



The funds number in
Premium Pension
savings

Europe Fund

Investment Focus

The fund is an actively managed equity fund and its objective is to attain good returns over the long term when compared to the average of Europe's equity markets. The fund invests in equities issued by companies in Europe. We place particular emphasis on ensuring that the company's strategy concurs with our assessment of what can generate favourable share price performance when we select equities for the fund. We then evaluate the company's key ratios, such as earnings growth relative to the market's expectations.

Portfolio

The Europe Fund rose 9.0% in H1 2014*. The European economy has turned and is once again showing growth, although from low levels. The core holdings in the fund are found in our "Strong growth in Germany in an environment of low rates" and "Recovery of Europe" themes. Companies such as Intesa Sanpaolo, Sanitec and Aalberts Industries contributed positively to returns within these themes. Low interest rates and substantial cash holdings in companies increased activity with corporate acquisitions, which was positive for returns. Fund holdings in Shire experienced repeated bids from American AbbVie. Holdings in Aalberts within construction materials and German manufacturing companies such as BASF and KUKA were purchased or sold at the close of H1. The fund also had a significant proportion of bank shares, which benefited from a gradual revaluation as outlooks improved for the European economy. These holdings have been marginally decreased, as a longer period with low European rates makes it more difficult for banks to continue to increase interest rate margins.

* The fund may have additional share classes, the concerned share class is stated in the Fund facts. Refer to fund statistics for comparable index and fund performance compared to category average at Morningstar.

Outlook

We expect the European and global economic recovery to continue during H2 2014. Valuations on the European stock markets continued to

rise in H1, and earnings should also be seen as a result of the rebound. Growth and profit margins will be the drivers going forward. As a result, "Strong growth in Germany in an environment of low rates" and "Recovery of Europe" will continue to be important investment themes for the fund.

Trading with derivatives

According to the fund rules, the fund may trade with derivatives to enhance the effectiveness of asset management. The fund did not use this option in H1 2014.

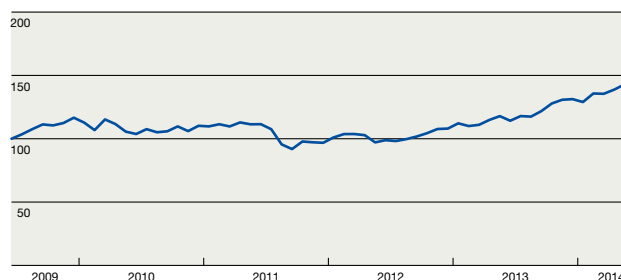
According to fund rules, the fund has the option of lending equity. The fund used this option in H1 2014.

The fund may use other methods and instruments. The fund did not use this option in H1 2014.

Information

Due to changes in tax regulations for Swedish funds and developments within the area of EU taxation, it is unclear how distributions will be taxed. Refer to the last page.

Fund performance



Fund facts - history

	1/1-30/6 2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net asset value, SEK ¹⁾	292.21	268.10	220.58	203.58	238.54	258.09	226.43	355.53	329.75	299.39
The fund's total net flow, mSEK ²⁾	115	620	-154	-	-	-	-	-	-	-
Fund capital, mSEK	2,836	2,471	1,514	1,512	1,764	2,171	1,626	2,871	2,636	2,624
Average fund capital, mSEK	2,343	1,744	1,485	1,635	1,845	1,730	2,104	2,852	2,642	2,382
Number of units, 1000's	9,704	9,218	6,865	7,425	7,394	8,410	7,182	8,075	7,995	8,764
Total returns in %, SEK	+9.0	+21.5	+11.6	-12.2	-5.5	+20.6	-34.8	+9.7	+11.3	+31.8
Index including dividends in %, SEK	+9.7	+22.8	+12.5	-8.2	-3.6	+21.3	-33.5	+8.9	+13.9	+30.5
Performance compared to Morningstar's category mean, % ³⁾	+0.8	-2.1	-2.0	-0.6	-3.4	+2.2	-2.0	+3.0	-1.7	+2.6
Morningstar Rating™ (1-5) ⁴⁾	3	3	3	3	3	3	3	4	-	-
Average yearly return, 2 yrs. %	+20.3	+16.5	-1.0	-8.9	+6.8	-11.3	-15.4	+10.5	+21.1	+19.6
Comparison to index including dividends, %	+21.4	+17.5	+1.6	-6.0	+8.1	-10.2	-14.9	+11.4	+21.9	+19.9
Average yearly return, 5 yrs. %	+7.4	+6.3	-6.1	-6.5	-1.9	+4.8	+2.6	+14.8	+2.9	-3.8
Comparison to index including dividends, %	+9.4	+8.2	-4.3	-4.9	-0.7	+5.5	+3.5	+15.0	+4.6	-0.4
Average yearly return, 10 yrs. %	+4.8	+4.5	+3.8	-1.9	-2.9	-2.9	-3.0	+4.3	-	-
Comparison to index including dividends, %	+6.1	+5.8	+4.9	-0.3	-0.6	-0.1	0.0	+7.1	-	-
Dividends per unit, SEK	-	-	6.30	6.89	5.34	11.30	7.19	6.13	3.42	4.02

¹⁾ Based on a judgement in the administrative court, the share price in funds with holdings in US equities have been impacted. The fund will now be charged a full dividend tax of 30% instead of the previous 15%. This tax rate change is applicable as of 1 January 2012 and has resulted in an adjustment of the net asset value of this fund as of June 16.

²⁾ The fund's total net inflow does not include reinvested dividends. New information has been provided as of the full-year 2012.

³⁾ Shows fund performance in SEK compared to the average for all funds in the same category according to Morningstar's category breakdown.

⁴⁾ The fund's rating in June 2014 based on historical performance over 3 years compared to funds in the same Morningstar

Index: MSCI Pan Euro Net Index

The fund's benchmark represents a comparable reference with regard to the fund's investment focus, types of assets, markets or relevant sectors. In the event the fund issues dividends, performance is calculated with distributions added back.

Refer to the last page for definitions.

Fund facts

	2014
Max. allowed mgmt. costs in % according to fund rules	1.60
Collected mgmt. costs in % of average fund capital	1.60
Annual fees in %	1.60
Transaction costs, tSEK	6,106
Transaction costs in % of turnover	0.1
Turnover rate	0.7
Share of turnover conducted via closely-related securities companies in %	1.0

	2014
Trading in financial instruments with closely-related funds/securities companies.	0.0

Europe Fund, cont.

Key figures for risk follow-up*

Total risk %	7.5	Active return (%)	-1.1
Total risk in index %	7.9	Information ratio	Negative
Index	MSCI Pan Euro Net Index	Sharpe ratio	2.6
Tracking error (%)	1.2	Sharpe ratio in index	2.6

* Risk statistics are based on historical monthly returns over two years. Refer to the last page for definitions.
Total exposure in the fund is calculated in accordance with the commitment method.

Other information

	2014
Fund launch date	1989-04-28
Minimum investment	0
Risk*	6

* A risk level of 1 represents a low risk, while a risk level of 7 is a high risk.

Balance Sheet, tSEK

	30 jun 2014	% of fund capital	30 jun 2013	% of fund capital
ASSETS				
Transferable securities	2,799,846	98.7	1,560,284	98.5
Fund units	-	-	0	0.0
Total financial instruments with positive market value ^{Note 1)}	2,799,846	98.7	1,560,284	98.5
Bank assets and other liquid assets	41,138	1.4	17,954	1.1
Prepaid expenses and accrued income	5,051	0.2	3,786	0.2
Other assets	29,956	1.0	5,121	0.4
Total assets	2,875,991	101.3	1,587,145	100.2
LIABILITIES				
Accrued expenses and prepaid income	1,622	0.0	896	0.1
Other liabilities	38,715	1.3	2,755	0.1
Total liabilities	40,337	1.3	3,651	0.2
Fund capital	2,835,654	100.0	1,583,494	100.0

Note 1) for Balance Sheet

Fund holdings in financial instruments

TRANSFERABLE SECURITIES*

	Number	Market value tSEK	% of fund capital
LISTED EQUITIES			
BELGIUM (EUR)			
Anheuser-Busch InBev (Beverages)	60,937	46,797	1.7
		46,797	1.7
DENMARK (DKK)			
A.P. Moeller-Maersk A (Marine)	478	7,518	0.3
Coloplast B (Health Care Equipment and Supplies)	18,093	10,938	0.4
Danske Bank (Commercial Banks)	108,983	20,592	0.7
Novo Nordisk (Pharmaceuticals)	137,179	42,206	1.5
Rockwool International B (Building Products)	6,903	8,518	0.3
		89,772	3.2
FINLAND (EUR)			
Nokia (Communications Equipment)	190,231	9,629	0.3
Outotec (Construction and Engineering)	57,082	4,013	0.1
		13,642	0.5
FRANCE (EUR)			
Accor (Hotels, Restaurants and Leisure)	33,508	11,652	0.4
Air Liquide (Chemicals)	30,235	27,287	1.0
AXA (Insurance)	80,898	12,925	0.5
BNP Paribas (Commercial Banks)	69,939	31,717	1.1
Capgemini (IT Services)	20,810	9,924	0.3
Danone (Food Products)	19,035	9,450	0.3
Essilor International (Health Care Equipment and Supplies)	7,612	5,396	0.2
France Télécom (Diversified Telecommunication Services)	52,330	5,520	0.2
GDF Suez (Multi-Utilities)	150,017	27,607	1.0
Lafarge (Construction Materials)	29,897	17,350	0.6
Legrand (Electrical Equipment)	26,359	10,781	0.4
L'Oréal (Personal Products)	23,289	26,827	0.9
LVMH (Textiles, Apparel and Luxury Goods)	20,255	26,104	0.9
Pernod Ricard (Beverages)	4,757	3,819	0.1
Publicis Group (Media)	21,074	11,948	0.4
Saint-Gobain (Building Products)	52,561	19,824	0.7
Sanofi (Pharmaceuticals)	49,221	34,952	1.2
Schneider Electric (Electrical Equipment)	17,270	10,868	0.4
Société Générale (Commercial Banks)	35,000	12,256	0.4
Technip (Energy Equipment and Services)	6,000	4,388	0.2
Total (Oil, Gas and Consumable Fuels)	137,007	66,189	2.3
Vinci (Construction and Engineering)	51,680	25,828	0.9
		412,613	14.6
GERMANY (EUR)			
ADC African Development (Capital Markets)	38,077	3,184	0.1
Allianz (Insurance)	31,445	35,028	1.2
BASF (Chemicals)	67,394	52,453	1.8
Bayer (Pharmaceuticals)	55,293	52,205	1.8
BMW (Automobiles)	32,563	27,606	1.0
Commerzbank (Commercial Banks)	142,795	15,005	0.5

	Number	Market value tSEK	% of fund capital
Continental (Auto Components)	14,145	21,900	0.8
Daimler (Automobiles)	69,341	43,413	1.5
Deutsche Bank (Capital Markets)	63,828	15,012	0.5
Deutsche Post (Air Freight and Logistics)	103,244	24,958	0.9
Deutsche Telekom (Diversified Telecommunication Services)	259,342	30,385	1.1
E.ON (Electric Utilities)	56,383	7,783	0.3
Fresenius (Health Care Equipment and Supplies)	6,899	6,877	0.2
GEA Group (Industrial Conglomerates)	35,000	11,078	0.4
Henkel (Household Products)	21,075	14,178	0.5
KUKA (Machinery)	22,000	8,905	0.3
Linde (Chemicals)	5,234	7,440	0.3
Münchener Rück (Insurance)	5,730	8,491	0.3
RWE (Multi-Utilities)	9,534	2,737	0.1
SAP (Software)	55,657	28,733	1.0
Siemens (Industrial Conglomerates)	37,495	33,102	1.2
Volkswagen (Automobiles)	8,228	14,219	0.5
		464,693	16.4
IRELAND (EUR)			
Shire (Pharmaceuticals)	45,751	23,900	0.8
WPP (Media)	77,171	11,238	0.4
		35,138	1.2
ITALY (EUR)			
Enel (Electric Utilities)	549,726	21,405	0.8
Eni (Oil, Gas and Consumable Fuels)	136,242	24,916	0.9
FincoBank (Capital Markets)	208,000	7,044	0.2
IMA (Machinery)	24,208	7,653	0.3
Intesa SanPaolo RSP (Commercial Banks)	1,319,438	23,454	0.8
Saipem (Energy Equipment and Services)	23,500	4,237	0.1
World Duty Free (Specialty Retail)	69,505	5,662	0.2
		94,373	3.3
LUXEMBOURG (EUR)			
ArcelorMittal (Metals and Mining)	80,867	8,016	0.3
Grand City Properties (Real Estate Management and Development)	132,198	11,112	0.4
		19,128	0.7
NETHERLANDS (EUR)			
Aalberts Industries (Machinery)	62,124	13,559	0.5
ASML Holding (Semiconductors and Semiconductor Eq.)	23,400	14,567	0.5
EADS (Aerospace and Defense)	17,433	7,809	0.3
ING Group (Diversified Financial Services)	346,924	32,580	1.1
Royal Dutch Shell A EUR (Oil, Gas and Consumable Fuels)	395,031	109,342	3.9
Unilever A NL (Food Products)	71,264	20,844	0.7
		198,702	7.0
NORWAY (NOK)			
DNB (Commercial Banks)	133,211	16,284	0.6
Statoil (Oil, Gas and Consumable Fuels)	68,778	14,117	0.5
Telenor (Diversified Telecommunication Services)	95,170	14,485	0.5
Yara International (Chemicals)	38,306	12,825	0.5
		57,710	2.0
SPAIN (EUR)			
Banco Santander (Commercial Banks)	521,150	36,397	1.3
Bankinter (Commercial Banks)	206,572	10,806	0.4
BBVA (Commercial Banks)	351,565	29,956	1.1
Gamesa (Electrical Equipment)	76,147	6,356	0.2
Iberdrola (Electric Utilities)	514,056	26,270	0.9
Inditex Group (Specialty Retail)	6,559	6,748	0.2
Telefónica (Diversified Telecommunication Services)	301,645	34,568	1.2
		151,100	5.3
SWEDEN (SEK)			
ABB SDB (Electrical Equipment)	96,307	14,831	0.5
AstraZeneca SDB (Pharmaceuticals)	70,422	34,993	1.2
Atlas Copco B (Machinery)	51,796	9,246	0.3
Hennes & Mauritz B (Specialty Retail)	86,808	25,348	0.9
Net Entertainment (Internet Software and Services)	48,631	7,611	0.3
Nordea (Commercial Banks)	147,515	13,911	0.5
Rezidor Hotel Group (Hotels, Restaurants and Leisure)	299,973	13,259	0.5
SEB A (Commercial Banks)	166,543	14,872	0.5
Swedish Match (Tobacco)	42,802	9,930	0.4
Volvo B (Machinery)	74,441	6,852	0.2
		150,852	5.3
SWITZERLAND (CHF)			
Adecco (Commercial Services and Supplies)	15,392	8,471	0.3
Credit Suisse Group (Other)	57,441	10,982	0.4
Givaudan (Chemicals)	1,215	13,547	0.5
Glencore International (Metals and Mining)	489,612	18,220	0.6
Nestlé (Food Products)	195,096	101,042	3.6
Novartis (Pharmaceuticals)	138,806	84,028	3.0
Richemont (Textiles, Apparel and Luxury Goods)	18,670	13,097	0.5
Roche Holding (Pharmaceuticals)	43,144	86,029	3.0
Straumann (Health Care Equipment and Supplies)	6,186	9,579	0.3
Swatch Group B (Household Durables)	10,754	7,986	0.3
Swiss Re (Insurance)	15,508	9,224	0.3
Syngenta (Chemicals)	7,731	19,251	0.7
UBS (Capital Markets)	161,630	19,825	0.7
Zürich Financial Services (Insurance)	14,581	29,382	1.0
		430,661	15.2

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Europe Fund, cont.

	Number	Market value tSEK	% of fund capital
UNITED KINGDOM (GBP)			
Aberdeen Asset (Capital Markets)	135,153	7,012	0.2
Anglo American (Metals and Mining)	38,697	6,326	0.2
Antofagasta GBP (Metals and Mining)	115,882	10,107	0.4
Aviva (Insurance)	287,920	16,802	0.6
Barclays Bank (Commercial Banks)	799,096	19,438	0.7
BG Group (Oil, Gas and Consumable Fuels)	150,769	21,284	0.8
BHP Billiton (Metals and Mining)	92,843	20,053	0.7
BP (Other)	1,044,797	61,495	2.2
British American Tobacco (Tobacco)	102,473	40,740	1.4
BT Group (Diversified Telecommunication Services)	258,653	11,380	0.4
Bunzl (Trading Companies and Distributors)	59,691	11,067	0.4
Centrica (Multi-Utilities)	159,454	5,698	0.2
Diageo (Beverages)	114,115	24,341	0.9
GlaxoSmithKline (Pharmaceuticals)	202,384	36,182	1.3
HSBC (Commercial Banks)	925,383	62,717	2.2
Imperial Tobacco Group (Tobacco)	61,015	18,343	0.6
Kingfisher (Specialty Retail)	105,529	4,331	0.2
Lloyds Banking Group (Commercial Banks)	2,506,034	21,270	0.8
National Grid (Multi-Utilities)	274,564	26,364	0.9
Prudential (Insurance)	217,250	33,302	1.2
Reckitt Benckiser (Household Products)	56,175	32,749	1.2
Rio Tinto GBP (Metals and Mining)	84,091	29,880	1.1
Rolls-Royce (Aerospace and Defense)	70,500	8,615	0.3
SABMiller (Beverages)	35,196	13,631	0.5
Standard Chartered (Commercial Banks)	130,054	17,750	0.6
Unilever (Food Products)	122,711	37,186	1.3
Vodafone Group (Wireless Telecommunication Services)	1,238,099	27,598	1.0
		625,659	22.0
UNITED STATES (USD)			
Nielsen Holdings (Professional Services)	27,477	8,893	0.3
		8,893	0.3
Total listed equities		2,799,733	98.7

	Number	Market value tSEK	% of fund capital
UNLISTED EQUITIES***			
UNITED KINGDOM (GBP)			
Rolls-Royce C 2014 (Aerospace and Defense)	9,926,988	113	0.0
		113	0.0
Total unlisted equities		113	0.0
Total transferable securities		2,799,846	98.7
Total holdings in financial instruments		2,799,846	98.7
Net, other assets and liabilities		35,808	1.3
Total fund capital		2,835,654	100.0

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

* Refers to transferable securities admitted to trading on a regulated market or equivalent market outside EEA, or are the subject of regular trading in other markets that are regulated and open to the general public. 98.7

** Refers to other financial instruments admitted to trading on a regulated market or equivalent market outside EEA, or are the subject of regular trading in other markets that are regulated and open to the general public and in the case of money market instruments or such money market instruments referred to in Chapter 5, §4 of the Swedish UCITS Funds Act (2004:46). -

*** Refers to other financial instruments. -

Compilation, Company and Group exposure*

Company/Group	% of fund capital
Unilever	2.0

* The table provides the combined units of fund capital per issuer in percent, where the fund has holdings in more than one type of securities issued by the same issuer. Underlying securities are shown within parentheses.