

THE SHAREHOLDING IN SWEDEN 2017



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This is the first edition of the report entitled *Aktieägandet i Sverige 2017* (The Shareholding in Sweden) from Euroclear Sweden (formerly known as VPC), which is the Swedish central securities depository. As the central securities depository, Euroclear Sweden holds the official register of ownership of all Swedish listed limited companies. The supporting data for the report extends to the end of 2017 and contains data for all Swedish listed limited companies, as well as limited companies affiliated to Euroclear Sweden's securities system, in total 1,380 companies. Listed companies refer to limited companies whose shares are listed on a marketplace in Sweden.

Euroclear Sweden's supporting data provides the ability to survey how share ownership develops over time, how it differs between men and women, different age groups and different geographical regions, and what differences exist between private individuals and institutional shareholders. The report also provides the ability to look more closely at the ownership of Sweden's largest companies in terms of the number of shareholders and to compare Swedish and foreign ownership. This edition also describes historical trends in Swedish share ownership since the beginning of the 2000s.

METHOD

The summaries in the report dealing with market value refer to all the companies listed in Sweden for which there is a registered market capitalisation at 31 December 2017. All data points in this report are at 31 December each year unless otherwise stated.

Euroclear Sweden issues no recommendations on specific share transactions or recommendations to individual shareholders through this report. The report has been compiled with great care, though Euroclear Sweden is unable to guarantee the accuracy of all observations or conclusions.

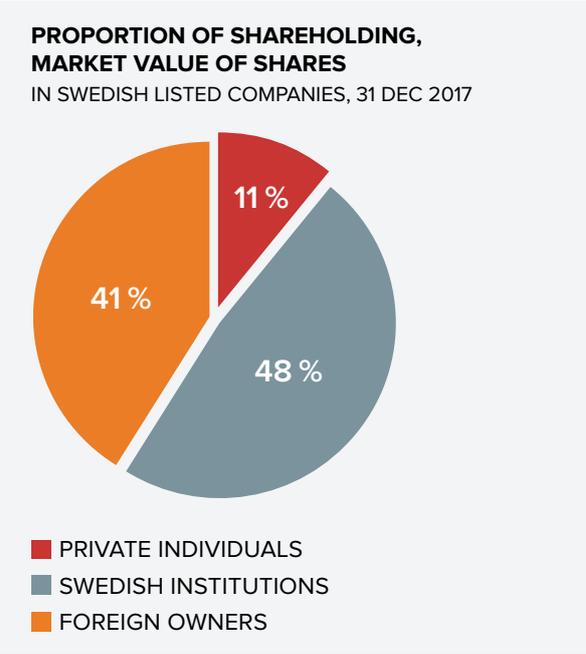
WHO OWNS SHARES REGISTERED IN SWEDEN?

There were a total of 2.1 million unique shareholders¹ registered with Euroclear Sweden at the end of 2017. Most of these – 86 per cent – are Swedish private individuals, whereas 12 per cent are foreign shareholders² and 2 per cent are Swedish companies and institutions (which are referred to in this report as "institutions").

In terms of market value, Swedish institutions own the largest proportion, followed by foreign shareholders and Swedish private individuals. At the end of 2017, shares owned by Swedish institutions accounted for 48 per cent of the total value of the shares in Swedish listed companies, whereas foreign owners owned 41 per cent and private individuals owned 11 per cent. A total of 20,522 new unique shareholders were added in 2017.

GREATER PROPORTION OF INSTITUTIONAL SHAREHOLDERS

Both the number of Swedish and foreign institutions and the number of private individuals owning shares in Swedish companies is on the increase. The number of institutions owning shares has increased and the proportion of institutional shareholders has therefore also increased. At the end of 2017, 14 per cent of unique shareholders were institutions, which corresponds to an increase of 40 per cent over a ten-year period. Institutions also own an increasingly large proportion of the market value³ of the Swedish stock market. At the end of 2017, they owned a total of 89 per cent of the total value – an increase of 77 per cent since 2007.



¹ "Unique shareholder" means a private individual or juridical person that owns shares. A unique shareholder is only counted once, regardless of whether the shareholder owns shares in one or more than one company.

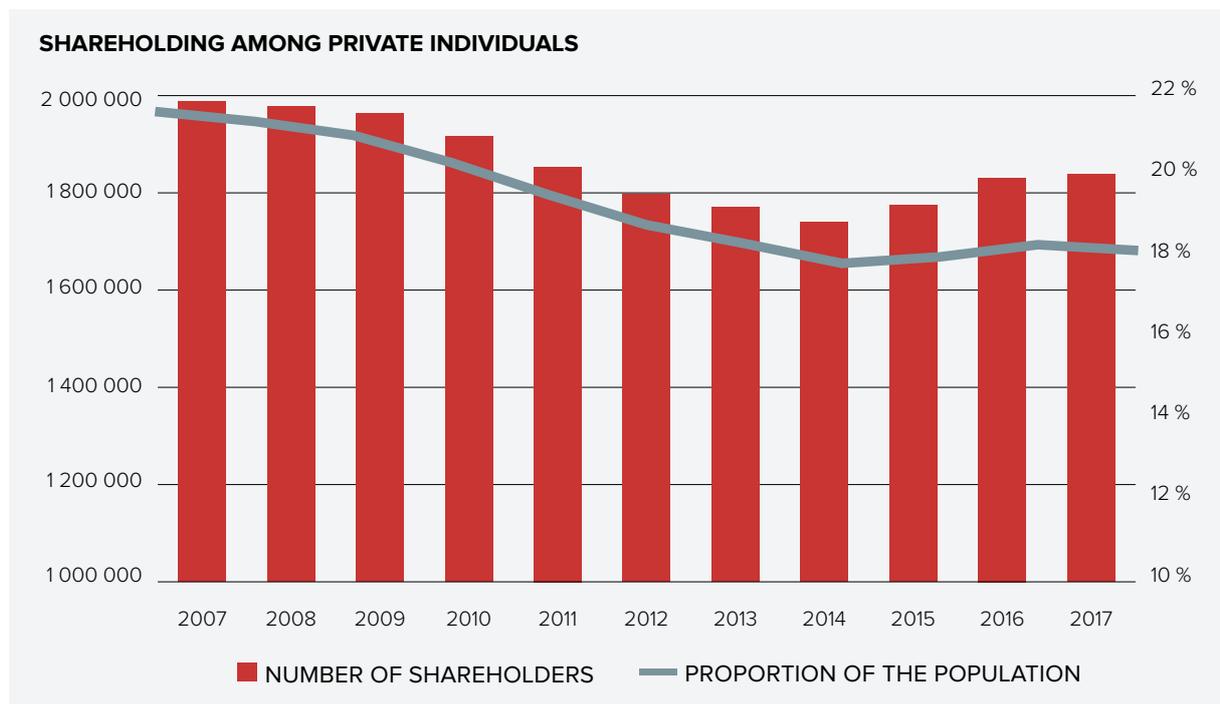
² The group of foreign shareholders consists primarily of foreign companies and institutions.

³ Market value refers to all Swedish listed companies for which there is a registered market capitalisation registered at 31 December 2017.

PRIVATE SHAREHOLDING

At present, just over 1.8 million Swedes, almost one in every five people, own shares in Swedish companies. The number of unique shareholders has varied over the past ten years. Between 2007 and 2014, shareholding among private individuals fell by 148,900. The proportion of the population owning shares therefore fell from 21.6 per cent to 18.2 per cent. The number of unique shareholders in Sweden gradually rose from 2014 onwards.

The proportion of Swedes owning shares in relation to the population as a whole is still at historically low levels. Despite the fact that the number of unique shareholders has risen, the proportion of the population owning shares has remained constant over the past three years as a consequence of a general increase in the population⁴.



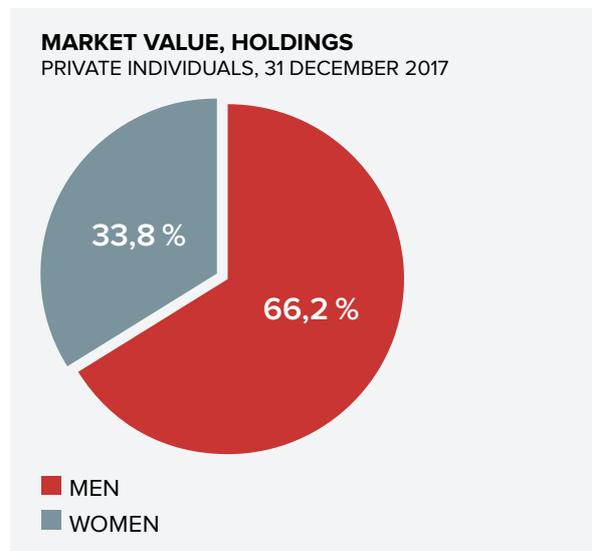
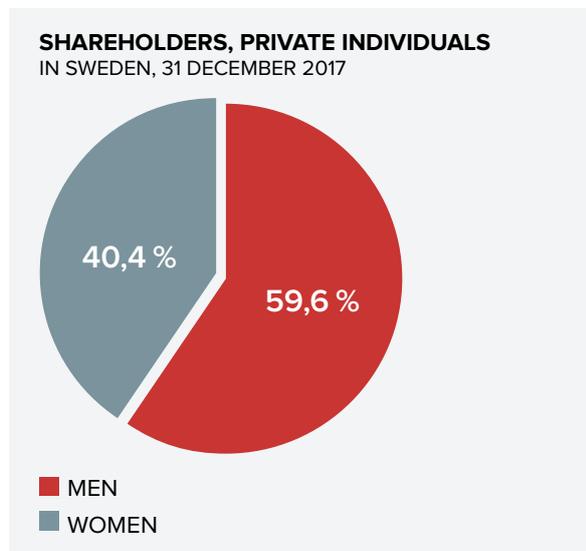
⁴ <https://www.scb.se/hitta-statistik/statistik-efter-amne/befolkning/befolkningens-sammansattning/befolkningsstatistik/>

MORE MEN THAN WOMEN OWN SHARES

Of the just over 1.8 million private individuals that own shares in Swedish limited companies, around 1.1 million are men and around 750,000 are women. In terms of percentages, this distribution is just under 59.6 per cent for men and 40.4 per cent for women. In terms of market value, men own approximately two thirds and women own approximately one third.

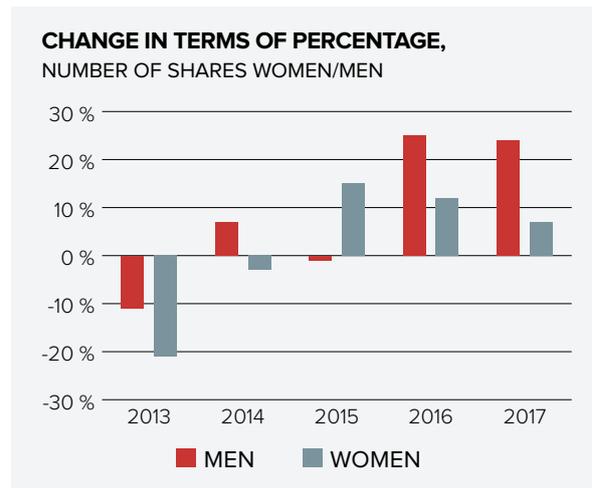
The proportion of women and men who own shares has remained stable over time. Over the past ten-year

period, there is a difference of one percentage point between the quarter when the proportion of women was highest – 41.3 per cent (in the third quarter of 2012) – and the quarter when the proportion of women was lowest – 40.3 per cent (in the fourth quarter of 2016). Taken over the past ten years, female shareholders have on average accounted for 40.9 per cent of the share-owning private individuals in Sweden – marginally higher than the current level of 40.4 per cent



ANNUAL CHANGES IN HOLDINGS – WOMEN/MEN

An analysis of the extent to which women and men change their holdings over time indicates small differences in how active women and men are. However, they have changed their holdings at slightly different times over the past five years. Both women and men reduced their holdings in 2013 when the stock market⁵ rose by 20.7 per cent. In 2014, when the stock market rose by 9.8 per cent, men increased their holdings whereas women reduced their holdings. In 2015, when the stock market fell by 1.2 per cent, men made no net changes on average, whereas women increased their holdings. Both women and men have subsequently increased their holdings in 2016 and 2017.



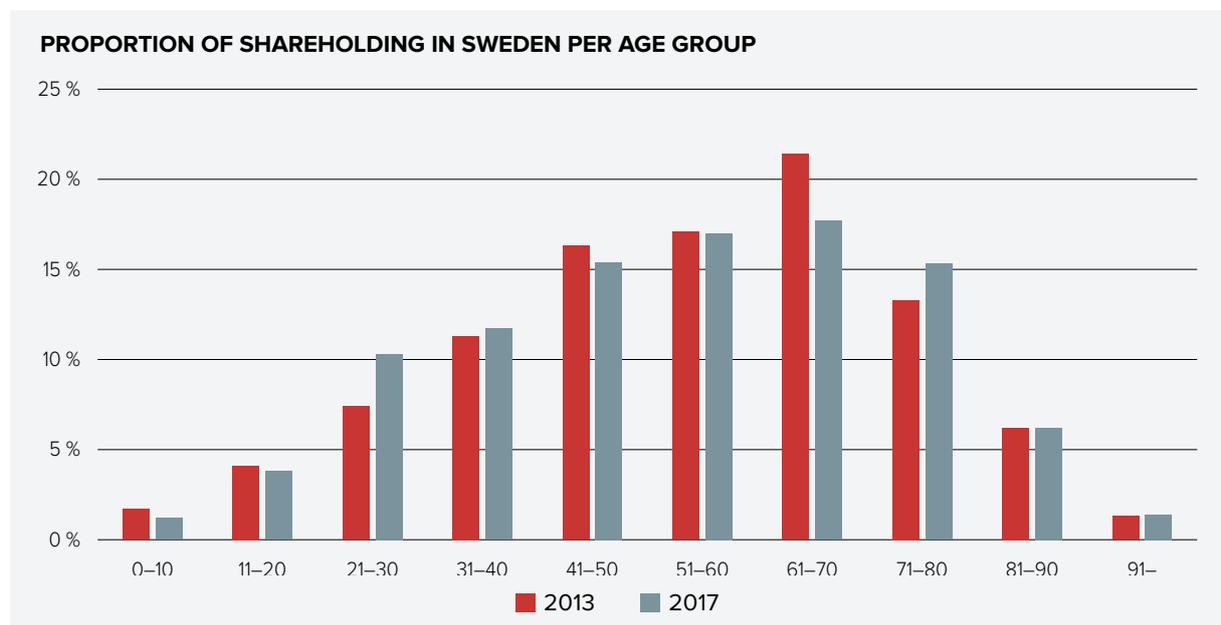
⁵ OMX Stockholm 30 Index

INCREASED SHAREHOLDING AMONG YOUNG ADULTS

The 61–70 age group owns the largest proportion – 17.7 per cent – of the total number of shares in Swedish companies. An almost comparable level of ownership occurs in all age groups between 40 and 80 and the distribution among the age groups has not changed much over time. Taken over a five-year period, the most noticeable changes have taken place in the 21–30 age group. That age group has increased its proportion of the ownership from 7.4 per cent to 10.3 per cent, which corresponds to a proportional increase of 39.2 per cent. One possible explanation for this increase is that individual shares are being

passed on through inheritance. However, since there is no corresponding decrease in the age group of 71 and older which, on the contrary, has increased its ownership, an alternative explanation may be that younger people are investing in shares to a greater extent than previously.

There may be several factors behind this greater interest in shares. One of the factors might be that there is the trend towards digitalisation in the financial sector, which makes it easy to trade shares using computers and mobile phones.



GEOGRAPHICAL DIFFERENCES

Most of the shareholders in Sweden are located in the large metropolitan areas. In total, 51.2 per cent of the total number of shareholders lives in Stockholm, Göteborg or Malmö. There are 480,543 unique shareholders in Stockholm, which corresponds to 25.5 per cent of the total number of shareholders in Sweden. The number of shareholders in the large metropolitan areas reflects the total population living in those areas.

Stockholm also has the largest proportion of female shareholders – 41.6 per cent – and Malmö has the same proportion as the national average – 40.0 per cent. In the rest of the country, the proportion of women is somewhat lower – 38.2 per cent on average.

From a national perspective, in a rough distribution in Svealand, Götaland and Norrland, regional differences in shareholding largely reflect the distribution among the population of the country as a whole. However, upon closer inspection, it may be seen that regional differences do exist. One such difference is that in some companies, the shareholders predominantly come from the part of the country where the company is based. For example, shareholders from Dalarna are predominant in Clas Ohlson and shareholders from Skåne are predominant in Lindab International. Geographical differences will be illustrated in more detail in future reports.

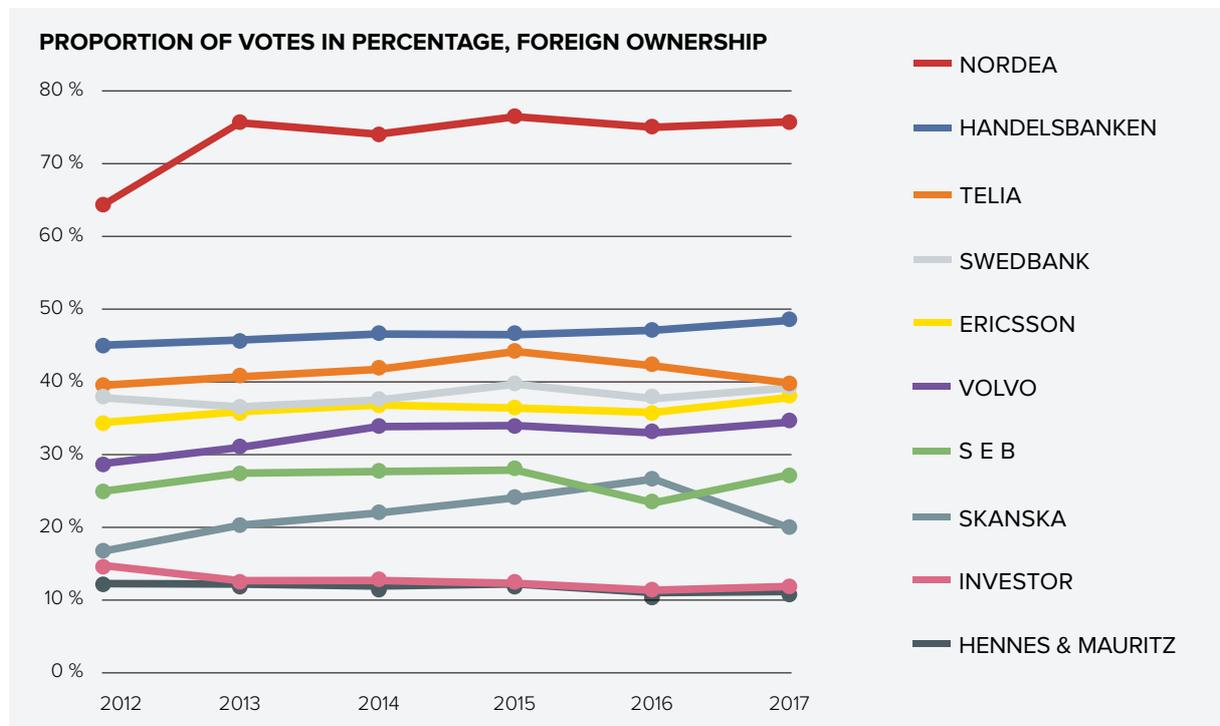
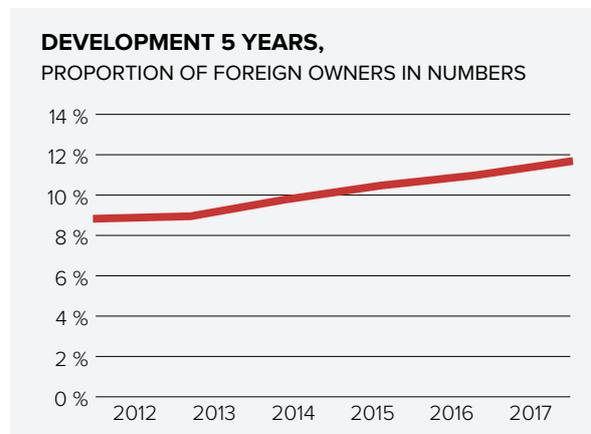
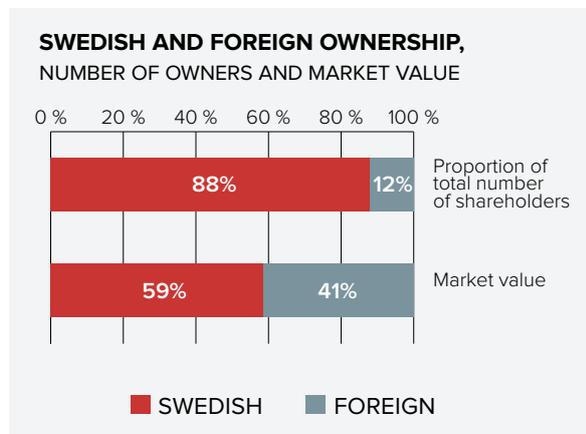
FOREIGN OWNERSHIP

At the end of 2017, shareholders registered outside Sweden accounted for 12 per cent of the total number of shareholders. The proportion of foreign shareholders in terms of numbers has increased over time. Taken over a five-year period, that increase is 26 per cent. In terms of market value, foreign shareholders represented 41 per cent, an increase from 39.8 per cent 2016.

Among the ten companies in Sweden that have the most shareholders in total, the shares of votes⁶ of foreign owners increased in eight companies and

decreased in two companies in 2017. Nordea has with 75.8 per cent the largest proportion of votes held by foreign owners, followed by Handelsbanken with 48.5 per cent and Telia with 39.8 per cent.

The companies at which foreign ownership has increased most over a five-year period are AB Volvo, Skanska and Nordea, by 19.9 per cent, 18.7 per cent and 17.9 per cent, respectively. In 2017, foreign ownership increased most in SEB, to 16.8 per cent. In one of the companies, Investor, the total proportion of foreign ownership decreased over the five-year period.



⁶ In companies that have both series A and series B shares, the proportion of shares with voting rights is specified.

HISTORICAL TREND OF SHAREHOLDING

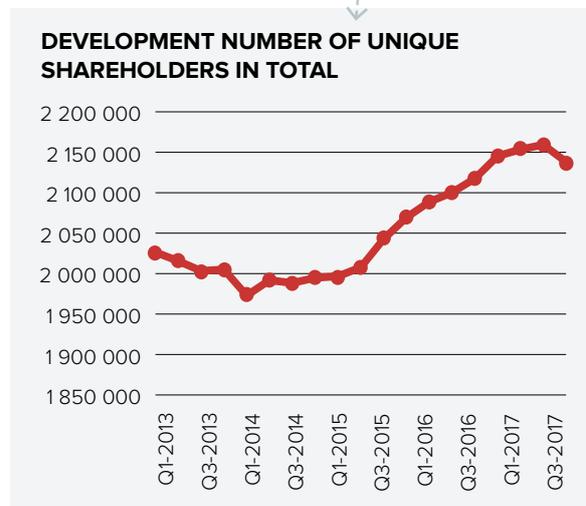
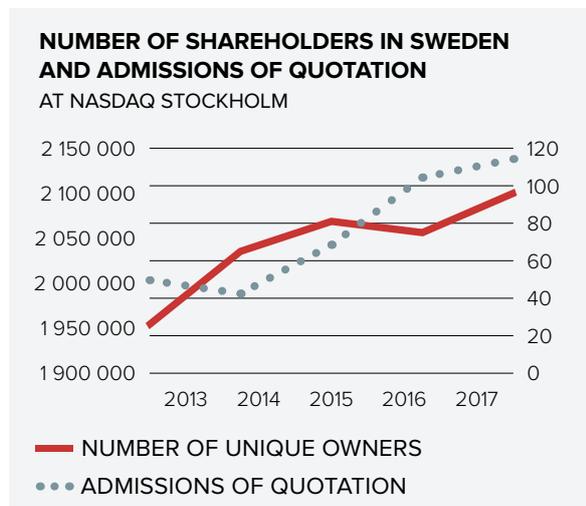
After an upturn in the number of unique shareholders at the start of the millennium, the number of shareholders fell from 2002 to 2014. That trend was reversed in 2014 and since then the number of shareholders in Sweden has been rising on a yearly basis.

The total number of shareholders has steadily risen from the low point in the second quarter of 2014 up to the third quarter of 2017. At the end of the third quarter of 2017, the number of shareholders was at its highest level since 2010. However, in the last quarter of 2017, the number of shareholders fell for the first time since 2014. It remains to be seen whether this is a new reversal of the trend or a temporary downturn.

THE EFFECT OF STOCK EXCHANGE PERFORMANCE ON OWNERSHIP

There appears to be a certain link between stock exchange performance and share ownership, though with a certain time-lag. In the third quarter of 2002, at the time of the IT crash, the Stockholm Stock Exchange reached a new low point and, at the same time, the number of shareholders began to fall. Ownership levelled out in the middle of the first decade of the 2000s, only to receive a further downward impetus after the global financial crisis of 2008 and the euro crisis of 2011. Only in 2014, after three years of steady upward progress in the stock market, did the number of shareholders begin to rise again.

Large numbers of admissions to quotation on the stock market can attract new shareholders and there is a certain connection between the number of admissions to quotation and the number of new shareholders, even though it can differ in any individual year. For example, the number of shareholders rose in 2016 while the number of admissions to quotation on the stock market fell.⁷



⁷ Admissions of quotation refer to new companies on Nasdaq Stockholm and on First North.
Source: http://www.nasdaqomx.com/digitalAssets/105/105029_yearly_nordic_statistics_2000_2016.xls
http://business.nasdaq.com/media/Nordic-Surveillance-Annual-Report-2017_tcm5044-57804.pdf

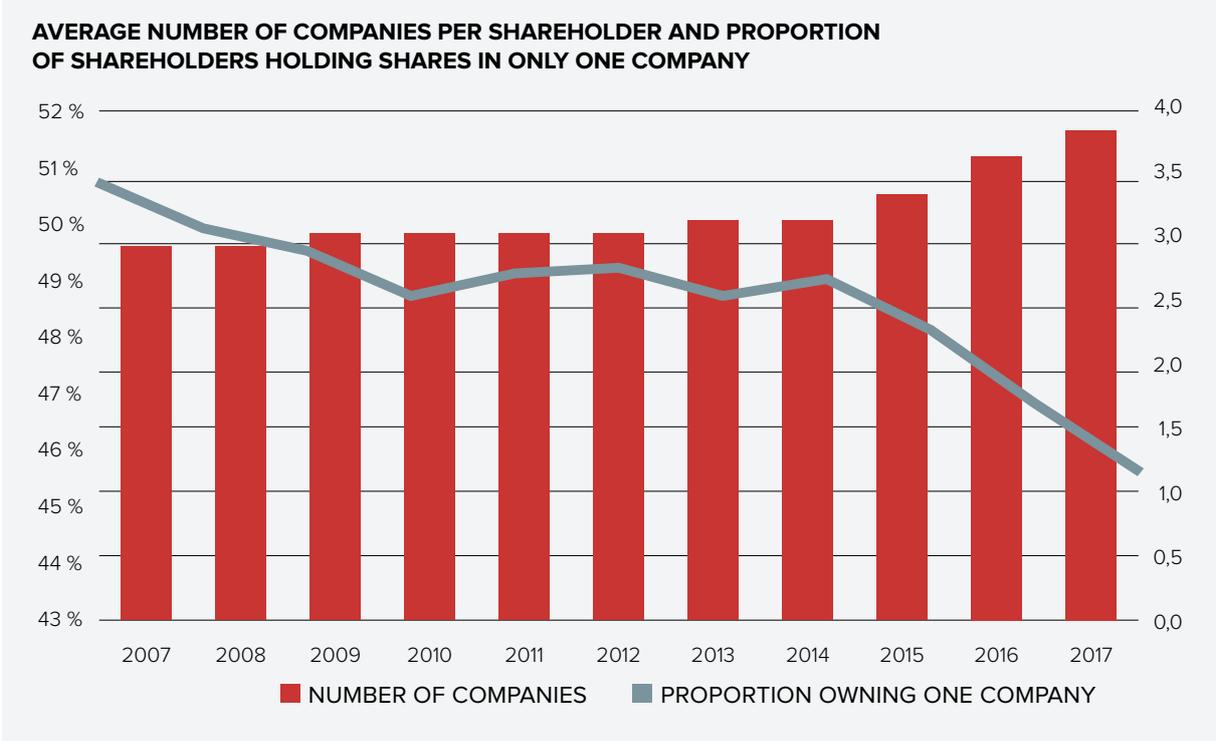
WHAT DOES THE SHARE PORTFOLIO CONSIST OF?

The average shareholder owns shares in 3.8 Swedish companies. Just under half of all shareholders only own shares in one company. The trend indicates that it is becoming increasingly common for the same shareholders to hold more shares in more companies. Over a ten-year period, the average number of companies per shareholder has risen from 2.9 to 3.8 and the proportion of shareholders that only hold shares in one company has fallen from 50.8 per cent to 45.6 per cent.

This development must also be seen in the light of the fact that a number of stock market listings involving large Swedish companies took place at the beginning of the 2000s, not least the stock market listing of Telia,

which led to a large number of new shareholders being registered. In the latter part of the 2000s, we did not see that kind of large admissions to quotation on the stock market aimed at all Swedish citizens. The normal cycle for most listed companies is to have fewer and fewer shareholders over time, unless something special occurs at the company such as a new share issue or a new acquisition.

As far as the increase in the number of companies per shareholder is concerned, digital financial services are likely to have played a part, since these solutions have made buying and selling shares more easily accessible for private savers.



THE COMPANIES WITH THE MOST SHAREHOLDERS 2017

The company with the most shareholders in Sweden is Telia. Almost half a million Swedes have Telia shares in their portfolio. That corresponds to just under a quarter of all shareholders in Sweden and approximately five per cent of all Swedes. Ericsson has the second largest number of shareholders, followed by Swedbank, SEB and H&M.

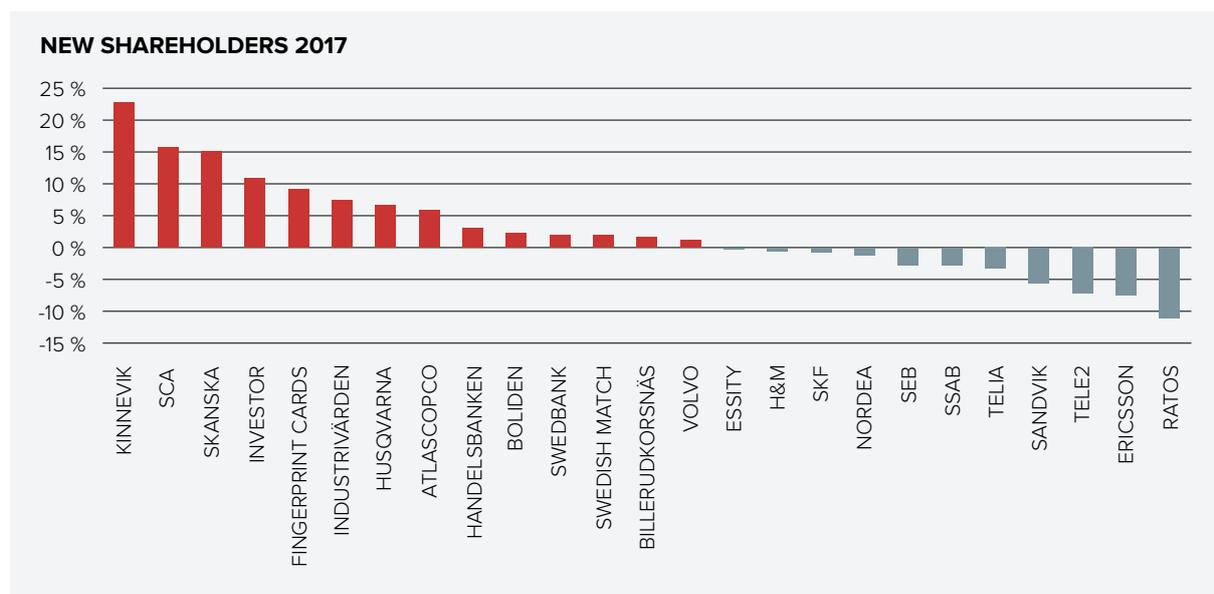
CHANGES IN THE COMPANIES WITH THE MOST SHAREHOLDERS 2017

The list of the 25 companies with the most shareholders in Sweden contains 20 companies from OMX30[®]. The five companies not included in OMX30 are BillerudKorsnäs, Essity, Industrivärden, Ratos and Husqvarna.

The company with the most new shareholders in 2017, in percentage terms, was Kinnevik, which increased by 22.8 per cent (24,274 new shareholders), followed by SCA, Skanska and Investor.

LARGEST NUMBER OF SHAREHOLDERS 2017

Place	Company	Number of shareholders
1	TELIA	496 434
2	ERICSSON	433 779
3	SWEDBANK	302 522
4	SEB	272 288
5	H&M	268 410
6	VOLVO	240 521
7	INVESTOR	196 900
8	HANDELSB	115 432
9	NORDEA	113 107
10	SKANSKA	110 618



[®] Nasdaq Stockholm's index of the 30 most traded shares

FAVOURITE SHARES AMONG WOMEN, MEN AND INSTITUTIONS

A comparison of the companies with the highest proportion of male, female and institutional shareholders shows both differences and similarities. The 20 companies with the highest proportion of male shareholders include five companies – 25 per cent – that are also on the Stockholm Stock Exchange Large Cap

list⁹. The companies with the highest proportion of female shareholders, include 70 per cent on the Large Cap list, whereas 85 per cent of the companies that are most popular among institutions are on the Large Cap list. Women's shareholding is therefore very similar to institutions' portfolios in comparison with men's.

Companies with the highest proportion of female shareholders		Companies with the highest proportion of male shareholders		Companies with the highest proportion of juridical persons	
BILLERUDKORSNÄS	43,5%	STARBREEZE	75,1%	SSAB	34,7%
SEB	43,4%	POWERCELL SWEDEN	74,7%	TELIA	26,1%
ERICSSON	41,5%	ENIRO	74,4%	FINGERPRINT CARDS	18,1%
HANDELSBANKEN	41,5%	EVOLUTION GAMING GROUP	70,5%	ASSA ABLOY	17,5%
ELECTROLUX	41,1%	SENSYS GATSO	70,3%	HEXAGON	16,1%
H&M	40,7%	PRICER	70,1%	ELEKTA	14,8%
SWEDBANK	40,3%	ANOTO GROUP	69,9%	INTRUM JUSTITIA	13,7%
KAPPAHL	39,8%	RESURS HOLDING	69,8%	SALTX TECHNOLOGY	13,5%
FABEGE	39,2%	TOBII	69,4%	SECURITAS	12,5%
WIHLBORG FASTIGHETER	38,9%	AHLSSELL	69,3%	LOOMIS	11,2%
CATENA	38,7%	KARO PHARMA	68,6%	JM	11,1%
ÖRESUND	38,6%	PRECISE BIOMETRICS	68,5%	HANSA MEDICAL	10,9%
HQ (KONKURS)	38,0%	BYGGMAX	68,3%	ALFA LAVAL	10,8%
ESSITY	38,0%	SAS	67,4%	ATLAS COPCO	9,8%
ICA GRUPPEN	37,7%	NETENT	67,3%	ESSITY	9,8%
CLAS OHLSON	37,6%	HIQ INTERNATIONAL	67,0%	SKF	9,6%
SCA	37,5%	NOBINA	67,0%	BALDER	9,5%
INVESTOR	37,0%	DIÖS FASTIGHETER	66,8%	GETINGE	9,5%
CLOETTA	37,0%	MYCRONIC	66,7%	MODERN TIMES GROUP	9,3%
HUSQVARNA	36,9%	BETSSON	66,6%	ANOTO GROUP	9,2%

⁹ Listed companies with over 1 billion EUR in market value
<http://business.nasdaq.com/mediacenter/pressreleases/1660396/market-cap-segment-review-at-nasdaq-nordic-exchanges>

SUMMARY

The number of Swedish shareholders has increased for the third year in a row. In 2017 20,522 new unique shareholders were added and there are now 2.1 million unique shareholders in Sweden in total. The biggest increase in shareholding was in the 21 – 30 age group. It is likely that the increase in shareholding can be explained by a general upturn in the stock market and more admissions to quotation, though new digital services have also probably played a part.

Institutions and companies own the largest proportion in terms of market value, whereas private individuals are clearly the most numerous at just over 1.8 million. Around 60 per cent of the private individuals that own shares are men and 40 per cent are women. In terms of market value, men own two thirds and women own one third of the total holding among private individuals.

There are clear differences in terms of which companies have the largest proportion of female shareholders and which have the largest proportion of male shareholders. Men are predominant in smaller companies, compared to women and institutional shareholders, whose favourite shares are more often to be found on the Large Cap list.

The Swedish company with the most shareholders is Telia, whereas Kinnevik obtained the most new shareholders in 2017.

The number of foreign shareholders is on the increase. In terms of numbers, they represented 12 per cent of the total number of unique shareholders in Swedish limited companies at the end of 2017. In terms of market value, foreign owners owned 41 per cent at the end of 2017.



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