



**Creation of a strong integrated  
Nordic and Baltic securities  
market**

# In brief

## **The transaction**

- Merger between OM and HEX with strong support from owners
- OM issues new shares to HEX shareholders

## **The merger vision**

- Integrating the Nordic and Baltic securities markets based on OM Technology's platforms

## **The new company**

- A leading provider of marketplace services and transaction technology



# The merger benefits customers & shareholders

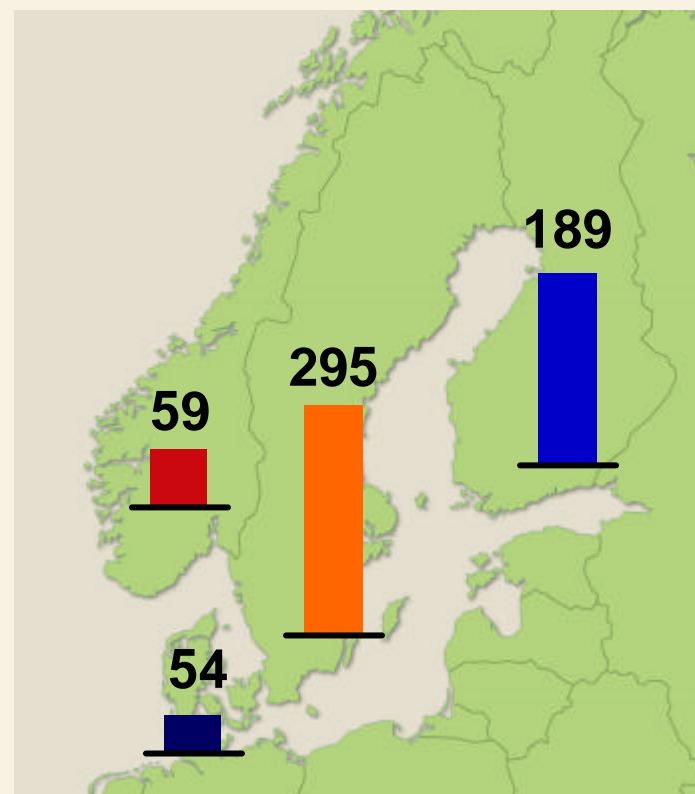
- The merger creates value and benefits for issuers, members, investors and the shareholders of both companies
- The parties invite other Nordic and Baltic marketplaces – exchanges, central securities depositories ('CSDs') and clearing houses – to join the integration through mergers or expansion of existing and new co-operations



# Why Nordic integration?

- Nordic region shares important common values
- Higher international attention
- Easier investor access
- To large extent same market participants

Exchange turnover 2002 (EUR bn)



# Benefits for stakeholders

- **Issuers** by increased liquidity, more members, higher international attention and new investor segments
- **Members** by increased liquidity, harmonised markets, efficient access, broader service range and lower costs, possibility to create new products
- **Nordic and international investors** by improved liquidity and customer offerings, new products
- **Shareholders** by synergies on both cost and revenue sides



# The new company – OM HEX

- OM HEX – with headquarters and domicile in Stockholm
  - Listed at Stockholmsbörsen and intends to seek listing on the Helsinki Exchanges
- HEX Integrated Markets – new division and new brand with headquarters in Helsinki. HEX Tallinn and HEX Riga continues under existing brands
- Helsinki Exchanges to be renamed to former name Helsingin Pörssi
- Stockholmsbörsen continues under existing brands
- OM Technology headquarters in Stockholm
- Corporate language English



## OM HEX in brief\*

- Exchange operations in Sweden, Finland, Estonia, Latvia, UK and Canada
  - 490 listed companies
  - 120 members
- More than 300 technology customers in over ten countries
- About 2,030 employees in 13 countries
- Revenue 2002 SEK 3,487 m/EUR 381 m
- Operating income 2002 SEK 309 m/EUR 34 m
- EPS 2002 SEK 1.5/EUR 0.2
- Equity/assets ratio 51%

\*pro forma



# European Cash Market

Equity trading, 2002

Ranking	Exchange	Turnover (EUR bn)
1	London Stock Exchange	4,228
2	Euronext	2,084
3	Deutsche Börse	1,280
4	Spanish Exchanges (BME)	690
5	Italian Exchange	670
6	SWX Swiss Exchange (incl virt-x)	653
7	<b>Stockholmsbörsen+Helsinki Exchanges</b>	<b>485</b>
8	Oslo Børs	59
9	Copenhagen Stock Exchange	54

Source: The Federation of European Securities Exchanges, FESE





# Integration plan

## Integration plan in four parts:

- Establish company and organization
- Form integrated markets, including implementation of SAXESS™
- Promote joint Nordic cash market CCP
- Promote Nordic platform for settlement and depository



