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ANALYSING THE ANALYSTS

- KAUPTHING TOP FOR FORECAST ACCURACY ON NORWAY; FONDSFINANS BEST FOR STOCK CALLS -

Embargo, May 12, 06.00 GMT

London, 12 May, 2006 — AQ Research, the independent research analysis firm, today publishes its first annual review of the accuracy of eps forecasts and recommendations in relation to companies in Norway, The AQ Norway Research Yearbook 2006 evaluates the accuracy of forecasts and the performance of Buy/Hold/Sell recommendations on absolute and relative bases in the 12 months ending March 31, 2006. The report examines research from 31 houses covering at least one of the 145 companies in the AQ Research database.

“With foreign investors playing an increasingly important part in the Norwegian market there is even more need for accurate research,” says AQ Research managing director Graham Field. “There is a lively research scene in Oslo and a competitive market with local, regional and global houses all active”.

Highlights of the analysis are as follows:-

- **Kaupthing Research** had the best average score for forecasting accuracy. It had top scores on a range of companies – not only reliable ones such as Ekornes, but also on DNB NOR and Storebrand in the financial services sector and Opera Software. Kaupthing’s **Morten Norman** finished fifth among individual analysts for forecasting accuracy.
- The best average score for recommendations performance went to **Fondsfinans**, which benefited from particularly good scores on Norwegian Air Shuttle and DET Norske Oljeselskap. **Lars Marius Furu** from Fondfinans was the best individual analyst for recommendations.
- But the best performance on the hit rate measure (the percentage of calls adding value) was achieved by **Enskilda Securities**, which was correct with 82.6% of its calls.
- The strong performance of the Norwegian market – and especially that of small cap stocks – meant that there were a number of companies on which analysts achieved very high average scores for recommendations. **Sinvest** was the “most rewarding” company on this basis – ie the one where analysts had the highest average score – followed by **Norwegian Air Shuttle**. Petrolia Drilling was the least rewarding stock, as analysts failed to spot that it was about to take off.

- Besides **Ekornes, Bjorge** and **Olav Thon Eindom** featured among the most predictable companies on which analysts had good average scores for accurate forecasting. But smaller, oil- and tech-related stocks were more difficult to forecast.
- **DNB NOR Markets** was analysed on the largest number of stocks in the Oslo market.

CONTACTS for detailed tables and copies of the Norway Research Yearbook 2006:

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Notes to Editor:

About AQ Research

AQ Research provides quantitative analysis of analysts' recommendations and eps forecasts, using data obtained from the broking houses involved. AQ has been analysing the accuracy of eps forecasts since 1998 and began publishing its RQ series of reports in 2003. In addition, it provides detailed analysis of the accuracy of research in specific national markets in a series of dedicated country reports. Its first Asian report appeared in 2004 and its first US report is due later this year.

'AQ' Methodology

AQ scores measure three things: the percentage deviation of forecasts from reported eps numbers; the number of changes to forecasts and the average size of those changes. A good analyst is one who can predict an eps number accurately without having to change his or her forecast too often or by a large amount. Where possible, the formula looks at three historical years: in this case, 2003, 2004 and 2005.

The three accuracy components are weighted as follows:

Percentage deviation from reported numbers	50%
Number of changes	25%
Average size of changes to forecasts	25%

Where three historical years of data are available, the most recent year (ie 2005) is given a 40% weighting; while the previous year (ie 2004) has a 30% weighting the year before that (ie 2003) a 15% weighting. A 10% weighting is then given to the number and size of revisions to forecasts for 2006 and a 5% weighting to revisions and changes for 2007.

Where two historical years are available, the most recent has a 55% weighting, the preceding year a 30% weighting, the current year 10% and the following year 5%. If only one year of historical data is available, accuracy in that year has a 50% weighting, while the number and size of revisions both have a 10% weighting. The number and size of revisions to the current and the following year all have a 7.5% weighting.

'RQ' Methodology

AQ scores each research houses differently, depending on whether they have absolute or relative recommendations. The period over which we are examining recommendations in this report is the 12 months to 31 March, 2006. Each recommendation made during this period is assessed over its "lifetime" (i.e. until it is changed).

Analysts are scored on the basis of the percentage share price movement (+ or -) during the lifetime of a particular recommendation. Those with absolute recommendations are measured on the basis of the percentage change in the share price during the lifetime of the recommendation, while those with relative recommendations are measured on the price

movement relative to the price of the relevant index. This the Oslo OBX index for those houses which make recommendations on an index relative basis. Or it is a sector index (the market sectors within the Dow Jones 600) for those which make sector relative recommendations.

Scores have been calculated as follows:

- **A Strong Buy recommendation receives the percentage share price movement x 1.25.**
- **A Buy recommendation receives the percentage share price movement times x 1.**
- **A Hold has no score.**
- **A Reduce recommendation receives the percentage share price movement x -1.**
- **A Sell recommendation receives the percentage share price movement x -1.25.**

(Where a share price has fallen (absolutely or relatively), this means that an analyst with a Sell or Reduce recommendation will score positively).