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PRIVATE EQUITY ON THE RISE IN NORWAY

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THE EFFECTS OF ACTIVE OWNERSHIP ON POST-BUYOUT PERFORMANCE

Av

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Preface

Private equity is a fairly new and still unknown concept in Norway. Both fellow business students and other people have asked me twice when I tell them what my siviløkonom thesis deals with. My own interest for private equity was aroused during an interesting guest lecture from McKinsey about this topic in Corporate Finance at NHH fall 2006. After having gone through some former academic studies I found that there were many international studies, but just a few describing the Norwegian private equity market. Thus, I had found a topic which was both interesting and nearly unexplored in a Norwegian context.

This paper is written as a part of my siviløkonom degree with a major in finance. The paper has partly been written in Bergen and partly during my exchange semester in Cologne.

I would like to thank my academic advisor, Mr Carsten Bienz for useful advice in finding an appropriate demarcation and provide a red line for my thesis.

Bergen, June 18th 2007;

Kristoffer Gjerland

Chapter 1 Introduction

1.1 Background and motivation for topic

2006 was a record- breaking year in the international private equity sector. KKR's legendary $31bn acquisition of RJR Nabisco from 1988 was beaten twice; first when KKR bought HCA, the biggest US hospital operator, in a $33bn deal[1]. Then, another PE giant, Blackstone agreed to buy the office building owner Equity Office Properties Trust for $36bn[2] These record deals definitely moved the attention of investors to private equity funds and confirmed the financial strengths these private investment firms are able to accumulate and utilize.

During the last few years, private equity funds have grown stronger and more influential also in most parts of Europe. Through active ownership and rationalization of operations these funds seek companies which they can run more efficiently and make more profitable. These investments are important to any national economy as they nourish employment and growth in small- and medium sized companies that are too small to attract public capital.

In Norway private equity is still not a particularly common asset class, but market trends indicate an increasing interest in this type of investments. The private equity market in Norway has also traditionally not been granted much academic focus. Grünfeld and Jakobsen (2006) conducted the largest and most recent study when they compared the value creation in 400 private equity- financed Norwegian companies with other companies. However, most of these companies were supported by venture capitalist rather than buyout funds.

No studies have looked at the increasing number of buyout transactions that have occurred recently in Norway, and whether the active ownership of private equity funds create value for the acquired companies. Therefore, while "the New Kings of Capitalism"[3] conquer the global capital markets, I would like to study their impact on the Norwegian market.

[1] Dagens Næringsliv (DN), 25/7- 2006: Raider sykehuskjede
[2] DN, 21/11- 2006: Oppkjøpsfeber på Wall Street
[3] The Economist, 25/04- 2004

1.2 Aims

This paper is written bearing in mind two major objectives. First, it aims to give an up-to-date and thorough analysis of the Norwegian private equity market, its special characteristics and recent market trends. Both the market for venture capital and buyouts will be analyzed; however, the latter will primarily be in focus.

Second, the empirical part of this paper looks at a sample of buyouts of Norwegian companies. My analysis intends to examine whether there is any relationship between the active ownership of private equity firms and changes in the post-buyout performance of the acquired companies. The study will be conducted across different performance indicators and it will also look into whether the private equity firms' extensive use of debt also applies to Norwegian buyouts. The focus here is on the firm level- performance rather than on the performance of the Private Equity funds; the latter having been subject to lots of research.[4]

1.3 Structure

This paper will open with a general description of private equity as an alternative asset class to traditional public equity and explain how this industry is organized. In the next chapter I will give an insight into academic contributions and research in this field, particularly regarding the nature of buyouts and its impact on company performance.

The main section of my paper starts with chapter 4. In this chapter I analyse the Norwegian private equity market, evaluate it in a European context and also try to assess future trends in the market. This analysis will cover the whole spectre of private equity investments, but the emphasis will be on the buyout sector. Chapter 5 then presents the empirical part of my study where I will test the post-buyout performance of a sample of Norwegian companies acquired by private equity funds between 1997 and 2003. Finally, I will sum up my paper and present some concluding words in chapter 6.

[4] E.g. Kaplan and Schoar (2005), Kehoe and Heel (2005), Lerner, Schoar and Wong (2004)

Chapter 2 What is Private Equity?

Private equity is a fairly new concept in the Norwegian economy and I therefore regard it important to give a general insight to this asset class. I will first look at private equity versus other types of equity investments and outline the different types of private equity investments. The second part explains how the private equity sector is organized.

2.1 Equity typologies

Equity can be raised either in public or private markets, as displayed in figure 1 below. Public equity is typically offered through the stock markets. When a company wants to enter the stock exchange, an initial public offering (IPO) is arranged which enables investors to share their capital with the company against a certain degree of ownership interest. These markets are well organized and liquid, and if more equity is needed the companies can expand their share equity by secondary offerings.

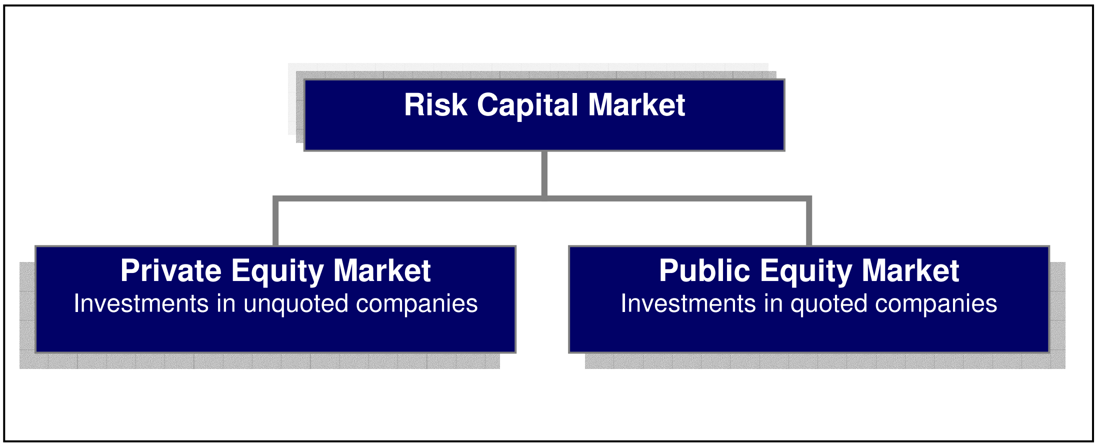

Figure 1: The two types of equity

However, only the biggest companies are able to finance their business through public markets. Small and medium sized enterprises, which comprise a vast majority of all businesses in the economy[5], also need capital to develop and expand their businesses. This is where private equity finds its capital allocating role. Private equity firms usually invest in unquoted companies of small and medium size and at different stages of the business life cycle.

[5] Spilling et al. (1998) found that 99,5% of all registered Norwegians enterprises have less than 100 employees.

Private equity is a concept given various demarcations in different contexts. Usually, however, it may denote two different terms. The broader definition is used in its literate way as an umbrella notion for all types of private capital invested in unquoted companies in different stages of the life cycle. Secondly, and more concretely, private equity may characterize later stage investments only, and therein typically buyouts. Moreover this implies a clear distinction between what is regarded private equity and what is venture capital. A good example is the European Private Equity & Venture Capital Association, the most influential organisation for the European part of the industry. Both by its name and content it distinguishes between early stage investments; venture capital, and latter stage buyouts; Private Equity. Research in this area uses both the former[6] and latter[7] definition. Throughout this paper I will use the broad definition of private equity which can be split further into venture capital and buyouts.

2.1.1 Venture Capital

Private equity investments can be divided into four subcategories based on which stage the companies operate in. Figure 2 below displays the different stages. Seed capital is the initial investment that is required for researching, assessing and developing a business concept before it has reached start-up. In the Start-up phase private equity investments provide capital for product development and early marketing campaigns. Expansion investments are conducted in more solid enterprises which need to increase production capacity or working capital in order to expand their business and grow further. These first three stages are usually termed Venture Capital.

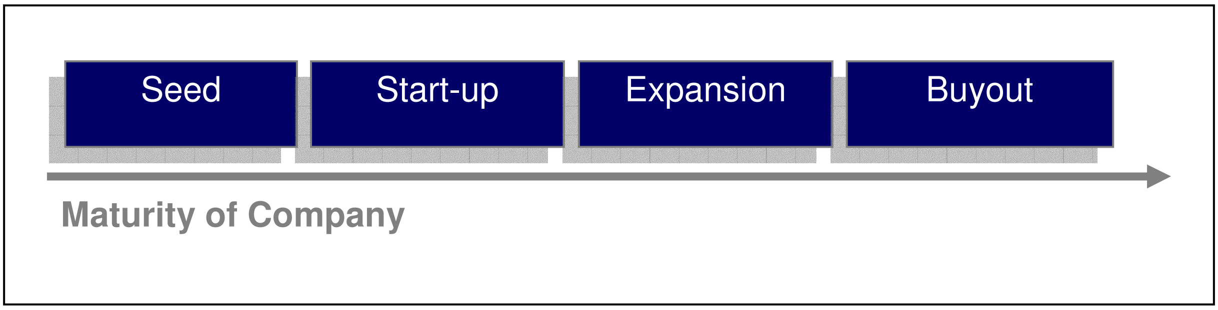

Figure 2: The four types of Private Equity Investments

[6] *Kaplan, Schoar (2005)*
[7] Wright & Robbie (1998)

Venture capital has been described as the "business of building business".[8] These investments are absolutely crucial for facilitating innovativeness and entrepreneurship in a country. Creative thinking is of no worth if there is no capital market willing to invest in the development and commercialization of the good ideas. A highly developed and well functioning venture capital market is therefore necessary for the emergence and growth of small and medium-sized businesses that are too small to yet attract public equity.

2.1.2 Buyouts

Buyouts represent the last stage of the private equity spectre. This segment focuses on larger enterprises that have been in the business for a while, but now need operational and managerial assistance to grow further. Buyouts are transactions where the private equity firm acquires a company or at least gains a controlling part in it. This secures a major stake in the company and gives the private equity firm a certain degree of decision making power. The target companies are predominantly private companies, but many buyout funds also have financial muscles to acquire public companies. *Leveraged buyout* (LBO) is the most well-known buyout variant and is defined as "acquisitions of public companies by private investors who finance a large fraction of the purchase price with debt".[9] Buyout funds usually invest in mature companies with low growth rate and stable cash-flows, and this reduces the risk connected with using considerable amounts of debt to cover the acquisition costs. The expected return on equity consequently rises with the increasing amounts of debt.

A *Management buyout* (MBO) has many of the same features as other buyouts, but in this case the managers themselves acquire the company. An *institutional buyout* (IBO) denotes a transaction where a private equity firm acquires a company without prior involvement of management. Real world buyouts do not always easily fit into one of these buyout typologies.[10] Therefore, in the following I will use the term buyout for all kinds of later stage acquisitions conducted by private equity firms.

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8 Mason and Rohner (2002)
9 Brealey and Myers (1996)
10 Meier (2005)

Buyout funds may have industry-specific or strategic knowledge that enables them to improve the profitability of the acquired companies. Private equity firms specialized on buyouts do not only supply the companies with capital. More importantly, they take an active ownership role through representation on the Board and close observation of management. With a varying time horizon for various investments they want to utilize the value creation potential in the firm and then sell it with profits. Their aim of improved profitability requires often some restructuring of daily business. Rationalisation and outsourcing of different units are commonly used instruments, and this may lead to decreasing employment. Therefore LBOs are in general feared by trade unions.[11] On the other hand, the presence of new, proactive owners may save the enterprise from bankruptcy and a much stronger decrease in workforce in the long run.

The short-sighted corporate raiders we saw in the LBO business in the 1980s are no longer representative for how buyouts are carried out today.[12] Buyout firms usually have a horizon of several years. Their ownership is terminated when there is little potential left in the firm or there is a good exit opportunity. The company is then sold to another private equity firm,[13] to other investors or listed on the stock exchange.

2.2 How is the PE industry organized

The nature of the private equity industry entails investors with a certain capital base. This asset class is not well accommodated for small, private investors. As we can see in figure 3 below, most of the funding in private equity is being raised by institutional investors. E.g. banks, pension funds, and government agencies may be included under this category, and they normally comprise more than half of total funds raised. Institutional investors have a strong capital position and want to invest this with a long perspective. Private individuals contributed only six per cent of total funds, and this is typically wealthy private investors. Equity placements directly into private companies represent the least diversifying and most risky investment alternative. This strategy requires a very good knowledge of private equity investments and is not suitable for institutional investors with a long investment horizon and demanding a fairly stable and safe rate of return.

[11] Fortune (2000)
[12] Fortune (2000)
[13] Also known as "secondary buyout"

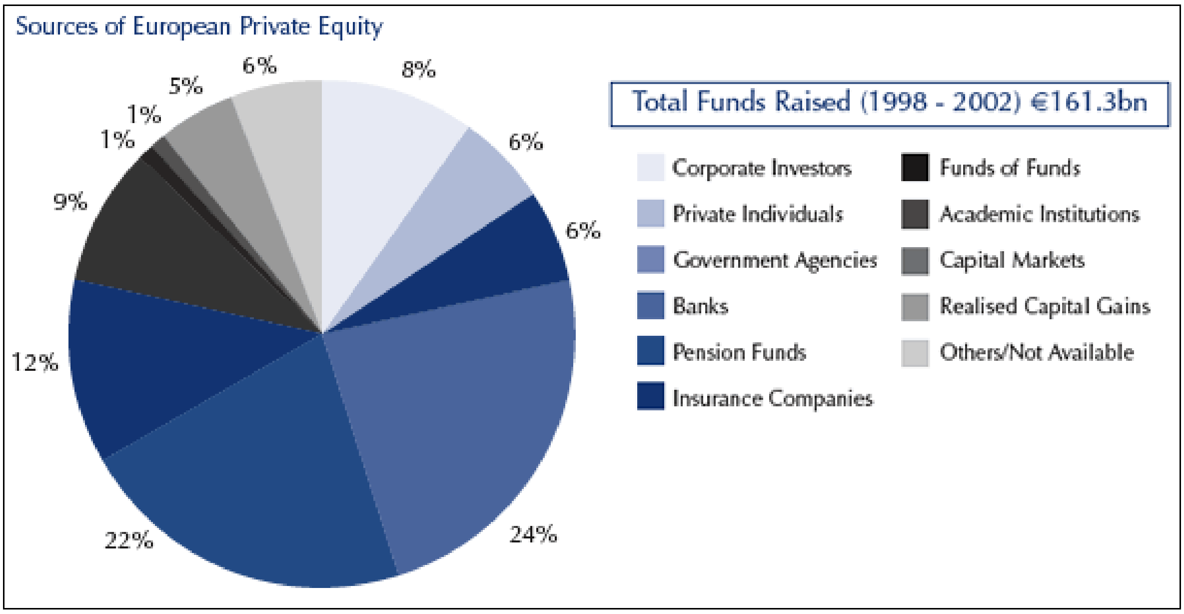

Figure 3: Sources of Private Equity in Europe[14]

Most of the capital is raised through private equity funds. Each private equity firm often manages different funds with different scope and activity. E.g. one of the leading private equity firms in the Nordic region, CapMan Private Equity, manages eleven different funds which are categorized into four main investment sections.[15] Each fund usually has a well defined investment mandate which fund managers need to respect in their investment activities. This mandate usually includes a certain time frame and a limitation in regard to type of industry, life cycle stage, degree of ownership or geography.[16]

Each fund is administered and managed by a set of fund managers. The investors, which we have seen are typically huge institutional entities, invest in these funds through negotiations and detailed investment agreements defining regulation of risk, return and control.[17] In most funds a certain amount of investments is also done by the private equity firms themselves. Due to differing tax laws and corporate regulations across countries, there are various approaches how to set up private equity firms. In most cases, however, they are structured as a partnership where the investors are "limited partners" without any direct control of fund management. The managing fund partners are given a "general partner" status, i.e. they have unlimited liability for the capital committed to each fund. Private equity firms generate

[14] Source: EVCA (2004)
[15] CapMan Buyout, Technology, Life Science and Real Estate (www.capman.com)
[16] Baker and Viksøy (2006) (p.20)
[17] Grünfeld and Jakobsen (2007) (p.2)

revenues from potential returns on their own investments as well as different fees connected to the management of the funds. Another fee called the "carry" or "carried interest" is a percentage of profits that the general partners receive out of the profits of the investments made by the fund.[18] This percentage is normally 20-25 percent of total annual returns beyond a required minimum rate of return.

Instead of investing directly in private equity funds, investors can invest in so-called funds of funds. This intermediary form is recognized by its investments in a pool of private equity funds instead of directly in the companies. Investing in funds of funds can be an efficient way to spread the risk and obtain a well diversified portfolio, especially for investors lacking financial or managerial resources. Higher management fees will be offset by decreasing cost of selecting and managing direct investments in private equity funds. In Norway, Argentum is the only pure fund of fund investor in the private equity sector. The company is government-owned and is an important catalyst in the development of an active domestic private equity market.[19] Figure 4 summarizes the investment patterns in the private equity industry.

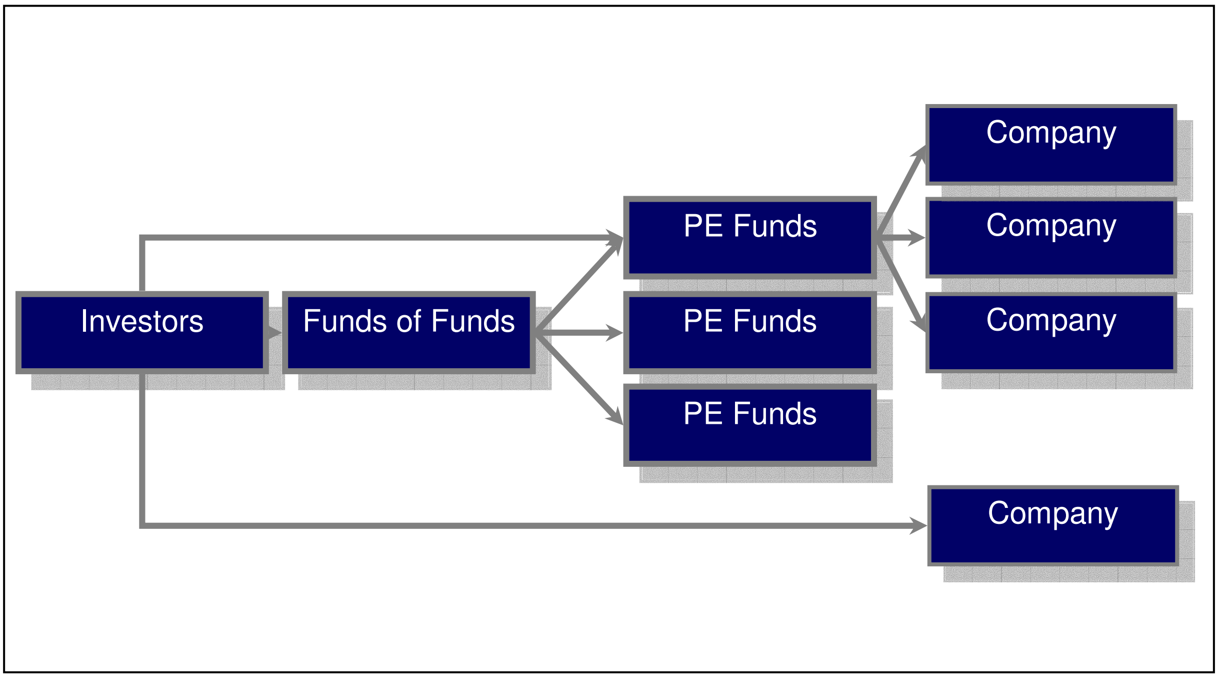

Figure 4: Investment in Private Equity funds[20]

[18] Weidig, Kemmerer And Born (2005)
[19] Argentum's role in the Norwegian private equity market will be outlined in section 4.2 of this paper.
[20] Source: www.argentum.no

Chapter 3 Previous studies/Theoretical background

3.1 Profitability of PE-funds

This major aim of this paper is to analyse how the active ownership of private equity firms influence the post-buyout performance in Norwegian companies. Rather than keeping a firm-level focus, most studies conducted by researchers in the last decades have looked at the performance of the private equity *funds* in comparison with alternative investments, typically in public markets. Kaplan and Schoan (2005) is the most renowned study of profitability in private equity funds. They compared the performance of 746 private equity funds with the S&P 500 within the period 1980-2001.[21] They found that venture funds were slightly more profitable than the S&P 500, while the buyout funds were slightly less profitable than public stocks. Furthermore, they found that funds raised in "boom" markets on average perform worse than fund established under normal market conditions.

Jones and Rhodes-Kropf (2003) and Phallipou and Zollo (2005) also find that private equity funds do not beat the performance of the public markets, on the contrary even underperform in some periods. In Europe, Kaserer and Diller (2004) conducted the most recent and extensive study with 777 European funds raising capital and investing in the period 1980-2003. They found that the average returns for European funds were similar to the public market. However with a focus on funds raised after 1989, the study gave significantly higher returns for the private equity firms. This implies that the 90s were an attractive decade for private equity investors in Europe.

Kaplan (1989) contributes with an extensive and renowned firm-level study in this area. He studied the effects on operating performance and value of 76 major MBOs of public companies between 1980 and 1986. With a post-buyout time frame of three years he found that the companies experienced increases in operating income and net cash flow. Capital expenditures decreased in the same period. According to his study, the most plausible reason for these operating changes is due to better incentives for management rather than cuts in

[21] S&P 500 is the Standard & Poor stock index which includes a representative sample of 500 leading companies in leading industries of the U.S. economy.

employment or asymmetric information between shareholders and management before the MBO.

3.2 Active ownership generating company profitability

Active ownership is the mantra for private equity investors, and several studies have looked at the relationship between degree of impact from new owners and performance of the acquired firm. Kaplan and Schoar (2005), Kehoe and Heel (2005) and Lerner, Schoar and Wong (2004) find that the spread in fund returns is more persistent than in other asset classes. With other words, some private equity funds are performing better than other funds year after year and there seems to be a link between which private equity firms take control in a company and the post-transaction performance of it. Thus, the way fund managers select target companies, take an active role as owners in them and restructure and manage their business determine to a great extent the company's output. Figure 5 displays the persistent relationship between an initial fund's performance and the performance of the follow-up fund.

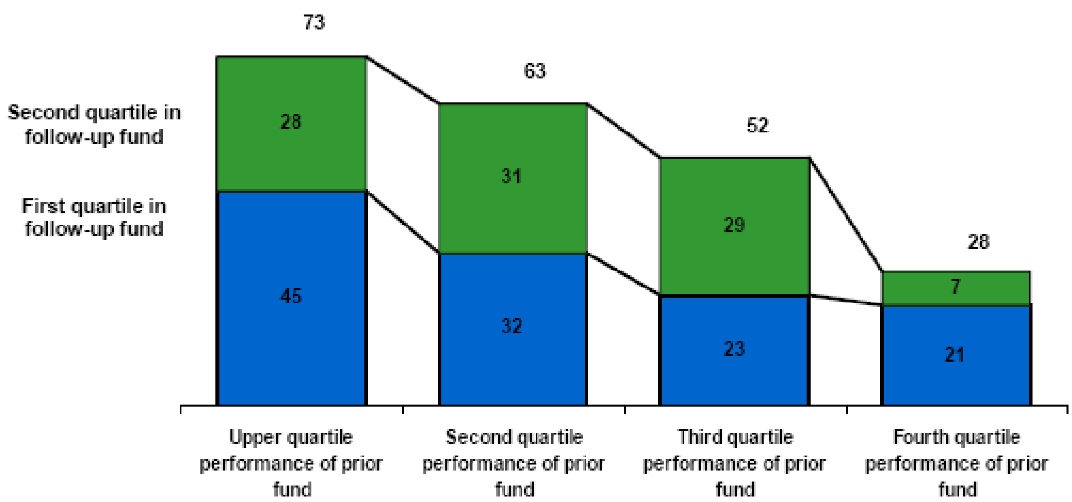

Figure 5: Persistence of returns between first fund and follow up-funds[22]

Recent McKinsey research in this area has found further interesting results.[23] Among several findings they found that the most successful fund managers devote more of their time to get to know the company and the internal process in the early stages of the transactions. In the best performing deals, these partners spent more than half of their time working on the acquired

[22] Source: CS Private Equity/ McKinsey
[23] McKinsey Quarterly (2005)

company during the 100 first days after the buyout. Furthermore, in the same period they were meeting with top executives nearly every day. For the lower-performing deals, on the other hand, partners from the private equity firm only spent about 20% of their time working with that specific company. Another feature with the best private equity funds was that if they wanted to change parts of management they conducted these changes early in the process. In 83% of the best performing deals the management team was strengthened before closing. For the worst performing companies only 33% of these changes were done in an early phase.

3.3 Capital structure

In a theoretical presentation of capital structure the extensive work of Modigliani and Miller (1958) is an inevitable part. They showed that capital structure does not matter in perfect markets, i.e. in the absence of taxes, bankruptcy costs and asymmetric information. Thus, the total value of a firm is given by its real assets, not by the securities it issues.[24] Real life markets are not perfect and decisions on capital structure do matter in many cases. Still, the work of Miller and Modigliani is crucial in order to understand how various market imperfections determine the optimal capital structure in a firm.

Private equity firms leverage their deals first of all because this increases the expected returns on their investments. Miller and Modigliani agree with this logic, but they find that the increased risk exactly offsets the increase in expected returns. However, some important implications of debt financing are neglected due to their assumption of perfect markets. First of all, debt offers the possibility of *tax shields*. Interest paid to debt holders is tax- deductible and this increases firm value. Therefore, the value of a highly levered firm depends to a large extent upon the amount of tax shields.[25] On the other hand, leveraged companies face increased probability of financial distress and bankruptcy. This represents a cost for the firm and increases the risk of the investment.

Another market imperfection, asymmetric information between management and owners, may be partly solved by leveraging the firm. Many argue that debt has a disciplinary effect on managers and reduce the problem of free cash flow, i.e. management is less likely to destroy firm value by investing in bad projects or luxurious goods. Grinstein (2003) finds that there is

[24] Brealey and Myers (1996)
[25] Schultze (2004)

a relation between the way firms choose their capital structure and the degree of disciplinary actions needed towards management. Dewatripont and Tirole (1994), Bergløf and von Thadden (1994), Bolton and Scharfstein (1996) and other studies emphasize the active role of debt holders in disciplining the manager.

Recent research has found that along with a growing buyout sector the use of leverage has also increased during the last few years. In the average deals from 2000-2002, debt was equal to four times EBITDA (Earnings before income taxes, depreciation and amortization) in the company. By the end of 2005 the equivalent number was more than 5.6. Some recent deals even see debt-to-EBITDA ratios exceed 10.[26]

[26] Business Week 27/2-2006: Buyout Mania's Mountain of Debt

Chapter 4 The Norwegian Private Equity Market

4.1 Background

Private equity is not widely used in Norway as an instrument to finance small- and medium-sized businesses. Compared to other European countries the domestic market for both venture capital and buyouts has traditionally been underdeveloped. The first private equity transactions in Norway were carried out in the early 1980s.[27] Towards the end of the decade this market was struck as strongly by the global financial crisis as the public stock markets. Since then there has been a steady, but relatively slow growth in the number of private equity firms and committed capital.

During the last decade the Norwegian authorities have realised the importance of stimulating a well functioning and competitive private equity market, and have taken a more active role in facilitating and encouraging investments in risk capital. Various state funds and other government institutions were created to boost the interest for private equity placements. This campaign led to certain results, especially in the area of venture capital, and today Norway has a fairly well developed capital market for companies in the early stage. In important national industries as oil and gas, the maritime sector and IT, we have seen several successful companies emerge lately with the help of venture capitalists. Also the activity in the buyout sector is on the increase.

4.2 The role of Argentum

The establishment of the government-owned investment company, Argentum, in 2001 is probably the most influential recent contribution to a more efficient domestic private equity market from the side of the authorities. The aim of this institution is "through its investments, to facilitate access to international venture capital, and to be a driving force in the development of an internationally competitive private equity environment in Norway."[28]

[27] Econ Analyse (2004)
[28] Direct quote from www.argentum.no, English version

Argentum operates as a fund to fund company and therefore directs all its resources to private equity funds instead of investing directly in companies. Through such an investment strategy it achieves two very important objectives as a state institution.[29] First of all, the principle of "arm length distance" implies that Argentum always keeps a certain distance to the projects they are involved in. Only the equity funds they allocate money to will have any significant impact on the companies they invest in. This is a cornerstone in Argentums's investment philosophy as it ensures private integrity for the funds; hence their investment decisions are solely made on the basis of business principles. Second, Argentum will always have a minority share in any fund. This secures a larger private than public stake in any funds and avoids any political influence on investment decisions.

Argentum intends to be a responsible and long-term oriented investor. All its investments are done in funds which have a seven to ten years' perspective. Today Argentum has spread its investments over 21 various funds. A majority of them are Norwegian venture capital and private equity funds while some are Nordic funds. Until now it has committed NOK 2.1 bn to Norwegian funds and about NOK 1 bn to other Nordic funds. This amount is nearly equally divided between venture investments and latter stage investments.

Argentum has had remarkable returns on its investments the last five years. In the period 1.1.2002 – 31.12.2006 Argentum had an annual rate of return on its investments on 35.6%. Its buyout funds achieved returns of 46.2% while the venture funds generated annual returns of 25.4%. Oslo Stock Exchange had an annual return of 21.4% in the same period. It must be noted here that private equity investments have a higher risk profile than public investments. On the other hand, table 1 on the following page reveals that Argentum does not only perform formidably in comparison to public investments at home. In the same five year-period Argentum beats even the best quartile of European private equity funds, and this applies to both its venture and buyout investments.

[29] Argentum annual report 2002

Numbers per 31.12.2006	Argentum	European funds Best quartile	European funds Average
Venture funds	25.4%	23.5%	6.4%
Buyout funds	46.2%	37.6%	13.7%
Private Equity aggregated	35.6%	29.1%	10.3%

Table 1: Returns for Argentum compared to European funds[30]

There is no doubt that Argentum has had exceptional returns on its investment since the start in fall 2001. The high returns can partly be explained by a Norwegian economy which in general has been bullish the last five years. As stated above, Oslo Stock Exchange generated average annual returns of 21.4% in the period 2002-2005. On the other hand, its performance relative to both other domestic asset classes and its European counterparts clearly indicates its diligent pre-analysis and selection of the right funds. Argentum does not only invest the money of Norwegian citizens rationally and with high returns, it also stimulates the private equity and venture capital markets through its broad presence. Furthermore, it has a significant indirect impact through its funds on the Norwegian small- and medium- sized industry. By the end of 2006 Argentum's funds had invested in more than 100 companies with a total number of 14 000 employees.[31]

4.3 Fund activity

The *2006 Activity Survey for Private Equity and Venture Capital*[32] found that the Norwegian market now includes 56 active companies which administer a total of 85 funds. 15 new funds were established in 2006, and these funds raised NOK 11.4 bn in new capital last year. Norwegian funds now manage a capital pool of about NOK 45 bn. Nearly half of this is free capital that the companies have accumulated in order to keep a flexible and proactive investment approach.

Only 13 out of 85 funds operate in the buyout segment. Buyout funds are typically much bigger than venture funds, but also in terms of raised capital the buyout sector is rather small and accounts for less than one third of total raised capital. A total of NOK 11.7 bn. was raised in Norwegian buyout funds by the end of 2006. This reveals the fact that the Norwegian

[30] Press release: Argentum med sterkt resultat for 2006 (Bergen, 30/5- 2007)
[31] The Norwegian Venture Capital & Private Equity Association (NVCA)
[32] Produced for NVCA and Argentum by Menon Business Economics

private equity market still is centred on venture capital investments rather than buyouts and restructuring of companies. Figure 6 gives an overview of how the risk capital is distributed across the different investment stages. It also shows the huge amount of capital which is reserved for later investments, especially in the buyout sector where free capital comprises nearly double as much as already invested capital.

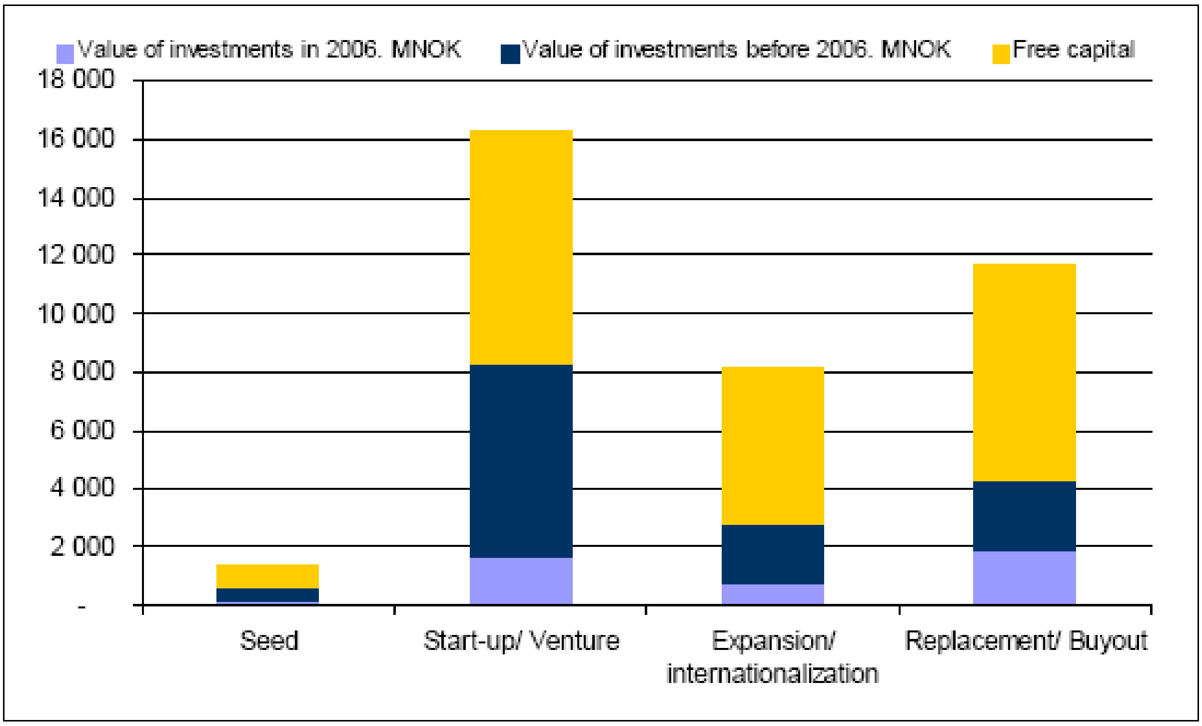

Figure 6: Invested and free capital. MNOK. [33]**(2006 Activity Survey)**

There are today ten Norwegian private equity firms which operate in the buyout and latter stage sector, and they manage altogether 13 funds. In table 2 below an overview of these firms and funds is presented.[34] It is worth noting that five out of 13 buyout funds were established in 2006, and this implies a certain increasing trend in the direction of buyouts also in Norway.

[33] Menon Business Economics (2007): 2006 Activity Survey
[34] The diligent reader will notice that total funds displayed in table 2 are higher than the 11.7 bn stated in the 2006 Activity Survey. This is expected as table 1 contains updated figures from June 1st, 2007 and we must therefore allow for possible increases in the capital base of the funds in the first five months of 2007. Fund figures are retrieved from the firm's home pages and from VentureXpert.

	Private Equity Firm	Funds	Established	Capital base (Bn NOK)
1	Altaria Private Equity	Altaria Private Equity (former Foinco Invest)	2000	0,5
2	Borea	Borea Opportunity	2002	N/A
3	Ferd Private Equity	Ferd Private Equity Fund I	2004	1,97
		Ferd Private Equity Fund II	2006	4,25
4	FSN Capital Partners	FSN Capital I	2001	0,3
		FSN Capital II	2006	1,2
5	Furuholmen Private Equity	Furuholmen Private Equity	2006	0,3
6	HitechVision Private Equity	HitecVision Private Equity IV	2006	1,82
7	Norgesinvestor	Norgesinvestor III	2001	0,32
		Norgesinvestor IV	2006	0,6
8	Norvestor Equity	Norvestor IV	2004	1,15
9	Reiten & Co	Reiten & Co Capital Partners VI	2005	0,89
10	Verdane Capital Advisors	Verdane Kapital V	2005	0,77
SUM				***14,07***

Table 2: Norwegian firms and funds in the buyout sector per May 2007

Ferd Private Equity is the major Norwegian player in the buyout sector. With its two funds covering nearly half of the total raised capital in Norway, it has a solid financial fundament for acquisitions in large and medium-sized companies. Ferd has conducted eight buyouts since the start and three of the companies have already been exited. The acquisitions of Collett Pharma, Pronova Biocare and Handicare are the most well-known transactions. Ferd is a good example of how Norwegian private equity firms may extend their activities and attract international attention through high performance. Fund I has been one of the most profitable funds in Europe the last two years, and this made the interest for a second fund overwhelming. All the investors from the first fund also committed funds for Fund II. In addition, European investors committed about 25 per cent of the new funds.[35]

4.4 Norway relative to Europe

A study conducted on behalf of Argentum in 2004[36] compared the Norwegian private equity market with other European countries. This study identified four main areas in which the Norwegian PE-market clearly differs from other risk capital markets. We will go through

[35] Ferd Private Equity – press release (2006)
[36] Econ Analyse (2004): Private Equity i Norge

these four specific features in the following and post some plausible explanations for the different aspects.

First, the Norwegian market is regarded rather "young" and the amount of raised funds is small relative to the general patterns of the homeland economy. While Norwegian Private Equity funds invested less than NOK 4 bn in 2006, the Swedish private equity investors invested NOK 20 bn. Norway has relative to its GDP an investment level which is lower than all the other Nordic countries as well as the European average. Figure 7 shows private equity and venture capital investments as share of GDP in Norway and in three comparable countries.[37]

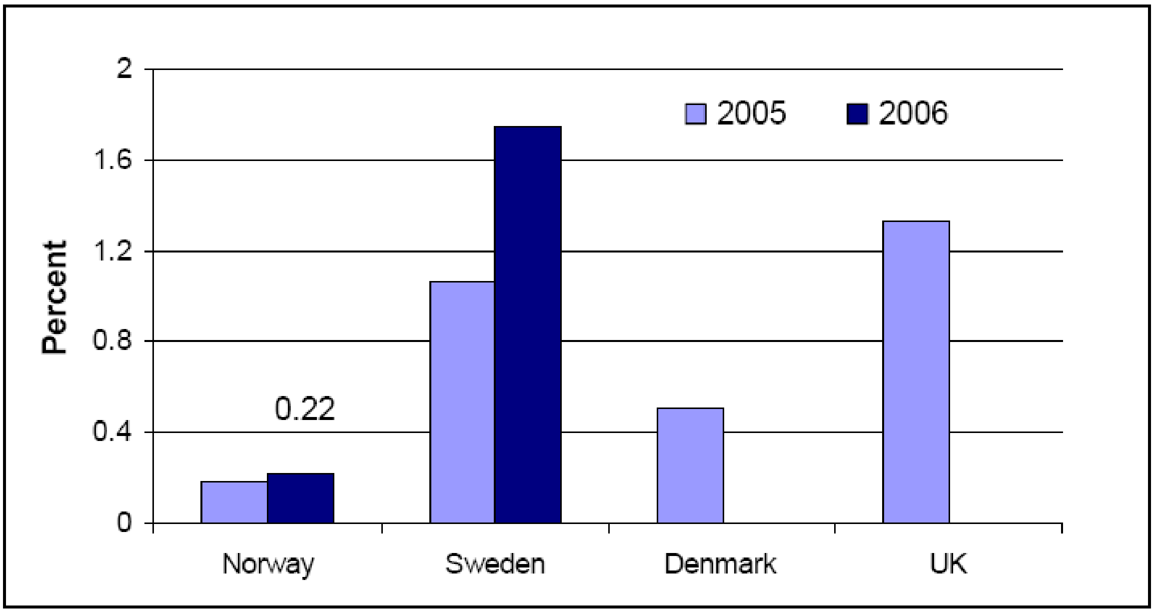

Figure 7: PE and Venture Capital Investments as share of GDP

Second, institutional investors, e.g. pension funds and insurance companies are not so dominant in the domestic private equity market. In Norway only 40 per cent of committed capital derives from this investor class, while in the neighbouring country Sweden institutional investors account for 80 per cent. Also in most other Western countries these investors play a major role. A possible reason for this feature may be that the pension funds in Norway are relatively small due to a comprehensive government pension system. Another reason might derive from legal restrictions which are stricter in Norway than in most other countries, e.g. there are certain limits for how much each investor can invest in a private

[37] Source: www.argentum.no

equity fund. Institutional investors usually have a huge capital base, and therefore seek huge shares in the funds.

Third, foreign investors seem not to be very interested in Norwegian private equity funds. In 2002 international investors only accounted for 5 per cent of total committed capital in Norway. Once again Sweden faces a totally different reality with about 80% international presence in the same period, while the European average is about 50%. Norwegian funds may be relatively unattractive because they lack necessary "track records" and are regarded as too small for the normal scope of huge international investors. Hence, private equity investments in Norway appear to be concerned with much uncertainty. In the public market, on the contrary, foreign investors account for about 60-70% of all transactions on the Oslo Stock Exchange.[38] Furthermore, foreign investors may choose to invest directly in Norwegian enterprises instead of through Norwegian funds. Figure 8 shows the lack of international exposure in Norwegian funds compared with various other Western countries.

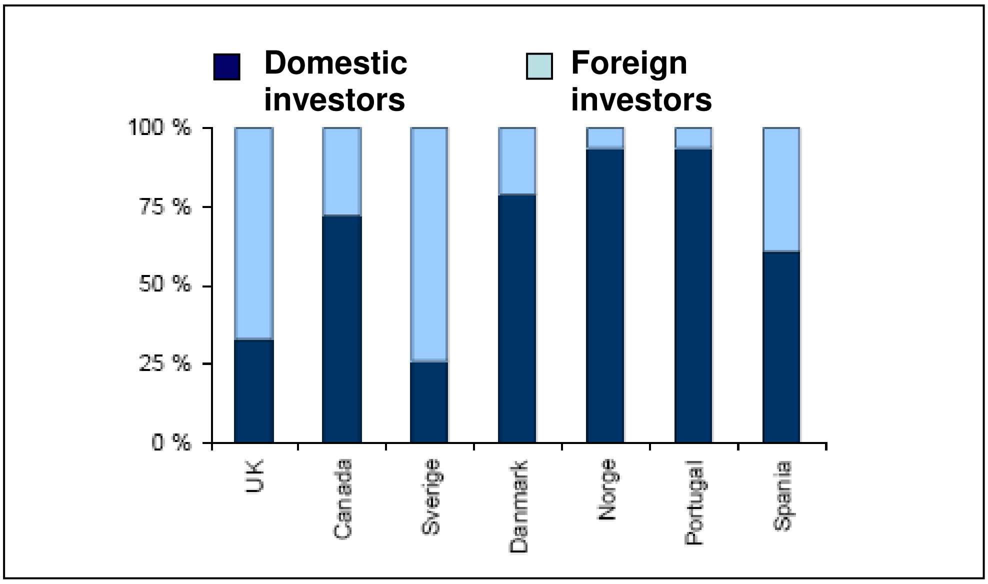

Figure 8: The share of domestic and foreign investment in Norway and other Western countries[39]

The last and perhaps most striking feature with the Norwegian private equity industry is the underdeveloped buyout market. As we can see in figure 9 below, Norway has a vast majority of its capital directed into venture projects. In the Nordic countries and particularly in the rest of Europe the situation is rather opposite. More than double as much capital were allocated to

[38] The Norwegian Ministry of Trade and Industry (2006-2007)
[39] Source: FORA/OECD (2004): Data for 2001-2002.

buyout activities than to early stage investments in 2003 in Europe, and this trend is even stronger today. Nearly 80% of funds raised in 2005 were intended to fund buyouts.[40]

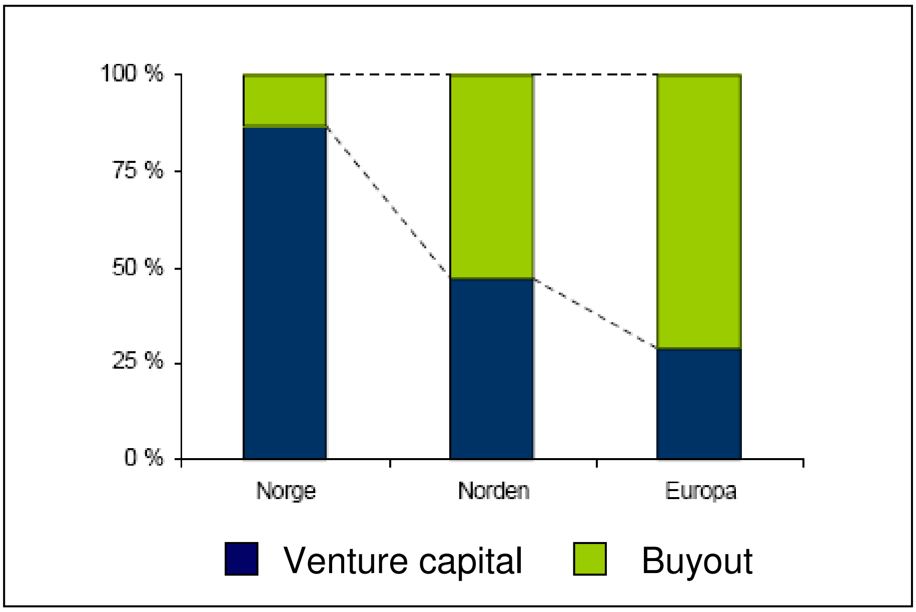

Figure 9: VC and Buyout investments in the PE-markets in Norway, the Nordic region and Europe

Reasons for the small buyout share in the Norwegian market can be a combination of the three formerly mentioned points. First of all, Norway still has a fairly young and relatively small risk capital market. Since buyouts normally are radically more capital-intensive than venture investments[41], private equity markets are likely to start with high degree of early stage investments and then gradually increase the capital flow into the larger buyout market. This evolutionary rhetoric has an even stronger position here as Norwegian government regulations and other general conditions seem to restrict the dominant role of the large, institutional investors. Furthermore, the lack of international exposure on the funding side of Norwegian private equity funds lead to smaller funding and may have particularly severe implications for the buyout market.

4.5 Market trends

The analysis of the Norwegian private equity sector has among other things highlighted that investments in the buyout sector are small relative to venture capital investments. However,

[40] European Business Forum (2007)
[41] Bygrave and Timmons (1992)

general market trends show that the buyout sector attracts increasing interest from both Norwegian and international investors and currently grows faster than the venture capital sector. Ferd Private Equity's new fund that was established in fall 2006 is not only by far the largest fund ever in Norway, but marks also a milestone in terms of international exposure on the investor side.

Five out of total 13 buyout funds in Norway were established last year, and this further indicates the positive trend for the buyout sector. Investors move their capital between markets in response to changes in expected returns for a certain risk. The investors see that the Norwegian buyout funds in the last couple of years have received high returns. It therefore seems like the Norwegian market finally has evolved from its adolescence and now operates in a more mature phase with a certain track record and reputation that attracts domestic and foreign capital.

The amount of free capital in Norwegian buyout funds is also remarkably high. This confirms the strong confidence investors have developed in this asset class while the funds wait for good buyout candidates. Most of the free capital is expected to finance buyouts of large, mature Norwegian companies, including public companies.[42]

Institutional investors still play a less significant active role in the Norwegian market than they do in other Western markets and this pattern seems not to change in near future. Apart from this, however, the Norwegian buyout market seems to be in a positive trend. Even though the Norwegian private equity market today is lagging behind the Nordic countries and Sweden in particular, the fundamental attributes of the capital markets does not differ much between them. Norway is one of the most prosperous countries in the world measured by GDP per capita[43], has world-class enterprises in numerous sectors and should therefore be able to offer a more competitive private equity market in the years to come.

[42] DN (www.dn.no), 17/11- 06: Står i kø for å investere i Norge.
[43] OECD (2007)

Chapter 5: Empirical study of the Norwegian buyout market

This section presents the empirical part of my paper. One of the main findings from the analysis of the Norwegian private equity market in the previous chapter was the underdevelopment of the buyout sector. I already posted some plausible general reasons for this market trend, but in the following I will keep a firm- level focus and delve into some specific characteristics of buyout transactions. A set of 16 buyouts of Norwegian firms from 1997 to 2003 will be presented. The acquired companies will be analysed across different performance parameters in order to examine if there are attributes with the post-buyout performance of Norwegian firms that can be linked to the active ownership of private equity firms.

5.1 Data Collection

In the data collection phase it is first of all important to limit the scope of the research. Even if the Norwegian buyout market does not comprise many transactions in the first place, various criteria needed to be fulfilled in order ensure a certain degree of standardization and comparability between the data.

In this process I was faced with a certain trade-off between the quantity and quality aspect of the data. The quality and reliability of all figures is certainly a cornerstone in this research, but on the other side some criteria were made a little more flexible in order to gain a broader research material. E.g. the list of buyout transactions revealed huge differences between the biggest and smallest acquired companies. I considered this wide distribution as acceptable, and in fact in small firms the owners might be able to influence management and daily operations more than in large enterprises. Consequently, I set a relatively low limit for the size of the target company in order to increase the number of observations.

To search for buyout deals I used the global electronic databases Zephyr[44] and VentureXpert[45]. While the former has a deal focus and therefore was useful for getting an

[44] Contains information on M&A activity, IPOs, joint ventures and private equity deals. Published by Bureau van Dijk
[45] The most comprehensive venture capital and private equity research tool available in the market today. Published by Thomson Financial

overview of the transactions in the period, the latter includes thorough information about the private equity funds and the companies involved in the deals. The two databases were also used to mutually confirm facts and figures related to these deals. The data collection was conducted with the following criteria for all transactions:

1) The transaction was completed in the period 1997 – 2003.
2) The private equity firm acquired minimum 50% of the shares in the target company and consequently possessed a dominant ownership.
3) Acquirer must be a private equity firm/fund which focuses on the latter stage/buyout stage
4) The target company is Norwegian and has a turnover in the year of transaction of more than NOK 15 millions.

In past research they have focused on deal size as one criterion, e.g. Kaplan, (1989). It appeared that deal size information is not available for all observations, and turnover was therefore used as a measure for company size. If we apply the assumptions that buyout companies operate with relatively stable cash flows and exist in a mature stage of the life cycle, turnover will to some extent also reflect the size of the deal.

The time frame was chosen in compliance with the purpose of the empirical part of my study which is to indicate whether the active presence and involvement of private equity owners has any significant impact on the performance of the target companies. In order to assess this aspect it is necessary to look at the companies' performance both before and after the change of ownership. Since accounting information is hard to retrieve for periods more than ten years back in time and the Norwegian buyout market is fairly young, 1997 was set as the last year of acceptable observations. Furthermore, in order to evaluate post-buyout effects on the acquired firms across financial parameters, at least two years of accounting information following the transaction year was needed. Most accounting figures from Norwegian firms for 2006 are expected to be made public after completion of this paper, i.e. 2003 had to be the last acceptable transaction year.

The buyout deals fulfilling the criteria above were explored for accounting information both before and after transaction. This information was retrieved from The Register of Company

Accounts at the Brønnøysund Register Centre[46] through the electronic database *Ravn foretaksinformasjon.* Some of the target companies appeared to be strongly restructured by the new owners after the buyout transaction, and this made the search for reliable data more complicated. For some of the companies it was not possible to find comparable post-buyout data and this resulted in a reduced number of total observations. In the end I found 16 companies with comparable pre- and post- buyout accounting data and these companies constitute the foundation of the empirical part in this paper.

5.2 Sample description

The 16 companies comprise a very heterogeneous sample reflecting both different company sizes and a wide range of industries.[47] Two out of these 16 companies were bought in public takeovers, with other words bought as public companies and then delisted from Oslo Stock Exchange. All the other companies were bought as private companies. As we can see in figure 10 below, the most distinct feature with the sample is the high number of observations in the last year of the period. Nine observations, more than half of the sample, are in fact transactions that were completed in 2003. This confirms a trend I also noticed in the data collection phase. Not only 2003 was an active year for buyouts in Norway, also the last couple of years saw many large deals where well-known Norwegian companies were bought by private equity funds. E.g. Jøtul, Frontier Drilling, Arcus-Gruppen, VIA Travel Group and Nille all got new private equity owners in the period 2004 - 2006. Furthermore, all the four buyouts conducted by Norwegian private equity firms in the sample were also completed in 2003.

[46] The Brønnøysund Register Centre is an administrative agency responsible for a number of national control and registration schemes for business and industry. (…) The Register of Company Accounts is the most important data source for anyone wishing to obtain information on the financial state of affairs for Norwegian business and industry.

[47] See Appendix I: Sample of observations

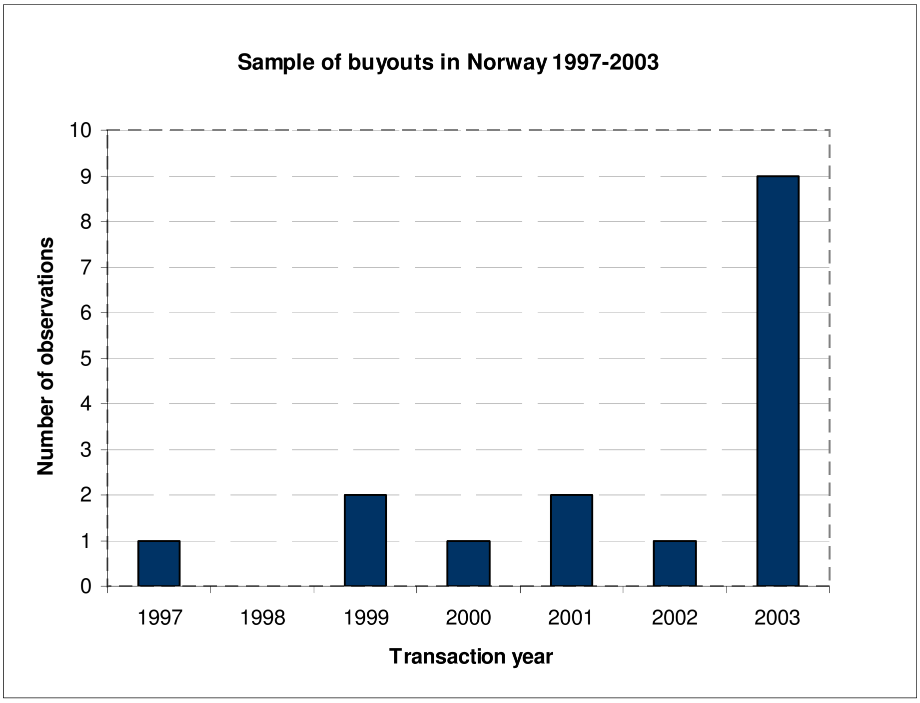

Figure 10: Distribution of sample buyouts

Another important feature with this sample is the high representation of foreign private equity investors. Only 25% of the deals were completed by Norwegian private equity firms. Swedish and British private equity funds have been relatively active in this period, while the other deals are carried out by other European private equity funds. The acquisition of Telenor Media by the US Private Equity giant Texas Pacific Group in 1999 is the only non- European presence in this sample. This is, however, the largest deal in the sample and definitely one of the most well-known private equity buyouts in the Norwegian market.

The overview of all 16 companies and details concerning the deals can be found in Appendix I. In table 3 below summary statistics for size and profitability of the buyout companies in the year of transaction is presented. A fundamental higher mean than the observed median in the financial figures indicate a few, large enterprises in the sample which strongly influences the mean statistic. The median will therefore be used rather than the mean in our calculations because it provides a more representative analysis of the sample. The standard deviation is also relatively high, and further proves a formidable spread in the observations.

	Median	Mean	Std.dev	N
Annual sales (1000 NOK)	294 013	404 477	379 992	16
EBIT	18 479	54 537	111 912	16
EBIT-margin	7,61	14,74	22,41	16
Equity-margin	0,37	0,39	0,21	13

Table 3: Summary statistics of sample

5.3 Method

This analysis focuses on three different operating variables and one capital structure variable. These variables are:

1) Turnover (Annual sales)
2) Earnings before Interest and Taxes (EBIT)
3) EBIT-margin (EBIT/ Turnover)
4) Equity margin (equity/total capital)

The three first financial figures will give an indication of the performance of the companies. Turnover, or annual sales, is the most appropriate figure to examine whether the companies grow or downsize the business after the buyout. EBIT gives an absolute number of the earnings a business gain during a year before interest and taxes, while the EBIT-margin gives a relative performance figure which is appropriate for comparison across the companies. The equity margin is included here to find out whether there are any changes in capital structure in the acquired companies. As I outlined in chapter 3, private equity firms tend to use a high portion of debts in their acquired companies in order to increase returns on investment.

For all parameters I tried to find figures from two years before the transaction year until three years after transaction. In my research *t* denotes the year the deal was completed. The transaction might be conducted very early or very late in the year, and the radical changes in financial parameters due to the new owners are not apparent before after the transaction year. Consequently, the time frame for each company in my research is from *t-2* to *t+3*. Since the newest deals are from 2003 they will only have financial figures from the two years after transaction.

The three parameters will be analyzed across four different time dimensions. The change from year *t-2* to year *t-1* represents the financial development of the companies before the buyout and gives an impression of their performance before the shift of ownership. Then the financial year before the transaction, *t-1*, will be compared with each of the three years following after the buyout. These figures will first of all find out whether the new, active ownership of private equity funds has lead to any significant changes in financial performance. Furthermore, they might also indicate whether the strongest impact occurs very shortly after the transaction (t+1) or the new owners need more time to be able to do changes that influence the financial results (t+2/t+3).

The analysis described above gives an important insight into the changes in annual sales and earnings before and after buyout if we regard the 16 companies isolated. However, the role of general market conditions and industry conditions should not be neglected in this context. These elements might influence our figures, and in order to reduce general market and industry effects I will also include an *industry-adjusted analysis*. Three companies which are comparable across both industry and size have been identified for each buyout company. The industry classification of Brønnøysund Register of Company Accounts was used also for this purpose. The industry- adjusted change equals the percentage change in the variable for the buyout company minus the median percentage change over the relevant period for the three firms from the same industry.

In order to assess the reliability of the financial figures it is necessary to apply a statistical tool for testing their significance. The paired t-test is commonly used to check whether the members of a pair differ in size, and this is also the intention for this sample. However, this test requires that the distribution of the differences follow a normal distribution.[48] For our data we cannot assume this normal distribution and we therefore need another approach. Several similar studies, e.g. Kaplan (1989) and Opler (1992), have used the Wilcoxon signed rank test to test the significance of the data, and this method will also be applied for this sample. In order to keep a careful and conservative approach a two-tailed test is applied. This implicitly assumes the following null hypothesis and alternative hypothesis:

[48] Lind, Marchal and Wathen (2005)

H0: Post-buyout performance variables equal pre-buyout performance variables.

H1: Post-buyout performance variables do not equal pre-buyout performance variables

5.4 Analysis / Findings

5.4.1 Operating performance

The changes in the operating performance variables annual sales, EBIT and EBIT-margin are given in table 4 below.[49]

		FROM YEAR i TO YEAR j			
		t-2 to t-1	t-1 to t+1	t-1 to t+2	t-1 to t+2
A.	**Annual sales**	**N=11**	**N=16**	**N=16**	**N=7**
	Percentage change (median)	25,93	13,36*	25,05*	40,59
B	**EBIT**	**N=10**	**N=16**	**N=16**	**N=7**
	Percentage change (median)	34,45	121,26**	96,67***	6,36
C	**EBIT/SALES**	**N=10**	**N=16**	**N=16**	**N=7**
	Percentage change (median)	9,84	103,04****	71,74****	29,50

Table 4: Changes in operating performance

*	Significant at 1% level
**	Significant at 2% level
***	Significant at 5% level
****	Significant at 10% level

Table 4 indicates that the periods with relatively many observations in general appear to be systematically more significant than those with fewer observations. This complies with statistic rationale and is really evident here. Panel A shows that the median increases in annual sales are 13.16%, 25.06% and 40.59% from *t-1* to the three post-buyout years, however, only the two first of these numbers are significant. This indicates that the private equity firms tend not to restructure and divest the business too much, but rather stimulate

[49] See Appendix IIa and IIb for details.

further sales growth in the companies. Whether the increase in post-buyout annual sales is due to organic growth, acquisitions or a combination of both is this paper not able to tell.

It may also be noted here that the companies on average seem to grow formidably in the year before transaction. This figure is not significant for this sample, but I would generally emphasize the importance of also taking the pre-buyout figures into account.

The companies seem to grow further after the buyout, and in panel B we see that this growth also generates increased returns. EBIT grows with 121.6% and 96.67% from *t-1* to *t+1* and *t+2.* These significant findings reveal that the profitability in these companies is boosted already in the first couple of years after the buyout. A little surprisingly, the year subsequent to the buyout year offered a stronger performance than the next. This might also be explained by general market trends or the fact that the third observation in panel B is less significant than the second. The other numbers are not significant at all and require therefore no explanation.

The EBIT-margin presents the relative performance of the companies and is based on the two variables above. Panel C shows the same trend as in panel B. The companies substantially increase earnings relative to annual sales from *t-1* to *t+1,* while the next year presents a downturn. It must be noted that these figures are only significant within a 10% significance level which is beyond acceptable significance levels, even for two- tailed tests.

5.4.2 Industry- adjusted operating performance

To control for general market trends and industry effects I present the industry- adjusted changes in the variables in Table 5.[50]

[50] See Appendix III a/b/c/d for details

		FROM YEAR i TO YEAR j			
		t-2 to t-1	t-1 to t+1	t-1 to t+2	t-1 to t+2
A.	**Annual sales**	**N=11**	**N=16**	**N=16**	**N=7**
	Industry.-adjusted percentage change (median)	12,88	13,45****	29,13****	1,07
B	**EBIT**	**N=10**	**N=16**	**N=16**	**N=7**
	Industry-adjusted percentage change (median)	-3,39	65,29	50,76	15,07
C	**EBIT/SALES**	**N=10**	**N=16**	**N=16**	**N=7**
	Industry-adjusted percentage change (median)	19,97	2,62	23,21	30,87

Table 5: Industry- adjusted operating performance

**** Significant at 10% level

The industry-adjusted figures are with a few exceptions not significant. Annual sales show significant increases from year *t-1* to *t+1* and *t+2*. The increase in panel A for both these time periods nearly coincides with what we found in table 3. This indicates that the economy-wide and industry effects were minimal or neutralized each other for this sample. It might be tempting to assume that this logic also can be applied for the other performance variables that were significant in table 3. However, we have no statistically significant results showing that industry effects to a small degree influence the other variables apart from the two periods described above. It must be noted that these two figures are only significant at a 10% significance level and, thus, must be assessed in a reserved and careful manner.

The main reason for the non-significant results is probably that for each buyout firm only three companies represent the industry comparison. There might be huge differences in performance parameters for these companies and this will be strongly reflected in this industry-adjusted analysis. The number of observed buyout companies is also fairly low and increase the probability of insignificant results.

5.4.3 Capital structure

In this section I will examine whether the private equity firms in the Norwegian market actively leverage their purchases and, thus, increase the debt ratio in the capital structure. Table 6 below presents the development in the equity level of the buyout companies both before and after the buyout.[51]

	Equity-margin (Eq/tot.cap)					
	t+3	T+2	t+1	t	t-1	t-2
N=	7	16	16	13	12	8
Average of observations:	0,32	0,31	0,34	0,39	0,37	0,46
Median of observations:	0,26	0,26	0,32	0,37	0,32	0,45

Table 6: Mean and median equity-margin

The figure reveals that the capital structure does not change much after the emerge of new owners. We can see a small decrease in equity level from the pre-buyout level to the post-buyout level, but my calculations show that these changes are not at all significant. This finding does not concur with the normal characteristics of buyouts.

In order to find any plausible explanations for this result it is necessary to look at the pre-buyout equity levels. The pre-buyout debt levels are unusually high in my sample. Already in year *t-1* the observed companies have a capital structure with nearly double as much debt as equity. Even though some private equity firms operate with very high debt-equity ratios this high initial debt level might give the private equity owners doubts whether the companies should be further leveraged; hence financial distress and bankruptcy costs discussed in the theoretical part.

5.5 Critical reflections

The findings from my empirical study presented above require some critical comments. First of all, the general number of observations is too small to generate any real truths about how the active ownership of private equity firms influences the post-buyout performance of companies. Norway has a small buyout market which is at an early stage and this influences

[51] See Appendix II a&b for details

the magnitude of the sample. Even if my analysis has shown a distinct upward trend in the number and size of buyout funds and buyout transactions the last couple of years, the relevant time frame of this analysis does only to a small extent take this positive effect into account.

The financial figures are all retrieved from reliable, public sources. However, all these figures might contain important elements that I have not taken into consideration. E.g. the annual sales in a company might rise or sink considerably in the post-buyout phase because the new owners are actively acquiring other firms or strongly divest the business. This is necessary to operate the business more profitability in the long run, but in the short run it might give extreme positive or negative deviations from pre-buyout sales which strongly influences my findings.

Furthermore, the time frame here gives a short post-buyout perspective. Many private equity funds own their companies in several years before they exit them, and in my study the majority of the transactions do not even have more than two years of financial figures after buyout. Even though this gives a certain indication of the short-run change in firm performance, it does not convey changes in operating performance that typically might be much more distinct in the long run.

5.6 Suggested further studies

Since the scope of a siviløkonom thesis has certain limits and the current trend in the Norwegian private equity market makes future studies more interesting than ever, I would like to present some ideas for further studies in this field. The Norwegian private equity market is still in a young phase compared to its European and American counterparts and this has put some restrictions on my access to extensive, appropriate empirical data. I strongly believe a similar study should be conducted in five to ten years which would be able to gather a larger sample of valid data.

My empirical study did only take a few financial variables into account. There are certainly many other performance indicators that can be used to gain a broader insight. What would perhaps be even more interesting is to search for the plausible reason for typical changes in post-buyout performance variables. Redundancies, degree of active ownership, board changes, etc. might be aspects that give an answer to *why* and not only *how* post-buyout company performance tends to change with the new active ownership of private equity firms.

More and more private equity firms also exit their investments by making their companies go public. Twelve Norwegian companies were quoted on Oslo Stock Exchange in 2005 and many listings were also done last year.[52] This opens up many possibilities for further studies. Most interesting, in my eyes, is it to compare the performance of the companies during private equity ownership and their performance after they go public. The increasing amount of private equity listings in Norway makes this a very exciting area of future research.

These are some examples of potential future empirical studies in the area of private equity. In some years similar studies can be conducted with more observational substance and, thus, greater academic validity than what was possible for the empirical part of this paper.

[52] Dagens Næringsliv (dn.no): Står i kø for å investere i Norge. 17/11-2006

Chapter 6 Conclusions

Norway has traditionally been the least developed private equity market in the Nordic region, and particularly the buyout capital markets have suffered from lack of sufficient funding and expertise. Underlying macroeconomic and industry-specific conditions state that there should be no huge differences between Norway and other Western countries. This paper has given a thorough analysis of the latest characteristics of the Norwegian private equity sector and many of today's market indicators point towards a growing and more competitive risk capital environment.

Norwegian markets currently attract increasing interest from both domestic and international investors. The number of Norwegian buyout funds increased from eight to 13 last year and the largest fund committed more than double as much capital as the largest fund in 2005. Also my empirical studies show that the investment activity in Norway is increasing significantly. More than half of the buyout deals in the sample were done in the last observation year, 2003. Furthermore, all the four buyouts conducted by Norwegian private equity firms in the sample were also completed in 2003.

The necessary time frame of my empirical study of the post-buyout performance of acquired, Norwegian companies makes the sample only partly reflect the recent growth in buyout activity; hence, the number of observations is limited. What I found from my studies is that the companies show substantial growth rates both in the first and second year after buyout. This growth is maintained also in the comparison with its industry peers for the same period. The profitability measured by EBIT and the EBIT-margin seems to increase after the buyout compared to pre-buyout levels, but these figures are considerably less significant than for the annual sales. I find no significant evidence that companies acquired by private equity firms outcompete other companies in the industry in terms of operating performance. A little surprisingly, I do not find that private equity firms increase leverage in their target companies after buyout in the Norwegian market either.

The results of my Norwegian private equity study differ to a certain extent from what previous international research has found. I believe those differences result from the fundamentals of my observation sample rather than explained by peculiarities with the

Norwegian market. This applies particularly to the finding that capital structure in Norwegian companies does not seem to change after buyouts. However, if the Norwegian private equity market continues to evolve like it has done the last few years a study resembling this one should be conducted in some years. A bigger and more extensive observation sample might provide the answers to the questions I asked, but the scope of my work was not able to offer a significant truth to.

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Appendix I

No	Target company	Industry	Quoted	Private Equity firm	Country	Year	Ownership
1	**Lindorff Holding AS**	Financial services + customer and outsourcing services		Altor Equity Partners AB	Sweden	2003	IBO 100%
2	**Pronova Biocare AS**	Marine Omega-3 fatty acids developer, producer and wholesaler		Ferd AS	Norway	2003	IBO 80.1 %
3	**Roxar**	Advanced metering instruments manufacturer	x	LISME AS (Smedvig+ Lime Rock Partners)	Norway/ US	2003	100 %
4	**ErgoBluegarden AS**	Human resources management services		Ratos AB	Sweden	2003	IBO 100%
5	**Collett Pharma**	Healthcare product wholesaler		Ferd Private Equity	Norway	2003	IBO 100%
6	**APL AS**	Advanced oil and gas offshore production systems producer		Energivekst+Management	Norway	2003	IBO 100%
7	**Computas AS**	Enterprise software developer		Eqvitec Partners Oy + Four Seasons Venture Cap	Finland/ Sweden	2003	IBO 58.8%
8	**Plugging Specialists International**	Pipeline isolation technology developer		Reiten & Co Strategic Investments AS	Norway	2003	53 %
9	**Handicare**	Wheelchairs manufacturer and wholesaler		ABN Amro Capital Holdings BV	the Netherlands	2003	IBO - unknown majority stake %
10	**Scanpark**	Car Park Operator		Nordisk Parkering AB (Bridgepoint Capital)	UK	2002	Acquisition 100%
11	**Telenor Media**	Publisher of online, offline telephone directories		Texas Pacific Group Inc.	USA	2001	IBO 100%
12	**Dynal Biotech ASA**	Biotechnology development services		Ratos +Nordic Capital AB	Sweden	2001	IBO 100%
13	**Norwegian Beverage Group AS**	Beverages wholesaler		CVC Capital Partners Ltd)	UK	2000	IBO 100%
14	**Kongsberg Automotive ASA**	Automotive components manufacturer	x	Vikaberg Industri AS (Industri Kapital AB)	Sweden	1999	IBO - unknown majority stake %
15	**Dynoplast AS**	Plastic packaging		CVC Capital Partners Ltd	UK	1999	IBO 75%
16	**Helly Hansen**	Outdoor clothing manufacturer		Investcorp	Luxembourg	1997	70 %

Appendix II a

			Turnover(1000NOK)							EBIT (1000NOK)				
No	Target company	Year t	t+3	t+2	t+1	t	t-1	t-2	t+3	t+2	t+1	t	t-1	t-2
1	**Lindorff Holding AS**	**2003**		704 225	723 738	**767 046**	697 724	636 503		116 690	151 623	**163 764**	176 454	106 996
2	**Pronova Biocare AS**	**2003**		603 593	466 827	**320 480**	265 581	221 407		211 620	46 823	**10 127**	-8 950	-15 986
3	**Roxar**	**2003**		806 259	623 997	**578 463**	534 291	527 113		69 500	33 696	**43 905**	30 455	
4	**ErgoBluegarden AS**	**2003**		317 120	308 141	**304 081**	322 041	301 748		44 048	34 851	**26 972**	32 784	14 574
5	**Collett Pharma**	**2003**		315 849	304 775	**242 800**	227 300	193 700		34 755	16 146	**18 501**	14 300	11 800
6	**APL AS**	**2003**		1 032 700	594 948	**553 486**	439 916	358 248		77 039	47 060	**7 970**	21 160	34 249
7	**Computas AS**	**2003**		97 464	92 229	**124 441**	121 399			7 697	12 874	**9 417**	-13 618	
8	**Plugging Specialists Intl AS**	**2003**		129 086	189 618	**107 375**	35 790	57 799		-17 724	22 470	**18 458**	8 089	11 363
9	**Handicare**	**2003**		321 834	297 770	**283 944**	279 626	222 043		24 846	20 516	**24 022**	10 822	3 686
10	**Scanpark AS**	**2002**	95 342	81 478	76 467	**72 071**	48 524	27 068	5 148	701	4 145	**3 892**	2 023	2 309
11	**Telenor Media**	**2001**	1 525 301	1 569 564	1 552 339	**1 575 514**	1 434 310	1 879 658	681 352	740 991	613 950	**448 549**	402 467	473 862
12	**Dynal Biotech ASA**	**2001**	303 681	359 950	309 915	**219 421**	212 354	175 741	103 403	152 043	100 660	**47 351**	66 509	20 544
13	**Norwegian Beverage Group AS**	**2000**	15 859	29 290	25 378	**19 553**	5 221		-460	14 756	25 317	**18 126**	-4 972	
14	**Kongsberg Automotive ASA**	**1999**	384 278	431 734	490 563	**464 549**	451 813		17 024	19 903	33 358	**13 658**	8 856	
15	**Dynoplast AS**	**1999**	590 900	550 700	572 000	**630 400**	577 100		3 486	12 611	-29 115	**21 875**	24 007	
16	**Helly Hansen**	**1997**	215 000	212 000	226 000	**208 000**	216 000		25 994	19 992	40 996	**-3 994**	16 006	

Appendix II b

No	Target company	Year t	EBIT-margin						Equity-margin (Eq/tot.cap)					
			t+3	t+2	t+1	t	t-1	t-2	t+3	t+2	t+1	t	t-1	t-2
1	**Lindorff Holding AS**	**2003**		16,57	20,95	**21,35**	25,29	16,81		0,21	0,22	**0,21**	0,18	0,34
2	**Pronova Biocare AS**	**2003**		35,06	10,03	**3,16**	-3,37	-7,22		0,26	0,27	**0,17**	0,18	0,2
3	**Roxar**	**2003**		8,62	5,4	**7,59**	5,70	0,04		0,55	0,63	**0,66**	0,66	0,59
4	**ErgoBluegarden AS**	**2003**		13,89	11,31	**8,87**	10,18	4,83		0,33	0,4	**0,54**	0,44	0,4
5	**Collett Pharma**	**2003**		11,00	5,30	**7,62**	6,29	6,09		0,42	0,38			
6	**APL AS**	**2003**		7,46	7,91	**1,44**	4,81	9,56		0,21	0,46	**0,48**	0,63	0,7
7	**Computas AS**	**2003**		7,90	13,96	**7,57**	-11,22			0,1	0,1	**0,34**	0,33	
8	**Plugging Specialists International AS**	**2003**		-13,73	11,85	**17,19**	22,6	19,66		0,62	0,47	**0,46**	0,3	0,24
9	**Handicare**	**2003**		7,72	6,89	**8,46**	3,87	1,66		0,1	0,32	**0,37**	0,48	0,5
10	**Scanpark AS**	**2002**	5,4	0,86	5,42	**5,4**	4,17	8,53	0,71	0,87	0,75	**0,73**	0,68	0,68
11	**Telenor Media**	**2001**	44,67	47,21	39,55	**28,47**	28,06	25,21	0,46	0,1	0,1	**0,11**	0,13	
12	**Dynal Biotech ASA**	**2001**	34,05	42,24	32,48	**21,58**	31,32	11,69	0,23	0,32	0,31	**0,24**	0,23	
13	**Norwegian Beverage Group AS**	**2000**	-2,9	50,38	99,76	**92,7**	-95,23		0,13	0,14	0,14	**0,14**		
14	**Kongsberg Automotive ASA**	**1999**	4,43	4,61	6,8	**2,94**	1,96		0,26	0,27	0,4			
15	**Dynoplast AS**	**1999**	0,59	2,29	-5,09	**3,47**	4,16		0,27	0,26	0,22			
16	**Helly Hansen**	**1997**	12,09	9,43	18,14	**-1,92**	7,41		0,15	0,19	0,22	**0,59**	0,19	

Appendix III a

No	Target company	Turnover(1000NOK)						EBIT (1000NOK)					
		2006	2005	2004	2003	2002	2001	2006	2005	2004	2003	2002	2001
1	Lindorff Holding AS		704 225	723 738	767 046	697 724	636 503		116 690	151 623	163 764	176 454	106 996
	Intrum Justitia AS		92 636	95 047	108 551	119 198	123 215		-8 170	-2 424	2 627	9 905	18 433
	AKTIV KAPITALADMINISTRASJON AS		63 136	64 227	72 813	75 290	83 503		30 993	27 136	27 822	23 882	30 395
	Aktiv Kapital Norge AS		150 012	159 111	114 984	76 903	55 871		25 757	42 705	39 681	19 679	17 437
2	Pronova Biocare AS		603 593	466 827	320 480	265 581	221 407		211 620	46 823	10 127	-8 950	-15 986
	NORETYL AS		640 464	547 905	554 522	553 981	564 676		51 045	17 643	37 707	55 730	40 148
	OLEON SCANDINAVIA AS		96 893	95 150	113 125	279 875	228 419		-6 550	7 602	3 371	-14 721	-7 446
	International Paper (Norway) AS		141 043	210 207	176 397	186 736	203 213		-66 713	2 670	2 981	16 862	19 671
3	Roxar		806 259	623 997	578 463	534 291	527 113		69 500	33 696	43 905	30 455	
	PARK AIR SYSTEMS AS		375 277	342 780	384 358	316 467	290 992		32 386	37 466	31 133	-25 476	-34 046
	NAVICO EGERSUND AS		188 091	174 743	192 096	190 779	164 593		40 646	23 171	30 409	34 645	28 919
	Simrad Optronics ASA		215 814	184 829	165 422	114 058	111 214		11 287	12 310	8 288	4 209	4 526
4	ErgoBluegarden AS		317 120	308 141	304 081	322 041	301 748		44 048	34 851	26 972	32 784	14 574
	CA NORWAY AS	335 320	301 457	215 462	277 422	298 337	176 846	131 647	115 126	37 641	30 794	42 424	-78 307
	IFS NORGE AS		266 788	270 751	262 489	254 823	309 072		5 149	4 576	15 697	13 404	17 586
	SAP NORGE AS		446 880	374 433	274 234	276 842	217 094		42 632	21 380	12 341	11 877	-6 274
5	Collett Pharma		315 849	304 775	242 800	227 300	193 700		34 755	16 146	18 501	14 300	11 800
	SANOFI-AVENTIS NORGE AS		230 444	239 930	251 223	258 485	234 147		30 488	7 174	19 696	23 005	-1 264
	ABBOTT NORGE AS		369 091	338 129	273 995	249 750	220 848		18 085	33 847	10 823	16 459	6 515
	Medeco AS		225 138	254 883	250 097	259 284	265 767		10 739	4 919	-2 851	6 897	3 960
6	APL AS		1 032 700	594 948	553 486	439 916	358 248		77 039	47 060	7 970	21 160	34 249
	Kitron AS		1 088 936	1 009 613	964 907	1 114 047	1 242 379		-39 202	-14 740	31 842	12 812	-13 418
	Cowi AS	561 250	470 387	431 808	400 036	444 402	443 740	37 660	25 589	10 061	-4 680	-27 597	5 236
	RAMBØLL NORGE AS		474 562	411 317	395 531	334 393	303 190		33 836	30 725	30 377	28 022	22 951
7	Computas AS		97 464	92 229	124 441	121 399			7 697	12 874	9 417	-13 618	
	CISCO SYSTEMS NORWAY AS		106 069	95 644	109 475	137 603	169 265		9 673	10 320	9 940	13 870	13 812
	Proact IT Norge		153 978	139 092	137 799	142 580	174 735		-6 298	1 196	2 205	-43	2 970
	Bouvet ASA		220 432	154 033	130 051	128 726	154 484		22 396	12 400	6 659	-1 300	-33 029
8	Plugging Specialists International AS		129 086	189 618	107 375	35 790	57 799		-17 724	22 470	18 458	8 089	11 363
	VAN OORD NORWAY AS		224 887	186 788	122 754	84 049	148 842		13 021	32 651	29 068	11 036	47 778
	Petrotech AS		70 622	55 744	67 816	64 225	57 116		6 151	4 119	6 307	9 383	9 773
	SEMCO MARITIME DRIFT AS		119 115	110 400	109 048	96 715	100 741		7 361	6 216	7 961	8 936	1 541
9	Handicare		321 834	297 770	283 944	279 626	222 043		24 846	20 516	24 022	10 822	3 686
	MEDECO AS		225 138	254 883	250 097	259 284	265 767		10 739	4 919	-2 851	6 897	3 960
	FARMAGON AS		453 245	301 151	263 482	101 707	93 655		10 969	994	2 793	-742	-3 212
	AVENTIS PHARMA AS		230 444	239 930	251 223	258 485	234 147		30 488	7 174	19 696	23 005	-1 264

Appendix III b

No	Target company	EBIT-margin						Equity-margin (Eq/tot.cap)					
		2006	2005	2004	2003	2002	2001	2006	2005	2004	2003	2002	2001
1	Lindorff Holding AS		16,57	20,95	21,35	25,29	16,81		0,21	0,22	0,21	0,18	0,34
	Intrum Justitia AS		-8,82	-2,55	2,42	8,31	14,96		0,25	0,19	0,22	0,23	0,26
	AKTIV KAPITALADMINISTRASJON AS		49,09	42,25	38,21	31,72	36,4		0,2	0,16	0,12	0,3	0,31
	Aktiv Kapital Norge AS		17,17	26,84	34,51	25,59	31,21		0,11	0,08	0,08	0,32	0,38
2	Pronova Biocare AS		35,06	10,03	3,16	-3,37	-7,22		0,26	0,27	0,17	0,18	0,2
	NORETYL AS		7,97	3,22	6,80	10,06	7,11		0,3	0,31	0,35	0,9	0,92
	OLEON SCANDINAVIA AS		-6,76	7,99	2,98	-5,26	-3,26		0,69	0,76	0,74	0,59	0,56
	International Paper (Norway) AS		-47,30	1,27	1,69	9,03	9,68		0,25	0,7	0,55	0,57	0,31
3	Roxar		8,62	5,4	7,59	5,70	0,04		0,55	0,63	0,66	0,66	0,59
	PARK AIR SYSTEMS AS		8,63	10,93	8,1	-8,05	-11,7		0,35	0,29	0,18	-0,06	0,09
	NAVICO EGERSUND AS		21,61	13,26	15,83	18,16	17,57		0,58	0,58	0,51	0,48	0,4
	Simrad Optronics ASA		5,23	6,66	5,01	3,69	4,07		0,32	0,45	0,39	0,38	0,56
4	ErgoBluegarden AS		13,89	11,31	8,87	10,18	4,83		0,33	0,4	0,54	0,44	0,4
	CA NORWAY AS	39,26	38,19	17,47	11,10	14,22	-44,28	0,28	0,13	0,2	0,28	0,28	0,09
	IFS NORGE AS		1,93	1,69	5,98	5,26	5,69		0,45	0,38	0,36	0,32	0,25
	SAP NORGE AS		9,54	5,71	4,50	4,29	-2,89		0,32	0,4	0,48	0,44	0,53
5	Collett Pharma		11,00	5,30	7,62	6,29	6,09		0,42	0,38			
	SANOFI-AVENTIS NORGE AS		13,23	2,99	7,84	8,9	-0,54		0,39	0,52	0,42	0,28	0,16
	ABBOTT NORGE AS		4,9	10,01	3,95	6,59	2,95		0,53	0,49	0,36	0,31	0,16
	Medeco AS		4,77	1,93	-1,14	2,66	1,49		0,17	0,15	0,15	0,17	0,18
6	APL AS		7,46	7,91	1,44	4,81	9,56		0,21	0,46	0,48	0,63	0,7
	Kitron AS		-3,6	-1,46	3,3	1,15	-1,08		0,13	0,28	0,29	0,23	0,22
	Cowi AS	6,71	5,44	2,33	-1,17	-6,21	1,18	0,12	0,31	0,26	0,24	0,26	0,38
	RAMBØLL NORGE AS		7,13	7,47	7,68	8,38	7,57		0,28	0,29	0,35	0,33	0,38
7	Computas AS		7,90	13,96	7,57	-11,22			0,1	0,1	0,34	0,33	
	CISCO SYSTEMS NORWAY AS		9,12	10,79	9,08	10,08	8,16		0,63	0,61	0,46	0,52	0,4
	Proact IT Norge		-4,09	0,86	1,6	-0,03	1,7		0,25	0,23	0,23	0,17	0,16
	Bouvet ASA		10,16	8,05	5,12	-1,01	-21,38		0,45	0,33	0,45	0,27	0,18
8	Plugging Specialists International AS		-13,73	11,85	17,19	22,6	19,66		0,62	0,47	0,46	0,3	0,24
	VAN OORD NORWAY AS		5,79	17,48	23,68	13,13	32,1		0,46	0,66	0,16	-0,05	-0,17
	Petrotech AS		8,71	7,39	9,3	14,61	17,11		0,23	0,56	0,55	0,51	0,48
	SEMCO MARITIME DRIFT AS		6,18	5,63	7,30	9,24	1,53		0,1	0,3	0,29	0,31	0,32
9	Handicare		7,72	6,89	8,46	3,87	1,66		0,1	0,32	0,37	0,48	0,5
	MEDECO AS		4,77	1,93	-1,14	2,66	1,49		0,17	0,15	0,15	0,17	0,18
	FARMAGON AS		2,42	0,33	1,06	-0,73	-3,43		0,19	0,14	0,16	0,22	0,2
	AVENTIS PHARMA AS		13,23	2,99	7,84	8,9	-0,54		0,39	0,52	0,42	0,28	0,16

Appendix III c

		Turnover(1000NOK)						EBIT (1000NOK)					
No	Target company	2005	2004	2003	2002	2001	2000	2005	2004	2003	2002	2001	2000
10	Scanpark AS	95 342	81 478	76 467	72 071	48 524	27 068	5 148	701	4 145	3 892	2 023	2 309
	Carpark AS	84 636	78 318	75 606	68 945	69 712	66 378	7 262	4 323	5 255	2 282	1 987	3 053
	Center Park AS	107 393	100 623	87 536	60 016	57 380	55 567	1 622	-3 220	175	1 488	4 831	3 056
	Interpark AS	13 940	14 383	12 594	11 430	12 565	14 926	3 393	4 594	2 346	1 779	2 396	3 224
		2004	2003	2002	2001	2000	1999	2004	2003	2002	2001	2000	1999
11	Telenor Media	1 525 301	1 569 564	1 552 339	1 575 514	1 434 310	1 879 658	681 352	740 991	613 950	448 549	402 467	473 862
	Hjemmet Mortensen	1 101 309	1 082 483	1 040 801	1 085 503	1 034 001	993 534	258 918	229 919	166 424	91 291	101 952	97 068
	Aftenposten AS	1 878 031	1 931 565	1 991 281	2 119 324	2 234 609	2 061 786	6 949	14 873	19 315	38 148	161 562	123 707
	J.W. Cappelens Forlag A/S	593 276	602 995	591 817	560 786	563 577	569 700	30 376	31 537	34 799	18 169	22 487	35 321
12	Dynal Biotech ASA	303 681	359 950	309 915	219 421	212 354	175 741	103 403	152 043	100 660	47 351	66 509	20 544
	KEMETYL AS	64 249	58 143	56 944	59 548	45 060	36 001	5 082	4 210	5 005	3 996	1 036	2 012
	NOPCO PAPER TECHNOLOGY AS	244 187	228 927	221 095	207 485	215 363	271 015	49 936	45 213	40 947	35 812	45 829	40 842
	RESCON MAPEI AS	231 184	199 325	210 026	182 968	151 980	148 405	17 639	7 176	8 065	6 367	-7 173	5 417
		2003	2002	2001	2000	1999	1998	2003	2002	2001	2000	1999	1998
13	Norwegian Beverage Group AS	15 859	29 290	25 378	19 553	5 221		-460	14 756	25 317	18 126	-4 972	
	Vinarius AS	52 142	46 670	39 221	38 412	32 830	14 063	2 127	1 913	1 745	1 913	1 737	-963
	AMKA SAGA AS	26 885	20 556	17 786	15 262	14 196	10 739	2 691	2 109	1 186	945	1 367	373
	Winetailor AS	88 133	70 596	63 058	34 792	26 095	18 609	2 159	3 382	1 816	609	1 229	320
		2002	2001	2000	1999	1998	1997	2002	2001	2000	1999	1998	1997
14	Kongsberg Automotive ASA	384 278	431 734	490 563	464 549	451 813		17 024	19 903	33 358	13 658	8 856	
	DEFA AS	224 111	228 441	258 693	267 676	256 245		61 205	65 243	83 170	80 918	42 793	
	TI GROUP AUTOMOTIVE SYSTEMS AS	386 173	374 059	417 257	351 051	318 168		-4 480	4 676	12 601	12 673	10 881	
	HYDRO ALUMINIUM STRUCTURES AS	1 374 240	1 136 752	1 053 657	959 652	1 066 230		9 757	-2 728	-32 137	1 631	31 774	
15	Dynoplast AS	590 900	550 700	572 000	630 400	577 100		3 486	12 611	-29 115	21 875	24 007	
	JACKON AS	263 405	250 162	263 874	225 865	190 921		18 017	30 595	11 347	16 578	11 952	
	Stenqvist AS	145 690	137 704	121 508	106 498	95 750		5 259	3 801	1 640	9 968	5 103	
	Vefi AS	68 050	58 634	55 280	56 664	54 642		14 889	-17 895	-2 897	4 448	5 481	
		2000	1999	1998	1997	1996	1995	2000	1999	1998	1997	1996	1995
16	Helly Hansen	215 000	212 000	226 000	208 000	216 000		25 994	19 992	40 996	-3 994	16 006	
	Herrcon AS	383 258	372 259	365 444	342014	315228		1 265	1 526	2 193	2 018	2 270	
	JC JEANS & CLOTHES AS	249 082	208 700	177 373	143784	82337		1 320	-230	1 047	1 035	354	
	BTX Norge	237 488	195 384	158 247	133 067	112786		21 136	24 677	20 604	14 637	12 328	

Appendix III d

No	Target company	EBIT-margin						Equity-margin (Eq/tot.cap)					
		2005	2004	2003	2002	2001	2000	2005	2004	2003	2002	2001	2000
10	Scanpark AS	5,4	0,86	5,42	5,4	4,17	8,53	0,71	0,87	0,75	0,73	0,68	0,68
	Carpark AS	8,58	5,52	6,95	3,31	2,85	4,6	0,1	0,07	0,05	0,04	0,1	0,1
	Center Park AS	1,51	-3,2	0,2	2,48	8,42	5,5	0,17	0,16	0,26	0,25	0,32	0,36
	Interpark AS	24,34	31,94	18,63	15,56	19,07	21,6	0,1	0,1	0,41	0,23	0,22	0,33
		2004	2003	2002	2001	2000	1999	2004	2003	2002	2001	2000	1999
11	Telenor Media	44,67	47,21	39,55	28,47	28,06	25,21	0,46	0,1	0,1	0,11	0,13	
	Hjemmet Mortensen	23,51	21,24	15,99	8,41	9,86	9,77	0,14	0,13	0,16	0,22	0,47	
	Aftenposten AS	0,37	0,77	0,97	1,8	7,23	6	0,48	0,48	0,46	0,45	0,4	
	J.W. Cappelens Forlag A/S	5,12	5,23	5,88	3,24	3,99	6,2	0,71	0,64	0,54	0,44	0,46	
12	Dynal Biotech ASA	34,05	42,24	32,48	21,58	31,32	11,69	0,23	0,32	0,31	0,24	0,23	
	KEMETYL AS	7,91	7,24	8,79	6,71	2,3	5,59	0,22	0,25	0,24	0,1	0,05	
	NOPCO PAPER TECHNOLOGY AS	20,45	19,75	18,52	17,26	21,28	15,07	0,34	0,35	0,35	0,38	0,4	
	RESCON MAPEI AS	7,63	3,60	3,84	3,48	-4,72	3,65	0,31	0,28	0,3	0,25	0,22	
		2003	2002	2001	2000	1999	1998	2003	2002	2001	2000	1999	1998
13	Norwegian Beverage Group AS	-2,9	50,38	99,76	92,7	-95,23		0,13	0,14	0,14	0,14		
	Vinarius AS	4,08	4,1	4,45	4,98	5,29	-6,85	0,06	0,1	0,06	0,04		
	AMKA SAGA AS	10,01	10,26	6,67	6,19	9,63	3,47	0,35	0,41	0,46	0,49		
	Winetailor AS	2,45	4,79	2,88	1,75	4,71	1,72	0,1	0,11	0,11	0,18		
		2002	2001	2000	1999	1998	1997	2002	2001	2000	1999	1998	1997
14	Kongsberg Automotive ASA	4,43	4,61	6,8	2,94	1,96		0,26	0,27	0,4			
	DEFA AS	27,31	28,56	32,15	30,23	16,7		0,27	0,25	0,27			
	TI GROUP AUTOMOTIVE SYSTEMS AS	-1,16	1,25	3,02	3,61	3,42		0,04	0,15	0,23			
	HYDRO ALUMINIUM STRUCTURES AS	0,71	-0,24	-3,05	0,17	2,98		0,24	0,23	0,25			
15	Dynoplast AS	0,59	2,29	-5,09	3,47	4,16		0,27	0,26	0,22			
	JACKON AS	6,84	12,23	4,3	7,34	6,26		0,64	0,6	0,62			
	Stenqvist AS	3,61	2,76	1,35	9,36	5,33		0,33	0,3	0,3			
	Vefi AS	21,88	-30,52	-5,24	7,85	10,03		0,23	-0,19	0,17			
		2000	1999	1998	1997	1996	1995	2000	1999	1998	1997	1996	1995
16	Helly Hansen	12,09	9,43	18,14	-1,92	7,41		0,15	0,19	0,22	0,59	0,19	
	Herrcon AS	0,33	0,41	0,6	0,59	0,72		0,26	0,32	0,29	0,27	0,28	
	JC JEANS & CLOTHES AS	0,53	-0,11	0,59	0,72	0,43		0,05	0,07	0,07	0,11	0,12	
	BTX Norge	8,90	12,63	13,02	11,00	10,93		0,1	0,10	0,23	0,39	0,28	