

Surveillance and Enforcement

April 2006

Stockholm Stock Exchange

Two fund management companies, however not members of the Stockholm Stock Exchange, were criticized for not having disclosed a notice concerning acquisitions and transfers of shares in accordance with the rules of the Swedish Industry and Commerce Stock Exchange Committee.

During April, three cases have been handed over to the Swedish Financial Supervisory Authority. Two of these cases have concerned suspected illegal insider trading and the third has concerned suspected market abuse in connection with execution and reporting of trades that have had no commercial meaning.

The Helsinki Stock Exchange

The secretary of the Disciplinary Committee issued a reprimand to one listed company for breaching the disclosure rules. The company was given a reprimand, since it had not disclosed a decision, which could materially affect the value of its listed security, simultaneously. The decision was first presented at the Annual General Meeting (AGM) and was disclosed by stock exchange release only after the AGM had ended.

In addition, the Helsinki Stock Exchange has issued criticism to another listed company for information given at the AGM. The listed company presented issues, which might materially affect the value of its listed security at the AGM. This previously unpublished information was then disclosed by a stock exchange release after the AGM had ended. In both of these cases the Helsinki Stock Exchange has emphasized that it is recommended that new information, which might materially affect the value of the listed security, is disclosed before the AGM begins and that the information at the latest must be disclosed at the same time as the new information is presented at the AGM.

Furthermore, one listed company was criticized for negligence of how it had organized its financial reporting. The resources of the financial administration and reporting systems turned out to be insufficient. As a consequence a profit warning from the company was delayed.

One case of suspected insider trading was reported to the Finnish Financial Supervisory Authority.

The Copenhagen Stock Exchange

One listed company was in April criticized by the Copenhagen Stock Exchange for publishing the preliminary announcement of the annual report of 2005 too late.

PARKEN Sport & Entertainment was transferred to the observation list due to the fact that the company announced that a framework agreement was entered into to buy the controlling interest in Fitness.dk A/S. The framework agreement is, among other things, subject to satisfactory due diligence of Fitness.dk A/S.

Solar Holding A/S was removed from the observation list due to the fact that the company announced that the formal matters regarding the merger between Aktieselskabet Nordisk Solar Compagni and Solar Holding A/S was concluded and that the Danish Commerce and Companies Agency had registered the merger.

Riga Stock Exchange

In April the Riga Stock Exchange (RSE) has delisted two companies from the RSE Free list, JSC "Tukuma galas parstrades sabiedriba" and the insolvent JSC "OT Grupa" for breaches of the RSE rules. These companies have repeatedly and seriously breached the RSE rules, thus jeopardizing the interests of investors. Two more companies, JSC "Rigas ostas elevators" and JSC "Rigas Transporta flote", were delisted subsequent to the shareholders' resolution to leave the regulated market.

The RSE placed the trading of the shares in JSC "Nacionala sporta baze "Rigas sporta pils" under surveillance since the company announced an extraordinary general meeting of shareholders, with an agenda item to delist the company from the regulated market. The shares of JSC "Latvijas Gaze" continue to be traded under surveillance, due to the failure by the issuer to provide non-audited financial statement within the set deadlines.

The RSE has informed the regulator, Financial and Capital Market Commission, about the above-mentioned breaches of the RSE rules, and on the breaches of the Law on Financial Instruments Market.

The Riga Stock Exchange has during April posted several letters with comments on the quality of the 12-month financial statements for the year 2005, containing a request to eliminate the deficiencies to ensure that they are not repeated in the future.