

Mr. Fabrice Demarigny
Secretary General

CESR
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75008 Paris
France

Your ref:

Our ref:

Date: 04.03.2005

CESR´s advice on possible implementing measures of the Transparency directive, Part II;

Oslo Børs ASA is part of the Norex Alliance which comprises in addition to Oslo Børs, the Copenhagen Stock Exchange, Iceland Stock Exchange, and OMX Exchanges (OMXE) which in turn comprises Stockholm Stock Exchange, Helsinki Stock Exchange and the exchanges in Tallinn, Riga and Vilnius (the Norex Exchanges). The Norex Exchanges offer trading on the same trading platform and have harmonised rules for participation in the trading of equities.

Oslo Børs is in general positive to the consultation paper.

We have however one concern in respect of the implications of Article 3 of the Directive in cases where a Member State imposes more stringent regulation than the Directive, see the answer to Q11 below.

Comments to the questions raised by CESR:

CHAPTER 1 – NOTIFICATIONS OF MAJOR SHAREHOLDINGS OF VOTING RIGHTS

Q1 Do you agree that, considering the definitions already set out by other bodies, CESR does not need to define what clearing and settlement means for the purpose of the exemption under Article 9(3a) of the Transparency Directive?

Answer: Yes

Q2 Do you agree with the proposed technical advice? If not, please provide reasons for your answer and state what period of time you consider to be appropriate for these purposes and why.

Answer: Yes

Q3 Do you consider that "short settlement cycle" can mean the same in relation to shares or other financial instruments, or are there, in your view, circumstances that should make CESR differentiate shares from other financial instruments? Please provide reasons for your answer.

Answer: Yes

Q4 What do consultees think of the proposed methods of controlling the market maker activities with regards the exemption provided?

Answer: Sufficient

Q5 Do consultees envisage other control mechanisms which could be appropriate for market makers who wish to make use of the exemption?

Answer: No

Q6 Do consultees agree with the proposals set out in this paper? Please give your reasons if you do not agree.

Answer: Yes

Q7 Do consultees agree with the proposals set out in this paper? Please give your reasons if you do not agree.

In the view of Oslo Børs the best alternative is the calendar of the state where the shares are admitted to trading on a regulated market. In our opinion the problem of several listings may be solved by imposing an obligation on the issuer/authority of the Member state of the listing to provide clear information to the fact of the first (main) listing. A shareholder will always have to do some research in respect of the applicable calendar, weather it is the calendar of the issuer's home member state or other.

Q9 Do you agree with the possibility to appoint another person to comply with the notification duty? Please give your reasons if you do not agree.

Answer: Yes, as long as point 153 applies.

Q10 Do you agree with the possibility of making a single notification in case of joint notification duty? Please give your reasons if you do not agree.

Answer: Yes, as long as point 153 applies

Q11 With which of the approaches set out above in relation to each of the circumstances set out in articles 10(a)-(g) above do you agree with. Please give reasons.

Answer: Approach B as it is considered important to the market to receive information that a shareholder has disposed of shares or voting rights.

Oslo Børs considers it important for the State in which the shares are listed to be able to impose more stringent rules in respect of notification. We have some concern in respect of the Directive Article 3 which seems to deny the Members State of listing of shares of a company for which the state of listing is not the Home Member State. If a Member State imposes more stringent regulation it seems that such may only be imposed on issuers from that Member State. If for instance the Norwegian Stock Exchange admits the shares of a German Company for trading the stricter rules of the Norwegian regulation may not be enforced on notification in respect of this company, whilst notification of issuers with Norway as Home Member State are subject to the stricter rules. Trade on Oslo Børs will then have different notification requirements in respect of different issuers. If we are correct in our understanding of the Directive this will be a problem, as both national and foreign companies are listed at Oslo Børs.

Q14 Which of the options set out above do you consider should be recommended to the European

Commission. Please give reasons for your answer

Answer: Option a) On the date when the transaction is actually executed. The reasons of point 173

Q23 Do you agree that it is necessary to disclose information about the total number of voting rights? Please give your reasons.

Answer: Yes

Q24 Do you agree that it is important to require disclosure of information about the previous notification? Please give your reasons

Answer: Yes, because it will be easier for the market to see the total result for the shareholder in question

Q25 Do you agree with this proposal? Please give your reasons.

Answer: Preferable to include such information as the market will be given a more complete picture of the change of shareholding.

Q26 Do you think that information about the number of shares should be required? Please give your reasons.

Answer: Yes. Point 291 sets out the reasons for such requirement.

Q27 Do you agree with this approach, or do you consider it necessary to have a break down of each party to the agreements holding? Please give your reasons.

Answer: A breakdown would be preferable for the possibility of monitoring the details of the underlying situation.

Q28 Do you think that upon termination of the agreement, there should be a requirement to disclose each party to the agreements individual holdings after the termination? Please give your reasons.

Answer: Yes. To provide the market with relevant information, which will be decisive for future notifications.

Q29 Do you agree with the above? Please give your reasons.

Answer: Yes

Q30 Do you agree with this approach? Would you suggest different figures? Please provide reasons for your answers.

Answer: We generally agree, but we do not believe that any exemptions should be made, to avoid speculation.

Q32 With which approach do you agree with? Please give your reason.

Answer: Alternative b)

Q34 In relation to the second view, do you agree that 3 months is the appropriate timeframe before exercise or conversion of the instrument takes place for when a notification requirement is triggered? Please give your reasons. If you do not, please specify the timeframe that you consider to be appropriate and why.

Answer: Notification should be made when the right to acquire the instrument was acquired/disposed of.

Q35 In relation to the second view, do you agree that instruments that include an "American exercise period" feature should be notifiable upon the acquisition, disposal, or relevant change in holding of these instruments? Please give your reasons.

Answer: At the time when the agreement to acquired such right was entered into.

Q36 In relation to the second view, do you consider it appropriate to distinguish between those instruments with an American Exercise Period and those that have a "structured but fixed exercise period"? Please give your reasons.

Answer: No

Q39/ Do you consider it necessary to define what the meaning of financial instruments is for the purposes of the Transparency Directive? Please give your reasons.

Answer: No.

CHAPTER 2 – HALF-YEARLY FINANCIAL REPORTS

Q50 Do you agree with this proposal? If not, please state your reasons.

Answer: We do not agree with this proposal.

We propose that, in addition to the requirements set out in paragraph 499, the following should be included in the half-yearly report, if the issuer has disclosed this type of information in its annual financial statements:

- earnings per share
- statement of changes in equity

The reason for proposing this amendment to the requirements is that earnings per share and statement of changes in equity is important financial information that should be disclosed to the market. This information should be included when deciding a common minimum requirement for issuers not required to prepare consolidated accounts.

In addition we propose the same requirements should apply for quarterly as for half yearly accounts, for those issuing quarterly accounts, to ensure consistency in the financial reporting. For issuers not required to prepare consolidated accounts that are reporting interim financial statements quarterly, the same regulations should apply as for the half-yearly financial statements.

Q51 Do you agree with this proposal or do you believe that other definitions could be followed?

Answer: We agree with the proposal, but have one comment.

For issuers not required to prepare consolidated accounts that are reporting interim financial statements quarterly, the same regulations should apply as for the half-yearly financial statements.

Q52 Do you agree with the proposed definition? If not, please state your reason

Answer: We agree with the proposal, but have one comment:

For issuers not required to prepare consolidated accounts that are reporting interim financial statements quarterly, the same regulations should apply as for the half-yearly financial statements.

Q54 Do you consider that there is a need for the adoption at national level of a single standard to which audit reviews are conducted? Please give your reasons.

Answer: Yes. To ensure a consistent understanding of the level of assurance from a review of a half yearly or quarterly report. This to avoid unnecessary uncertainty related to the level of assurance between the countries, which could lead to a less efficient capital market.

Best regards
Oslo Børs ASA

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