

# OMX Surveillance

## Monthly report May 2008

### Stockholm

The OMX Nordic Exchange in Stockholm has during May in two cases criticized companies on the main market. Both cases concerned situations where price sensitive information was revealed to the shareholders at the AGM without the information simultaneously being released to the market with a press release. The first case concerned information regarding the company's revenues for the first quarter 2008 and the second case information regarding a new order that the company had received. The exchange decided not to take these cases to the Disciplinary Committee since in both cases the AGM was held after the close of the trading day and the information was sent out to the market the next day before the opening of the trading.

During the month, eight cases have been handed over to the Swedish Financial Supervisory Authority, subsequent to the exchange's obligation according to Swedish law to report matters of suspected market abuse. Five of these cases concerned suspected illegal insider trading and the remaining three concerned suspected market manipulation. Apart from that, two referrals have been made regarding cases where the levels of suspicion were lower.

The shares in Carl Lamm AB, Ballingslöv International AB and Zodiak Television AB were placed on the observation segment due to the public offers from Carl Lamm Holding AB, Stena Adactum AB and De Agostini Communications S.p.A to the shareholders of the companies.

The shares in Thalamus Networks AB were placed on the observation segment due to a comprehensive change of the company's business that an announced public offer to the shareholders of Hifab AB will result in.

The shares in A-Com AB were in January 2008 placed on the observation segment because the company did not fulfill the listing requirements regarding the competence and experience needed to govern a listed company. The company was in May returned to its ordinary position after the company had published their report for the first quarter 2008 and the new board of the company had been active in the company for more then three months.

### Helsinki

One company was criticized for giving information to media regarding some possible proposals to a general meeting, without publishing the information with a stock exchange release.

One company was criticized for not disclosing several matters of minor importance, which however required disclosures to be made, without undue delay. The company that was already placed on the observation segment was asked to pay attention to the listing

requirements to maintain adequate procedures, controls and systems, including systems and procedures for financial reporting, to enable compliance with its obligation to provide the market with timely, reliable, accurate and up-to-date information as required by the rules of the Exchange.

The Exchange has issued criticism towards three exchange members during the period. In one case for the member's often repeated failure to comply with the requirements set for liquidity providers and in the other two cases the matters concerned repurchases of listed companies' own shares.

During the month, three cases of possible abuse of insider information and one case of possible price manipulation were handed over to the Finnish Financial Supervision Authority.

The shares in TietoEnator Corporation were removed from the observation segment due to the fact that Cidron Services Oy's tender offer for the shares and stock options in TietoEnator Corporation was withdrawn.

## **Copenhagen**

One company received a reprimand for not publishing the annual report 8 days before the annual general meeting, for not publishing the notice convening the annual general meeting and for publishing the resolutions of the annual general meeting too late.

One company received a reprimand for not publishing a stock exchange announcement regarding a significant sale of assets immediately after the information was available in the market from other news sources.

One company received a reprimand for not including a Corporate Governance statement in the annual report 2007.

The shares in Andersen & Martini A/S were transferred to the observation segment due to the fact that the company had announced that it had received an announcement from Helmsman Holding, who had decided to make a voluntary tender offer to the shareholders in Andersen & Martini.

The shares in EDBgruppen A/S were transferred to the observation segment due to the fact that the company had announced about rumors in the market, saying that a major shareholder is interested in divesting their shares in EDBgruppen.

The shares in Mondo A/S were removed from the observation segment due to the fact that the company had announced that the Danish FSA had decided that four shareholders, holding 42,7 % of the shares, were not to be considered as a consortium, and therefore were not required to publish a mandatory offer to the remaining shareholders.

## **Iceland**

The Exchange gave a public reprimand to FL Group hf. in relation to two events where the company was found to have infringed provisions of the Exchange's rules. Both of the events

concerned disclosure of information regarding the sale of the company's shareholdings in other companies. Information regarding the sales, which was considered to have a significant impact on the market price of FL Group, had not been made public without delay and the company was therefore considered to have breached the mentioned rules.

One company was criticized for not disclosing information regarding a decision from Icelandic authorities to fine the company for breaching Icelandic law. The Exchange found that the information could have a significant impact on the market price of the company's financial instruments and should therefore have been publicly disclosed in accordance with the Exchange's rules.

One company was criticized because information regarding the closure of a factory owned by the company was made available in the media before it was made public in accordance with the applicable provisions of the Exchange's rules.

One company was criticized because information regarding a significant change in the company's financing had not been made public. The information had been made available in the company's first quarter financial statement. The Exchange concluded that the company should have published an announcement as soon as a decision had been taken regarding the change.

Two bond issuers received criticism for late publication of an announcement regarding their annual financial statements. According to the Exchange's rules an issuer shall immediately following the meeting of the Board of Directors where the financial statements are formally approved, publish an announcement of its results.

A member received criticism for matching its own orders on numerous occasions over a period of a few months.

One case regarding possible market manipulation was transferred to the Icelandic FSA.

FL Group hf., Icelandic Group hf. and Flaga Group hf. were transferred to the observation segment with reference to their request to remove the companies shares from trading.

## **Tallinn**

The Listing and Surveillance Committee of the Tallinn Stock Exchange (TSE) imposed a fine in the amount of 50 000 kroons to Q Vara for violations of the TSE Rules. Q Vara had on two occasions published financial reports after the deadline set in the exchange rules.

## **Riga**

The Riga Stock Exchange (RSE) management board resolved on its meeting to impose a warning to one company due to the repeated company refusal to provide RSE with requested information. According to the RSE rules, the management board has the right to request information and the issuer has an obligation to provide the exchange with any information that the RSE management board regards as substantial for investor rights' protection.

A trading halt was imposed in the shares of AS "Olainfarm" and AS "Latvijas balsams". Olainfarm had failed to submit the resolutions of an AGM to the stock exchange on time and furthermore did not made the audited financial results public by the end of the AGM. According to the rules of the RSE, a company is obliged to publish the resolutions of an AGM by the next trading session via RSE official information disclosure channel. Latvijas Balzams failed to publish its audited annual reports by the end of the AGM, thus preventing not attending shareholders from receiving this price sensitive information. Trading was resumed immediately after the publication of the required information.

The management board of RSE has assigned Surveillance status to AS "Ditton pievadķēžu rūpnīca", AS "Latvijas Zoovetapgāde", AS "Tukuma MRS" and AS "Daugavpils Lokomotīvu remonta rūpnīca", since the companies had failed to submit audited annual reports before the four month deadline set by the Financial instrument market act. The surveillance status to AS "Ditton pievadķēžu rūpnīca" and AS "Daugavpils Lokomotīvu remonta rūpnīca" was later lifted after the companies had fulfilled all the requirements in the market act and RSE rules.

The RSE has informed the Financial and Capital Market Commission about the above mentioned surveillance cases.

## **Vilnius**

One company received criticism since the company had failed to submit full annual information in English for the year 2007 in a timely manner. In accordance with the requirements of the Law on Companies and VSE trading rules, companies have to disclose audited annual information in both national language and English 10 days prior to the ordinary general meeting of shareholders. The Lithuanian Securities Commission (LSC) was informed about this case.

One case of possible market manipulation was sent to the FSA.

Surveillance status was removed for the companies Rytu Skirstomieji tinklai AB, Lietuvos Energija AB and VST AB since their joint venture National investor company LEO LT AB had been established.

## **First North**

One Swedish First North company received criticism for having revealed price sensitive information regarding the number of its customers to the shareholders at the AGM without the information simultaneously being released to the market with a press release.

One Swedish First North company received criticism for not having had an updated insider register on the company's web site.

One Swedish First North company received criticism for having published a quarterly report that lacked a number of information required by the First North rules. The report did for instance not include a summary of changes regarding cash flow and equity and there was no information on the number of outstanding shares in the company.

One Danish First North company received a reprimand for not publishing information about the resolutions of the annual general meeting immediately after the end of the meeting.

The trading in the shares of Axlon Group AB was halted in connection with the publication of an announcement regarding the sale of one of the company's major business areas.

The shares in Kontakt East Holding AB was placed on the First North observation segment due to the public offer from Vosvik AB, a company jointly owned by Kinnevik AB and Vostok Nafta Investment AB, to the shareholders of the Kontakt East Holding.