



OSLO BØRS VPS



# *Oslo Børs VPS Holding ASA*

## *1st Quarter 2009*

12 May 2009

# *Overview*

## *First quarter highlights*

- Reduced market activity
- Strategic co-operation with the London Stock Exchange
- Decision to introduce a CCP for equities
- Revised pricing model and reduction in trading fees
  
- Operating revenues: NOK 231.1 million (293.8)
- Operating profit before amortisations and write-downs: NOK 79.7 million (157.5)
- Operating profit: NOK 53.1 million (149.3)
- Earnings for the period: NOK 42.1 million (115.9)
- Earnings per share before amortisations and write-downs: NOK 1.43 (2.83)
- Earnings per share: NOK 0.98 (2.69)

## *The market activity in first quarter*

		Compared to	
		Q108	Q408
Equities	Number of transactions	-7%	-22%
Equities	Value of turnover	-53%	-21%
Settlement	Number of transactions	-7%	-24%
Derivatives	Number of exchange traded contracts traded and cleared	-31%	-8%
Market data	Number of end users	12%	9%

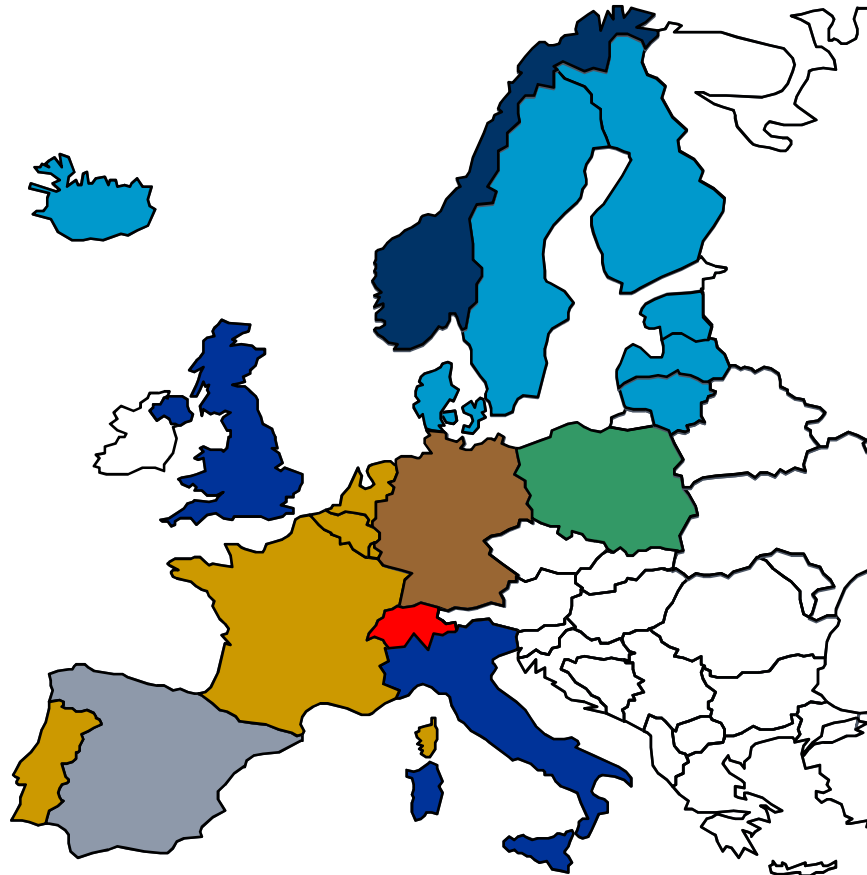
## *Events and activities in the first quarter*

- Strategic co-operation with the London Stock Exchange
- Decision to introduce a CCP for equities
- Nasdaq OMX Stockholmsbørsen has started trading in Norwegian stocks
- Revised pricing model and reduction in trading fees
- Seadrill appeals to Supreme Court

# Trading venues in Europe post MiFID

## Exchanges

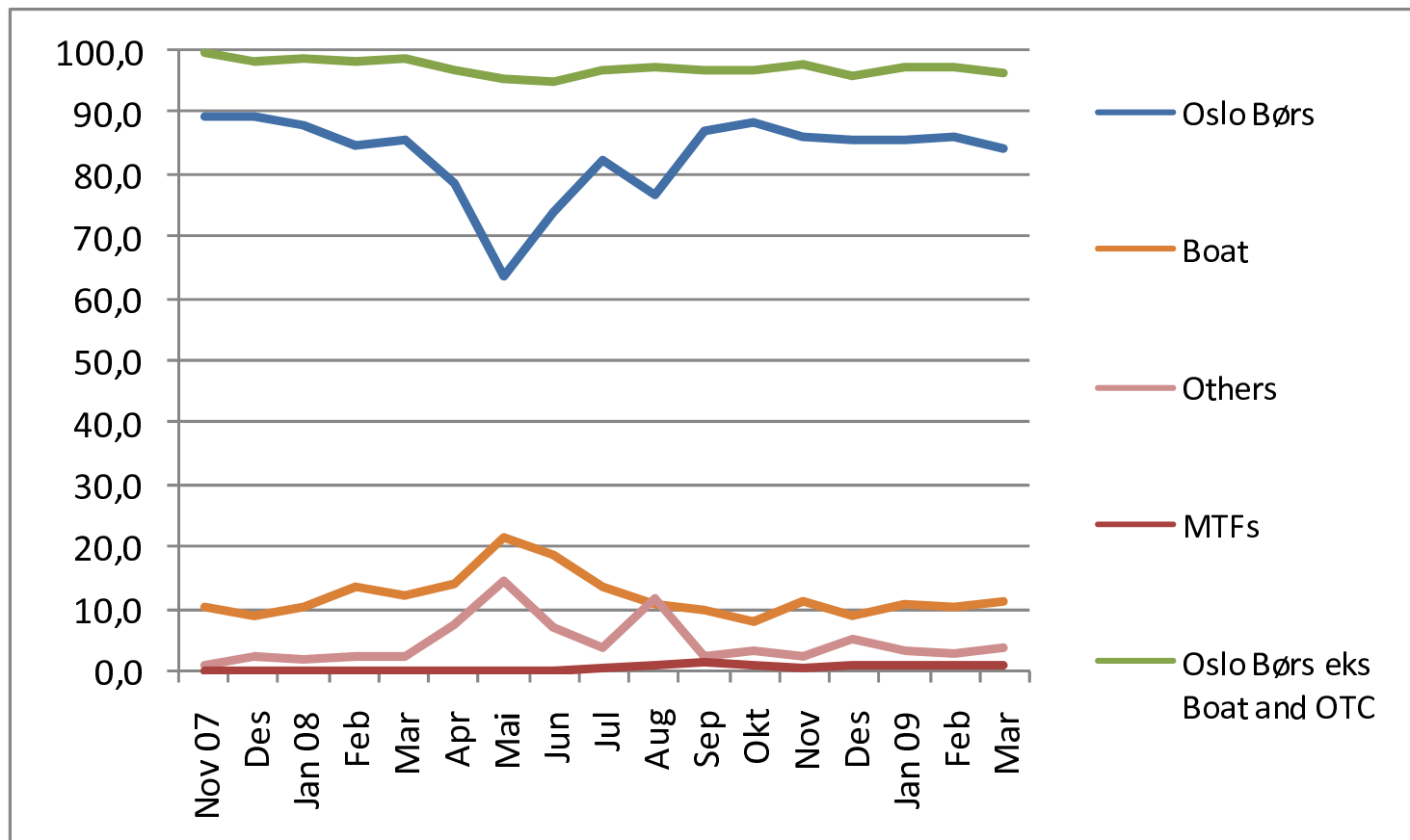
-  OSLO BØRS
-  **London**  
Stock Exchange Group
-  BORSA ITALIANA®
-  **NASDAQ OMX™**
-  **NYSE Euronext**
-  Deutsche  
Börse
-  **SWX**  
SWISS EXCHANGE
-  **BME X**  
SPANISH EXCHANGES
-  **WARSAW STOCK EXCHANGE**



## MTFs

-  **chix**  
EUROPE
-  **TURQUOISE**
-  **NASDAQ OMX™**  
EUROPE
-  **BATS**
-  **burgundy**®
-  EQUIDUCT TRADING
-  **INSTINET.**
-  liquidnet.™
-  **m**

## Market share in OBX Index equities



Source: Thomson Reuters

# *MiFID: Expectations and results*

- *Expectations for MiFID*
- *Greater competition between exchanges, and the emergence of new marketplaces.*
- *Consolidation in Europe (becoming more like the USA).*
- *Results (so far)*
- *Competition is working, with lower fees for carrying out trading transactions on marketplaces.*
- *Liquidity in equities has become more fragmented, and investors have seen an increase in the cost of trading (spread).*
- *Reporting of trades has become fragmented, and this has weakened the surveillance of European equities markets. The risk of illegal insider trading has increased.*
- *No longer a single source for market data.*
- *Connecting up with the many new marketplaces is causing increased costs.*

## *Activities 2009*

- Implement a new trading system
- Implement central counterparty arrangements for trading in equity instruments
- Improve the efficiency of operations and development
- Increased focus on strong sectors
- Further development of the derivatives area
- Increase revenue from value-adding services

# *Financial review*

# P&L 1st Quarter 2009

	1st Quarter 2009	1st Quarter 2008	Change in %	2008
<b>Operating revenues</b>	<b>231 131</b>	<b>293 829</b>	<b>-21 %</b>	<b>1 147 170</b>
<b>Operating expenses</b>				
Capitalisation of internal resources	-3 121	-9 178		-10 221
Salary and other personnel expenses	76 550	68 669		272 318
Other operating expenses	63 275	63 802		236 109
Depreciations	14 715	13 079		50 706
				0
<b>Operating expenses before amortisations and write-downs</b>	<b>151 419</b>	<b>136 372</b>	<b>11 %</b>	<b>548 912</b>
				0
<b>Operating profit before amortisations and write-downs</b>	<b>79 712</b>	<b>157 457</b>	<b>-49 %</b>	<b>598 258</b>
				0
Amortisations	26 601	8 157		63 650
Write-downs	0	0		375 987
<b>Total operating expenses</b>	<b>178 020</b>	<b>144 529</b>	<b>23 %</b>	<b>988 549</b>
<b>Operating profit</b>	<b>53 111</b>	<b>149 300</b>	<b>-64 %</b>	<b>158 621</b>
Net financial items	8 915	11 457		45 768
<b>Ordinary pre-tax profit</b>	<b>62 026</b>	<b>160 757</b>		<b>204 389</b>
Tax	19 850	44 890		159 442
<b>Earnings for the period</b>	<b>42 176</b>	<b>115 867</b>	<b>-64 %</b>	<b>44 948</b>
Actuarial gains/losses defined benefit pension plans	0	0		-30 201
Tax-effect	0	0		8 456
<b>Total comprehensive income</b>	<b>42 176</b>	<b>115 867</b>	<b>-64 %</b>	<b>23 203</b>
Earnings per share (NOK)	0,98	2,69	-64 %	1,05
Diluted earnings per share (NOK)	0,98	2,69	-64 %	1,05
Earnings per share before amortisations and write-downs (NOK)	1,43	2,83	-50 %	10,78

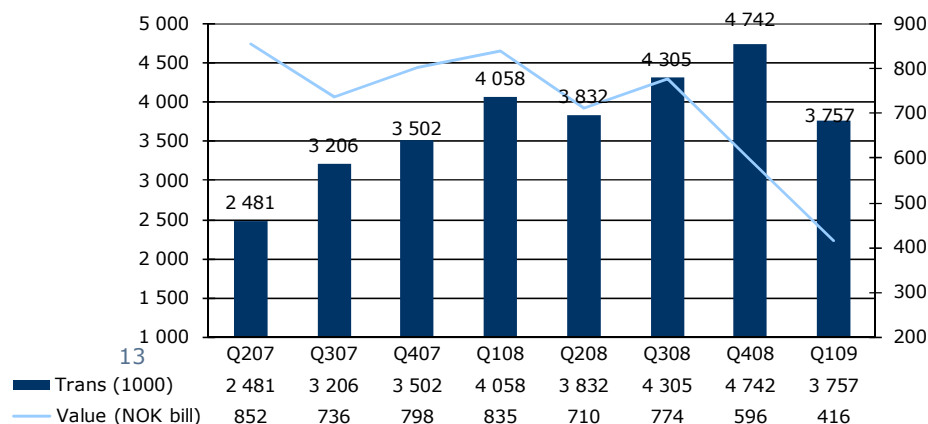
# Oslo Børs

## Oslo Børs

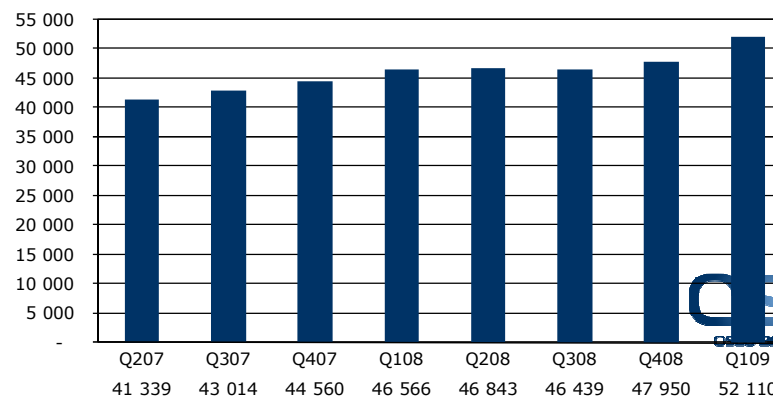
	1st Quarter 2009	1st Quarter 2008	Change in %	2008
Operating revenues	112 280	150 273	-25 %	589 247
Operating expenses before amortisations and write-downs	60 508	60 310	0 %	238 672
Operating profit before amortisations and write-downs	51 772	89 963	-42 %	350 575
Amortisations	0	0		0
Write downs	0	0		0
Operating profit	51 772	89 963	-42 %	350 575

- Transactions down 7%, value of turnover down 53%
- No new listings – 5 delistings
- Trading revenues down NOK 28 million
- Fixed fees from issuers – down NOK 6 million
- Market data – down NOK 3 million

Equities - number of transactions and value of turnover



Market data - number of end-users



OSLO BØRS VPS

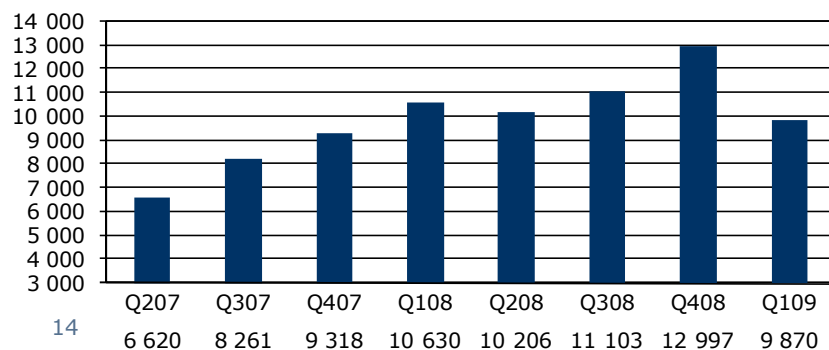


**VPS**

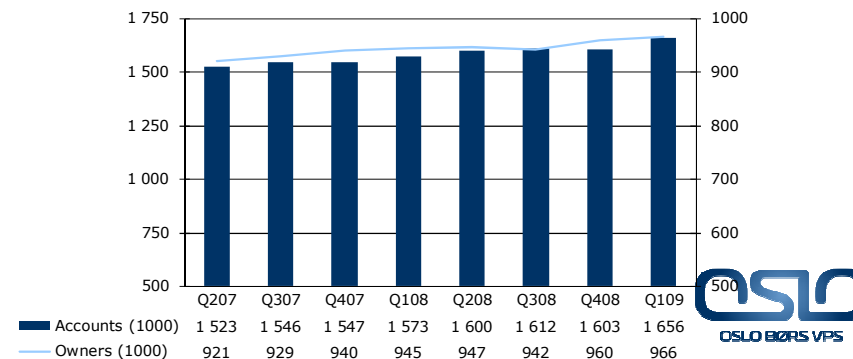
	1st Quarter 2009	1st Quarter 2008	Change in %	2008
Operating revenues	111 852	126 987	-12 %	503 573
Operating expenses before amortisations and write-downs	79 626	63 337	26 %	257 701
Operating profit before amortisations and write-downs	32 226	63 650	-49 %	245 872
Amortisations	25 104	7 479		59 542
Write downs	0	0		250 310
Operating profit	7 122	56 171	-87 %	-63 980

- Transactions processed down 7% - revenues down NOK 15 million
- Investor products – revenues down NOK 4 million
- Issuer products – revenues up NOK 3 million
- Fund products – revenues down NOK 1 million
- Operating expenses before amortisations - up NOK 16 million
- Amortisations - up NOK 18 million

Number of trade transactions processed in VPS (1000)



Number of VPS-accounts and owners of financial instruments in VPS

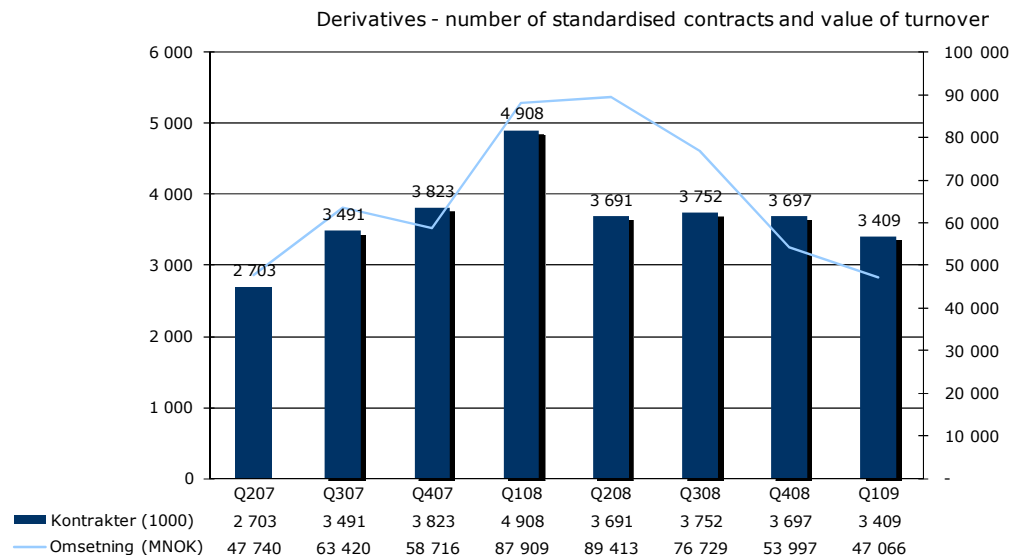


# Oslo Clearing

## Oslo Clearing

	1st Quarter 2009	1st Quarter 2008	Change in %	2008
Operating revenues	5 116	13 978	-63 %	39 472
Operating expenses before amortisations and write-downs	8 293	9 982	-17 %	34 578
Operating profit before amortisations and write-downs	-3 177	3 996	-180 %	4 894
Amortisations	0	39		374
Write downs	0	0		86 608
Operating profit	-3 177	3 957	-180 %	-82 088

- Reduction in revenues from all products
- New concept – Tailor Made derivatives – to be launched in Q2



# Oslo Market Solutions

	1st Quarter 2009	1st Quarter 2008	Change in %	2008
<b>Oslo Market Solutions</b>				
Operating revenues	5 041	5 750	-12 %	23 277
Operating expenses before amortisations and write-downs	5 143	6 059	-15 %	20 961
Operating profit before amortisations and write-downs	-102	-309	-67 %	2 316
Amortisations	1 497	639		3 734
Write downs	0	0		39 069
Operating profit	-1 599	-948	69 %	-40 488

- Reduced number of new projects
- Increase in yearly fees

# Balance sheet

## Fixed assets

IT-systems	587 271	647 791	601 622
Customer relations	78 018	85 524	80 313
Registrations	10 000	10 000	10 000
Goodwill	1 567 204	1 931 167	1 567 204
Deferred tax assets	79 147	76 310	79 147
Tangible assets	79 450	73 868	69 848
Financial fixed assets	31 248	28 869	31 457

## Current assets

Market value of outstanding derivatives positions	726 474	2 257 150	725 289
Receivables	112 754	129 015	91 624
Cash and cash equivalents	1 022 400	1 000 907	964 873

## Assets

**4 293 966      6 240 601      4 221 376**

## Equity

Contributed equity	2 645 971	2 650 219	2 650 201
Earned equity	203 444	551 738	157 038
Total equity	2 849 416	3 201 957	2 807 239

## Liabilities

Pension liabilities	195 836	161 916	195 905
Debt to credit institutions	-	41 333	-
Deferred tax liabilities	147 976	174 354	155 424
Market value of outstanding derivatives positions	-	-	-
Current liabilities	726 474	2 257 150	725 289
	374 264	403 891	337 520

## Equity and liabilities

**4 293 966      6 240 601      4 221 376**

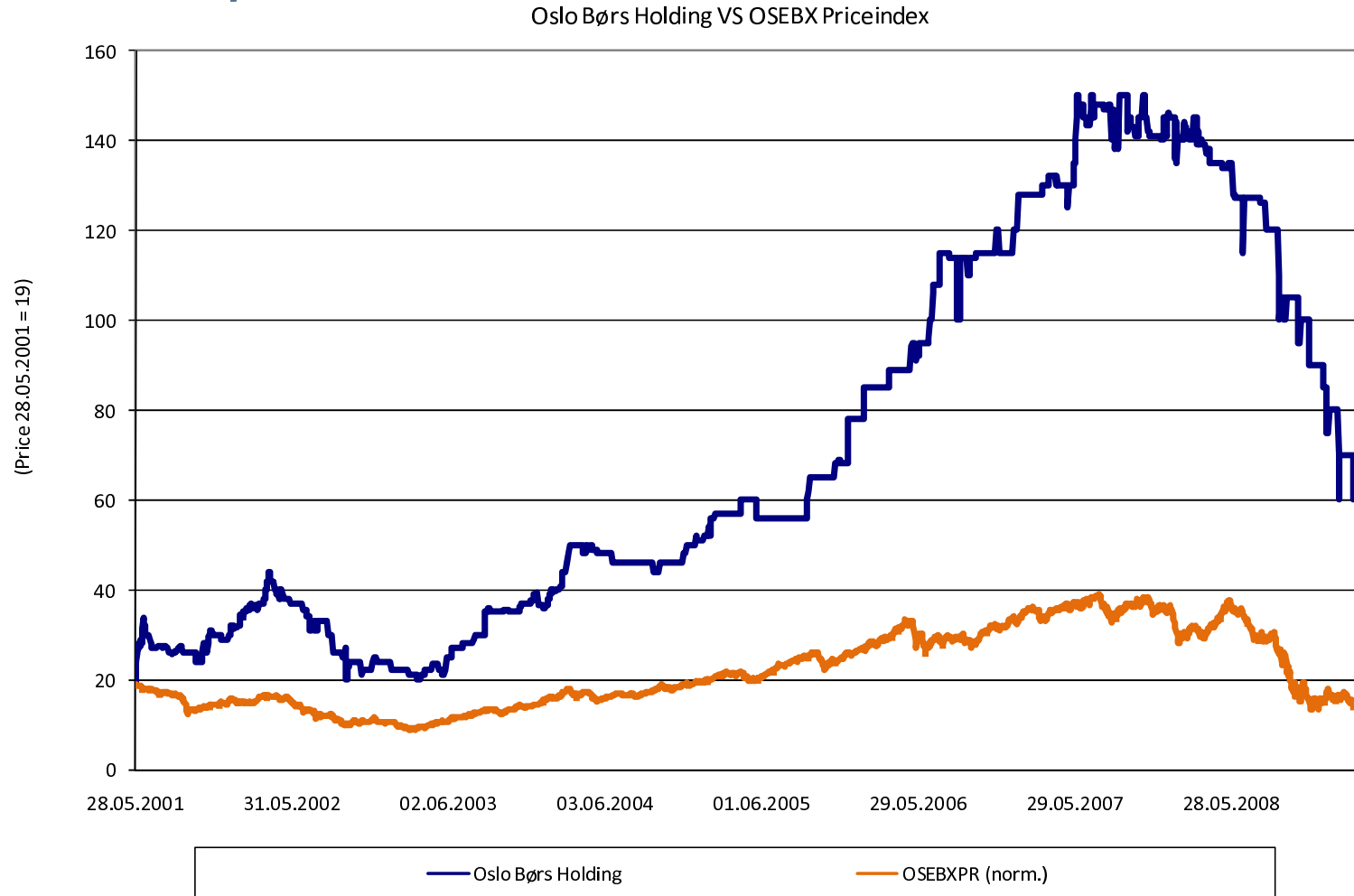
# Cash flow

	1st Quarter 2009	1st Quarter 2008	2008
<b>Cash flow from</b>			
- operational activities	82 884	192 439	518 342
- investment activities	-24 658	914	-16 220
- financing activities	-699	-5 787	-350 592
<b>Cash and cash equivalents at period's start</b>	964 873	813 342	813 342
Change in cash and cash equivalents	57 527	187 566	151 530
<b>Cash and cash equivalents at period's end</b>	1 022 400	1 000 907	964 873
<b>Cash flow per share (NOK)</b>	1,34	4,36	3,52

# Equity

	1st Quarter 2009	1st Quarter 2008	2008
<b>Equity at period's start</b>	2 807 239	3 086 091	3 086 091
Profit for the period	42 176	115 867	44 948
Dividends	0	0	-300 993
Purchase of own shares	0	0	-1 060
Actuarial gains/losses in the period	0	0	-21 745
<b>Equity at period's end</b>	<b>2 849 416</b>	<b>3 201 957</b>	<b>2 807 239</b>
<b>Equity ratio</b>	<b>66 %</b>	<b>51 %</b>	<b>67 %</b>

# Share price



# Largest shareholders

	Name	Nationality	Holding in numbers	Holding in percent
1.	DNB NOR BANK ASA	NOR	8 233 688	19,15 %
2.	KLP FORSIKRING	NOR	4 300 200	10,00 %
3.	NORSK HYDROS PENSJONSKASSE	NOR	3 662 231	8,52 %
4.	PARETO AS	NOR	3 212 230	7,47 %
5.	NBI HF ICELAND	ISL	2 812 930	6,54 %
6.	OMX AB	SWE	2 500 000	5,81 %
7.	ORKLA ASA	NOR	2 235 700	5,20 %
8.	ARENDALS FOSSEKOMPANI	NOR	1 996 000	4,64 %
9.	STATE STREET BANK (NOM)	USA	1 039 003	2,42 %
10.	STOREBRAND ASA	NOR	983 200	2,29 %
11.	JP MORGAN CHASE BANK (NOM)	GBR	975 946	2,27 %
12.	MSF- MUTUAL FINANCIAL	USA	911 000	2,12 %
13.	UBS SECURITIES (NOM)	USA	825 672	1,92 %
14.	FOKUS BANK	NOR	750 000	1,74 %
15.	MUST INVEST AS	NOR	708 520	1,65 %
16.	SUNDT AS	NOR	657 500	1,53 %
17.	JP MORGAN CHASE BANK (NOM)	LUX	622 000	1,45 %
18.	HAVFONN AS	NOR	608 000	1,41 %
19.	PARETO SECURITIES AS	NOR	600 000	1,40 %
20.	SPAREBANKEN VEST	NOR	550 505	1,28 %
	<b>Sum 20 largest</b>		<b>38.184.325</b>	<b>88,81 %</b>
	<b>Total number of shares</b>		<b>43.004.000</b>	<b>100,00 %</b>



## *Breakdown revenues – Oslo Børs segment*

<b>Revenues per area</b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>2 008</b>
Equity Markets	64 602	97 605	384 928
Fixed Income Markets	5 555	6 189	25 512
Derivatives Markets	3 389	5 591	19 460
Financial Market data	37 144	39 979	153 557
Other	1 590	909	5 791
<b>Total Oslo Børs</b>	<b>112 280</b>	<b>150 273</b>	<b>589 248</b>
<b>Revenues per category</b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>2 008</b>
Fixed fees- issuers	14 184	19 874	81 164
Fixed fees - members	2 475	2 763	11 475
Trading fees	53 706	81 585	303 090
Prospectus and admission fees	3 180	5 164	32 124
Financial market data	37 144	39 979	153 557
Income from courses/seminars	511	374	3 076
Other income	1 079	534	4 761
<b>Total Oslo Børs</b>	<b>112 280</b>	<b>150 273</b>	<b>589 248</b>

## *Breakdown revenues – VPS segment (proforma)*

<b>VPS</b>	<b>Q1 2009</b>	<b>Q1 2008</b>	<b>2 008</b>
Investor products	20 369	24 334	97 608
Issuer products	23 319	20 006	94 605
Settlement products	49 970	64 647	249 431
Fund products	17 144	17 974	61 902
Other revenues	1 050	26	26
<b>Total VPS</b>	<b>111 852</b>	<b>126 987</b>	<b>503 573</b>