,9	295,1
Loans to the public	4 092,0	2 805,7	3 282,4
Financial assets at fair value through profit and loss	3,2	20,0	18,1
Available-for-sale financial assets	29,3	3,8	3,1
Financial assets - policy holders bearing the risk	5 549,8	2 282,9	3 376,3
Intangible assets	298,7	280,7	278,3
Tangible assets	68,2	38,6	67,5
Other assets	355,1	321,2	342,1
Prepaid expenses and accrued income	62,7	41,7	23,2
<b>Total assets</b>	<b>13 755,3</b>	<b>8 938,3</b>	<b>10 077,9</b>
Deposits by credit institutions	11,7	18,3	15,0
Deposits and borrowing from the public	6 965,2	5 586,1	5 271,9
Liabilities to policyholders	5 549,8	2 282,9	3 376,3
Other liabilities	305,1	242,4	556,2
Accrued expenses and deferred income	119,7	71,0	53,6
Subordinated liabilities	56,5	113,5	113,5
Shareholders' equity	747,3	624,1	691,4
<b>Total liabilities and shareholders' equity</b>	<b>13 755,3</b>	<b>8 938,3</b>	<b>10 077,9</b>
<b>Memorandum items</b>			
Pledged assets	931,3	521,7	508,3
Contingent liabilities	666,4	585,2	589,1

	6 months jan-jun 2007	6 months jan-jun 2006	12 months jan-dec 2006
<b>Changes in shareholders' equity</b>			
Opening shareholders' equity	691,4	514,4	514,4
Profit for the period	124,5	128,0	206,7
Dividend paid	-82,5	-16,5	-16,5
Issue av share warrants	1,0	-	-
Change in value of financial assets held for sale	0,1	0,3	-0,1
Translation difference	12,8	-2,1	-13,1
Closing shareholders' equity	747,3	624,1	691,4

Cash flow analysis (SEK million) Group	6 months	3 months	6 months	3 months	12 months
	jan-jun 2007	apr-jun 2007	jan-jun 2006	apr-jun 2006	jan-dec 2006
<b>Cashflow from change in working capital</b>					
Cash flow from current operations					
before changes in working capital	148,8	67,8	144,1	42,3	241,8
Cash flow from changes in working capital	666,3	-338,9	1 228,1	361,7	961,9
Cash flow from current operations investment activities	815,1	-271,1	1 372,2	404,0	1 203,7
<b>Investment activities</b>					
Acquisitions and disposals of intangible and fixed assets	-34,0	-18,8	-35,7	-24,5	-93,2
Net investment in securities	-11,2	-6,8	-10,0	-10,0	-7,3
Cash flow from investment operations	-45,2	-25,6	-45,7	-34,5	-100,5
<b>Financing activities</b>					
Cash flow from financial operations	-141,9	-133,2	-25,2	-25,2	-28,5
<b>Cash flow from the period</b>	<b>628,0</b>	<b>-429,9</b>	<b>1 301,3</b>	<b>344,3</b>	<b>1 074,7</b>
<b>Liquid assets at the start of the period</b>	<b>2 668,3</b>	<b>3 726,2</b>	<b>1 593,6</b>	<b>2 550,6</b>	<b>1 593,6</b>
<b>Liquid assets at the end of the period</b>	<b>3 296,3</b>	<b>3 296,3</b>	<b>2 894,9</b>	<b>2 894,9</b>	<b>2 668,3</b>

**Note 4** Liquid assets include loans to credit institutions of SEK 1,743.4 million and treasury bills and other eligible bills. of SEK 1,552.9 million, which have a maturity of less than 90 days

<b>Income Statement Parent Company (SEK million)</b>	<b>6 months jan-jun 2007</b>	<b>6 months jan-jun 2006</b>	<b>12 months jan-dec 2006</b>
Other operating income	5,4	5,3	9,5
<b>Total operating income</b>	<b>5,4</b>	<b>5,3</b>	<b>9,5</b>
Other external costs	-4,6	-3,1	-5,4
Personnel costs	-4,4	-4,1	-7,9
Depreciation, amortization and impairment of tangible and intangible fixed assets	0,0	0,0	0,0
Other operating expenses	-0,5	-0,6	-1,0
<b>Operating profit</b>	<b>-4,1</b>	<b>-2,5</b>	<b>-4,9</b>
<b>Profit from financial investments</b>			
Income from participations in affiliated companies	-0,2	0,0	138,0
Other interest and similar income	1,4	0,2	0,5
Interest expense	-4,3	-5,0	-10,5
<b>Profit after financial items</b>	<b>-7,2</b>	<b>-7,3</b>	<b>123,1</b>
Tax on profit	2,0	2,0	4,2
<b>Net profit</b>	<b>-5,2</b>	<b>-5,3</b>	<b>127,3</b>

<b>Balance sheet Parent Company (SEK million)</b>	<b>2007-06-30</b>	<b>2006-06-30</b>	<b>2006-12-31</b>
<b>Assets</b>			
Tangible fixed assets	-	0,1	0,0
Financial fixed assets	672,5	661,6	669,7
Current assets	25,2	14,3	173,2
Cash and bank balances	59,2	14,8	5,8
<b>Total assets</b>	<b>756,9</b>	<b>690,8</b>	<b>848,7</b>
<b>Equity and liabilities</b>			
Total equity	494,6	448,5	583,4
Current liabilities	262,3	242,3	265,3
<b>Total equity and liabilities</b>	<b>756,9</b>	<b>690,8</b>	<b>848,7</b>

## Accounting principles:

Nordnet AB (publ)'s consolidated financial statements has been prepared in accordance with IFRS endorsed by the EU. This report for the Group has been prepared in accordance with IAS 34, which coincides with the requirements stated in the Swedish Financial Standards Council's recommendation RR 31, interim reports for groups. In addition, Nordnet complies with ÅRKL (Annual Accounts Act for accounting in Credit Institutes and Securities Institutions) and the Swedish Financial Supervisory Authority directives (FFFS 2006:16). Accounting principles applied in this report coincide with Nordnet's annual report for 2006, Note 5; section "Accounting principles. Accounting principles and calculations are unchanged from those applied in the annual report 2006.

Key financial figures for the Group	2007-06-30	2006-06-30	2006-12-31
Operating margin	45%	51%	44%
Profit margin	32%	37%	31%
Average number of shares before dilution	165 018 878	165 018 878	165 018 878
Average number of shares after dilution	170 333 637	170 491 514	170 491 514
Basic earnings per share before dilution, SEK	0,75	0,78	1,25
Basic earnings per share after dilution, SEK	0,74	0,75	1,22
Shareholders' equity per share, SEK	4,53	3,78	4,19
Dividend per share, SEK	-	-	0,50
Closing share price, SEK	22,40	24,90	23,90
Number of shares at end of period	165 018 878	165 018 878	165 018 878
Market capitalisation, SEK	3 696 423	4 108 970	3 943 951
Numbers of shares after full dilution	169 544 251	170 491 514	170 491 514
Shareholders' equity, SEK million	747,3	624,1	691,4
Capital base, SEK million	402,6	410,9	382,9
Capital adequacy ratio	-	12,5%	10,3%
Capital adequacy ratio (Basel II)	1,5	-	-
Return on equity	17%	22%	34%
Investments in fixed assets, SEK million	10,7	23,4	59,8
Capitalised development investments, SEK million	23,3	12,1	33,4
Thereof capitalized internal development investments	8,7	5,1	12,2
Marketing costs, SEK million	47,7	43,4	89,4
Number of employees at end of period	259	197	238
<b>Customer related key financial figures:</b>			
Number of accounts at end of the period	167 300	135 900	149 500
AUM at end of period, SEK million	57,3	41,5	49,4
Average value per account at end of period, SEK	342 500	304 212	330 437
Cash deposits at end of period, SEK million	7 940,5	6 148,9	5 912,8
Managed client funds at end of period, SEK million	666,4	585,2	589,1
Lending and margin lending to the public, SEK million	3 629,6	2 805,7	3 282,4
LB (lending/borrowing incl. client funds)	42%	42%	50%
Number of trades	4 606 979	4 374 520	8 003 233
Number of trades per day	36 563	33 911	31 020
Number of trades per account	29,0	34,5	59,7
Number of trades per account and month	4,8	5,7	5,0
Average net commission revenue per trade, SEK	44	49	48
DART (Daily Average Revenue from Trading), SEK	2 706 000	2 742 000	2 455 000
ROA (Revenues On Assets)	1,5%	1,7%	1,5%
Average yearly revenues per account, SEK	4 955	5 304	4 913
Average yearly operating expenses per account, SEK	-2 724	-2 573	-2 715
Average yearly operating profit per account, SEK	2 231	2 731	2 198

#### Definitions:

**Active account:** Client account with liquid funds and/or other assets.

**AUM (Asset Under Management):** Assets in custody. The gross value of all assets on the clients accounts.

**Average number of shares after dilution:** Weighted average number of shares in issue during the year plus possible additional shares in accordance with IAS 33.

**Average number of shares before dilution:** Weighted average number of shares in issue during the year in accordance with IAS 33.

**Breakeven level:** The average number of trades needed per day to reach a +/- profit before write down of goodwill and taxes.

**Basic earnings per share before and after dilution:** The period's profit after tax in relation to the average number of shares before and after dilution.

**Capital adequacy (ratio):** Total capital base divided in relation to the total risk-weighted volume of Capital. The capital adequacy ratio shall amount to at least 8 per cent.

**Capital base:** Consolidated equity for the financial group of companies of which Nordnet AB (publ) is the parent company.

**Market capitalization:** Number of shares multiplied by the share price.

**Net commission revenue:** Commission revenue per trade after deduction of commission costs and non-trade related commission income.

**Operating margin:** Operating profit/loss in relation to operating income.

**Profit margin:** The period's profit in relation to operating revenue.

**Return on equity:** Profit/loss after tax in relation to the average shareholder's equity over the period.

**Shareholder's equity per share:** Shareholder's equity in relation to the number of outstanding shares at end of period.

**Solvency ratio:** Capital base in relation to the solvency margin or the guarantee amount, whichever is the larger. It shall amount to a minimum of 1.0.

**Trade:** A registered transaction on a stock market or marketplace. An order can often involve several trades.