

Semi-annual Review 2009
XACT FTSE RAFI Fundamental Sweden

Semi-annual Review – XACT Fonder 2009

Portfolio Manager: KARL STAVENBERG
Up to December 31, 2008: ANDERS DOLATA

PERFORMANCE 2009



Returns in
H1 2009

RISK



See final pages
for definitions

XACT FTSE RAFI Fundamental Sweden

Exchange-traded index fund listed on the Stockholm Stock Exchange

Investment Focus

XACT FTSE RAFI Fundamental Sweden (XACT F Sweden) is an exchange-traded equity index fund, which is based on a so-called fundamental-weighted index. This means that the index is weighted based on the size of the included companies' fundamental criteria, rather than market value as in a traditional capital-weighted index. The idea is that fundamental indices should provide less weight to potentially over-valued companies and greater weight to potentially under-valued companies.

Fund assets are invested in transferable securities included in FTSE RAFI Sweden 100 Index. Fund investments emulate the composition of FTSE RAFI Sweden 100 Index and in this way attain a value growth that is equivalent to this index, with a supplement for distributed dividends, net of collected management fees, paid dividend tax and any other transaction expenses.

We assess the fund's risk as 4 on a five-grade scale, 1 for the lowest risk and 5 for the highest.

Portfolio

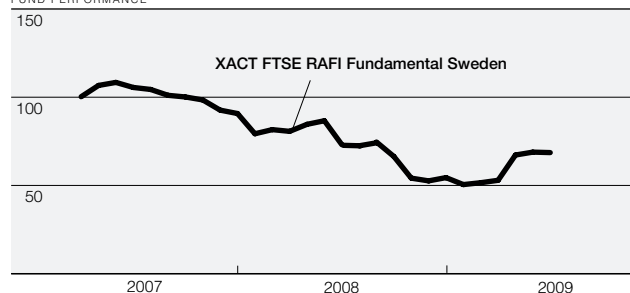
XACT F Sweden rose 26.0% in H1 2009*. The portfolio consists of all the equities included in the FTSE RAFI Sweden 100 Index. The three largest holdings at mid-year were Nordea, AstraZeneca and SEB. The index is weighted annually in March. Investment switches were also made with the dividends to follow index.

Shares in TradeDoubler, East Capital Explorer, ÅF, Axis, IFS, Rottneiros, B&B Tools, Semcon, Ticket Travel Group, Retail and Brands, Betsson, Rederi AB Transatlantic, Rörvik Timber, West Siberian Resources, Lundin Mining, Unibet and Metro were added to the index as of March 2009. Shares in Orexo, Indutrade, HMS Networks, Hexpol, Loomis, Skistar, Biolnvent, Medvir, Biotage, New Wave Group, Midway Holding, Opcon and Know IT exited the index.

The fund changed its portfolio manager at year-end 2008 to Karl Stavenberg. Anders Dolata had responsibility up to December 31, 2008.

*) Refer to fund statistics for comparable index and fund performance compared to category average at Morningstar.

FUND PERFORMANCE



Trading with derivatives

According to fund rules, the fund may trade in derivatives to enhance the effectiveness of asset management. The fund used this option to a limited extent in H1 2009.

Loans in securities

According to fund rules, the fund has the option of lending and receiving deposits of equity. The fund used this option in H1 2009.

Large purchases and sales

PURCHASED	SEKt	SOLD	SEKt
AstraZeneca SDB	11 022	Ericsson B	13 056
Nordea Bank	8 687	Investor B	8 764
SEB A	7 611	Nordea Bank	4 890
Stora Enso R	6 269	TeliaSonera	4 632
ABB SDB	5 813	AstraZeneca SDB	4 605

Fund Statistics

	1Jan-30June 2009	2008	23Mar-31Dec2007
Net asset value, SEK	29.55	27.01	46.47
Fund capital, SEKm	189	189	978
Average fund capital, SEKm	261	493	2 462
Number of units, 1000's	6 400	7 000	21 050
Total returns in %, SEK	+26.0	- 40.0	- 9.3
Index incl. dividends in %, SEK	+26.2	- 39.7	- 8.9
Performance compared to Morningstar's category mean in % ¹⁾	+1.7	- 0.8	
Average yearly return, 2 yrs. in %, SEK	-19.4		
Comparison to index incl. dividends, SEK	-19.0		
Dividends per unit, SEK	4.44	1.35	0.84
Dividend distribution date	09June08	08June04	07June13
Max. allowed mgmt. costs in % according to fund rules	0.75	0.75	0.75
Collected mgmt. costs in % of average fund capital	0.50	0.50	0.50
Transaction costs, SEKt	8	3	24
Transaction costs in % of turnover	0.0	0.0	0.0
TKA in % of average fund capital	0.5	0.6	0.5
TER in % of average fund capital	0.5	0.5	0.5
Redemption fee, %	0.0	0.0	0.0
Costs for one-time subscription SEK 10 000 of which incl. mgmt. costs	—	45.56	51.01
		40.91	49.17
Turnover rate	0.3	0.4	0.0
Share of turnover conducted via closely-related securities companies in %	80	98	71

¹⁾ Shows fund performance compared to the average for all funds in the same category in SEK according to Morningstar's category breakdown.

Index: FTSE RAFI Sweden 100 GI.
Refer to last page for definitions.

Key figures for risk follow-up*

Total risk (%)	29.9	Active return (%)	- 0.3
Total risk in index (%)	29.8	Information ratio	Negative
Index	FTSE RAFI Sweden 100 GI	Sharpe ratio	- 0.8
Tracking error (%)	0.3	Sharpe ratio in index	- 0.8

^{*)} The fund has been in existence for less than two years and calculation of historical risk is not applicable. Refer to the last page for definitions.

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XACT FTSE RAFI Fundamental Sweden, cont.

Income Statement, SEKt

	1 Jan 2009- 30 June 2009	1 Jan 2008- 30 June 2008
INCOME AND CHANGES IN VALUE		
Changes in value for equity-related financial instruments	48 836	- 55 872
Dividends	5 841	19 090
Interest income	—	19
Total income and changes in value	54 677	- 36 763
EXPENSES		
Interest expense	—	124
Management Company expenses	471	1 656
Other transaction expenses	2	14
Total expenses	473	1 794
Net income	54 204	- 38 557

Balance Sheet, SEKt

	30 June 2009	% of fund value	30 June 2008	% of fund value
ASSETS				
Financial instruments with positive market value ^{Note 2)}	189 127	100.0	401 060	100.0
Bank and other liquid assets	68	0.0	167	0.0
Other short-term receivables	2	0.0	30	0.0
Total assets	189 197	100.0	401 257	100.0
LIABILITIES				
Other short-term liabilities	26	0.0	120	0.0
Total liabilities	26	0.0	120	0.0
Fund capital ^{Note 1)}	189 171	100.0	401 137	100.0
Collateral held for securities loans	262	0.1	—	—
Total market value of securities loans	250	0.1	—	—

Note 1) for Balance Sheet

Changes in fund capital, SEKt

	2009	2008
Fund capital at beginning of year	189 130	978 301
Units issued	0	0
Units redeemed	- 25 747	- 523 689
Profit according to Income Statement	54 204	- 38 557
Dividends to unit holders	- 28 416	- 14 918
Fund capital at mid-year	189 171	401 137

Note 2) for Balance Sheet

Fund holdings in financial instruments

	Number	Market value in SEKt	% of fund value
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LISTED FINANCIAL INSTRUMENTS *

LISTED EQUITIES

CONSUMER STAPLES

	Number	Market value in SEKt	% of fund value
AarhusKarlshamn	1 792	174	0.1
Axfood	1 920	321	0.2
Hakon Invest	3 072	221	0.1
Oriflame Cosmetics	1 792	601	0.3
Swedish Match	4 992	625	0.3
		1 942	1.0

ENERGY

	Number	Market value in SEKt	% of fund value
Alliance Oil LTD	783	69	0.0
Lundin Petroleum	10 112	604	0.3
PA Resources	12 032	337	0.2
		1 010	0.5

	Number	Market value in SEKt	% of fund value
FINANCIALS & REAL ESTATE			
Bure Investment	6 272	219	0.1
Castellum	3 712	182	0.1
East Capital Explorer	2 688	166	0.1
Fabege	17 152	448	0.2
Handelsbanken A	42 752	6 231	3.3
Hufvudstaden A	3 584	172	0.1
Industrivärden C	44 928	2 853	1.5
Investor B	41 472	4 935	2.6
Kinnevik B	20 480	1 618	0.9
Klövern AB	8 960	162	0.1
Kungsleden	14 336	510	0.3
Lundbergs B	2 048	596	0.3
Nordea Bank AB	346 880	21 194	11.2
Ratos B	6 784	1 058	0.6
SEB A	374 912	12 710	6.7
Swedbank AB	122 624	5 506	2.9
Wallenstam Byggnads AB	2 688	214	0.1
Wihlborg Fastighet	1 536	159	0.1
Vostok Nafta Investment SDB	2 560	67	0.0
		59 000	31.2

HEALTHCARE

	Number	Market value in SEKt	% of fund value
AstraZeneca SDB	53 248	18 184	9.6
Elekta B	1 280	145	0.1
Getinge B	7 168	724	0.4
Meda	5 248	278	0.1
Q-Med	2 176	99	0.1
		19 430	10.3

INDUSTRIALS

	Number	Market value in SEKt	% of fund value
ABB SDB	49 280	5 988	3.2
AF B-share	768	110	0.1
Alfa Laval	9 856	725	0.4
Assa Abloy B	18 176	1 954	1.0
Atlas Copco A	29 952	2 314	1.2
B&B Tools AB	2 944	195	0.1
BE GROUP AB	8 448	273	0.1
Cardo	1 664	279	0.1
Gunnebo	6 528	185	0.1
Haldex	6 272	334	0.2
Hexagon B	10 496	729	0.4
Intrum Justitia	1 920	143	0.1
Munters	4 608	171	0.1
NCC B	29 312	1 964	1.0
Nibe Industrier B	768	51	0.0
Niscayah Group	39 552	463	0.2
PEAB B	16 256	515	0.3
SAAB B	5 248	310	0.2
Sandvik	73 088	4 184	2.2
SAS	475 520	1 622	0.9
Scania B	49 280	3 770	2.0
Securitas B	26 496	1 735	0.9
Skanska B	51 968	4 482	2.4
SKF B	30 336	2 882	1.5
Transatlantic B	3 200	84	0.0
Transcom B	10 240	234	0.1
Trelleborg B	95 616	2 457	1.3
Volvo B	241 920	11 515	6.1
		49 669	26.3

INFORMATION TECHNOLOGY

	Number	Market value in SEKt	% of fund value
Axis	1 792	147	0.1
Ericsson B	123 520	9 350	4.9
IFS B	1 920	121	0.1
Nokia Oyj SEK	1 792	203	0.1
Nolato B	3 072	147	0.1
Semcon	2 432	48	0.0
Tieto SDB	896	92	0.0
Tradedoubler	2 816	191	0.1
		10 300	5.4

MATERIALS

	Number	Market value in SEKt	% of fund value
Billerud	16 512	619	0.3
Boliden AB	47 232	2 751	1.5
Hölmén B	8 704	1 467	0.8
Höganäs B	2 304	192	0.1
Lindab International AB	8 832	556	0.3
Lundin Mining SDB	42 496	931	0.5

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XACT F Sweden, cont.

	Number	Market value in SEkt	% of fund value
Rottneros	48 512	81	0.0
Rörvik Timber	1 280	19	0.0
SCA B	81 792	6 625	3.5
SSAB A	26 496	2 378	1.3
Stora Enso R	157 184	6 429	3.4
		22 048	11.7
CONSUMER DISCRETIONARY			
Autoliv	10 624	2 321	1.2
Betsson B	640	56	0.0
Bilia A	13 312	559	0.3
Clas Ohlson, B	1 024	112	0.1
Electrolux B	48 512	5 227	2.8
Eniro	307 200	2 181	1.2
Hennes & Mauritz B	7 552	2 908	1.5
Husqvarna B	51 328	2 156	1.1
JM	7 808	416	0.2
KappAhl	1 920	64	0.0
Mekonomen	768	89	0.0
Metro International B	133 888	94	0.0
Modern Times Group B	5 504	1 181	0.6
Nobia	12 800	352	0.2
Rezidor Hotel Group	10 112	157	0.1
RNB Retail and Brands	10 112	44	0.0
Ticket Travel	9 583	61	0.0
Unibet Group	512	100	0.1
		18 078	9.6
TELECOM OPERATORS			
Millicom	1 280	556	0.3
Tele2 B	27 648	2 154	1.1
TeliaSonera	121 984	4 940	2.6
		7 650	4.0
Total listed equities		189 127	100.0
Total listed financial instruments		189 127	100.0
Net, other assets and liabilities		44	0.0
Total fund capital		189 171	100.0

The figures in the column under the heading % of fund value are rounded to the nearest tenth of a percent.

* Listed financial instruments refer to financial instruments admitted for trading in a regulated market or an equivalent market outside the EEA.

Information from XACT Fonder

Management Company Board of Directors, President, Auditors and Personnel

Board of Directors for XACT Fonder AB

MICHAEL SOHLMAN, *Chairman*,
Executive Director of the Nobel Foundation

CLAES NORLÉN
Executive Vice President of Handelsbanken and
Head of Handelsbanken Asset Management

PETTER ÅBERG
Head of Asset Management, Handelsbanken Fonder AB

LARS WEDIN, Stockholm

Chief Executive Officer

HENRIK NORÉN

Management Company's auditors

Elected at the Annual General Meeting:

KPMG AB, STEFAN HOLMSTRÖM

Personnel and organisation

The Board of Directors for the Management Company is responsible for the funds in question. The Management Company is a wholly-owned subsidiary of Handelsbanken. The Management Company purchases fund management services from Handelsbanken Fonder AB as well as fund administration and risk control services from Handelsbanken.

Key members of management within XACT Fonder AB are as follows:

Chief Executive Officer

HENRIK NORÉN

Head of Administration

JACOB STERNIUS

Head of Marketing & Information

ELISABETH HALLMAN DAHLGREN

Mail address: 106 70 STOCKHOLM

Telephone: 08-701 40 00

Trading with fund units

Trading in ETFs (Exchange-Traded Funds) has all the features of trading in shares, but has nothing in common with investing in traditional funds. This is one of the critical factors that differentiate ETFs from traditional funds.

Fund units are traded on the stock exchange in the same way as shares. Normal brokerages fees are charged for each transaction. As with shares, prices are set in real time and the transaction occurs through the stock exchange. Accordingly, trades do not occur with the Management

Company as the counterparty, which is common with most other types of funds. A transaction is made at the market price and does not need to be at the fund unit's current NAV.

When you own a share, you may purchase or sell shares to the party who offers the highest price on the market, which is exactly the same for ETFs. To ensure that it is always possible to trade fund units, XACT Fonder has agreements with market makers who set bid- and ask prices for the funds.

Abbreviations

A number of abbreviations are used for certain securities in the table of contents:

ADR	American Depository Receipt	GDR	Global Depository Receipt
ADS	American Depository Share	KV2	Convertible
BTA	Paid subscription shares	Pref	Preference share
ETF	Exchange Traded Fund	SDB	Swedish Deposit Certificate
FRN	Floating Rate Note	TO	Warrants

Ownership policy

Given that the purpose of the fund is to follow a specific index, the Management Company has made the decision to not actively exercise its ownership role over holdings in the funds.

Additional information

You will find additional information about our funds on our websites at: www.handelsbanken.se/fonder and www.xact.se. The websites include complete information brochures with fund rules, simplified prospectus and current share price performance.

Definitioner

Fund statistics

Fund statistics are reported in table form for H1 2009 and full-year 2005-2008 to the extent available.

Share of turnover conducted via closely-related securities companies – In terms of value, the number of fund purchases and sales of securities mediated by Handelsbanken. Calculated, on the one hand, as the ratio between the total of those purchases and sales executed by Handelsbanken and, on the other hand, as the total of all purchases and sales during the year. Expressed in percent. Shown only for the full year.

Net asset value (NAV) – Net asset value expressed in SEK as the rate prevailing on the balance sheet date for the respective year.

Number of units – Number of outstanding units on the last banking day for the respective year. Reported in thousandths of units.

Dividend distribution date – For exchange-traded funds, this is the first day trading begins without the dividend (ex-dividend date), which is two banking days before the record date at VPC. Cash settlement is made 3 banking days after the record date for funds with dividends paid in SEK and normally 5 banking days for funds with dividends paid in EUR.

Fund capital – Fund capital on the closing date for the respective year.

Average fund capital – Calculated as the mean value of the fund's net asset value during the year (or that portion of the year during which the fund existed). The fund's net asset value is calculated on a daily basis.

Average yearly return, 2 and 5 years, respectively – The fund's average effective annual yield during the last 2 or 5 years, respectively. Not calculated for funds in existence for less than 2 or 5 years, respectively.

Index – The index used by the fund as its benchmark.

Index incl. dividends – Performance of the fund's benchmark during the respective year. Performance is expressed in percent and shows the index including dividends.

Redemption fee – Fee charged or may be charged for the redemption of units. Calculated as a percentage of the amount redeemed.

Costs for one-time subscription SEK 10 000 – Total costs charged to a unit holder who had SEK 10 000 invested in the fund at the beginning of the year and retained the investment throughout the year. Calculated for the full year only.

Max. allowed mgmt. costs in % according to fund rules – Maximum management fee allowed according to the fund rules. Expressed in percentage of the average fund capital per year. The cost is calculated on a daily basis.

Morningstar Rating™ (1-5) – The independent rating institute Morningstar rank orders funds within different fund categories. Within a category, each fund's return and risk is compared with other similar funds in Europe. The highest rating is 5 and the allocation of the rating levels are weighted relative to the total number of funds included in the category. The *Fund Statistics* table shows the fund's rating based on the historical performance of the unit price over the past three years.

Turnover rate – The fund's turnover rate calculated, on the one hand, as the ratio between the lowest total amount for purchased or sold securities during the year and, on the other hand, as the average fund capital during the

same period. With regard to equity funds, fixed income securities with a residual maturity of a maximum of one year at the time of acquisition are excluded from purchased or sold securities. Reported as the number turned over per year. Calculated on a rolling 12-month basis.

TER (Total Expense Ratio) – Total management fees as well as any additional fees, excluding transaction costs and dividend tax charged to the fund during the year. Expressed in percentage of the fund's average fund capital. Calculated on a rolling 12-month basis.

TKA (Totalkostnadsandel/Total Cost Ratio) – Total management fees, transaction fees, interest expenses, other expenses and dividend tax charged to the fund during the year. Expressed in percentage of the fund's average fund capital. Calculated on a rolling 12-month basis.

Total returns – Reports how the value of a unit has changed during the respective year. If the fund has paid dividends during the year, the change in value has been calculated as though the dividend was added back on the distribution date. Annual return is measured in percent from the date of the previous year's closing date to the closing date for the respective year.

Transaction costs – Expenses for brokerage fees that have been charged to the fund during the year. Transaction fees are included in the acquisition and sales values. Calculated on a rolling 12-month basis. Brokerage fees for derivatives are reported separately in the Income Statement.

Transaction costs in % of turnover – Expenses for brokerage fees that have been charged to the fund during the year. Expressed

in percentage of the value of the securities turned over and to which the transaction fees pertain. Calculated on a rolling 12-month basis.

Dividends per unit – Dividends per unit that were distributed to unit holders during the respective year.

Collected mgmt. costs in % of average fund capital – Actual management fees collected in percentage of the average fund capital. Expenses for custodian institution, auditors and supervision are included in the management fee for exchange-traded funds. Calculated on a rolling 12-month basis.

Performance compared to Morningstar's category mean – Calculation according to the independent rating institute Morningstar. Shows fund performance compared to the average for all funds in the same category. Based on the reported unit price and may result in a measurement period that differs from the Annual Report, which uses the rate prevailing in the annual accounts. Expressed in percent.

Key figures for risk follow-up

In order to obtain relevant comparisons, dividends have been reinvested in the funds and their respective benchmarks. All key figures have also been calculated on the basis of the annual effective yields. The values for the past two years have been used for the majority of the funds. A risk forecast has been made for more recent funds, with the fund's holdings as of June 30, 2009 as the basis. XACT Fonder uses the BarraOne risk model from the MSCI Barra risk model for the calculation of the risk forecast. Barra's risk model is a fundamental multiple-factor model for the equity model that uses style and industry factors, while the fixed income model uses the yield curve and credit spreads as factors.

Total risk/Total risk in index is stated as the standard deviation for variations in the monthly yields of the fund/index. The higher the number, the higher the risk.

Tracking error measures the standard deviation of the difference in yield between the fund and its benchmark (the variation in the relative yields). The historical tracking error indicates how much the fund's yield has deviated from its benchmark.

Active return states the annual over- or under effective return attained by the fund in comparison to its benchmark.

Sharpe ratio/Sharpe ratio in index is a measure of the fund/index's return, taking into account the risk of the fund. A high return attained at a lower risk is better than an equivalent return attained at a high risk. Calculated, on the one hand, as the ratio between the return, less the risk-free interest (interest on government securities) and, on the other hand, as the total risk of the fund. The Sharpe ratio is most relevant to compare the yields of various markets, while taking risk into account.

Information ratio is a measure of the active returns attained by the fund by deviating from its benchmark. It is the ratio between the active returns and the tracking error. A negative information ratio means that the fund has underperformed its benchmark.

Index shows which index or indices have been used to calculate *Active return* and the *Information ratio*.