

Oslo Børs Holding ASA – 4th quarter 2001

Highlights in the 4th quarter

- Pre-tax earnings 4th quarter: MNOK 11.5 – for 2001: MNOK 61
- Earnings per share 4th quarter: NOK 1.56 – for 2001: NOK 9.95
- Proposed ordinary dividend per share: NOK 4
- In addition proposed extraordinary dividend of NOK 14 per share based on assessment of strategy and capital requirement
- Continued rise in market information revenues
- Record number of stock transactions
- Oslo Børs to provide systems and competence to common NOREX-projects

The 4th quarter

General comments

The 4th quarter of 2001 ends the first operating year for Oslo Børs Holding ASA and Oslo Børs ASA.

Oslo Børs Holding ASA achieved an operating income of MNOK 8.3 (-2.6) in the 4th quarter. Operating income for the year as a whole was MNOK 48.7 (15.3). Earnings after tax amounted to MNOK 49.8 (20.7) for the same period. The improved results are primarily due to increased revenues.

The results are affected by capitalisation of internal labour resources employed in investment projects, by changes in the depreciation plan for the existing trading system and by refund of costs incurred in the privatisation process. These combined effects increase earnings by MNOK 18.

Investment activities in 2001 amount to MNOK 58, of which MNOK 45 are investments in IT-systems. The transition to the new trading system – Saxess – in the first quarter of 2002 - in addition to other NOREX-co-projects dominates investment expenditure.

The trading activity in the stock market– measured by number of transactions – was historically high in the 4th quarter. The value of turnover on the other hand, showed a decrease compared with the same quarter in 2000, and with the first quarters of 2001.

The total equity turnover in 2001 was NOK 566 billion, 7 per cent lower than in 2000. Market capitalisation of the listed companies amounted to NOK 677 billion, representing an increase of 6 per cent from the previous year. During 2001 17 companies were listed – while 19 were delisted.

Up until the disastrous events in USA in September, the performance of Oslo Børs was relatively better than Nordic and European exchanges. From September to year-end, the development has slightly declined compared to other markets.

Revenues

The revenue in the 4th quarter was MNOK 57, MNOK 6 higher than in the same period the previous year. The activity in the stock market was relatively higher than expected after new estimates following the attacks in the USA.

Revenues from dissemination of market information increased further in the 4th quarter, and income from this segment rose of 25 per cent from the 2000.

Total revenue for the full year was MNOK 223, compared with MNOK 197 in 2001.

Costs

Operating costs in the 4th quarter 2001 were MNOK 49.2, against MNOK 54.1 in the same period in 2000.

The stock exchange building is being fully refurbished. Costs associated with the project are partly maintenance, and primarily upgrading. In 2001, costs of MNOK 3 were maintenance.

The accounts for the 4th quarter contain capitalisation of internal personnel costs of MNOK 3.6 in investment projects. For the full year, MNOK 8.5 has been capitalised.

As a result of prolonged operation of the existing trading system, depreciation costs are lower than previously anticipated. For the 4th quarter, the effect amounts to MNOK 1.5, while depreciations are MNOK 4.7 lower for the full year compared with 2000.

Operating costs in 2001 were MNOK 174.6. In 2000 the corresponding figure was MNOK 181.5. The reduction represents cost savings of 4 per cent. Adjusting for unusual events such as lower depreciation and enhanced maintenance in addition to capitalisation of internal resources, general operating costs show a slight increase (2 per cent).

The company is liable to taxation costs of MNOK 11.5 for the year 2001. Payable taxes are approx. MNOK 1.5.

NOREX-cooperation

The NOREX-alliance – consisting of the exchanges in Norway, Sweden, Denmark and Iceland – has throughout 2001 moved closer towards the vision of creating a common market place for Nordic securities.

In the final quarter of 2001 Oslo Børs' resources have focused on:

- Technical and market preparations for the new trading system, Saxess,
- Harmonising rules in the alliance
- Common projects in NOREX – data warehouse, market surveillance and other trading support systems.

Oslo Børs has invested extensively in IT-competence combined with market place knowledge. Through common NOREX-projects, Oslo Børs is now in a position to provide and operate critical systems supporting the trading system, Saxess.

Together with the Copenhagen Stock Exchange, Oslo Børs launched the first common IT-project in the 4th quarter 2001. Oslo Børs will operate the common data warehouse for the two exchanges.

In December 2001, Oslo Børs entered an agreement to provide its market surveillance product, obSurveX to the Stockholm Stock Exchange. The service contains operation of the market watch system and access to special surveillance resources, and is compatible with most trading systems. The system is now adjusted to fit the Saxess-system. Oslo Børs' surveillance function is internationally acclaimed, and the Stockholm-deal represents a further focus on this area in the Nordic region as a whole.

The agreement between the Stockholm Stock Exchange and Oslo Børs entails the establishment of a common competence unit for market watch at the Oslo Børs, serving the participating exchanges.

Oslo Børs will from 2002 be technically and marketwise included in the alliance. The effects of the cooperation will probably not materialise in full this first year.

Dividends

When approving the annual results, the Board of Oslo Børs Holding ASA intends to recommend to the General Meeting that ordinary dividends be paid in an amount of NOK 4 per share.

Based on an assessment of the Company's strategy and the Company's capital and liquidity, the Board has concluded that both are higher than necessary in the current situation. Accordingly, the Board intends to present the General Meeting with a suggestion to pay an extraordinary dividend of NOK 14 per share.

Extraordinary dividends will, subject to General Meeting's approval, require a reduction of tied-up equity capital in the company Oslo Børs ASA as well as in Oslo Børs Holding ASA. The extraordinary dividend will thereby first be liable for payment after notice to creditors has expired.

Market development

The activity in the stock market proved to be higher than expected after the 3rd quarter following the volatility in the markets after the terror attacks in the USA.

The 4th quarter of 2001 was one of the most active in history measured by the number of transactions.

The turnover value was however moderate in relation to previous quarters.

The market capitalisation of listed companies amounted to NOK 677 bill, representing an increase of 6 per cent from the previous year. During 2001 17 companies were listed – while 19 were delisted.

Total equity turnover in 2001 was NOK 566 billion, 7 per cent lower than in 2000.

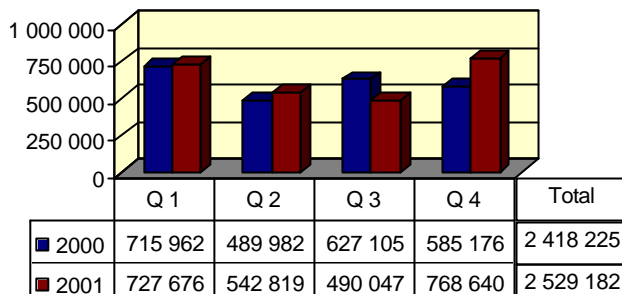
The trading volume in the 4th quarter was somewhat higher than the previous quarter, but lower than in the first quarters of 2001.

New issues were at moderate levels in 2001. The Statoil-sale in the 2nd quarter explains the peak of NOK 20 billion.

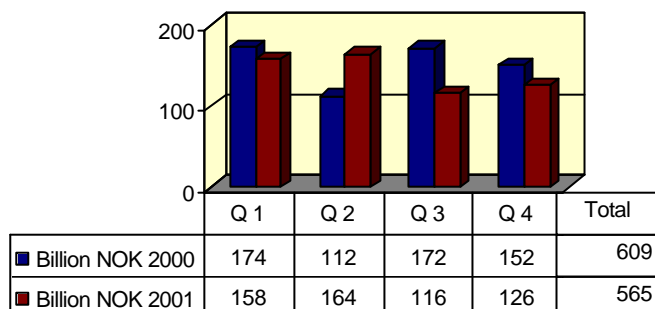
Activity picked up in the final quarter, but in relation to the record year 2000, issues were reduced by 35 per cent.

The decline affected revenues related to new listings and new issues.

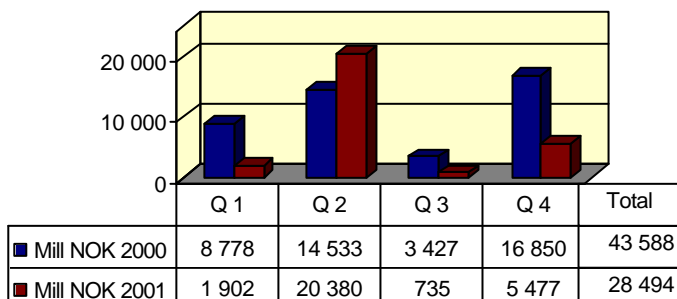
Equities - Number of transactions



Equities - Turnover value

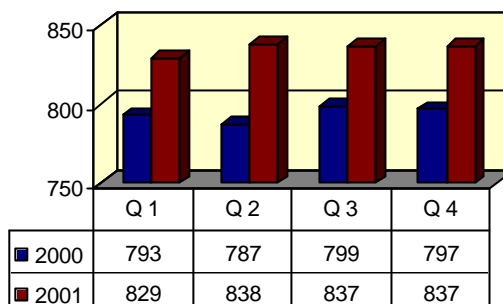


Equities - New Issues



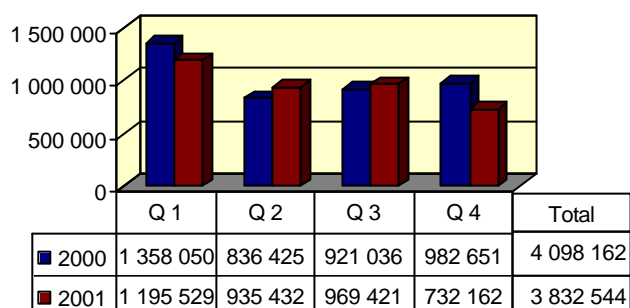
The number of listed bonds and certificates was higher in 2001 than in 2000. This is reflected in increased revenues in the fixed income business area.

Bond market- Number of listed bonds



Activity in the derivatives market continued to decrease in the last quarter of 2001. The number of contracts fell by 7 per cent compared to 2000.

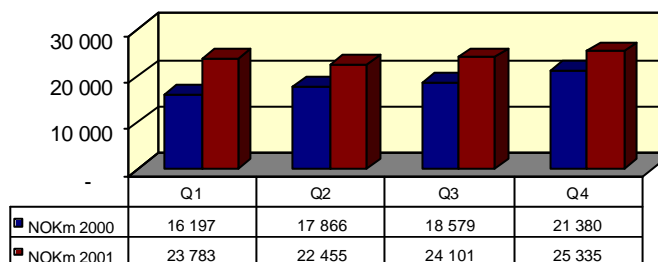
Derivatives - Number of contracts traded



Income from information dissemination increased further.

Revenues in 2001 increased by 25 per cent from 2000.

Revenues -sale of financial market data



see www.osb.no/ir for further accounting numbers. All numbers are NOK 1000's unless otherwise stated.

Income statement

The income statement has been prepared in keeping with the same accounting principles as those employed in the annual financial statement.

	4th Quarter 2001	4th Quarter 2000	Dec 31 2001	Dec 31 2000	2000
Operating revenues	57 531	51 560	223 309	196 827	196 827
Operating costs					
Salaries and related costs	16 823	15 885	61 838	61 632	61 632
Depreciation	10 806	12 035	44 317	49 542	49 543
Other operating costs	21 571	26 203	68 460	70 361	70 360
Total operating costs	49 201	54 123	174 615	181 535	181 535
Operating profit	8 331	-2 562	48 694	15 292	15 292
Net financial items	3 205	3 160	12 634	7 809	7 809
Ordinary pre-tax profit	11 536	598	61 328	23 101	23 101
Tax	3 738	646	11 584	2 447	2 447
Earnings for the period	7 798	-48	49 744	20 654	20 654
Earnings per share (NOK)	1,56	-0,01	9,95	4,13	4,13

Segment information

The business area segments show revenues associated with these and operating costs related to revenues.

In the 4th quarter the Equity area and the Derivatives market experienced negative results. For the Equity area, costs associated with NOREX-projects explain the deficit. Low activity in the derivatives market resulted in lower income and thereby negative results.

For the year 2001 as a whole only the Derivatives market showed a negative operating margin. The segment has, however, a positive contribution margin prior to allocation of overhead costs. It is an explicit goal to achieve positive margins in all markets, and earnings which meet the overall required rate of return.

Among "Other" are income from the Børs Institute, income referral from sale of the exchanges shares and ads on the web-site.

	4th Quarter	4th Quarter	Dec 31	Dec 31
	2001	2 000	2 001	2 000
Equity Markets				
Operating revenues	23 445	19 512	85 367	84 401
Operating profit	-1 880	-13 579	4 369	-4 585
Fixed Income Markets				
Operating revenues	5 644	4 706	22 317	19 567
Operating profit	1 075	-1 078	6 042	2 029
Derivatives Markets				
Operating revenues	1 893	3 193	10 301	14 010
Operating profit	-3 220	-3 285	-8 303	-6 323
Financial Market data				
Operating revenues	25 335	21 380	95 674	76 497
Operating profit	11 992	12 727	40 208	21 936
Other				
Operating revenues	1 214	2 770	9 650	2 352
Operating profit	363	2 653	6 379	2 235
Total operating revenues	57 531	51 560	223 309	196 827
Total operating profit	8 331	-2 562	48 694	15 292

Cash flow

Oslo Børs Group had a net cash flow in the final quarter of MNOK 11.9, compared with MNOK 11.4 in the same period in 2000. Net cash flow in 2001 is MNOK 53, against MNOK 55 in 2000. The amount of cash and liquid assets are relatively high at the end of the year. At the same time current liabilities have increased by MNOK 11 in 2001. Investments in IT-systems for the year are MNOK 45. Total investments in 2001 were MNOK 58, and approx MNOK 40 higher than in 2000. The projects associated with the majority of these investments will be continued through the first quarter of 2002.

	4th Quarter 2001	4th Quarter 2 000	Dec 31 2 001	Dec 31 2 000	2 000
Cash flow from					
- operational activities	29 666	19 565	110 469	71 858	71 858
- investment activities	-17 805	-8 131	-57 520	-16 908	-16 908
- financing activities	0	0	0	0	0
Cash and liquid assets at the start of the period	163 061	110 538	121 973	67 023	67 023
Change in cash and liquid assets	11 861	11 435	52 949	54 950	54 950
Cash and liquid assets at the end of the period	174 922	121 973	174 922	121 973	121 973
Net cash flow per share (NOK)	2,37	2,29	10,59	10,99	10,99

Equity

The equity amounted to MNOK 203 by the end of 2001, proposed dividends taken into account. The proposed dividend is classified as current liability, keeping total assets to MNOK 347. The equity ratio was accordingly approx. 58 per cent. If proposed dividends are paid out, total assets will be reduced to MNOK 257, and the equity ratio increase to approx. 79%.

	4th Quarter 2001	4th Quarter 2 000	Dec 31 2 001	Dec 31 2 000
Equity at the start of the period	285 351	195 514	195 927	174 811
Profit for the period	7 798	-48	49 744	20 654
Proposed dividend	-90 000		-90 000	
Deferred tax asset	0	0	47 478	0
Effect of changes in accounting principles	0	461	0	461
Equity at the end of the period	203 149	195 927	203 149	195 927
Equity ratio			58 %	83 %

Outlook

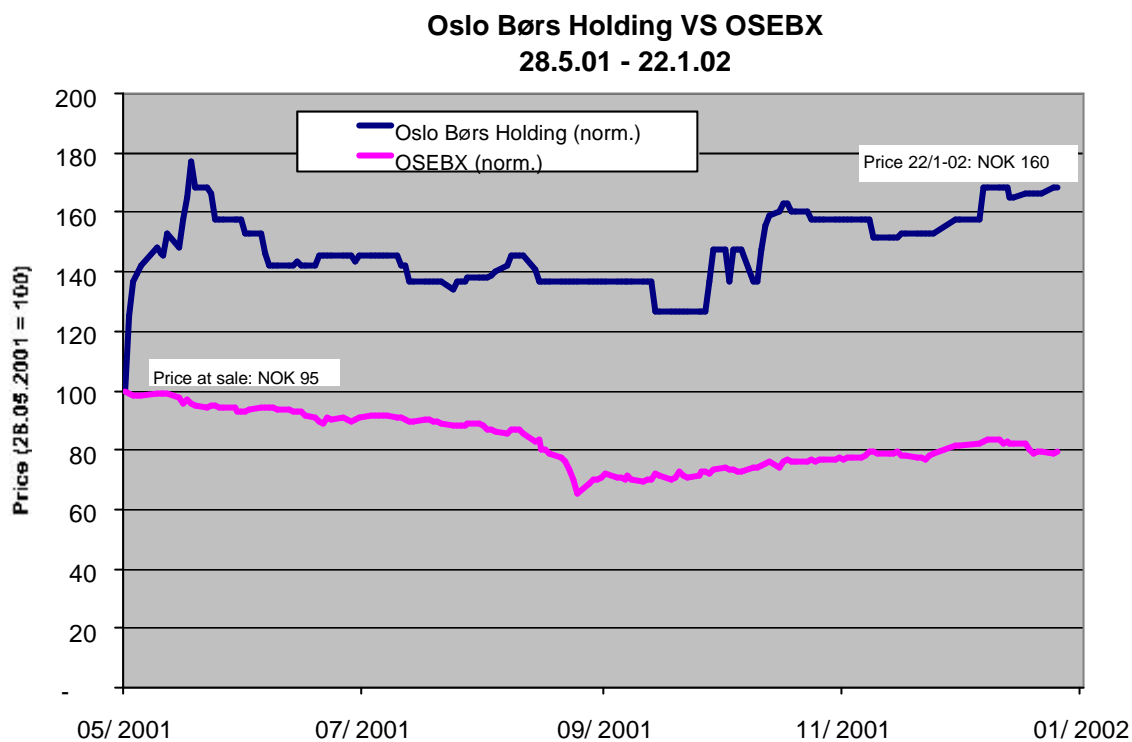
The Norex-alliance and Oslo Børs' own market initiatives will contribute to increased international interest in the Norwegian securities market. There are positive expectations to the effects of an increasing number of remote members. Experience from other markets indicate, however, that the impact from these new members do not prevail instantly.

In spite of the current volatility in the markets, Oslo Børs expects to see earnings in 2002 on levels with 2001. The results will be affected by elevated maintenance costs slightly under MNOK 15, and by lower depreciation costs than in 2001. A slight increase in trading and listing prices, in combination with strict cost control, are expected to offset a potential drop in activity levels.

Taxes will increase in 2002, as only the last seven months of 2001 were subject to taxes. The payable part of the taxes will be significantly higher in 2002.

Shareholder information

Development in share price



10 largest shareholders as of January 7, 2002

Name	Nationality	Holding number of shares	Holding per cent
1. Morgan Stanley (nominee account)	GBR	467 512	9.35
2. Gjensidige NOR	NOR	408 512	8.17
3. Orkla ASA	NOR	400 000	8.00
4. State Street Bank (nominee account)	USA	200 000	4.00
5. Danske Bank AS (nominee account)	DNK	200 000	4.00
6. KLP Forsikring	NOR	200 000	4.00
7. Norsk Hydros Pensjon	NOR	190 000	3.80
8. Goldman Sachs	GBR	178 666	3.57
9. Fidelity Funds	LUX	174 000	3.48
10. Valhall Invest	NOR	152 000	3.04

Balance sheet

The balance sheet has been prepared in keeping with the same accounting principles as those employed in the annual financial statement.

Intangible assets are costs incurred from work-in-progress for projects relating to new trading system and common Norex-tasks, not yet in operation.

	Dec 31 2 001	Dec 31 2 000
Fixed assets		
Intangible assets	44 718	0
Deferred tax assets	38 132	1 006
Tangible assets	23 460	57 370
Financial fixed assets	38 950	36 925
Current assets		
Receivables	27 221	20 111
Cash and liquid assets	174 922	121 973
Assets	347 403	237 385
Equity	203 149	195 927
Liabilities		
Provisions for liabilities	11 057	9 313
Current liabilities	133 197	32 145
Equity and liabilities	347 403	237 385

Key figures

	4th Quarter 2001	4th Quarter 2 000	Dec 31 2 001	Dec 31 2 000
Profit per share (NOK)	1,56	-0,01	9,95	4,13
Change in cash per share (NOK)	2,37	2,29	10,59	10,99
Return in equity 1)	10,0 %	-0,1 %	18,5 %	11,1 %
Return on total capital 1)	12,4 %	1,0 %	19,4 %	10,4 %
Net operating margin	14,5 %	-5,0 %	21,8 %	7,8 %

1) The deferred tax asset that arose when the assets and liabilities were transferred in May 2001 is included in the opening balance of 2001. Proposed dividend is not taken into account when calculating these key figures.

Board of Directors
Oslo Børs Holding ASA/Oslo Børs ASA

24 October 2001