Investment profile

Overall asset allocation

Detailed allocation

Portfolio

EQUITIES

When you buy a share, you invest in a company. The share provides you with certain rights such as dividends and voting rights at the annual general meeting. The price you pay depends on supply and demand and reflects the market's current expectations for the future of the company.

RETURN

Equity investments can provide a higher return than e.g. bonds. The return on equity investments is made up of dividend and changes the share price (capital gain/loss). The price development of the share (capital gain/loss) is usually the element that has the most significant impact on your return.

The value of equities in general fluctuates more than the value of bonds. When investors, nonetheless, prefer equities to bonds, they do so because they expect a higher return on equities over time.

RISK

When you invest in equities, there are risks involved that could affect the value of your investment:

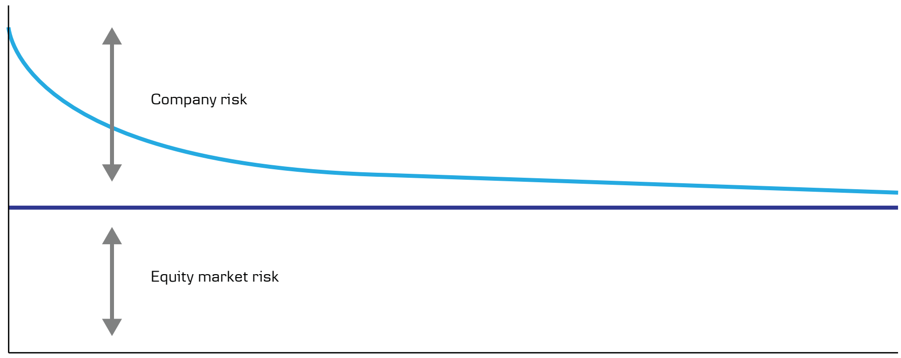
- Company-specific risks - conditions and factors for the company in question
- Sector-specific risks - developments related to the sector in which the company is operating
- Market risks - developments in the financial markets which may be triggered by macroeconomic or political factors as well as investors' current appetite for equity investments.

In a worst-case scenario, the above risks may individually or in combination, imply that the invested amount might be lost.

To minimize the risk of equity investments, it is important that you diversify your investments in different companies, different sectors and regions.

By diversifying your investments, you can reduce the risk in your portfolio and obtain a more stable development of your portfolio. By investing in different equities, you minimize the company-specific risk. Your portfolio will still be exposed to the overall market risk.

You can invest in global or domestic equities. In addition to the exposure to price changes, investments in global equities are also associated with a currency risk, which may turn out to affect the overall return significantly.



The figure shows the relationship between company-specific risk and equity market risk. The more different equities you have in your portfolio, the more you reduce the company-specific risks.

LIQUIDITY RISK

Equities within this category are typically highly liquid and continuously priced in the market. In the event that a company experience financial difficulties or the market is struck by e.g. a financial crisis, shares may be difficult to sell.

INVESTMENT FUNDS

If you invest in equities via investment funds, you obtain the same characteristics as those associated with investing in similar individual equities. However, you obtain a more efficient diversification and ongoing management of your investments.

YOUR RESPONSIBILITY AS INVESTOR

You should only invest directly in individual equities if you are interested in and have the time necessary to monitor the development of the companies. Your attitude to risk and investment horizon determine the proportion of your investments to be allocated to equity investments.

In the event that you experience a lack of clarity as to the composition of your portfolio or elements of it, it is important that you request additional information from your advisor.