



Press release

Stockholm, 29 October 2010

Exchange Traded Funds celebrate their tenth anniversary

It is ten years to the day since the first exchange-traded fund, XACT OMXS30™, was listed on the Stockholm stock exchange. Since then, the turnover in exchange-traded funds (ETFs) has increased a hundredfold. ETFs have gone from being a cost-effective tool for a few professional investors to good value-for-money favourites for a growing number of private investors.

“I think we’re just at the beginning. With a growing supply of ETFs with differing investment profiles, creating greater opportunities, I believe that more and more investors will choose ETFs as part of their investment strategy.” So said Henrik Norén, managing director of XACT Fonder AB when the company’s first ETF, XACT OMXS30™, celebrated 10 years on NASDAQ OMX Stockholm (the Stockholm stock exchange).

“The growing interest in ETFs is reflected, among other things, in the inflow we have seen to XACT OMXS30™ over the past three years,” continues Henrik Norén. “Assets under management have increased by just over 100 percent, despite a slight downturn in stock market performance.”

Since the launch, trading in ETFs has rocketed, from a turnover of just under SEK 1.8 billion in 2001 to just over SEK 210 billion last year.

“An exchange-traded fund is a simple, cheap way of tracking the performance of a given market, such as the stock market, which has helped ETFs to become more popular with small private savers, too,” says Jenny Rosberg, SVP of NASDAQ OMX Nordic.

Since the launch, the Swedish stock market and XACT OMXS30™, which tracks the performance of the 30 most traded shares on NASDAQ OMX Stockholm, have had a dramatic journey. It began during the long market downturn in the wake of the IT bubble and has included terrorist attacks and the financial crisis of 2008 – a bumpy ride, but after ten years, the fund is up by 25 percent. The change in the index is a historical reflection of the performance of the 30 largest Swedish companies during that period. At the fund’s launch in October 2000, the Ericsson share had the largest weight in the index, with almost one-third, followed by AstraZeneca and Nordea. Today, H&M is the largest, followed by Nordea and TeliaSonera.

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XACT is the Nordic region’s largest issuer of ETFs and currently manages assets of just over SEK 19 billion spread over 21 ETFs. XACT Fonder was formed in 2000 by the then OM Gruppen AB (now NASDAQ OMX AB), the same year as the first ETF was launched in Europe. In 2004, the company was acquired by Handelsbanken, and since then it has been a wholly owned subsidiary of Handelsbanken. XACT became the first player in the world to offer leveraged ETFs, when XACT Bull and XACT Bear were launched in 2005. The average daily turnover for XACT’s ETFs is around SEK 1.2 billion.

Past returns are no guarantee of future returns. Investments made in the funds can rise or fall in value, and it is not certain that you will get back all the amount you have invested.

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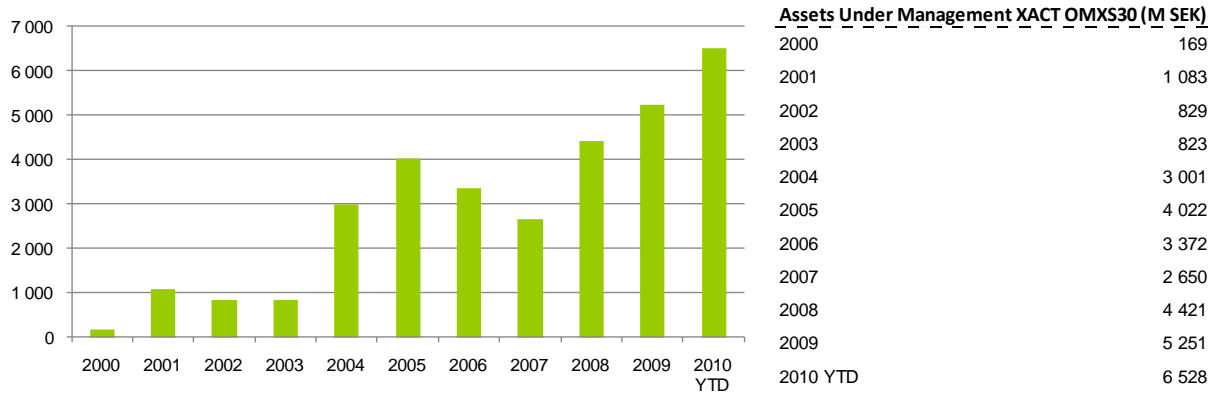
A short history of ETFs:

- The first ETF was listed in 1993 in the United States under the name SPDR (“Spider”), tracking the S&P500 Index. Today it is one of the US’s most traded securities, and since its launch it has been joined by over 800 American ETFs, linked either to various equity indexes or to other underlying assets, e.g. commodities.
- The first European ETF was listed on 11 April 2000 on the Frankfurt exchange, Xetra. On 30 October the same year, XACT listed the first Swedish ETF, XACT OMXS30™, which tracks the performance of the 30 most traded Swedish shares.
- At present, more than USD 1,000 billion is managed globally in ETFs. The number of ETFs listed in Europe is 985, exceeding the US total of 871 (August 2010).
- On the Nordic exchanges there are now around 60 ETFs listed. Apart from XACT OMXS30™, the most traded ETFs are XACT’s leveraged ETFs in Sweden, XACT Bull and XACT Bear, as well as the Norwegian leveraged funds XACT Derivat Bull and XACT Derivat Bear.

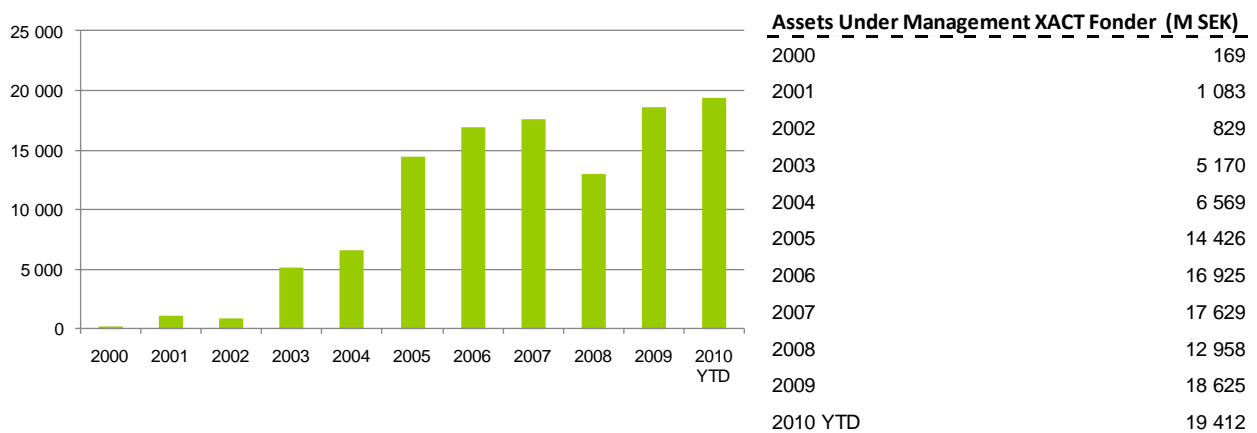
Ten-year-old XACT first and largest in the Nordic region:

- XACT, with a current total of 21 exchange-traded funds, is the world’s largest provider of ETFs with a Nordic focus, listed either on NASDAQ OMX Stockholm or on Oslo Börs.
- XACT OMXS30™ is the longest-established (10 years) and largest fund, with assets under management of some SEK 6.5 billion.
- XACT was formed in 2000 by the then OM Gruppen AB (now NASDAQ OMX AB), the same year as the first ETF was launched in Europe. In 2004, the company was acquired by Handelsbanken, and since then it has been a wholly owned subsidiary of the Bank.
- XACT became the first player in the world to offer leveraged ETFs, when XACT Bull and XACT Bear were launched in 2005.
- XACT is the Nordic region’s largest issuer of ETFs and currently manages assets of just over SEK 19 billion, equivalent to just over 2 percent of the total Swedish equity fund market.
- On average, Swedish ETFs account for 5-6 percent of total turnover on the Stockholm stock exchange and Burgundy.
- The average daily turnover for XACT’s ETFs is some SEK 1.2 billion, corresponding to around 5 percent of total reported ETF turnover in Europe. The ETFs’ share of overall turnover on European exchanges is slightly higher: between 8 and 9 percent.

Assets under management XACT OMXS30™ (SEK million)



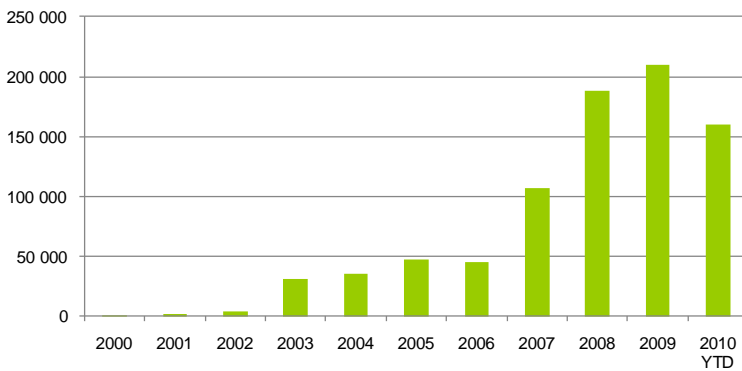
Assets under management XACT Fonder (SEK million)



Return for XACT OMXS30™ since inception



Turnover for XACT OMXS30™ since inception (SEK million)



Turnover XACT OMXS30 since inception (M SEK)

2000	197 819 316 kr
2001	1 778 589 229 kr
2002	4 135 120 000 kr
2003	30 951 920 000 kr
2004	35 508 920 000 kr
2005	47 109 390 000 kr
2006	45 119 120 000 kr
2007	107 092 098 626 kr
2008	187 800 566 013 kr
2009	210 313 501 336 kr
2010 YTD	159 643 310 249 kr