



ANALYSING THE ANALYSTS

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LOCAL AND REGIONAL HOUSES SHARE THE HONOURS ACROSS NORDIC MARKETS

-OHMAN MAKES CLEAN SWEEP IN SWEDEN; ENSKILDA TOP FOR RECOMMENDATIONS IN DENMARK AND FINLAND-

(Embargoed: 06.00am GMT Tuesday, November 15, 2005)

London, 15 November, 2005 — AQ Research, the independent research analysis firm, today publishes its annual review of the accuracy of recommendations and forecasts in relation to major listed companies in Denmark, Finland, Norway and Sweden. The analysis evaluates the performance of Buy/Hold/Sell recommendations on absolute and relative bases between 1 October 2004 and 30 September 2005 (RQ scores). It also examines the accuracy of earnings per share forecasts in relation to 2004, 2003 and 2002 profits (AQ scores). The report examines research from 63 research houses which publish research on Nordic stocks.

“The results come against a background of strong performance in all four markets,” says AQ Research managing director Graham Field, “and this benefited houses with aggressive buy recommendations on the winners. On average, analysts achieved positive recommendations scores on more than three quarters of the 451 stocks reviewed”.

Highlights of the analysis are as follows:-

- In **Sweden**, **Ohman Fondkommission** achieved the best average score for both the accuracy of its eps forecasts and its recommendations performance. The best individual analysts for forecast accuracy was the team of **Anders Bruzelius** and **Mats Liss** at Swedbank Securities and the best for recommendations was **Erik Magnusson** of ABG Sundal Collier. The most rewarding stock was **Raysearch Laboratories**, which **Handelsbanken Capital Markets** rated correctly as a buy.
- In **Finland**, **Kaupthing Research** achieved the best average score for the accuracy of its eps forecasts while **Enskilda Securities** was highest placed for its recommendations performance. The best individual analyst for forecast accuracy was **Mika Mikkola** at Kaupthing and the best for recommendations was **Johan Sjoberg** of Carnegie. The most rewarding stock was **Raute**, which FIM Securities rated correctly as a buy.
- In **Denmark**, **HSH Gudme** achieved the best average score for the accuracy of its eps forecasts and **Enskilda Securities** was highest placed for its recommendations performance. The best individual analyst for forecast accuracy was **Annette Rye Larsen** at HSH Gudme and the best for recommendations was **Michael West Hybholt** of Danske

Equities. The most rewarding stock was **Sjaelso Gruppen**, which analysts rated correctly as a buy.

- In **Norway**, **Carnegie** achieved the best average score for the accuracy of its eps forecasts while **Fondsfinans** was highest placed for its recommendations performance. The best individual analyst for forecast accuracy was **Arne-Egil Ronning** at Fondsfinans and the best for recommendations was **Lars Marius Funu** at Fondsfinans. The most rewarding stock was **DET Norske Oljeselskap**, which analysts rated correctly as a buy.

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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's online database product RATE has been developed in conjunction with Bureau van Dijk Electronic Publishing, the specialist electronic financial information provider (see ww.bvdep.com). 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.

'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 October 1, 2004 to September 30, 2005. 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 either a national index (OBX, HEX etc) or the Dow Jones Stoxx 600 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 $\times 1.25$.
- A Buy recommendation receives the percentage share price movement times $\times 1$.
- A Hold has no score.
- A Reduce recommendation receives the percentage share price movement $\times -1$.
- A Sell recommendation receives the percentage share price movement $\times -1.25$.

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

'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, 2002, 2003 and 2004.

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 2004) is given a 40% weighting; while the previous year (ie 2003) has a 30% weighting the year before that (ie 2002) a 15% weighting. A 10% weighting is then given to the number and size of revisions to forecasts for 2005 and a 5% weighting to revisions and changes for 2006.

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.