

Interim Report January–September 2003





Creation of OMHEX

- Revenue amounted to SEK 1 936 m (1 996) during January–September 2003
- Operating income excluding items affecting comparability was SEK 56 m (88)
- Operating loss totaled SEK 468 m (+31)
- Loss after financial items was SEK 482 m (+11)
- Loss after tax was SEK 441 m (2)
- Earnings per share at SEK -4.67 (-0.02)
- OMHEX created - integration work started
- New management appointed
- Focus and streamlining program - work continuing according to plan

CEO COMMENTS:

The most significant event during the third quarter was, of course, the merger between OM and HEX and the formation of OMHEX. Already by the beginning of October, all of the shareholders in HEX had accepted the offer and received their new shares in OMHEX. The fact that market participants share our vision of an integrated Nordic securities market is an important prerequisite for further, deeper cooperation. It is very pleasing that our customers have reacted so positively to the merger.

During the quarter we initiated integration work to create our new exchange division, HEX Integrated Markets. There is much work ahead of us to achieve synergies corresponding to annual cost savings of SEK 220 m within three years - more than 15 percent of Stockholmsbörsen and HEX's costs together prior to the merger.

During the third quarter, OMHEX's operating income was SEK 45 m - a level that is naturally not satisfactory. This is why, in conjunction with the integration work, it is necessary to complete the streamlining measures and annual cost savings of SEK 578 m that we initiated within OM in the summer. Even if effects of the cost-efficiency program can be seen during the third quarter, most of the work still remains to be done during the next half year.

Group revenue amounted to SEK 729 m during the third quarter. The increase of 26 percent compared to the same period last year can be attributed to the fact that HEX is now a part of the group. For comparable operations, group revenue fell 7 percent.

As regards HEX Integrated Markets, the third quarter has been relatively strong. However, despite the fact that share prices and trading volumes on our exchanges increased during the quarter, we should be cautious in our view of the economy. A clear, positive trend, however, is that turnover velocity in stock trading remains at a high level and that the number of traded derivatives contracts is continuing to grow.

OM Technology's markets are still weak and comparable revenues in the division have decreased. Our customers are continuing to wait with their investments and we cannot see any clear signs of a turnaround in the short term.

We are convinced that our markets will improve - however, we cannot say when this will occur. This is why, together with our new management, I will continue to focus on increasing cost-efficiency and creating a strong and fully integrated company.

Magnus Böcker
President & CEO

EARNINGS DEVELOPMENT PER QUARTER

SEK m	July-Sept 2003	Apr-June 2003	Jan-March 2003	Oct-Dec 2002	July-Sept 2002
Revenues	729	595	612	644	580
Expenses excl. items affecting comparability	-690	-611	-598	-635	-601
Operating income excl. items affecting comparability	45	-11	22	19	-12
Operating income	45	-535	22	-56	-34
Income after financial items	39	-532	11	-67	-47
Earnings per share	0.14	-5.53	0.09	-0.82	-0.56

GROUP PERFORMANCE DURING THE THIRD QUARTER

OMHEX, formed through the merger of OM and HEX, is a leading provider of marketplace services and transaction technology. Through the HEX Integrated Markets division, OMHEX operates northern Europe's largest securities market. In the OM Technology division, OMHEX is a world leading provider of technology to financial and energy markets.

OMHEX was created during the quarter through an offer to HEX shareholders of 2.5 new OM shares for each HEX share. HEX was consolidated in the group with effect from July 1 and is only included in the group's income statement and balance sheet as from the third quarter 2003.

At the end of the second quarter, the equity derivatives business of OM London Exchange was divested and is no longer part of the group.

OMHEX's revenue amounted to SEK 729 m (580 during the same period last year) during the third quarter. For comparable operations, excluding HEX and OM London Exchange, revenue decreased by 7 percent year-on-year. The reduction is largely due to lower revenue within OM Technology.

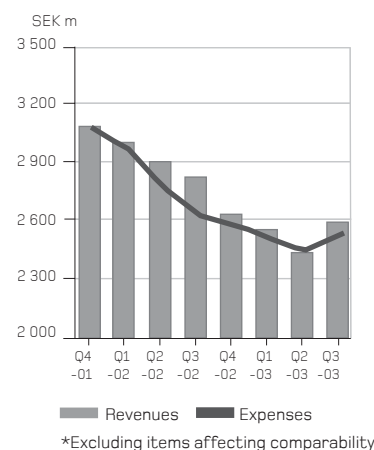
Group operating expenses totaled SEK 690 m (623) during the quarter. For comparable operations, excluding HEX, OM London Exchange and items affecting comparability, operating

expenses fell 11 percent year-on-year. The decrease is mainly due to cost-savings measures introduced within the company. The third quarter of the year is generally characterized by seasonal lows, which also have an effect on both revenue and expenses.

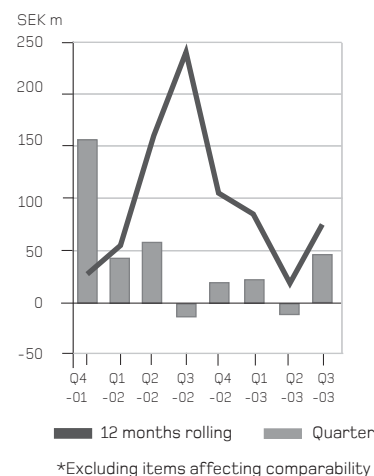
At the end of June, OM presented a cost-efficiency program expected to reduce the group's annual expenses by SEK 578 m and decrease annual revenue by SEK 105 m, based on levels of operation during the second quarter 2003. Total expenses for implementing streamlining and cost-reduction measures of SEK 624 m were charged to the second quarter as an item affecting comparability. Some of these planned cost-efficiency measures have already been carried out during the third quarter, with full effect expected during the first quarter 2004.

Operating income amounted to SEK 45 m (-34) during the third quarter, while income before depreciation totaled SEK 156 m (49). Income after financial items amounted to SEK 39 m (-47) and income after tax totaled SEK 16 m (-47) during the third quarter. Earnings per share equaled SEK 0.14 (-0.56).

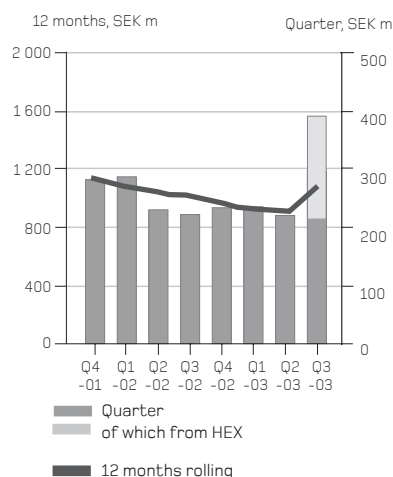
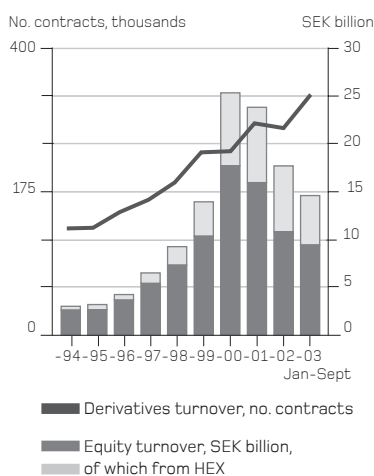
REVENUES AND EXPENSES, 12 MONTHS ROLLING*



OPERATING INCOME BEFORE DEPRECIATION*



REVENUES HEX INTEGRATED MARKETS

AVERAGE DAILY TRADING ON
HEX INTEGRATED MARKETS'
MARKETPLACES

PERFORMANCE PER DIVISION DURING THE THIRD QUARTER

REVENUES PER DIVISION

SEK m	July-Sept 2003	Apr-June 2003	Jan-March 2003	Oct-Dec 2002	July-Sept 2002
HEX Integrated Markets	387	217	234	232	220
OM Technology	416	412	417	464	417
Parent company	33	40	41	63	41
Eliminations	-107	-74	-80	-115	-98
Group total	729	595	612	644	580

HEX Integrated Markets

The HEX Integrated Markets division includes the equity and derivatives exchanges in Stockholm, Helsinki, Tallinn and Riga and the central securities depositories in Finland, Estonia and Latvia. The division comprises four business areas: Cash Markets, Derivatives Markets, Settlement & Depository and Baltic Operations.

Revenue in HEX Integrated Markets amounted to SEK 387 m (220) during the third quarter. For comparable operations, excluding HEX and OM London Exchange, revenue increased by 6 percent compared to the same period last year.

The division's expenses totaled SEK 249 m (151) during the quarter. For comparable operations, excluding HEX and OM London Exchange, expenses remained unchanged. Operating income was SEK 138 m (69).

The statistical data below are pro forma, i.e. as if HEX Integrated Markets had existed during 2002. In revenue and income, HEX is only included from the third quarter 2003.

Cash Markets includes stock trading on Stockholmsbörsen and Helsinki Exchanges. The business area's revenue totaled SEK 214 m (141) during the third quarter. For comparable operations, excluding HEX, revenue remained unchanged compared to the same period in 2002. Operating income was SEK 95 m (73) during the third quarter. The number of transactions grew

by 7 percent to 52 994 (49 749) on average per day compared to the same period last year. The average daily equity turnover rose to SEK 15 532 m (13 284). Turnover velocity was 112 (105) percent during the quarter.

Derivatives Markets comprises derivatives trading and clearing operations at Stockholmsbörsen and Helsinki Exchanges, as well as a co-operation primarily with Eurex and EDX London. Revenue from the business area amounted to SEK 93 m (79) during the quarter. For comparable operations, excluding HEX and OM London Exchange, revenue went up by 21 percent year-on-year. The business area's operating income was SEK 28 m (16). The total number of derivatives contracts traded daily on Stockholmsbörsen and Helsinki Exchanges increased to 289 853 (209 009) on average during the quarter, while the number of Finnish options contracts traded on Eurex decreased to 59 922 (77 186) per day.

Settlement & Depository includes the Finnish central securities depository (APK), which provides clearing, settlement and depository services for equities and fixed-income securities. During the third quarter, revenue in the business area was SEK 69 m and operating income was SEK 13 m. The number of cleared and settled transactions rose 9 percent year-on-year, while the total market value of deposited securities grew 13 percent. The operations of Settlement & Depository



come entirely from HEX, which is why no figures are provided for the purpose of comparison.

Baltic Operations comprises the stock exchanges, central securities depositories and operation of the national funded pension account registers in Estonia and Latvia. Revenue in the business area totaled SEK 11 m during the third quarter and operating income was SEK 2 m. Baltic Operations comes entirely from HEX, which is why no figures are provided for the purpose of comparison.

OM Technology

The OM Technology division includes OM's technology operations and HEX's IT-related operations. The division has three business areas: Banks & Brokers, Financial Markets and Global Services.

OM Technology's revenue was SEK 416 m (417) during the third quarter. For comparable operations, excluding HEX, revenue decreased by 16 percent year-on-year, with nearly half of the reduction in revenue attributable to lower internal sales. Internal sales to HEX Integrated Markets totaled SEK 76 m (68), of which SEK 39 m relates to HEX. The markets for systems solutions for financial institutions are weak and levels of investment at many companies continue to be low. Product phase-out implemented to improve profitability has also had a negative impact on revenue.

The division's operating expenses amounted to SEK 485 m (456). For comparable operations, excluding HEX, expenses fell by 8 percent. Work to improve cost-efficiency and focus operations continues according to plan and is expected to have full effect in the first quarter 2004.

The operating loss was SEK 65 m (33) during the third quarter. Investments in R&D were SEK 40 m (58), or 10 (14) percent of turnover, of which SEK 30 m (33) was capitalized.

Order intake during the third quarter amounted to SEK 533 m (174), of which SEK 300 m relates to HEX Integrated Markets. At period-end, the order value was SEK 2 932 m (2 858), with

orders corresponding to SEK 1 010 m (1 111) due for delivery in the next 12 months. HEX Integrated Markets accounts for SEK 930 m (784) of the total order value. Currency effects had a negative impact on the order value of approximately SEK 141 m year-on-year. Excluding internal orders and currency effects, the order value increased by 3 percent on an annual basis compared to the end of the third quarter 2002.

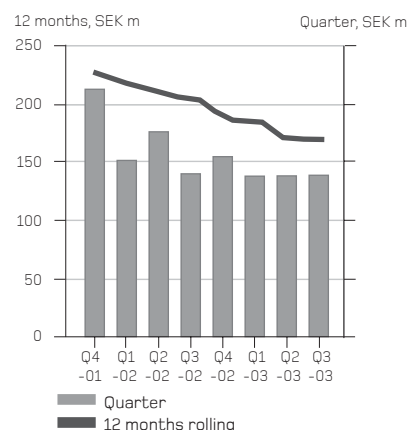
Common functions in OM Technology comprise mainly marketing and business development, expenses that are not included in the results per business area below.

Banks & Brokers develops systems solutions and provides operational services to banks and brokerage firms. Revenue in the business area was SEK 83 m (101) during the third quarter. For comparative units, excluding HEX, revenue decreased by 45 percent year-on-year, primarily due to product phase-out, lower transaction-based revenue from back-office for hire services and reduced internal sales with regard to Jiway. Operating loss was SEK 23 m (7).

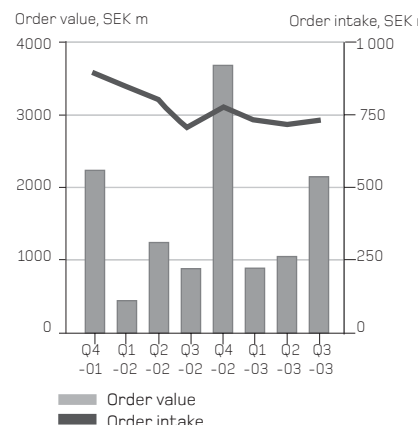
Financial Markets develops systems solutions for exchanges, clearing organizations and central securities depositories. The business area includes operations that were part of Energy Markets. No operations from HEX are included in Financial Markets. Revenue was SEK 205 m (221) during the third quarter. The decrease was due to the fact that the demand for and willingness to invest in systems solutions among existing and prospective customers continues to be weak. Operating income was SEK 1 m (9).

Global Services offers outsourcing of systems operations to exchanges, clearing organizations and central securities depositories. Revenue within the business area totaled SEK 158 m (135). For comparable operations, excluding HEX, revenue fell by 14 percent year-on-year, mainly due to lower internal sales regarding Jiway. Operating income was SEK 10 m (26).

REVENUES OM TECHNOLOGY



ORDER VALUE AND ORDER INTAKE, OM TECHNOLOGY



OTHER IMPORTANT INFORMATION

Financial position

Total assets amounted to SEK 6 891 m (5 445) at the end of the reporting period. The equity/assets ratio increased to 51 (38) percent. For comparable operations, excluding HEX, total assets fell by 19 percent compared to the same period last year, while the equity/assets ratio decreased to 34 percent. OMHEX's interest-bearing net debt was SEK 720 m (797) at the end of the quarter. The merger with HEX had a positive effect of SEK 198 m on group net debt.

Interest-bearing financial assets were SEK 1 395 m (1 608), of which SEK 89 m (79) are financial fixed assets. Interest-bearing liabilities totaled SEK 2 115 m (2 405), of which SEK 200 m (256) are long-term. Available credit agreements were SEK 3 700 m (3 700), of which SEK 1 851 m (2 149) has been utilized. In addition to this, HEX has available credit agreements, intraday, of SEK 620 m.

Parent Company

OMHEX AB's operations comprise group management. Net sales during January-September totaled SEK 56 m (62). The loss before appropriations and tax amounted to SEK 115 m (136). Liquid assets were SEK 0 m (2). Investments were SEK 5 m (0).

Number of employees and consultants

The number of people employed and contracted within OMHEX on September 30 was 1 912 (1 746), of which 1 840 (1 660) were employed and 72 (86) were consultants. Of those employed, 367 (236) work at HEX Integrated Markets, 1 349 (1 476) in OM Technology, and 124 (34) in the parent company. 438 employees come from HEX. For comparable operations, excluding HEX, the number of people employed and contracted fell by 145 during the third quarter, compared to the second quarter 2003, as a result of OM's cost-efficiency program from June 30, 2003, which has had an effect on 240 positions. As a result of the ongoing work to achieve

previously communicated synergies relating to the merger with HEX, 70 positions are expected to be made redundant during the first quarter 2004, of which 60 in Finland and 10 in Sweden.

New company management

On September 4, Magnus Böcker was appointed President and CEO of OMHEX. Jukka Ruuska has been appointed as deputy CEO of OMHEX and President of HEX Integrated Markets and Klas Ståhl as President of OM Technology. On May 30, Per E. Larsson resigned as President and CEO of OM.

Disputes

In July, it was announced that OM AB, OM Technology AB, BrokerTec Global and its parent company ICAP were among those being sued by eSpeed for the alleged infringement of US patent 6,560,580 B1. OM is being sued in its capacity as a systems provider to BrokerTec. OM has rejected the claim and denies any patent infringement.

Outlook

Assuming continued weak markets during the fourth quarter of the year, OM Technology's revenues are expected to be somewhat higher than during the third quarter. The full effect of the cost-efficiency measures initiated in June 2003 is expected in the first quarter 2004 and expected merger synergies will be achieved within three years, with certain effects during the first quarter 2004.

OM HEX AB (publ)

Stockholm, October 22, 2003

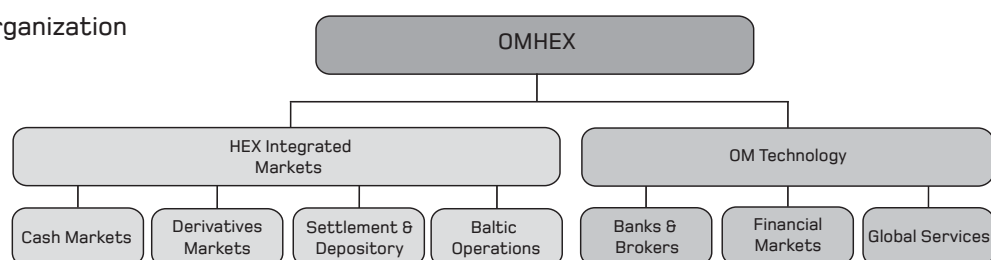


Magnus Böcker

President and CEO

This report has not been subject to an auditor's review.

OMHEX organization



KEY RATIOS¹⁾

	Jan-Sept 2003	Jan-Sept 2002	Jan-Sept 2001	Jan-Dec 2002
Earnings per share ²⁾	-4.67	-0.02	-1.57	-0.85
Share price (2003-09-30), SEK	77	32	76	41.6
Average number of OMHEX shares traded daily, 000s ³⁾	376	113	129	204
P/E ratio ⁴⁾	N.A.	26	119	N.A.
Shareholders' equity per share, SEK	30	25	24	24
Share price (2003-09-30)/shareholders' equity per share, SEK	2.54	1	3	1.73
Return on shareholders' equity, % ⁴⁾	N.A.	5	2	N.A.
Return on capital employed, % ⁵⁾	N.A.	7	N.A.	2.1
Equity/assets ratio, %	51	38	36	41
Number of employees at period-end	1 840	1 660	1 588	1 633
Average number of employees during period	1 736	1 662	1 548	1 677

¹⁾ After full conversion and tax. Definitions of all key ratios are given on page 84 of OM's Annual Report 2002.

²⁾ During the reporting period January-Sept 2003, restructuring costs had a negative effect on earnings per share of SEK 5.76. Of the impact on income of SEK 1.06 resulting from the creation of EDX London, excluding items affecting comparability, earnings per share was SEK -0.03.

³⁾ Including turnover on Helsinki Exchanges with effect from September 4, 2003.

⁴⁾ Calculation performed on a rolling basis on 12-months' income.

⁵⁾ 12 month rolling income before interest expenses and tax in relation to average shareholders' equity with the addition of interest-bearing liabilities.

REVENUE AND INCOME

	July-Sept 2003	July-Sept 2002	Jan-Sept 2003	Jan-Sept 2002	Oct-Sept 2002/2003	Jan-Dec 2002
Amounts in SEK m						
HEX Integrated Markets						
Trading revenue	184	127	460	441	602	583
Issuers' revenue	46	43	125	131	168	174
Information sales	56	31	109	102	124	117
CSD revenue	68	0	68	0	68	0
Other revenue	33	19	76	59	108	91
Total HEX Integrated Markets	387	220	838	733	1 070	965
OM Technology						
License-, support- and project revenue	196	226	672	775	954	1 057
Facility Management Services	189	143	457	442	599	584
Other revenue	31	48	116	179	156	219
Total OM Technology	416	417	1 245	1 396	1 709	1 860
Parent company¹⁾	33	41	114	142	177	205
Group eliminations ²⁾	-107	-98	-261	-275	-376	-390
Total group	729	580	1 936	1 996	2 580	2 640
Income before depreciation						
HEX Integrated Markets	177	83	381	281	448	348
OM Technology	-9	13	9	125	45	161
Parent company and other functions	-12	-25	-70	-75	-73	-78
Items affecting comparability ³⁾	-	-22	-322	-57	-392	-127
Total group	156	49	-2	274	28	304
Operating income (after depreciation)						
HEX Integrated Markets	138	69	316	234	369	287
OM Technology	-65	-33	-146	-8	-157	-19
Parent company and other functions	-28	-48	-114	-138	-136	-160
Items affecting comparability ³⁾	-	-22	-524	-57	-599	-132
Total group	45	-34	-468	31	-523	-24

¹⁾ Parent company and other functions includes, in addition to the parent company, primarily OM Treasury AB, OM Capital Insurance AG and XACT Fonder AB. The parent company also administrates all of the group's offices in Sweden, for which rent is invoiced to the respective divisions.

²⁾ Internal sales from technology operations, mainly to HEX Integrated Markets, totaled SEK 76 m (68).

³⁾ Net restructuring costs for executed cost-reduction measures before and after write-downs as well as capital gains from the creation of EDX London.

INCOME STATEMENT¹⁾

Amounts in SEK m	July-Sept 2003	July-Sept 2002	Jan-Sept 2003	Jan-Sept 2002	Oct-Sept 2002/2003	Jan-Dec 2002
Revenue						
Net sales	729	580	1 936	1 996	2 580	2 640
-of which own work capitalized	22	25	78	53	105	80
Total revenue	729	580	1 936	1 996	2 580	2 640
Expenses						
External expenses						
Premises	-52	-52	-154	-159	-215	-220
Marketing expenses	-9	-10	-28	-37	-45	-54
Consultancy expenses	-55	-57	-177	-222	-244	-289
Operational and maintenance expenses, IT	-85	-58	-200	-209	-263	-272
Other operating expenses	-67	-53	-173	-183	-231	-241
Personnel expenses	-311	-288	-903	-883	-1 191	-1 171
Depreciation	-60	-51	-147	-147	-194	-194
Depreciation goodwill	-51	-32	-117	-96	-150	-129
Items affecting comparability	0	-22	-524	-57	-599	-132
Total operating expenses	-690	-623	-2 423	-1 993	-3 132	-2 702
Participations in associated companies' income	6	9	19	28	29	38
Operating income	45	-34	-468	31	-523	-24
Financial items	-6	-13	-14	-20	-26	-32
Income after financial items	39	-47	-482	11	-549	-56
Tax	-23	0	41	-13	39	-15
Net income in reporting period	16	-47	-441	-2	-510	-71
Number of shares, millions	115.321	84.041	115.321	84.041	115.321	84.041
Number of shares after full conversion, millions	116.099	84.819	116.099	84.819	116.099	84.819
Earnings per share, SEK ²⁾	0.14	-0.56	-4.67	-0.02	-5.56	-0.85
Earnings per share, after full conversion, SEK ²⁾	0.14	-0.56	-4.67	-0.02	-5.56	-0.85

¹⁾ Figures for 2002 include operations under closure, see page 14.

²⁾ Earnings per share is calculated on a weighted average number of shares during the period.

INVESTMENTS IN R&D

Amounts in SEK m (of which expensed)	July-Sept 2003	July-Sept 2002	Jan-Sept 2003	Jan-Sept 2002	Oct-Sept 2002/2003	Jan-Dec 2002
HEX Integrated Markets	2 (2)	3 (3)	8 (8)	11 (11)	11 (11)	14 (14)
OM Technology	40 (10)	58 (25)	149 (42)	174 (107)	215 (67)	240 (132)
Group total	42 (12)	61 (28)	157 (50)	185 (118)	226 (78)	254 (146)

BALANCE SHEET

Amounts in SEK m	Sept 2003	Sept 2002	Dec 2002
Goodwill	2 443	896	903
Other intangible fixed assets	363	352	344
Tangible fixed assets	462	495	475
Financial fixed assets	935	1 121	852
Short-term receivables	1 385	1 058	1 071
Short-term investments	946	1 175	993
Cash and bank balances	357	348	282
Total assets	6 891	5 445	4 920
Shareholders' equity	3 490	2 074	2 017
Appropriations and minority interests	600	140	151
Long-term liabilities	203	258	258
Short-term liabilities	2 598	2 973	2 494
Total liabilities and shareholders' equity	6 891	5 445	4 920

CHANGE IN SHAREHOLDERS' EQUITY

Amounts in SEK m	Jan-Sept 2003	Jan-Sept 2002	Jan-Dec 2002
Shareholders' equity – opening balance	2 017	2 257	2 257
Dividend	-84	-84	-84
New share issue	1 954	-	-
Conversion of debentures and exercise of warrants	-	0	0
Hedge for employee stock options	29	-136	-142
Translation differences	15	39	50
Other	0	0	7
Net income in reporting period	-441	-2	-71
Shareholders' equity – closing balance	3 490	2 074	2 017

CASH FLOW ANALYSIS

Amounts in SEK m	July-Sept 2003	July-Sept 2002	Jan-Sept 2003	Jan-Sept 2002	Oct-Sept 2002/2003	Jan-Dec 2002
Cash flow from current operations before changes in working capital	104	-10	154	-20	151	-23
Changes in working capital ¹⁾	37	76	-218	-114	8	112
Cash flow from current operations	141	66	-64	-134	159	89
Cash flow from investment operations	104	-51	136	-78	56	-158
Cash flow from financing operations	259	162	-44	81	-435	-310
Change in liquid funds ²⁾	504	177	28	-131	-220	-379
Liquid funds – opening balance	799	1 346	1 275	1 654	1 523	1 654
Liquid funds – closing balance	1 303	1 523	1 303	1 523	1 303	1 275

¹⁾ Changes in short-term liabilities to credit institutions are reported under "Cash flow from financing operations."

²⁾ Liquid funds comprises short-term investments and cash and bank.

NOTES AND OTHER INFORMATION

NOTES TO THE INCOME STATEMENT

Group net sales amounted to SEK 729 m during the third quarter, of which SEK 22 m was capitalized for own work. For comparable operations (excluding HEX and adjustments for OM London Exchange), group net sales decreased by 7 percent compared to the same period last year.

Group operating expenses amounted to SEK 690 m (623) during the third quarter. For comparable operations (excluding HEX, adjustments for OM London Exchange and items affecting comparability), group operating expenses fell by 11 percent compared to the same period in 2002. Items affecting comparability during the third quarter 2002 include restructuring expenses for cost-efficiency programs. The reduction in expenses affects most of the cost items and is mainly due to the cost savings executed. Participations in associated companies' income comes from Orc Software and NLK as well as EDX London. Group net financial items was SEK -6 m (-13). Net financial items was affected positively by the effects from HEX that arose during the quarter prior to the extra dividend paid by HEX in September. The tax expense was SEK 23 m (0). The high tax rate is partly explained by the fact that set-offs cannot be carried out between countries where OMHEX has operations and partly by the increased non-deductible depreciation in goodwill due to the acquisition of HEX.

NOTES TO THE BALANCE SHEET

Consolidated goodwill of SEK 2 443 m (896) refers mainly to HEX and Stockholm Stock Exchange. Goodwill referring to Stockholm Stock Exchange, which was acquired in 1998, totaled SEK 600 m (643). Goodwill referring to HEX, which was acquired in 2003, amounted to SEK 1 699 m (0). The remaining intangible fixed assets of SEK 363 m (352) are development expenses for systems products which are depreciated over 3-5 years and are valued on an ongoing basis against current market conditions.

Group investments in intangible fixed assets amounted to SEK 154 m (92). Investments in equipment totaled SEK 33 m (59). The reduction in financial fixed assets to SEK 935 m (1 121) is due primarily to deposits made for the employee stock option program as well as the increase in deferred tax receivables. In conjunction with the acquisition of HEX, OM's previous book value of SEK 72 m regarding the minority interest in HEX was eliminated. The market value of OMHEX's holding in Orc Software (4.5 million shares) was SEK 344 m at the period-end, with the book value of this holding at SEK 77 m. OM's employee stock option program had a SEK 29 m impact on shareholders' equity during the reporting period January-September. In March, a dividend of SEK 84 m was paid out to shareholders. Short-term investments and cash and bank balances increased due to the acquisition of HEX.

NOTES TO THE CHANGE IN SHAREHOLDERS' EQUITY

Shareholders' equity amounting to SEK 3 490 m (2 074) increased largely due to the acquisition of HEX and the new share issue that was carried out in conjunction with the acquisition. For comparable operations, excluding HEX, shareholders' equity has decreased year-on-year, mainly due to the loss during the period and the dividend paid to shareholders.

NOTES TO THE CASH FLOW ANALYSIS

Cash flow from current operations consists of income after net financial items with depreciation added back. Certain restructuring expenses incurred in 2002 have had an effect on cash flow in 2003. A portion of the year's restructuring costs will impact cash flow in 2004. The change in working capital since the beginning of the year was mainly due to a temporary increase in receivables of approximately SEK 130 m within Stockholmsbörsen's clearing operations on closing day and an increase in accrued revenues. During the first quarter, a dividend of SEK 84 m was paid out to shareholders, reported under financing operations. Positive cash flow from the formation of EDX London and liquid funds acquired through the acquisition of HEX are reported under investment operations.

COST-REDUCTION PROGRAM AS PER JUNE 30, 2003 – FINANCIAL EFFECTS

On June 30, OM presented a series of measures that are expected to reduce the group's annual expenses by SEK 578 m before tax and also lower revenues by SEK 105 m on a yearly basis. Cost-reduction measures have had an impact during the third quarter, and full effect is expected in the first quarter 2004. The cost-reduction measures involve restructuring the Energy Markets business area and OM Technology's product portfolio, concentrating operations in a smaller number of offices and a number of changes to Stockholmsbörsen and the parent company. The measures are expected to result in approximately 240 positions being made redundant, of which 100 positions were communicated earlier. The total cost of implementing these measures amounts to SEK 624 m before tax (consisting of write-downs of SEK 202 m and other costs of SEK 422 m) and SEK 544 m after tax. Other costs include redundancy costs, reserves for unutilized office space and termination of contracts with sub-contractors. The total costs are given in gross terms and do not include any positive effects of planned divestments of operations or tax receivables. The negative cash flow effect is expected to be SEK 193 m, excluding any positive effects from planned divestments and expenditures for unused premises.

CREATION OF OMHEX – FINANCIAL EFFECTS

On May 20, it was announced that OM and HEX would merge to create an integrated Nordic and Baltic Market for listing, trading, clearing, settlement and registration of securities. The merger was proposed to be a public offer from OM to the shareholders in HEX with newly issued shares as a consideration. OM already owned shares corresponding to a holding of 15.6 percent in HEX, which is why these shares were not included in the offer. On September 4, 2003, OMHEX was formed after the public offer to shareholders and warrant holders in HEX was completed. Following the decision of the general meeting, OM's company name was changed to OMHEX, and on September 4, the OMHEX share was listed on the Main List of Helsinki Exchanges. In accordance with a decision by OM's extraordinary general meeting of August 18, 2003 the company's share capital was increased by SEK 62 580 524 and 31 280 262 new shares were issued. As a result, the total number of shares increased to 115 321 380.

OMHEX is expected to create benefits for listed companies, members and investors. The merger is also expected to create value for shareholders through annual cost-reduction measures of up to SEK 220 m before tax, with full effect within three years and certain effects already during the first quarter 2004. Costs for the transaction, restructurings, redundancies and harmonization of technology are estimated at SEK 430 m before tax, of which the main part is included in the goodwill that has arisen from the acquisition. The acquisition cost calculation is based on OM and HEX's interim reports for January-June, see page 15. Consolidation has been carried out with effect from July 1, and the acquisition price amounted to SEK 62 per OM share. HEX's balance sheet has been adjusted with items driven by the merger as well as dividends, write-downs of assets, etc. The acquisition has contributed consolidated goodwill amounting to up to SEK 1 720 m, which will be depreciated over 20 years. Restructuring costs are expected to amount to SEK 221 m before tax, see above. Minor adjustments to the acquisition cost calculation can occur following this report. As a result of the acquisition, the total assets of the group have increased by about SEK 2 300 m.

HEX was consolidated in the group with effect from July 1 and is only included in the group's accounting from the third quarter 2003.

ISSUE OF WARRANTS

In accordance with the press release from August 19, 2003, the extraordinary general meeting of OM resolved to issue debentures with warrants to subscribe for new shares. The decision was taken in accordance with a proposal from the Board of Directors, which was published in a press release (including option conditions) on July 11, 2003, and which is available on OMHEX's website at www.omhex.com. Warrants will be offered to about 110 key employees within OMHEX.

NEW ORGANIZATION

In conjunction with the merger with HEX, the group introduced a new organization made up of two divisions: HEX Integrated Markets and OM Technology. HEX's previous operations have mainly been included in HEX Integrated Markets, which was created when these operations were combined with OM's former business area, Stockholmsbörsen. Certain parts of HEX's IT-related operations have been included in OM Technology, which is based largely on OM's previous technology operations. HEX Integrated Markets has four business areas: Cash Markets, Derivatives Markets, Settlement & Depository and Baltic Operations. OM Technology is made up of three business areas: Banks & Brokers, Financial Markets and Global Services. The only OMHEX business area that does not include any operations from HEX is Financial Markets. HEX was consolidated with effect from July 1, 2003 and is only included in the group from the third quarter 2003.

EMPLOYEE STOCK OPTION PROGRAM

The three employee stock option programs issued by OM in 2000, 2001 and 2002 have strike prices of SEK 400, 175 and 71 respectively. In total, outstanding option programs comprise a maximum of 2.5 million shares. To provide a hedge for its stock option program, OM entered into a swap transaction in 2000 with a third party for the delivery of existing shares. The transaction, which can be described as a synthetic repurchase of its own shares, means that OM has hedged against the risk of an increase in the OM share price but not a decrease. The drop in OM's share price from SEK 371 in the summer of 2000 to SEK 77 on September 30, 2003 has resulted in OM reporting a reduction in shareholders' equity of SEK 411 m. The effect during the reporting period has been positive by SEK 29 m. During 2002, OM changed counterparty in its swap transaction, which led to the realization of the price decrease. As the share price decrease had been previously secured through a deposit, this redistribution increased financial net debt by SEK 439 m during 2002.

REMUNERATION TO THE PRESIDENT AND CEO

OM's former deputy CEO was appointed President and CEO of OMHEX on September 4, 2003. His remuneration for 2004 will comprise a fixed annual salary of SEK 3.7 m as well as a variable salary equivalent to a maximum of six months' salary (maximum 12 months for 2003), calculated from a 70 percent quantitative and 30 percent qualitative goal. In addition, he receives benefits including medical insurance and health care insurance and has a premium-based pension plan with a retirement age of 65. The total premium payments made amount to 23 percent of his fixed monthly salary. For termination of employment by the CEO, a six-month period of notice applies, and for termination of employment by OMHEX, a twelve-month period of notice applies. In the event that the company gives notice, the CEO will receive severance pay (excluding other benefits) equal to six months' salary. Any salary from a new employer will be deducted from this amount. The contract also includes a competition restriction for 12 months following termination of employment.

Per E. Larsson resigned from his position as President and CEO of OM on May 30, 2003. As stipulated in his employment contract, he will receive severance pay of a total value of SEK 11.2 m for two years. He will also receive a bonus of SEK 3 m for his contribution in initiating the combination with HEX among other things. All of the employee stock options allocated to him can be exercised within three years from his last day of employment. The total cost of SEK 18 m, including social welfare contributions, has been treated as an item affecting comparability during the second quarter 2003.

FORMATION OF EDX LONDON

On June 30, trading began on EDX London, a new equity derivatives exchange owned by London Stock Exchange (76 percent) and OMHEX (24 percent). EDX London received authorization from the British Financial Services Authority as a Recognized Investment Exchange (RIE). EDX London was formed through EDX London paying OMHEX a consideration of up to £24.0 m (SEK 327 m) for the Scandinavian equity derivatives business of OM London Exchange. An initial payment of £12.8 m (SEK 180 m) was made in connection with the formation of EDX London and an additional £11.2 m

will be paid on achievement of certain revenue targets by EDX London by December 31, 2005.

The creation of EDX London resulted in a capital gain of SEK 100 m for OMHEX, which was accounted for as an item affecting comparability during the second quarter 2003. Additional capital gains of a maximum of SEK 100 m can arise in 2006 depending on the development of transaction volumes.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's Recommendation on Interim Reporting (RR 20). OMHEX has applied the same accounting principles that were detailed in OM's most recent annual report.

REVENUES AND INCOME PER BUSINESS AREA

Amounts in SEK m	July-Sept 2003	July-Sept 2002	Jan-Sept 2003	Jan-Sept 2002	Oct-Sept 2002/2003	Jan-Dec 2002
Revenue						
Cash Markets	214	141	478	448	614	584
Derivatives Markets	93	79	280	283	375	378
Settlement & Depository	69	0	69	0	69	0
Baltic Operations	11	0	11	0	11	0
Jiway ³⁾	-	-	-	2	1	3
Total HEX Integrated Markets	387	220	838	733	1 070	965
Banks & Brokers	83	101	235	300	337	402
Financial Markets	205	221	685	715	925	955
Global Services	158	135	411	421	537	547
Other items	4	36	14	124	46	156
Eliminations	-34	-76	-100	-164	-136	-200
Total OM Technology	416	417	1 245	1 396	1 709	1 860
Parent company	33	41	114	142	177	205
Group eliminations	-107	-98	-261	-275	-376	-390
Group total	729	580	1 936	1 996	2 580	2 640
Income before depreciation						
Cash Markets	125	86	283	256	351	324
Derivatives Markets	30	16	76	84	94	102
Settlement & Depository	19	0	19	0	19	0
Baltic Operations	3	0	3	0	3	0
Jiway ³⁾	-	-19	-	-56	-19	-75
Total HEX Integrated Markets	177	83	381	281	448	348
Banks & Brokers	-16	-1	-41	-28	-28	-15
Financial Markets	9	18	66	100	88	122
Global Services	27	32	67	51	82	66
Common functions ¹⁾	-33	-42	-96	-93	-117	-114
Other items ²⁾	4	6	13	95	20	102
Total OM Technology	-9	13	9	125	45	161
Parent company and other functions	-12	-25	-70	-75	-73	-78
Items affecting comparability	0	-22	-322	-57	-392	-127
Group total	156	49	-2	274	28	304
Operating income (after depreciation)						
Cash Markets	95	73	228	210	283	265
Derivatives Markets	28	16	73	84	91	101
Settlement & Depository	13	0	13	0	13	0
Baltic Operations	2	0	2	0	2	0
Jiway ³⁾	-	-20	-	-60	-19	-79
Total HEX Integrated Markets	138	69	316	234	369	287
Banks & Brokers	-23	-7	-64	-44	-46	-26
Financial Markets	1	9	39	72	42	75
Global Services	10	26	36	34	43	41
Common functions ¹⁾	-57	-67	-170	-165	-216	-211
Other items ²⁾	4	6	13	95	20	102
Total OM Technology	-65	-33	-146	-8	-157	-19
Parent company and other functions	-28	-48	-114	-138	-136	-160
Items affecting comparability	0	-22	-524	-57	-599	-132
Group total	45	-34	-468	31	-523	-24

¹⁾ Common functions comprise primarily marketing and business development.

²⁾ Includes income from participations in associated company Orc Software and income from the sale of shares in Orc Software during the second quarter 2002.

³⁾ Jiway was closed completely during the first quarter 2003.

REVENUE SOURCES OM TECHNOLOGY

License, support and project revenue

License, support and project revenue from the systems solutions developed and sold by OM Technology arises primarily within the Financial Markets business area and to some extent in Banks & Brokers.

After OM Technology has developed and sold a systems solution, the customer licenses the right to use the software. Each project involves individual adaptations to the specific requirements of the customer relating to functionality and capacity. This involves development, testing and installation work, all of which generate project revenue that is invoiced continually according to degree of completion. When OM Technology provides a systems solution, it undertakes to continually upgrade, develop and maintain the solution for which it receives recurring support revenue.

With regard to major system solutions for market participants such as exchanges and clearing organizations, license and project revenue is mostly fixed and is paid in relation to the degree of completion. Support revenue is mainly fixed and contracts usually run for five years. A certain portion of license revenue is also recurring, and contracts run for a longer period. As regards systems solutions to market participants such as banks and brokerage firms, license fees are primarily variable and revenue is recognized on an ongoing basis while project revenue is recognized in relation to the degree of completion. Support revenue from this type of customer is mainly variable and recognized on an ongoing basis.

Revenue from Facility Management services

Facility Management services are where OM Technology is responsible for the continuous support of a systems platform for a customer, for which it receives recurring support revenue within its Global Services and Banks & Brokers business areas. Revenue from Facility Management services can be both fixed and volume-based. Contract times vary between one and seven years.

Other revenue

Other revenue from technology operations consists primarily of trading and clearing revenue from the energy exchanges NGX and UKPX as well as some re-sale of third party products as well as hosting revenue and other sales that cannot be classified together with the revenue sources above.

SENSITIVITY ANALYSIS HEX INTEGRATED MARKETS

Trading revenue

During the third quarter 2003, 56 percent of HEX Integrated Markets' trading revenue was derived from equity (cash) trading and 44 percent from trading and clearing of derivative products. Trading revenue is generated primarily within the Cash Markets, Derivatives Markets and Baltic Operations business areas.

For trading revenue from equity trading, the two most important parameters are the value of equity turnover and the number of equity transactions. A one percent change in value of the average daily equity trading volume would, on an annual basis (assuming an unchanged number of transactions) have a SEK +/- 3.2 m effect, calculated on trading levels in 2003.

As regards revenue from trading and clearing derivative products, the two most important parameters are the number of derivative contracts traded and the size of option premiums. A change in the average daily derivatives turnover of 1 000 contracts would, on an annual basis (assuming an unchanged average option premium and product mix), have a SEK +/- 2.3 m effect calculated on trading levels in 2003.

Issuers' revenue

Issuers' revenue is derived from fees paid by companies listed on the exchange and is directly related to the market capitalization of the companies. Issuer's revenue is generated in the Cash Markets and Baltic Operations business areas. A ten percent change in the total market capitalization on HEX Integrated Markets would have a SEK +/- 4.7 m effect on issuers' revenue, calculated on an annual basis from the 2003 level based on operations carried out during the year.

Information revenue

HEX Integrated Markets sells trading information to just over 100 companies that disseminate it to a large number of end-users. Information revenue is generated within the Cash Markets and Baltic Operations business areas. Information dissemination is invoiced in arrears, and the size of fees varies according to the number of end-users.

CSD revenue

CSD revenue is mainly derived from APK (the Finnish central securities depository) and is generated within the Settlement & Depository and Baltic Operations business units. The main sources of CSD revenue and their percentage of revenue are as follows:

- Clearing (14 percent). The most important parameter is the number of equity transactions on Helsinki Exchanges.
- Equity settlement and depository (36 percent). The most important parameters are the market value of the securities held in custody and the number of book-entry accounts.
- Money market clearing (15 percent). The most important parameter is the market value of the securities held in custody.
- Ownership information maintenance and information sales (35 percent). The most important parameters are the number of customers, the number of book-entry accounts and the number of requests for information.

Other revenue

Other revenue includes mainly training revenue and interest on collateral pledged by members of OM London Exchange.

OPERATIONS UNDER CLOSURE¹⁾

Amounts in SEK m	July-Sept 2003	July-Sept 2002	Jan-Sept 2003	Jan-Sept 2002	Oct-Sept 2002/2003	Jan-Dec 2002
Revenue						
Net sales, of which	-	-	-	2	1	3
Own work capitalized	-	-	-	-	-	-
Total revenue	-	-	-	2	1	3
External expenses						
Premises	-	-2	-	-5	-1	-6
Marketing expenses	-	-	-	-1	-	-1
Consultancy expenses	-	-1	-	-10	-6	-16
Operational and maintenance expenses, IT	-	-9	-	-21	-7	-28
Other operating expenses	-	-2	-	-6	-4	-10
Personnel expenses	-	-5	-	-15	-2	-17
Depreciation	-	-1	-	-4	-	-4
Depreciation, goodwill	-	-	-	-	-	-
Items affecting comparability	-	-	-	-	-75	-75
Total operating expenses	-	-20	-	-62	-95	-157
Participations in associated companies' income	-	-	-	-	-	-
Operating income	-	-20	-	-60	-94	-154
Financial items	-	-	-	-1	-	-1
Income after financial items	-	-	-	-61	-94	-155
Tax	-	-	-	-	-	0
Net income in reporting period	-	-20	-	-61	-94	-155

¹⁾ Refers to Jiway. As per December 31, 2002, after restructuring, Jiway's net assets amounted to SEK 5 m, which have been wound up successively. During 2003, Jiway's closure is expected to have a negative impact on cash flow of about SEK 59 m.

MAJOR SHAREHOLDERS AS PER 2003-09-30

	Number of shares	Share capital and votes, %
Investor AB	14 350 507	12.4
Swedish State	7 993 466	6.9
Nordea	6 595 078	5.7
AMF Pension	5 490 000	4.8
Fidelity Funds	5 143 682	4.5
Sampo group	3 793 624	3.3
FöreningsSparbanken	3 727 584	3.2
Robur funds	3 718 965	3.2
Alecta	3 400 444	2.9
Didner & George aktiefond	3 400 000	2.9
Olof Stenhammar & companies	3 017 590	2.6
Other Swedish owners	28 799 569	25.0
Other non-Swedish owners	25 890 871	22.6
Total number of shares	115 321 380	100

Source: SIS Ägarservice

ACQUISITION COST CALCULATION¹⁾

Amounts in SEK m	OM	HEX	ACQUISITION	ELIMINATIONS	OMHEX
Goodwill	760	17		1 720	2 497
Other intangible fixed assets	288	100	-	-	388
Tangible fixed assets	422	44	-	-	466
Financial fixed assets	905	4	2 052	-2 124	837
Other current assets	1 240	245		64	1 549
Short-term investments, cash and bank	799	268			1 067
Total assets	4 414	678	2 052	-340	6 804
Shareholders' equity	1 521	561	1 954	-561	3 475
Minority interests	-	10	-		10
Appropriations	423	0	-	221	644
Long-term liabilities	202	1	-		203
Short-term liabilities	2 268	106	98		2 472
Total shareholders' equity and liabilities	4 414	678	2 052	-340	6 804

¹⁾The acquisition cost calculation has been established based on OM and HEX's interim reports for January-June 2003, see page 15. Minor changes in the acquisition cost calculation may occur following this report. See also page 10.

INCOME STATEMENT, HEX

Amounts in SEK m	July-Sept 2003
Revenues	
Trading and clearing revenue	60
Issuers' revenue	10
Information sales	32
CSD revenue	68
Other revenue	42
Total revenue	212
External expenses	
Expenses for premises	-9
Marketing expenses	-1
Consultancy expenses	-10
Operational and maintenance expenses, IT	-43
Other external expenses	-12
Personnel expenses	-60
Depreciation	-16
Depreciation goodwill	-1
Expenses affecting comparability	-
Total operating expenses	-152
Participations in associated companies' income	-
Operating income	60
Financial items	17
Income after financial items	77

HEX REVENUE & INCOME PER BUSINESS AREA

Amounts in SEK m	July-Sept 2003
Revenue	
Banks & Brokers	27
Global Services	42
Cash Markets	73
Derivatives Markets	25
Settlement & Depository	69
Baltic Operations	11
Group eliminations	-35
Total	212
Income before depreciation	
Banks & Brokers	2
Global Services	10
Cash Markets	32
Derivatives Markets	12
Settlement & Depository	18
Baltic Operations	3
Total	77
Operating income (after depreciation)	
Banks & Brokers	0
Global Services	0
Cash Markets	30
Derivatives Markets	11
Settlement & Depository	17
Baltic Operations	2
Total	60

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OM HEX- Financial Calendar for 2003

22 October 2003 – Interim Report January-September 2003

29 January 2004 – Financial Statement 2003