

Semi-annual Review 2010 – Handelsbanken Fonder

Portfolio Manager: PETER BOLTE

PERFORMANCE 2010



Price trend in H1 2010

PERFORMANCE 5 YRS



Ave. returns per year

RISK



See last page for definitions

CUT-OFF TIME



Deadline for purchase/redemption at same day's price

Aggressive 100

Investment Focus

Handelsbanken Aggressive 100 invests only in equity funds. The fund has access to Handelsbanken's funds as well as a large number of funds managed by several specially-selected foreign management companies. The objective of the fund is to create long-term high returns for fund unit holders through active investment switches between funds.

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

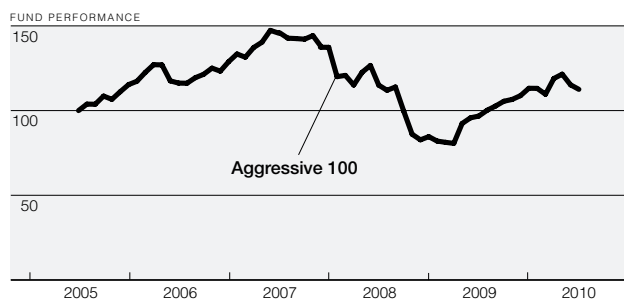
Portfolio

Aggressive 100 fell -0.6% in H1 2010*. A stronger USD contributed to returns. The equity market was dominated by a high level of uncertainty about government finances in southern Europe, with sharp fluctuations in the market as a result. Sweden, Japan and the emerging markets posted the most strength, while Europe lagged.

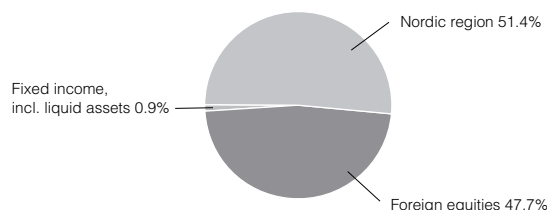
The fund was overweight in the emerging markets, Asia and the Nordic region in H1. This was financed by corresponding underweights in Europe and North America. In Q2 we further decreased holdings in Europe. We also switched diversified European funds to a European small-cap fund to decrease exposure to banks in Europe. Further, we increased exposure to the emerging markets by purchasing holdings in Handelsbanken Russia Fund.

At mid-year, the fund was positioned for an upturn in the equity markets.

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



Market exposure*



* The fund's investment breakdown within the markets as of June 30, 2010 relative to the fund's total assets on this date.

Outlook

The global economic recovery is strengthening further. However, government fiscal deficits must be managed to avoid new "Greece shocks." The risk is that the cost-cuts will be so substantial that they will restrain the economic upturn. However, overall we believe the global recovery is sufficiently strong to create the conditions required for the markets to edge higher going forward.

Trade with derivatives

According to the fund rules, the fund may trade in derivatives to enhance the effectiveness of asset management. The fund may use derivatives to

quickly and cost-effectively increase or decrease exposure to one or more markets or types of assets. The advantage with derivative instruments is that it is possible to change the fund's exposure in different types of assets or in different markets in a simple and controlled way with a limited number of transactions. The fund has not used this option in H1 2010.

Loans in securities

According to fund rules, the fund is not allowed to lend securities.

Large purchases and sales

PURCHASED	SEKt	SOLD	SEKt
Handelsbanken Nordic Fund	82 678	JPM Europe Strategic Dividend A	73 689
Handelsbanken		BGF Latin American Fund USD	65 500
Latin America Fund	68 169	Handelsbanken Europe Fund	43 000
Handelsbanken Russia Fund	67 352	UBS Eurostoxx 50	38 174
UBS Equity Sicav		iShares MSCI Europe	32 778
Small Caps Europe	66 092		
Handelsbanken America Fund	58 549		

Fund statistics

	1Jan-30June 2010	2009	2008	2007	2006
Net asset value, SEK	128.11	132.56	103.24	170.18	162.00
Fund capital, SEKm	3 193	2 957	1 829	2 908	1 726
Ave. fund capital, SEKm	2 938	2 340	2 297	2 101	1 542
Number of units, 1000's	24 926	22 307	17 714	17 091	10 655
Total returns in % ¹⁾	-0.6	+33.7	-38.4	+6.6	+11.7
Index incl. dividends in %	+0.1	+28.8	-35.7	+7.3	+12.2
Performance compared to Morningstar's category mean in % ²⁾	+2.3	+17.8	-9.7	+1.9	+7.3
Morningstar Rating™ (1-5) ³⁾	3	3	2	5	
Average yearly return, 2 yrs. in %	-1.1	-9.2	-19.0	+9.1	+23.9
Comparison to index incl. dividends in %	-0.9	-9.0	-16.9	+9.7	+23.9
Average yearly return, 5 yrs. in % ⁴⁾	+2.4	+6.2			
Comparison to index incl. dividends in % ⁴⁾	+2.6	+6.3			
Declared dividends, SEKt	—	83 551	72 817	38 419	27 046
Dividends per unit, SEK	3.64	4.06	2.29	2.50	0.74
Dividend distribution date	10Feb18	09Feb19	08Feb21	07Feb21	06Feb21
Max. allowed mgmt. costs in % according to fund rules	1.80	1.80	1.80	1.80	1.80
Collected mgmt. costs in % of average fund capital ^{5) 6)}	1.64	1.73	1.80	1.80	1.80
Transaction costs, SEKt	136	101	19	65	0.0
Transaction costs in % of turnover	0.0	0.0	0.0	0.0	0.0
TKA in % of average fund capital	1.6	1.7	1.8	1.8	1.8
TER in % of average fund capital	1.6	1.7	1.8	1.8	1.8
Redemption fee, % ⁷⁾	0.0	0.0	0.0	0.0	0.0
Costs for one-time subscription SEK 10t	—	190.96	141.54	189.52	172.51
of which incl. mgmt. costs	—	190.31	141.20	188.87	172.51
Costs for monthly savings SEK 100	—	12.61	10.10	11.80	10.44
of which incl. mgmt. costs	—	12.56	10.07	11.76	10.44
Turnover rate	0.3	0.4	0.4	0.5	0.3
Share of turnover conducted via closely-related securities companies in %	4	3	2	6	1

1) Calculated based on the underlying fund's official NAV rates.

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

3) The fund's rating in June 2010 based on historical performance over 3 years compared to funds in the same Morningstar category.

4) The fund was launched on May 18, 2004.

5) No fees are added for management expenses in the underlying funds.

6) The management fee was changed from 1.80% to 1.60% as of September 14, 2009.

7) For fund savings less than 31 days, 1% (up to March 2009).

Index: SHB NORDIX Port Nordic Net (NHNXPORNT) 50%, MSCI All Country World Index Net 50% Up to October 30, 2009; MSCI World Net 50% (Securities listed in about 30 of the world's industrial countries); NHNXPORNT SHB NORDIX Port Nordic Net 50% (Small-caps listed in the four Nordic countries: Sweden, Finland, Norway, and Denmark).

Refer to the last page for definitions.

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Aggressive 100, cont

Key figures for risk follow-up*

Total Risk (%)	20.4	Active returns (%)	- 0.2
Total risk in index (%)	19.1	Information ratio	Negative
Index SHB NORDIX Port Nordic Net 50%, MSCI All Country World Index Net 50%		Sharpe ratio	- 0.1
Tracking error (%)	2.4	Sharpe ratio in index	- 0.1

*) Risk statistics are based on historical monthly returns over two years. Refer to the last page for definitions.

Income Statement, SEKT

	1 Jan. 2010- 30 June 2010	1 Jan. 2009- 30 June 2009
INCOME AND CHANGES IN VALUE		
Changes in value for equity-related financial instruments	- 55 306	219 779
Dividends	32 883	60 465
Interest income	—	28
Currency exchange profits and losses, net	- 814	- 1 035
Other income *)	23 430	14 918
Total income and changes in value	193	294 155
EXPENSES		
Interest expenses	3	13
Management Company expenses	25 158	17 525
Other transaction expenses	3	7
Total expenses	25 164	17 545
Net income	- 24 971	276 610

*) Refers to discounts, management expenses for underlying funds.

Balance Sheet, SEKT

	30 June 2010	% of fund value	30 June 2009	% of fund value
ASSETS				
Financial instruments with positive market value ^{Note 2)}	3 163 410	99.1	2 373 974	99.1
Bank and other liquid assets	37 374	1.2	39 353	1.6
Other short-term receivables	1 283	0.0	1 160	0.0
Total assets	3 202 067	100.3	2 414 487	100.7
LIABILITIES				
Other short-term liabilities	8 835	0.3	17 907	0.7
Total liabilities	8 835	0.3	17 907	0.7
Fund capital ^{Note 1)}	3 193 232	100.0	2 396 580	100.0

Note 1) for Balance Sheet

Changes in fund capital, SEKT

	2010	2009
Fund capital at beginning of year	2 956 998	1 828 839
Units issued	583 103	463 532
Units redeemed	- 238 371	- 99 591
Profit according to Income Statement	- 24 971	276 610
Dividends to unit holders	- 83 527	- 72 810
Fund capital at mid-year	3 193 232	2 396 580

Note 2) for Balance Sheet

Fund holdings in financial instruments

	Number	Market value in SEKT	% of fund value
LISTED FINANCIAL INSTRUMENTS *			
EXCHANGE-TRADED FUNDS (ETF)			
SWEDEN AND THE NORDICS			
Xact Nordic 30	3 143 975	178 836	5.6
		178 836	5.6
EUROPE			
iShares MSCI Europe	51 200	7 534	0.2
		7 534	0.2
USA			
iShares S&P 500 Index Fund	308 200	24 657	0.8
		24 657	0.8
REST OF THE WORLD			
iShares MSCI Emerging Markets	231 400	63 179	2.0
		63 179	2.0
Total exchange-traded funds		274 206	8.6
Total listed financial instruments		274 206	8.6

OTHER FINANCIAL INSTRUMENTS

FUND UNITS

EQUITY FUNDS			
SWEDEN AND THE NORDICS			
Handelsbanken Nordic Aggressive	4 980 943	396 433	12.4
Handelsbanken Nordic Selective	448 395	59 542	1.9
Handelsbanken Nordic Fund	1 202 855	606 167	19.0
Handelsbanken Nordic Small-Cap Fund	825 364	275 787	8.6
Handelsbanken Sweden Fund	140 757	127 971	4.0
		1 465 900	45.9
EUROPE			
Handelsbanken Europe Fund	565 598	126 978	4.0
JPM Europe Strategic Dividend A	56 934	60 072	1.9
UBS Equity Sicav Small Caps Europe	46 457	63 769	2.0
UBS EURO STOXX 50	205	251	0.0
		251 070	7.9
USA			
BGF US Flexible Equity Fund	891 144	94 731	3.0
Handelsbanken America Fund	1 026 842	296 665	9.3
JPM US Strategic Value	1 042 125	95 858	3.0
UBS Equity Sicav USA Growth B	1 364 851	125 437	3.9
		612 691	19.2
ASIA			
Handelsbanken Asia Fund	556 900	162 949	5.1
Handelsbanken Japan Fund	2 491 998	112 364	3.5
		275 313	8.6
REST OF THE WORLD			
BGF Latin American Fund	90	55	0.0
Handelsbanken Latin America Fund	227 806	62 177	1.9
Handelsbanken Russia Fund	921 473	62 365	2.0
Handelsbanken Emerging Markets Fund	844 710	159 633	5.0
		284 230	8.9
Total fund units		2 889 204	90.5
Total other financial instruments		2 889 204	90.5
Total holdings financial instruments		3 163 410	99.1
Net, other assets and liabilities		29 822	0.9
Total fund capital		3 193 232	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.

Compilation, issuers *

Issuer	% of fund capital	Issuer	% of fund capital
HB Fonder (HBF America A1, HBF Asia A1, HBF Europe A1, HBF Japan A1, HBF Latin A1, HBF NordAggr A1, HBF Nordic A1, HBF NordSmCap A1, HBF Sweden A1, HBF EmerMkts A1)	72.9	UBS (Jersey) (UBS Eq Sic USA, UBS Eurostoxx50, UBS Sm Cap EU)	5.9
		JP Morgan (JPM EUR DIV, JPM US STRAT)	4.9
		Merrill Lynch C (BGF Lat Am, BGF US Flex)	3.0

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

Definitions

Fund statistics

Share of turnover conducted via closely-related securities companies – In terms of value, the share 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.

Declared dividends – The amount to be distributed in the following year as a result of the taxable income for the respective year. Expressed in SEK 1000's.

Dividend distribution date – Date on which the distribution was separated from fund capital (ex-dividend date). Cash settlement is normally made the same day.

Duration – The duration of a fund is measured by how sensitive the fund is to changes in interest rates. Simply stated, it is the weighted average of the residual maturity in the fund's investments. Measured in years or months.

Fund capital – The fund's net asset value on the closing date for the respective year. Reported in SEKm.

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. Reported in SEKm.

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. The Selective Funds as well as

Click Sweden 90, AstraZeneca Allemansfond, Guarantee Fund Plus and New Energy do not use a benchmark, as the indices available do not provide a fair comparison with fund management returns and, therefore, are not relevant. Additional information is provided on all of Handelsbanken's funds on the Internet, e.g., monthly fund manager comments, largest holdings in the funds, market breakdown and fund performance over various periods. The web address is: www.handelsbanken.se/fonder and is accessible to anyone, even if you are not connected to Handelsbanken's Internet bank. This web site allows you to compare your fund investments in Handelsbanken Fonder with the funds of competitors.

Index incl. dividends – Performance of the fund's benchmark during the respective year. Performance is expressed in percent and is converted to SEK in those cases where the index is published in another currency. The table 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.

Subscription fee – Fee charged or may be charged for subscription. Calculated as a percentage of the amount subscribed. This fee is not charged for savings within the premium pension savings system or for insurance savings.

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.

Costs for monthly savings SEK 100 – Total costs charged to a unit holder who had SEK 100 invested on the first banking day of each month during 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 to be charged according to the fund

rules. Expressed in percentage of the average fund capital per year. The cost is calculated on a daily basis. For SBC funds, a portion of the fee from these funds represents the contribution of the saver to the operations of the respective housing savings organisation.

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.

Total returns – Reports how the value of a unit has changed during the respective year. If the fund has paid dividends during the year or contributed to SBC, the change in value has been calculated as though the dividend

or the contribution before tax 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. Returns for the semi-annual review are reported for the first half of the current year.

Transaction costs – Expenses for brokerage fees that have been charged to the fund during the year. Expressed as SEK 1000's, in percentage of the value of the securities turned over and to which the transaction fees pertain. As of 2001, transaction fees are included in the acquisition and sales values. Calculated on a rolling 12-month basis. Brokerage fees and other variable expenses for derivatives are reported separately in the Income Statement under the heading Other transaction expenses.

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 previous financial year.

Collected mgmt. costs in % of average fund capital – Actual management fees collected. Expressed in percentage of the average fund capital. Expenses for custodian institution, auditors and supervision are included in the management fee. Expenses are calculated daily and 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. Reported in percentage points.

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, 2010 as the basis. Handelsbanken 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.

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	KV	Convertible
BTA	Paid subscription shares	Pref	Preference share
ETF	Exchange-Traded Fund	SDB	Swedish Deposit Certificate
FRN	Floating Rate Note	TO	Warrants

Additional information

You will find additional information about our funds on our website at: www.handelsbanken.se/fonder. The website includes complete information brochures with fund rules, simplified prospectus and current share price performance. For further information about funds at Handelsbanken Fonder as well as to purchase or sell fund units, please contact your local Handelsbanken branch office or www.handelsbanken.se/fonder.