



HIGHLIGHTS

- k Revenue up by 7 percent to SEK 2,239 m (2,096)
- k Income before depreciation and items affecting comparability amounted to SEK 150 m (568)
- k Income after tax for the period totalled SEK -132 m (544)
- k Earnings per share amounted to SEK -1.56 (6.41)
- k Restructuring of Jiway
- k SEK 481 m in non-recurring expenses
- k 55 percent sales growth within Division Technology

OM wishes to express its sympathy for all the families and relatives of those clients, partners and friends who were affected by the terrorist attacks in the USA on September 11. All personnel at OM's office in New York, and all those OM employees who were in the USA at that time, are safe and unharmed.



OM's core competence – Transaction Technology – arises in the interaction between the areas of knowledge which OM's employees represent. The technology expertise comes from OM's own system development, exchange expertise from experience in owning, developing and operating marketplaces, and market expertise from experiences in the markets for which OM creates solutions: the equities market, the fixed income market and the energy market. The combination of all these areas of knowledge constitutes OM's core competence and major competitive advantage – Transaction Technology.

EXPENSE REDUCTION AND RESTRUCTURING

For OM the reporting period was characterised by the continuation of growth within its technology operations, lower levels of activity on Stockholm-börsen and substantial non-recurring expenses relating to the expense reduction program and the restructuring of Jiway. Group revenue increased by 7 percent to SEK 2,239 m (2,096 during the same period last year).

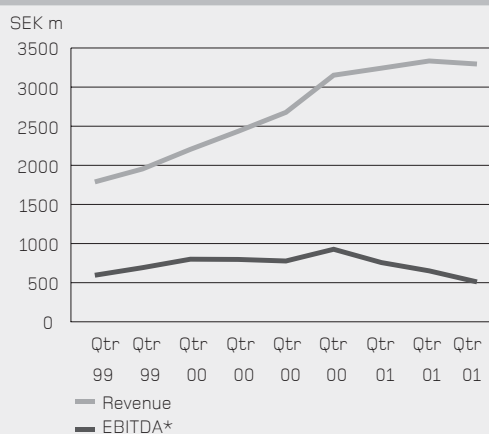
Due to unfavourable market conditions Jiway has not been able to develop as planned since it opened in November 2000. However, its restructuring, during the fourth quarter 2001, will create the prerequisites to enable the continuation of Jiway's operations at significantly reduced costs. In order to integrate Jiway with OM's operations, OM took over Morgan Stanley's 40 percent share in Jiway with effect from October 1, 2001.

OM introduced an expense reduction program during the course of the summer. This program will result in the reduction of OM's annual operating expenses by at least SEK 150 m (calculated on operating levels during the second quarter 2001), with the full effect from the first quarter 2002.

Expensed investments in research and development (R&D) during the period amounted to SEK 232 m (218).

Group income before depreciation and items affecting comparability totalled SEK 150 m (568) for the first nine months of the year. Items affecting comparability were SEK -481 m (100), of which SEK 408 m related to the restructuring of Jiway and SEK 73 m related to the costs involved in executing OM's expense reduction program. Restructuring Jiway has had a positive taxation effect of SEK 263 m. Including restructuring expenses, Jiway affected the period's income after tax by SEK -312 m during the reporting period. The period's income after tax was SEK -132 m (544).

Revenue, 12-months rolling
EBITDA, 12-months rolling*



*Excluding items affecting comparability

INCOME STATEMENT

AMOUNTS IN SEK M	July–Sept 2001	July–Sept 2000	Jan–Sept 2001	Jan–Sept 2000	Oct–Sept 00/01	Jan–Dec 2000
REVENUE						
Technology- and system sales	259	245	930	661	1,216	947
Facility management services	116	91	364	231	463	330
Trading revenue	163	251	625	886	904	1,165
Issuer's fees	38	41	113	113	158	158
Information sales	33	33	106	96	149	139
Other operating revenue	32	19	80	88	377	385
Insurance premium OM Reinsurance	7	7	21	21	28	28
TOTAL REVENUE	648	687	2,239	2,096	3,295	3,152
EXPENSES						
External expenses						
Premises	–63	–38	–169	–82	–221	–134
Marketing expenses	–19	–19	–75	–79	–119	–123
Consultancy expenses	–103	–116	–377	–304	–545	–472
Operation and maintenance expenses, IT	–124	–84	–357	–192	–472	–307
Insurance premium	–8	–10	–28	–31	–39	–42
Synthetic options	0	–1	0	–32	2	–30
Other operating expenses	–90	–54	–239	–179	–278	–218
Personnel expenses	–244	–220	–866	–629	–1,146	–909
Depreciation	–67	–29	–193	–78	–246	–131
Goodwill depreciation	–30	–22	–86	–62	–122	–98
Items affecting comparability	–481	0	–481	100	–576	5
Participations in associated companies ¹	6	0	22	0	32	10
GRAND TOTAL EXPENSES	–1,223	–593	–2,849	–1,568	–3,730	–2,449
OPERATING INCOME	–575	94	–610	528	–435	703
FINANCIAL ITEMS	–2	2	–3	41	–4	40
INCOME AFTER FINANCIAL ITEMS	–577	96	–613	569	–439	743
Tax	270	–12	270	–85	228	–127
Minority interest	114	28	211	60	265	114
NET INCOME	–193	112	–132	544	54	730
No. of shares, millions	84,0	84,0	84,0	84,0	84,0	84,0
No. of shares after full conversion	84,8	84,8	84,8	84,8	84,8	84,8
Earnings per share	–2,30	1,33	–1,57	6,48	0,64	8,69
Earnings per share after full conversion	–2,28	1,32	–1,56	6,41	0,64	8,61

INCOME PER DIVISION

AMOUNTS IN SEK M	July–Sept 2001	July–Sept 2000	Jan–Sept 2001	Jan–Sept 2000	Oct–Sept 00/01	Jan–Dec 2000
REVENUE						
Division Technology	409	329	1,384	893	2,014	1,523
Division Transaction	265	353	943	1,290	1,352	1,699
Jiway	55	22	132	22	160	50
Parent company	28	95	133	152	272	291
Group eliminations *	–109	–112	–353	–261	–503	–411
Total	648	687	2,239	2,096	3,295	3,152

OPERATING INCOME BEFORE DEPRECIATION (EBITDA)

Division Technology	51	49	157	134	468	445
Division Transaction	97	205	413	731	636	954
Jiway	–119	–72	–307	–154	–427	–274
Parent company	–26	–37	–113	–143	–168	–198
Items affecting comparability **	–257	0	–257	100	–352	5
Total	–254	145	–107	668	157	932

	July–Sept 2001		July–Sept 2000		Jan–Sept 2001	Jan–Sept 2000	Oct–Sept 00/01	Jan–Dec 2000
DEPRECIATION	Total depr.	Of which goodwill	Total depr.	Of which goodwill	Total depr.	Total depr.	Total depr.	Total depr.
Division Technology	31	13	25	11	87	69	113	95
Division Transaction	23	17	17	14	73	59	95	81
Jiway	28	0	1	0	71	1	78	8
Parent Company	15	0	8	–3	48	11	82	45
Writedowns ***	224	0	0	0	224	0	224	0
Total	321	30	51	22	503	140	592	229

* All internal sales are at cost price. The majority of the internal sales is from Division Technology to Division Transaction. Of parent company revenue, SEK 90 (100) m relates to internal sales.

** SEK 257 m in costs for expense reduction program and restructuring of Jiway in 2001. SEK 100 m in expense reduction relating to repayment of VAT in 2000. SEK 95 m in cost for offer for LSE in 2000.

*** Relates to restructuring of Jiway.

NOTES TO THE INCOME STATEMENT

Year-on-year group revenue has risen by 7 percent to SEK 2,239 m (2,096) during the first nine months of the year. This revenue increase is due primarily to increased technology and system sales as well as rising revenues from facility management services.

Due mainly to lower market values, lower levels of equity trading activity and fee reductions on Stockholmsbörsen, trading revenue fell by 29 percent year-on-year.

OM's operating expenses, including depreciation, totalled SEK 2,849 m (1,568) during the first nine months of the year. The period's operating expenses included items affecting comparability of a non-recurring nature totalling SEK 481 m. Of this figure SEK 73 m related to costs involved in the expense reduction program and SEK 408 m to Jiway's restructuring expenses (of which SEK 224 m related to write-downs and SEK 184 m to other restructuring expenses). During the same period last year there was an expense reduction of SEK 100 m relating to the repayment of VAT from the Swedish State.

Compared to September 30, 2000 OM has employed a net figure of 247 new employees which, among other things is reflected in an increase in personnel and premises expenses year-on-year. The rise in consultancy costs, operating and maintenance (IT) expenses as well as other operating costs compared to the same period in 2000, was due largely to the operational growth of Division Technology and Jiway.

Total operating expenses for the group, excluding items affecting comparability, decreased by 14 percent during the third quarter compared to the second quarter of the year.

OM's income before depreciation was SEK –107 m (668). Depreciation in the period (excluding writedowns) was SEK 279 m (140), with the year-on-year increase due primarily to Jiway and investments in new premises.

Net financial items during the period were SEK –3 m (41). Financial expenses comprised mainly debt interest.

Minority interests totalled SEK 211 m (60) during the period, consisting primarily of Morgan Stanley's portion of Jiway's deficit in the period. Restructuring Jiway had a positive taxation effect of SEK 263 m during the third quarter.

Net income for the first nine months of the year amounted to SEK –132 m (544).

NOTES ON OM's DIVISIONS

OM had three divisions during the reporting period: Division Technology, Division Transaction and Jiway. Within Division Technology revenue is primarily technology and systems related revenue as well as revenue from facility management services. OM VPS, which was formerly part of the Parent Company, has been part of Division Technology with effect from March 2001. Revenue from Division Transaction is primarily trading and clearing revenue, issuers' fees and revenue from information sales. Up to and including June last year OM VPA was part of Division Transaction. Jiway's revenue derives primarily from facility management services and trading revenue. With effect from the fourth quarter Jiway will cease to be a separate division within OM.

Parent Company expenses for January – September 2000 included costs of SEK 32 m relating to synthetic options.

BALANCE SHEET

AMOUNTS IN SEK M	Sept 2001	Sept 2000	Dec 2000
Intangible fixed assets	1,375	1,242	1,394
Tangible fixed assets	421	394	310
Financial fixed assets	1,213	378	720
Short-term receivables*	1,214	957	1,043
Short-term investments	1,152	1,181	1,114
Cash and bank balances	416	388	878
Total assets	5,791	4,540	5,459
Shareholders' equity	2,059	2,962	2,986
Minority interest	-1	-25	182
Long-term liabilities	479	140	249
Provisions	69	69	69
Short-term liabilities	3,185	1,394	1,973
Total shareholders' equity and liabilities	5,791	4,540	5,459

*Tax receivables as at 30 September, 2001, SEK 326 m.

CHANGES TO SHAREHOLDERS' EQUITY

AMOUNTS IN SEK M	Jan-Sept 2001	Jan-Sept 2000	Jan-Dec 2000
Shareholders' equity - opening balance	2,986	2,808	2,808
Dividend distributed	-505	-419	-419
Conversion of debentures and exercise of warrants	1	28	48
Employee stock options	-220	0	-193
Translation differences, Jiway	-59	1	28
Translation differences, other	-12	0	0
Other	0	0	-16
Net income for the period	-132	544	730
Shareholders equity - closing balance	2,059	2,962	2,986

CASH FLOW ANALYSIS

AMOUNTS IN SEK M	Jan-Sept 2001	Jan-Sept 2000	Jan-Dec 2000
Cash flow from operations			
before change in working capital	-286	681	859
Change in working capital*	1,225	207	527
Cash flow from operations	939	888	1,386
Cash flow from investments	-857	-507	-582
Cash flow from financial operations	-505	-419	-419
Change in liquid funds	-423	-38	385
Liquid funds - opening balance	1,992	1,607	1,607
Liquid funds - closing balance	1,569	1,569	1,992

* Of which change in short term borrowing 1 461 112 153

SENSITIVITY ANALYSIS

During the reporting period, 28 (42) percent of OM's revenue was transaction related (trading revenue). Revenue is generated primarily through trading and clearing of derivative products as well as share trading. Assuming an unchanged product and client mix throughout the rest of 2001, a change in the average daily derivative turnover of 1,000 contracts would have an SEK 1.5 m effect on revenue on an annual basis (based on the new fee structure). A change of one percent in the value of average share trading, would, given current trading levels, have an SEK 2.0 m effect on revenue on an annual basis.

The issuers' fees are dependent on the market capitalisation of the companies listed. A change of ten percent in the total market capitalisation would affect income by 4 percent (on an annual basis: SEK 5 m).

OM's net financial items are affected by changes in Swedish market interest rates. A one percentage point change would have a non-recurring effect on a bond portfolio of approximately +/- SEK 20 m.

NOTES TO THE BALANCE SHEET

Intangible fixed assets of SEK 1,375 m (1,242) include SEK 1,039 m (913) of consolidated goodwill. Most of this goodwill relates to the acquisition of the Stockholm Stock Exchange in January 1998. Group investments in equipment totalled SEK 268 m (248). The increase in financial fixed assets to SEK 1,213 m (378) is due primarily to deposits payed on leased property and options programs as well as the increase in share capital holdings in associated companies such as NLK Näringslivskredit. At the period-end, the market value of OM's holding in Orc Software (5.8 million shares) was SEK 470 m with a book value of SEK 68 m. OM owns 15 percent of the share capital of Helsinki Exchanges, a holding with a book value of SEK 72 m.

OM's employee stock option plan, comprising a maximum of 2.5 million shares, has had a SEK -220 m impact on shareholders' equity during the period. The restructuring of Jiway has affected shareholders' equity by SEK -145 m.

Liquidity and financing

Interest-bearing net assets amounted to SEK -106 m (940) at the end of the reporting period. OM's interest-bearing financial assets totalled SEK 1,998 m (1,569), of which SEK 430 m comprised financial fixed assets. Interest-bearing financial liabilities were SEK 2,104 m (629), of which SEK 55 m (82) are long-term. Agreed credit facilities totalled SEK 3,300 m (3,300) of which SEK 2,049 m (559) have been utilised. Liquid funds totalled SEK 1,568 m (1,569).

OM AB (publ)

Stockholm, October 10, 2001



Per E. Larsson

President and Chief Executive Officer

The accounting principles applied in this report are the same as in OM's annual report for 2000.

SIGNIFICANT EVENTS WITHIN OM'S DIVISIONS

Division Technology

The growth within OM's technology operations continued during the reporting period. Year-on-year Division Technology's revenue increased by 55 percent to SEK 1,384 m (893) during the first nine months of the year. The lower sales during the third quarter compared with those in the second quarter were due to the postponed revenue recognition of major projects in North America. At the end of September the orderbook value within Division Technology was SEK 3,385 m (2,705) of which orders with a value of SEK 1,111 m (939) are due for delivery within the coming 12 months.

In September the Minneapolis Grain Exchange signed a contract with OM for the delivery of OM's CLICK exchange system. The order represents the first in a new type of contracts for OM whereby OM is acting as Trading Service Provider with responsibility for the systems operation on a platform that can be shared by a number of exchanges. In May the Borsa Italiana signed an agreement with OM for the delivery of OM's CLICK exchange system - an order valued at over SEK 115 m. In March it was announced that Hong Kong Exchanges had purchased OM's SECUR clearing system at an order value of around SEK 120 m. In January an announcement was made that American Stock Exchange had bought both OM's SAXESS and CLICK exchange systems for a total order value of around SEK 300 m.

The Division's income before depreciation for the first nine months of the year totalled SEK 157 m (134). The operating margin, excluding internal sales and depreciation, was 15 percent (20) during the reporting period. Internal sales to OM's exchanges amounted to SEK 307 m (217). The Division's lower operating margin, compared to the same period in 2000, is due mainly to the continued strong operational growth as well as losses within Securities Systems, the business area that develops systems for banks and brokerage firms. In order to improve profitability within the Division, employee numbers were reduced by 60 within the Securities Systems and Energy Systems business areas during the third quarter. The Division's expensed investments in R&D totalled SEK 192 m (142), corresponding to 14 percent (16) of gross turnover.

Division Transaction

During the third quarter a new organisational structure was introduced within Division Transaction. The Division is now divided into three strategic business areas: the Securities business area contains Stockholmsbörsen, OM Fixed Income Exchange and OM London Exchange; the Asset Management business area comprises XACT Fonder and Lendtech; the Commodities business area contains NGX, UKPX, Pulpex and OM Environment Exchange.

In February Stockholmsbörsen extended its opening hours until 20.00 hrs and in June a further extension to 22.00 hrs was decided as well as to divide the trading day into a day and evening exchange. This concept will be introduced in 2002 although the trading day will temporarily end at 17.30 from October 15. In February Stockholmsbörsen also introduced lower fees for trading and clearing of equity related derivative contracts, of on average 40 percent. This reduction was one of the reasons behind the record high turnover in derivatives trading on Stockholmsbörsen during

the reporting period. During the period the number of derivatives contracts traded daily on Stockholmsbörsen and OM London Exchange increased by 15 percent to 243,102 (212,159).

Trading in XACT^{OMX}, OM's exchange traded fund, continued to increase during the reporting period with trading up threefold from the second quarter to the third quarter.

As of January 1, 2001 OM owns 100 percent (previously 51) of the Natural Gas Exchange (NGX) in Canada. NGX's revenues for the nine-month period was SEK 43 m, a year-on-year increase of 48 percent.

During the year OM Fixed Income Exchange has successfully launched electronic trading in 10-and 2-year Swedish Government bonds. Since trading started in May it has represented around 40% of the total Interbank trade in Government bonds.

Revenue generated by Division Transaction during the period totalled SEK 943 m (1,290). Last year sales included SEK 25 m of revenue from OM VPA, which is no longer part of the division. The reduction in revenue compared to 2000 is due largely to lower market values and lower levels of trading activity as well as fee reductions for equity derivatives trading on Stockholmsbörsen. The division's income before depreciation for the first nine months amounted to SEK 413 m (731) and expensed investments in R&D during the same period amounted to SEK 40 m (77).

Jiway

In conjunction with the restructuring of Jiway OM took over Morgan Stanley's part ownership of Jiway as of October 1. In so doing considerable cost savings are expected to be made through the integration of Jiway with OM's operations. With effect from the fourth quarter of this year Jiway's exchange operations will be included in Division Transaction. Jiway Broker Services (JBS), Jiway's facility management operations for settlement and back-office services, will be contained within OM's Division Technology. Following the restructuring the negative impact on OM's EBIT in running Jiway's exchange business will amount to a maximum of SEK 20 m per quarter (calculation based on revenue levels in September 2001). JBS is expected to achieve break-even during the second quarter 2002. During the fourth quarter 2001 the negative impact on OM's EBIT for operating both Jiway companies are expected to amount to around SEK 45 m.

Restructuring Jiway has given rise to non-recurring effects on OM's consolidated income statement and balance sheet during the third quarter 2001 (see pages 3 and 4). The restructuring will have no significant impact on Jiway's service offering. Through its integration Jiway will no longer be a separate division of OM.

Jiway's revenue during the period amounted to SEK 132 m (22). Jiway's consolidated loss before depreciation during the half-year was SEK - 307 m (154). Jiway's lower earnings during the third quarter compared to the second quarter were mainly due to accounting for accrued VAT expenses.

At the end of September 2001 Jiway had 13 trading parties and was able to offer integrated trading, clearing and settlement in around 2,500 European and American equities. During the fourth quarter 2001 an additional number of client companies, which at the point of reporting were under implementation, are expected to sign up to Jiway.

FINANCIAL CALENDAR 2001

October 10, 2001

Interim Report January – September

Major shareholders as at 28-09 2001

	Number of shares	Votes and capital, %
Investor AB	14,190,507	16,9
The Swedish State	7,993,466	9,5
Capital Group	7,137,354	8,5
Robur Fonder	4,109,350	4,9
FöreningsSparbanken	3,744,273	4,5
Olof Stenhammar & companies	3,538,770	4,2
Svenska Handelsbanken	2,863,170	3,4
Nordea	2,838,023	3,4
Alecta	2,487,791	3,0
SEB Fonder	2,445,880	2,9
Other non-swedish owner	9,788,788	11,7
Other swedish owner	22,901,746	27,2
Total	84,039,118	100

Sources: DN Ägarservice and shareholders

Key Ratios*

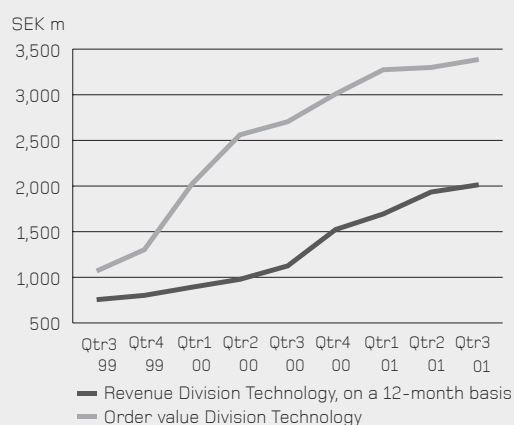
	Jan-Sept 2001	Jan-Sept 2000	Jan-Sept 1999	Jan-Dec 2000
Share price	76	414	92	233
Average number of OM-shares traded per day (000's)	129	184	131	182
P/E-ratio **	119	50	19	27
Shareholders' equity per share	24	35	31	35
Share price/shareholders' equity	3,1	11,8	3,0	6,7
Return on shareholders' equity, % **	2	25	15	25
Return on capital employed, % ***	-8	25	19	25
Equity/asset ratio, %	36	67	76	55
Number of employees, end of period	1,588	1,341	911	1,354
Average number of employees	1,548	1,205	801	1,242

* After full conversion and tax

** Based on rolling previous 12-months income

*** Rolling 12-months income before interest expenses and tax in relation to average shareholders' equity plus interest bearing debt

Revenue and order value Division Technology



Average daily turnover in equity-related products on Stockholmsbörsen and OM London Exchange

