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January

The time for publication of changed expectations

A listed company published a quarterly statement including significant downward adjustments of the company's outlook compared with previously announced forecasts, which resulted in a dramatic reaction in prices.

A listed company shall as soon as possible publish information on essential aspects concerning the company which may be assumed to be of significance to the pricing of the securities. Publication via the Copenhagen Stock Exchange shall take place at least simultaneously with any other publication. This is provided by Rule 11 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

Section 27(1) of the Danish Securities Trading Act provides that any significant changes concerning already publicly disclosed inside information shall be published promptly after these changes occur. Significant changes in listed companies' expectations for the financial year are covered by this provision.

A similar rule is incorporated into Rule 31 of the Exchange's disclosure requirements for issuers of shares on the Copenhagen Stock Exchange, which provides that in the event of significant changes in the outlook in relation to the information published, such changes shall be communicated as soon as possible to the Copenhagen Stock Exchange. This obligation applies even though it is not possible to calculate the expected results precisely at the time in question.

Considering the current financial reporting to the management, which is presumed to take place, the Copenhagen Stock Exchange asked the company to give an account of the current reporting, including when the reporting had taken place and what the reporting had included. Moreover, the Exchange requested information about when the management had become aware that the company did not live up to the expectations that the company had previously published. Also, the Exchange asked the company to explain whether such a reporting had taken place in the period from the publication of the semi-annual report to the preparation of the quarterly statement.

The Exchange then received an account from the company, in which the company explained the current reporting in relation to the primary factors that caused the significant downward adjustment of the company's outlook and about when the management became aware that the company was not able to live up to the previously published announcements.

The company stated that in connection with the preparation of the financial and operational reporting, the management became aware that the company was not able to live up to the previously published announcements.

It appeared from the company's account that the executive board became aware of the changed outlook just prior to the publication of the quarterly statement. The company also announced that the current financial and operational reporting in the period from the publication of the semi-annual report to the preparation of the financial and operational reporting in connection with the quarterly statement had not given rise to any changes in the previously announced outlook.

On the basis of the information provided by the company the Exchange took it that neither the *current* financial nor operational reporting had provided the management of the company with such information that it found reason to change the company's outlook prior to the completion of the company's quarterly statement.



Listed companies are expected to have reporting systems and internal management systems that are sufficient to ensure that the company can meet the obligations imposed on companies listed on the Copenhagen Stock Exchange, cf. Rule 4 of the terms and conditions for admitting shares to listing in connection with the initial public offering on the Copenhagen Stock Exchange and shall have internal rules for the purpose of ensuring that the disclosure requirements are met, cf. Rule 6 of the disclosure requirements.

Due to the size of the very significant downward adjustment of the outlook that the company made in the quarterly statement and due to the fact that the downward adjustment according to the company to a wide degree was due to operational factors, the Exchange found it regrettable that the company was not able to publish an announcement about the changed outlook prior to the publication of the quarterly statement.

The Copenhagen Stock Exchange informed the company that the Exchange assumes that a listed company currently assesses its reporting routines in order to be able to revise its outlook on a current basis.

February

1. Information in the press

The Copenhagen Stock Exchange discovered that a newspaper contained information on a listed company, from which it appeared that the CEO of the company had indicated that a downward adjustment was under way.

To ensure market efficiency, all market participants must have equal access to price-sensitive information from the listed companies and the market participants must be able to rely on that. It is also important that no listed company creates uncertainty about the pricing of the company's shares, e.g. via statements by the company to individual persons. Thus, no price-sensitive information must be given by a listed company to individual market participants on the company's outlook, etc., without that information being published at least simultaneously via the Copenhagen Stock Exchange.

Against this background the Copenhagen Stock Exchange asked the company to explain whether there had been any contact between the company and analysts regarding the contents of the article. Moreover, the company was asked to explain the background for the company's contact to analysts, to name the persons from the company who had spoken with analysts, to state precisely what information had been given to analysts and the name and company of the analysts in question as well as the time when the information was passed on to the analysts in question.

The company responded that they had been in current contact with analysts. However, the company was not of the opinion that they had passed on information about the company which was not publicly accessible via the group's annual reports, interim reports and company announcements. Also, the company stated that they had not indicated that a downward adjustment of the company's outlook was under way.

Based on the company's account the Copenhagen Stock Exchange did not find reason to believe that non-published, price-sensitive information had been passed on.

2. Publication by mistake

A listed company stated in a company announcement that an employee had, by mistake, published an internal working paper from the company's preparation of the annual report. The internal working paper was attached to the company announcement.

The reason why the Exchange had contacted the company was that a listed company must publish information about significant price-sensitive matters as soon as possible. Moreover, the company must ensure that everybody has equal access to such information and that publication via the Copenhagen Stock Exchange always takes place at least simultaneously with any other publication and that inside information must generally not be passed on unless this is a normal part of the person's performance of his duty, task or function.

Against this background the Copenhagen Stock Exchange asked the company to specify the chain of events prior to the publication of the company announcement as well as what initiatives the company had taken to avoid such incidences in the future.

The Exchange then received an account from the company from which it appeared that an employee had, by mistake, included part of the text from the company's not yet published annual report in a response to a customer on the internet.

The company discovered the mistake and published an announcement including the text from the company's not yet published annual report which was released on the internet.

Moreover, the company stated that it had launched a number of initiatives to avoid such incidences in the future. These initiatives were described in the account.

The Copenhagen Stock Exchange expressed disapproval of the fact that text from the company's not yet published annual report had been disseminated via the internet prior to publication via the Exchange. Also, the Exchange noted that the company had launched a number of initiatives to avoid such incidences in the future.

3. Statements in the press

The Copenhagen Stock Exchange noted that a CEO of a listed company was quoted on the website of a news agency as having said that the company had been approached by potential buyers.

Exchange saw that the price of the company's shares was traded up immediately after the statement.

The reason why the Exchange had contacted the company was that a listed company must publish information about significant price-sensitive matters as soon as possible. Moreover, the company must ensure that everybody has equal access to such information and that publication via the Copenhagen Stock Exchange always takes place at least simultaneously with any other publication and that inside information must generally not be passed on unless this is a normal part of the person's performance of his duty, task or function.

Thus, the Exchange asked the company to consider releasing an announcement immediately with information on the said approaches.

The company replied that the statement about approaches by potential buyers had been changed in the article and that no potential buyers had approached the company. Moreover, it was stated that the company did not find the movement in the share price to be unusual considering the recently published annual report.



Information about approaches by interested buyers is important to the market's assessment of the company in question, consequently, analysts, investors and others attach great importance to such information. Information on approaches by buyers will generally always be considered price-sensitive. Thus, the management of listed companies must be very careful not to pass on inside information when giving statements to the press about such approaches.

On the basis of the information in the letter from the company and information given in a telephone conversation the Copenhagen Stock Exchange did not find reason to believe that the CEO of the company had made a statement on specific approaches by potential buyers, which should have been published via a company announcement. However, the Exchange pointed out to the company that it is of the utmost importance that the companies carefully consider the wording and tone when they communicate with the market as misunderstandings may otherwise arise. Thus, the Copenhagen Stock Exchange assumed that it was not the company's intention to disclose anything that had not previously been published.

The Exchange pointed out to the company that it was regrettable that the statements and the participation in the interview had caused uncertainty about the situation of the company.

March

There were no decisions and statements in March 2006

April

1. Late publication of preliminary announcement of the annual results

A listed company published its preliminary announcement of the annual results 2005 in the beginning of April 2006. The company has the calendar year as financial year.

Pursuant to section 26 (1) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange, a listed company shall issue a preliminary announcement of the annual results immediately upon board approval of the annual results, this announcement being a summary of the annual report and accounts.

Furthermore section 26 (3) states, that the preliminary announcement of the annual results shall be published within three months after the end of the financial year covered by the annual report and accounts. Furthermore section 26 (5) states that a company may choose not to publish a preliminary announcement of the annual results, if the company publishes the annual report and accounts immediately upon board approval.

The Copenhagen Stock Exchange criticized the company for not having published the preliminary announcement of annual results 2005 within the above mentioned time.

May

There were no decisions and statements in May 2006

June

1. Exemption from the requirements to have 3 years annual accounts and a nominal share capital of DKK 15 mio.

In connection with a company's initial public offering on The Copenhagen Stock Exchange the company applied for exemption from the requirement to have annual accounts for the latest three years and from the requirement to have a total share capital of DKK 15 million. The company was established in 2004 and was thus able to present annual accounts for 2004 and 2005, and prior to the listing the company had a share capital of DKK 839,301 and after the listing the share capital would be minimum DKK 2,089,301 and maximum 2,276,801.

The Copenhagen Stock Exchange has granted the company exemption from the requirement to have annual accounts for the latest three years. With the respect to the share capital The Copenhagen Stock Exchange granted the exemption on the condition that the company's board of directors suggested to issue bonus shares on the first coming general meeting, so that the share capital of the company would exceed DKK 15 million within a shorter period of time.

2. Exemption from the requirements to have 3 years annual accounts and to have 500 shareholders

In connection with a company's initial public offering on The Copenhagen Stock Exchange the company applied for an exemption from the requirement to have annual accounts for the latest three years and the requirement to have at least 500 shareholders, because the company had only 425 shareholders after the offer of the shares. The Copenhagen Stock Exchange granted the exemption from the requirement to have annual accounts for the latest three years. With respect to the requirement to have at least 500 shareholders The Copenhagen Stock Exchange granted the exemption considering the fact that one of the company's shareholders has agreed to buy shares for DKK 10 million with the purpose of selling it in the secondary market.

July

1. Information to news media prior to publication

A market participant contacted the Copenhagen Stock Exchange with information that, prior to the publication of an announcement, a listed company had indicated to a number of market participants that the company would publish a company announcement later that day.

To ensure market efficiency, all market participants must have equal access to price-sensitive information from the listed companies and the market participants must be able to rely on that. It is also important that no listed company creates uncertainty about the pricing of the company's shares, e.g. via statements by the company to individual persons. Thus, a listed company must not present price-sensitive information to individual market participants without simultaneously publishing such information via the Copenhagen Stock Exchange.

Against this background, the Copenhagen Stock Exchange asked the company to explain whether it had contacted news media, analysts or other market participants with information about the not yet published announcement.

It appeared from the company's statement to the Copenhagen Stock Exchange that the company's public relations officer had approached several news media. During these conversations it was mentioned that a press release would be issued and that it could not be ruled out that a company announcement would also be issued via the Exchange. The Exchange must assume that the company's public relations officer must have been aware that the impending press release would be in the nature of an actual company announcement to be issued via the Exchange.

Listed companies are required to ensure that everybody has equal access to price-sensitive information about the company's securities and that no unauthorised party gets access to such information before it is published. This is provided by Rule 4(1) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

Moreover, Rule 4(2) provides that such information shall not be provided in statements, comments and interviews, etc., without the information being submitted to the Copenhagen Stock Exchange at the same time at the latest.

In this connection it should be noted that selective disclosure of information that a company announcement will be published at a later time may give rise to uncertainty about the company's share. The fact that the company wanted to make sure that it had the attention of the press indicates that the content of the announcement in question would be of interest to the market. The announcement that was later published by the company was undoubtedly of such a nature that it was covered by the disclosure requirements.

The Exchange finds that information to a news medium that interesting information will be published in order to obtain the desired media coverage is contrary to the principles behind the equality of treatment principle of Rule 4(2) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

If a company wishes to announce that a company announcement is about to be issued, this must as always go through the Copenhagen Stock Exchange.

The Copenhagen Stock Exchange reprimanded the company for having leaked information to the press, which might have caused uncertainty in the market, without the information being submitted to the Copenhagen Stock Exchange at the same time at the latest, cf. Rule 4(2) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

2. Other publication prior to publication via the Copenhagen Stock Exchange

The Copenhagen Stock Exchange discovered that a press release from a Swedish company, in which a Danish listed company holds 25 per cent of the shares, had been published on the website of a Swedish exchange. From the press release it appeared that the listed company's holding in the Swedish company had been sold. The announcement stated that, in the transaction, approx. 99 per cent of the Swedish company was sold to a newly established British company. The Copenhagen Stock Exchange also noticed that no company announcement about the transaction had been issued by the Danish listed company.

After unsuccessful attempts to contact the company's CEO and lawyer, the Copenhagen Stock Exchange contacted the company's chairman, who confirmed that a transaction had taken place. The Exchange requested the company to immediately issue a company announcement. Trading in the company's share was halted until an announcement was issued approx. two hours later.

A listed company shall as soon as possible publish information on essential aspects concerning the company which may be assumed to be of significance to the pricing of the securities. Publication via the Copenhagen Stock Exchange shall take place at least simultaneously with any other publication. This is provided by Rules 11 and 16 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act. Moreover, a listed company is required to ensure that everybody has equal access to price-sensitive information and that no unauthorised party gets access to such information before it is published via the Copenhagen Stock Exchange. This is provided by Rule 4 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

Against this background the Copenhagen Stock Exchange asked the company to explain, among other things, why the company announcement was not issued at the same time as the publication of the announcement from the Swedish company.

It appeared from the company's reply that the last issues regarding the transaction were clarified on the morning of that same day. It was also stated that the outcome of the negotiations meant that the company had to change its draft of the company announcement and that the company, when it received information about the outcome of the negotiations, prepared a new draft of the company announcement and sent it to the supervisory board. The company announcement was subsequently published. Moreover, it was stated that the Danish announcement required more careful preparation, consequently, the company had to spend more hours on its completion than the Swedish company on their announcement.

Moreover, the Copenhagen Stock Exchange found a 2-week old announcement on a British website from which it appeared that the Danish company was interested in the approx. 25 per cent of the shares in the British company. The Exchange asked the Danish company to explain when the transaction and the agreement were concluded, including the company's considerations as regards publication of a company announcement about the Danish company's relations with the British company as stated on the British website.

It appeared from the company's reply that the company was not aware that specific information about the contemplated transaction had been publicly available two weeks earlier. Moreover, it appeared that the company had not consented to such publication and would, probably, have acted differently if the company had been aware that the information was publicly available.

The Copenhagen Stock Exchange found it regrettable that the company's internal rules and related procedures had not been able to prevent inside information from being made public prior to publication via the Copenhagen Stock Exchange. In this connection it should be noted that, unless otherwise provided, publication of price-sensitive information shall be considered done when the Copenhagen Stock Exchange has received the announcement in question.

The Copenhagen Stock Exchange also found it regrettable that the company did not have adequate routines to ensure that an announcement was issued immediately when the Exchange contacted the company and informed it that a press release about the sale of the share holding had been published via the Swedish Exchange's website.

3. Other publication prior to publication via the Copenhagen Stock Exchange

The Copenhagen Stock Exchange noticed that one morning there was an article in a Danish newspaper about a possible price-sensitive matter involving a listed company.

A listed company shall as soon as possible publish information on essential aspects concerning the company which may be assumed to be of significance to the pricing of the securities. Publication via the Copenhagen Stock Exchange shall take place at least simultaneously with any other publication. This is provided by Rule 11 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act.

Moreover, a company is required to ensure that everybody has equal access to price-sensitive information and that no unauthorised party gets access to such information before it is published via the Copenhagen Stock Exchange. This is provided by Rule 4 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

Against this background, the Copenhagen Stock Exchange asked the company to explain how the information about the company could be found in the printed version of the newspaper prior to the publication of the company's announcement.

It appeared from the company's statement that the company did not know how the information ended up in the newspaper prior to publication via the company announcement.

Considering the company's information about the situation and the time of publication of the announcement as well as the time that the information reached the market, the Exchange did not feel induced to take any further action.

However, for the sake of good order, the Copenhagen Stock Exchange directed the company's attention to the fact that information about price-sensitive matters is covered by the concept of inside information and thus the disclosure requirements. Delay of publication of inside information is based on the condition that such information is kept secret, that it is not likely to mislead the public and that the issuer is able to ensure the confidentiality of the information, cf. section 27(6) of the Danish Securities Trading Act.

August

1. Exchange announcement missing on website

The Copenhagen Stock Exchange ascertained that two listed companies did not have their stock exchange announcements available on their websites.

From Section 27 (5) of the Danish Securities Trading Act it appears that an issuers of securities shall without undue delay and for an appropriate period after inside information has been disclosed post all such information on his website.

The Copenhagen Stock Exchange therefore requested the companies to explain why the announcements were not available on the companies' websites.

In this connection, the companies explained that they immediately would sort out the matter so that the stock exchange announcement would be available on the companies' websites immediately after publishing via the Copenhagen Stock Exchange.

The Copenhagen Stock Exchange therefore reprimanded the companies for the companies' failure to publish the announcements on the companies' websites immediately.

September

1. Publication on website of negotiating partner

A listed company published an announcement stating that the company's joint venture company had entered into an agreement that was of great importance to the company. Information about the important agreement was, however, displayed on the website of the negotiating partner three days prior to the publication of the company announcement.

The Exchange asked the company to explain why this information was available on the website of the negotiating partner three days prior to the publication of the company announcement.

The reason why the Exchange had contacted the company was that a listed company must publish information about significant price-sensitive matters as soon as possible. Moreover, the company must ensure that everybody has equal access to such information and that publication via the Copenhagen Stock Exchange always takes place at least simultaneously with any other publication and that inside information must generally not be passed on unless this is a normal part of the person's performance of his duty, task or function.

It appeared from the company's account that the joint venture company had signed the agreement three days prior to publication of the announcement, but a written confirmation from the negotiating partner was not available until the day of the publication of the announcement. Moreover, it was stated that the negotiating partner had found it necessary to disclose information about the agreement in its quarterly report.

The Exchange expressed disapproval of the fact that non-published information about the agreement had been disseminated via the website of the negotiating partner.



It is of utmost importance that everybody has equal access to price-sensitive information, and that publication via the Copenhagen Stock Exchange always takes place at least simultaneously with any other publication. Consequently, it is important that the parties involved in important negotiations with the company ensure confidentiality so that confidential information is not leaked to the market.

2. Information on the website

The Copenhagen Stock Exchange was contacted several times because an article about the not yet published interim report of a listed company was available on a number of news media websites.

The Exchange therefore contacted the company and was informed that an article about the interim report of the company had by mistake been published on the company's website. The Exchange then chose to halt trading in the company's shares. Later that same day, an announcement containing the information in question was released, and the trading halt was lifted.

The Copenhagen Stock Exchange asked the company to specify the chain of events prior to the publication of the announcement as well as how not yet published financial data could be displayed on the company's website.

The reason why the Exchange had contacted the company was that a listed company must publish information about significant price-sensitive matters as soon as possible. Moreover, the company must ensure that everybody has equal access to such information and that publication via the Copenhagen Stock Exchange always takes place at least simultaneously with any other publication and that inside information must generally not be passed on unless this is a normal part of the person's performance of his duty, task or function.

It appeared from the company's statement that the information had been published on the company's website by mistake. The company was informed and the Exchange halted trading in the company's shares. The company subsequently published its financial report as a company announcement. The company stated that the error was due to an automatic update of the website and that the company had taken measures to prevent such mistakes from being repeated in the future.

The expectations that a listed company has for the future are important to the market's assessment of the company in question, consequently, analysts, investors and others attach great importance to such expectations. Information on the outlook will generally always be considered price-sensitive. Consequently, the management of listed companies shall always keep the disclosure requirements in mind when handling financial data.

Based on the company's account the Copenhagen Stock Exchange did not find reason to believe that the company had intended to distribute financial data that should have been released via the Exchange.

However, the Exchange nevertheless expressed disapproval of the fact that the company's interim figures were displayed on the company's website prior to publication via the Copenhagen Stock Exchange.

3. Grant of share options to the management

A listed company had made an announcement that share options had been granted to the management of the company.



The Copenhagen Stock Exchange asked the company to explain why it had not previously released an announcement about the share option programme in pursuance of Rule 19.

The reason why the Exchange had contacted the company was that, as far as the Exchange could tell, no announcement had been released about the share option programme in pursuance of Rule 19 of the disclosure requirements for issuers of shares.

It appeared from the company's statement that the grant was adopted at a board meeting and that an announcement was made that same day with information on the number of options and that the options were granted to the management. The company also stated that since the financial element was so modest they had chosen to give the details in the financial statements as the company was of the opinion that the information might cause the market to assume that this grant would have a significant impact on the pricing of the company's shares.

Rule 19 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange A/S provides that the Copenhagen Stock Exchange shall be notified of any decision to introduce share-based pay programmes. The announcement must, among other things, contain information on the type of the share-based pay programme, the group of persons covered by the programme, broken down by Supervisory Board, Executive Board, managerial staff and other employees, the time of the grant, the total number of underlying shares in the programme, and the distribution hereof on the Supervisory Board, Executive Board, managerial staff and other employees. Moreover, the announcement must contain information on the objectives on which the share-based grant is based, the period within which the programme is open, the exercise price, any terms and conditions that the share-based grant is subject to, the market value of the share-based grant, including a description of how the market value has been computed, and the most significant preconditions.

The information on the share option programme contained in the company's announcement did, in the opinion of the Exchange, not live up to the requirements stipulated in Rule 19 of the disclosure requirements for issuers of shares.

Against this background the Copenhagen Stock Exchange reprimanded the company for having failed to publish an announcement pursuant to Rule 19 of the disclosure requirements for issuers of shares, when the decision to introduce the share option programme was made.

4. Invitation to press conference

The Copenhagen Stock Exchange noted that a news medium told the story that a listed company was about to hold a press conference to present business news.

The Copenhagen Stock Exchange therefore contacted the company and was informed that a meeting would be held with the negotiating partner at the company's office that same day, and they would probably sign an important agreement. The company stated that an announcement would be released immediately after the close of the meeting.

Later that day, an announcement was published from which it appeared that the company had entered into an agreement. The price of the company's shares rose after the publication of the announcement.

The Copenhagen Stock Exchange then asked the company to explain why a news medium had been informed of the imminent business news. The Exchange also asked the company to explain why no company announcement was published prior to the notification of the press.

To ensure market efficiency, all market participants must have equal access to price-sensitive information from the listed companies and the market participants must be able to rely on that. It is also important that no listed company creates uncertainty about the pricing of the company's shares, e.g. via statements by the company to individual news media. Thus, no price-sensitive information must be given by a listed company to individual market participants about the company's presentation of business news, etc., without that information being published at least simultaneously via the Copenhagen Stock Exchange.

Listed companies are required to ensure that everybody has equal access to price-sensitive information about the company's securities and that no unauthorised party gets access to such information before it is published. This is provided by Rule 4(1) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

Moreover, Rule 4(2) provides that such information shall not be provided in statements, comments and interviews, etc., without the information being submitted to the Copenhagen Stock Exchange at the same time at the latest.

In this connection it should be noted that selective disclosure of information that business news will be published at a later time may give rise to uncertainty about the company's shares. The fact that the company wanted to make sure that it had the attention of the press indicates that the content of the news in question would be of interest to the market. The announcement that was later published by the company was undoubtedly of such a nature that it was covered by the disclosure requirements.

The Exchange finds that information to a news medium that business news will be published in order to obtain the desired media coverage is contrary to the principles behind the equality of treatment principle of Rule 4(2) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

If a company wishes to announce that an announcement is about to be issued, this must as always go through the Copenhagen Stock Exchange.

The Copenhagen Stock Exchange reprimanded the company for having leaked information to the press, which might have caused uncertainty in the market, without the information being submitted to the Copenhagen Stock Exchange at the same time at the latest, cf. Rule 4(2) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

5. Publication of interim report

A listed investment fund released an announcement from which it appeared that the interim report would be published eight days after the expiry of the publication deadline.

Rule 20 of the disclosure requirements for issuers of investment certificates on the Copenhagen Stock Exchange provides that interim reports must be published immediately upon board approval and not later than two months after expiry of the period under review.

The Exchange reprimanded the investment fund for having failed to meet the deadline for publication of the interim report.

6. Exemption from the requirement to have 3 years annual

In connection with a company's initial public offering on The Copenhagen Stock Exchange the company applied for an exemption from the requirement to have annual accounts for the latest three years, due to the fact that the company was established the year before its application for listing. Considering the business character of the company, the Copenhagen Stock Exchange granted exemption from the requirement to have annual accounts for the latest three years on the condition that the company's semi annual report was incorporated in the prospectus.

7. Exemption from the requirements to have a nominal share capital of DKK 15 million

In connection with a company's initial public offering on The Copenhagen Stock Exchange the company applied for exemption from the requirement to have a total share capital of DKK 15 millions.

From the application it appeared that the company was expected to have a share capital of DKK 12.5 and 13.7 millions on the listing day. Furthermore it appeared from the application that the company planned to increase its share capital to a level above DKK 15 millions at the company's ordinary general meeting in the spring 2007.

The Copenhagen Stock Exchange found it difficult to grant exemption from the requirement to have a share capital of DKK 15 millions under the given circumstances, because the Stock Exchange was of the opinion that a specific plan for the achievement of a share capital of DKK 15 millions within a short period of time after the company's first day of listing was necessary. Furthermore this plan had to appear in the prospectus.

Subsequently the Copenhagen Stock Exchange granted the application, as it appeared in the prospectus that the company would convene an extraordinary general meeting in the course of November 2006 with a proposal to double the company's share capital through a bonus issue, and thus the share capital of the company would fulfil the listing requirements of the Copenhagen Stock Exchange by the end of November 2006. In its decision the Copenhagen Stock Exchange emphasized that the company would fulfil the capital requirement after the completion of the planned bonus issue.

October

1. Other publication prior to publication via the Copenhagen Stock Exchange

One morning, the Copenhagen Stock Exchange found that, prior to the opening of the market, information had been published on a news agency's website that a company had won a lawsuit that a listed company had filed against it.

Therefore, the Exchange contacted the company, and the company informed the Exchange that information about the outcome of the lawsuit had come during the night and that the listed company had not had the time to publish a company announcement before the other side had published the information in a press release.

Moreover, the company informed the Exchange that an announcement would be published as soon as possible, however, not until after 09:00, when the market opened. The Exchange then notified the company that trading in the company's shares would be halted until an announcement had been published by the company. After the opening of the market, the listed company issued an announcement about the lawsuit.

The reason for the Exchange's inquiry was that a listed company shall as soon as possible publish information on essential aspects concerning the company which may be assumed to be of significance to the pricing of the securities. Publication via the Copenhagen Stock Exchange shall take place at least simultaneously with any other publication. This is provided by Rules 11 and 16 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act. Moreover, a listed company is required to ensure that everybody has equal access to price-sensitive information and that no unauthorised party gets access to such information before it is published via the Copenhagen Stock Exchange. This is provided by Rule 4 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

Moreover, it is provided by Rule 11(2) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange that in situations where the obligation to disclose information has not yet been imposed, but where there is a risk that the information has come or will come to the knowledge of a third party, the company shall, if publication is not possible, immediately contact the Exchange with a view to taking the required precautions to secure that no third party can exploit such knowledge.

Against this background the Exchange asked the company to explain why the company, when it became aware that the other side had issued a press release about the outcome of the lawsuit, had failed to contact the Exchange with a view to taking the required precautions to secure that no third party could exploit this knowledge.

The company stated that the provisional court order had been announced earlier than expected. Consequently, it was not possible to go through the complex information and gather the required management resources to finish an announcement before the market opened.

The company's account also stated that the company regretted that it had not been more proactive, as required by Rule 11(2) of the disclosure requirements, and had contacted the Copenhagen Stock Exchange with information on the current situation of the company announcement.

The company would, therefore, go over the current routines and procedures with the relevant persons to make sure that they were effective and adequate.

Based on the company's account, the Exchange found that the company had published information on the lawsuit as soon as possible and, therefore, had met the disclosure requirements as defined by Rules 11(1) and 16 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act.

As regards the requirement of Rule 11(2) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange, the Exchange took note of the company's account that it would, once again, go over its routines and procedures.

November

1. Disclosure of Members' Violation of the Stock Exchange Rules

The Copenhagen Stock Exchange has decided to introduce a new practice for disclosure of decisions and statements regarding the rules applicable to securities dealers who are members of the Exchange.

In future, decisions and statements regarding the Exchange's trading rules applicable to members (Norex Member Rules and the Rules of Stock Exchange Ethics) will be published in the publication

Decisions and Statements. In general, the publication will disclose the identity of the exchange member. In less serious cases or cases where the decision was not against the member the Exchange may, on the basis of a specific assessment, refrain from disclosing the identity of the member firm.

Previously, such decisions and statements were published in an anonymous form in the monthly press release by OMX Surveillance.

With this change the Exchange wants to give the market participants a more direct insight into the Exchange's interpretation of the trading rules.

Cases involving issuers will continue to be treated anonymously.

2. Lack of Information in Company Announcement about an Option Programme

The Copenhagen Stock Exchange found that a listed company had issued an announcement from which it appeared that a share option programme for senior executives had been approved.

Rule 19 (1) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange A/S provides that the Copenhagen Stock Exchange shall be notified as soon as possible of any decision to introduce share-based pay programmes. The announcement shall, among other things, contain information on the market value of the share-based grant, including a description of how the market value has been computed and the most significant preconditions.

The company announcement did not state the market value of the share-based grant as required by Rule 19 (1) of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange A/S. Therefore, the Copenhagen Stock Exchange requested the company to immediately issue an announcement about the market value in pursuance of Rule 19.

Moreover, the Copenhagen Stock Exchange requested the company to explain why the announcement did not contain information about the market value in pursuance of Rule 19.

The company subsequently published an announcement disclosing the market value.

The company submitted a report to the Exchange, and the Exchange took note of the report though it found it regrettable that the market value was not disclosed in the first company announcement.

3. Statements about the Outlook

A listed company contacted the Copenhagen Stock Exchange as the company's CEO had been quoted in the press for having said that the company's budget for 2007 was conservatively framed.

A listed company shall as soon as possible publish information on essential aspects concerning the company which may be assumed to be of significance to the pricing of the securities. Significant changes in already published announcements shall be published as soon as such changes have occurred. This is provided by Rule 16 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act.

Moreover, Rule 31 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange provides that significant changes in the outlook in relation to the information published shall be communicated as soon as possible. This obligation applies even though it is not possible to calculate the expected results precisely at the time in question.



Therefore, the Copenhagen Stock Exchange asked the company to explain whether the company had knowledge of any significant changes in the company's outlook for 2006 and 2007 in relation to the already published information.

Based on the company's account, the Exchange took it that the management did not find that any significant changes had occurred in the company's outlook for 2006 and 2007 in relation to the already published information. However, the Exchange found reason to point out that if the management board became aware of significant changes in the outlook in relation to the already published information, disclosure of such changes could not await board approval.

Investor relations activities performed by a listed company shall be subject to the current disclosure requirements and the principle of equal treatment of investors. The companies shall pay particular attention to this aspect in connection with investor meetings and the like held in the run-up to the publication of preliminary announcements of results or other important announcements. This is provided by Rule 5 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange.

In connection with this provision the Exchange recommends that a listed company draws up a policy for investor relations activities that should state, among other things, that investor meetings and the like will not be held in the run-up to the publication of preliminary announcements of results or other important announcements.

Therefore, the Copenhagen Stock Exchange requested the company to give an account of the company's rules/policy on investor relations and other statements to the press, etc. in the period leading up to the publication of preliminary announcements of results.

It appeared from the company's account that the supervisory board had agreed that the chairman and the CEO should be the only ones authorised to talk to the press. The chairman and the CEO had agreed among themselves that the company would not make any statements within a 3-week period leading up to the publication of a planned preliminary announcement of results.

The Copenhagen Stock Exchange took note of the company's investor relations rules/policy. However, the Exchange found reason to point out that, in general, a listed company must be careful about elaborating on and qualifying previously disclosed information unless it is ensured that the entire market will have access to the information simultaneously.

4. Downward Adjustment of Expectations

The Exchange contacted a listed company because the press had questioned whether the company's downward adjustment in October 2006 had been announced in time. This was due to the fact that one of the company's sub-suppliers had made a downward adjustment about 2 weeks earlier because of depressed sales. In this connection it was speculated whether the downward adjustment was due to declining sales to the listed company.

A listed company shall as soon as possible publish information on essential aspects concerning the company which may be assumed to be of significance to the pricing of the securities. Significant changes in already published information shall be published as soon as such changes have occurred. This is provided by Rule 16 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act.

Moreover, Rule 31 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange provides that significant changes in the outlook in relation to the information published shall be communicated as soon as possible. This obligation applies even though it is not possible to calculate the expected results precisely at the time in question.

Therefore, the Exchange asked the company to explain a number of aspects regarding the circumstances of the downward adjustment.

Based on the company's account the Exchange took it that the market had been notified of the lower expectations that led to a change in the order pattern in relation to the subsupplier before the downward adjustment in October 2006 and that the circumstances that led to the downward adjustment in October 2006 had not been known to the company until immediately before the publication of the downward adjustment.

Thus, the Exchange found that the company had published information on the downward adjustment as soon as possible and, therefore, had met the disclosure requirements as defined by Rules 16 and 31 of the disclosure requirements for issuers of shares on the Copenhagen Stock Exchange and section 27 of the Danish Securities Trading Act.

December

1. Application of Danish rules of accounting

The Copenhagen Stock Exchange has found reason to elaborate its practice in relation to the listed companies' application of Danish rules of accounting.

Rule 27(1) of the Disclosure requirements for issuers of shares listed on the Copenhagen Stock Exchange provides that annual reports presented by Danish companies shall, at any time, live up to the highest standards for the category of companies to which the company in question belongs. The annual report shall reflect good accounting practice and shall – unless the annual report is presented in compliance with IFRS – be presented in compliance with generally accepted Danish accounting standards. According to the comments to Rule 27, listed financial services companies shall follow the Danish accounting standards to the extent that the Danish Financial Business Act and accompanying executive orders or the Danish Financial Supervisory Authority do not provide otherwise.

On 21 November 2005, Executive order no. 1112 on financial reports for credit institutions and investment companies, etc. applicable to financial services companies was drafted under the authority of the Danish Financial Business Act. The Executive order applies for the first time for annual reports for 2005.

The Executive order was drawn up in such a way that the accounting rules of the Executive order would be consistent with international accounting standards.

Thus, a different practice has been established for financial services companies, and application of the current Danish accounting standards issued by the Institute of State Authorized Public Accountants is not a requirement. It must be presumed that, in general, no relevant information is lost if the Danish accounting standards are set aside. However, no specific analysis has been made of any differences. The Exchange would also like to point out that annual reports presented by Danish companies must, at any time, live up to the highest standards for the category of companies to which the company in question belongs.



Financial services companies shall comply with the Danish Financial Business Act and Executive order no. 1112 on financial reports for credit institutions and investment companies, etc. It is still a requirement that annual reports presented by listed companies shall, at any time, live up to the highest standards.