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The Public Administration Act

20 JULI 2005

**SHORT FORM NOTIFICATION
(STANDARDIZED NOTIFICATION)**

TO

THE NORWEGIAN COMPETITION AUTHORITY

CONCENTRATION

AHLSSELL NORGE AS

ACQUISITION OF

NEXANS DISTRIBUTUSJON AS

21 July 2005

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1. NOTIFYING ENTITY

Ahlsell Norge AS (Ahlsell)
P.O. Box 184 Forus
N-4065 Stavanger

Org. no: 910 478 656
Telephone: 51 81 85 00

Website: www.ahlsell.no

Ahlsell Nord AS org. no: 960 734 068 was a former subsidiary in Norway. This has recently been merged with Ahlsell, see section 4.1.

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2. OTHER UNDERTAKINGS CONCERNED

Nexans Distribusjon AS (Nexans Distribusjon)
P.O Box 14 Oppsal
N-0619 Oslo

Org. no: 962 127 045
Telephone: 22 76 26 00

Website: www.nexansdistribusjon.no

3. DESCRIPTION OF THE CONCENTRATION

Ahlsell has agreed to acquire 100 % of the shares of the Norwegian company Nexans Distribusjon.

All the shares of Nexans Distribusjon are prior to the acquisition owned by Nexans Norway AS.

4. THE UNDERTAKINGS' STRUCTURES AND AREAS OF BUSINESS

4.1 Ahlsell

Ahlsell Norge AS is a Norwegian company which is a part of the Swedish Ahlsell Group. The Ahlsell Group offers products in the Nordic market to professional users within the following market segments: Heating & plumbing, Electrical, Tools, Refrigeration and DIY (Do It Yourself).

Ahlsell had only one subsidiary in Norway; Ahlsell Nord AS. This subsidiary was owned 100 % by Ahlsell. The activity in Ahlsell Nord AS was already transferred to Ahlsell in 2003, and Ahlsell has decided to merge with Ahlsell Nord AS. This merger is now recently completed. In this notification further information about Ahlsell Nord AS will therefore not be provided.

Further it has been decided to merge Ahlsell with AS Bergens Rørhandel and AS Stavanger Rørhandel (jointly "BRSR"), which are also subsidiaries in the Swedish Ahlsell Group. BRSR was acquired in 2004. This mergers are also recently completed. The description of Ahlsell's business etc in this notification includes the business of BRSR.

Ahlsell is represented in 58 locations in Norway. The number of employees in 2004 was approximately 1000. As mentioned in section 6, Ahlsell has 5 locations with a stock of electrical products. These are located in Stavanger, Oslo, Moss, Fredrikstad and Hamar.

Ahlsell Norge AS is 100 % owned by the Swedish company Ahlsell AB.

Ahlsell AB is 100 % owned by the Swedish company Ahlsell Holding AB. Ahlsell Holding AB is 100 % owned by Nordic Capital. Nordic Capital is a private equity investment firm working primarily in the Nordic region. Nordic Capital was established in 1989, and is primarily looking at potential acquisitions in Denmark, Finland, Norway and Sweden. Nordic Capital is not looking at one industry particularly, but has invested and invests in a wide range of industries. Nordic Capital is not involved, either directly or indirectly through other companies in Norway, in the same business as Nexans Distribusjon. Thus, further information about Nordic Capital will not be provided in this notification.

As regards the Ahlsell Group; except from the sales within the DIY segment, it is only Ahlsell that has business in Norway. The DIY is managed directly from Sweden. Thus, the information provided below in this notification will mostly concern Ahlsell.

Ahlsell is offering products within the following market segments: Heating & plumbing, Electrical, Refrigeration and Tools. As mentioned above, the DIY is managed directly from Sweden.

4.2 Nexans Distribusjon

Nexans Distribusjon is a wholly owned subsidiary of Nexans Norway AS, which is a part of the international Nexans group. The Nexans Group is a global company and is represented in over 20 countries and has approximately 18 000 employees. Nexans Distribusjon is consolidated by a French company, Nexans SA in France.

Nexans Distribusjon has business within distribution and sales of electrical products. Beside this, Nexans Distribusjon is also engaged within integration and management of communication solutions. Nexans Distribusjon is organized in two different business areas: Electrical ("elektro") and Communication & Services. The company has 23 branch offices, all located in Norway. A list of the branch offices is provided in appendix 6. The company's total sales is of approximately NOK 1 000 millions each year. Nexans Distribusjon customers are private and public organizations, electrical contractors, electric plants, oil and offshore companies.

Nexans Distribusjon is a party within the market for tele- and data communication to corporate customers. Nexans Distribusjon delivers complete solutions within telephony and other speech related applications, video and data communications.

In the electrical area of business Nexans Distribusjons main customers are electrical contractors, electric plants, industry and ship/offshore. In 2004 Nexans Distribusjon had a great progress regarding electrical, and made the largest growth in turnover in 10 years. In this area of business the products are made to fit the following segments: electrician installation contractor, electric plants, offshore and industry.

By the end of 2004 Nexans Distribusjon had approximately 290 employees.

5. TURNOVER AND OPERATING RESULT

5.1 Ahlsell

The total turnover in Norway for Ahlsell in 2004 was NOK 855 374 006. The operating result the same year was a loss of NOK 20 529 115. Please note that the 2004 annual financial settlement of Ahlsell (Norge AS) does not include BRSR. Below the sales and the operating result in Norway for the Ahlsell Group, including Ahlsell Norge AS, Ahlsell Nord and BRSR will be provided, as these figures will provide a more adequate picture of the Ahlsell Group's business in Norway. BRSR were consolidated in the Ahlsell Group on 15 October 2004.

The total turnover in 2004 for the Ahlsell Group in Norway was approximately NOK 1410 millions, from this amount exports of approximately NOK 100 millions must be deducted. The operating result (EBITA) for the Ahlsell Group in Norway for the same year was approximately NOK 4 millions.

The total sales of the Ahlsell Group for 2004, in all jurisdictions, was in SEK 11.119 billions. The EBITA for the same year was SEK 583 millions.

5.2 Nexans Distribusjon

The total turnover in 2004 for Nexans Distribusjon was NOK 934 213 553. The turnover in Norway was in 2004 NOK 931 809 614. The operating result (EBIT) for Nexans Distribusjon in the same year was NOK 24 044 253. Since the turnover outside Norway in 2004 only was NOK 2 403 939, we have not estimated a separate amount for the operating result within only Norway.

6. MARKETS AFFECTED BY THE CONCENTRATION

Ahlsell is of the view that the parties' respective business activities are only overlapping within the electrical market. As mentioned above, both of the parties operate as wholesalers in the electrical business. None of the parties, neither Ahlsell or Nexans Distribusjon, sell directly to the end users. Since the parties have no other overlapping markets, only an account of the situation in the electrical market will be provided below.

For wholesalers, as the parties in question, the electrical market consists of a wide range of different electrical products. These products are normally divided into the following groups:

- Cables
- Plugs and sockets
- Fuses and breakers
- Outdoor electrical equipment (linjemateriell)
- Lighting and heating
- Alarm device
- Computer and telecommunication equipment
- Low voltage equipment
- Automation products (automasjons/automatiserings produkter)

The electrical product market includes a number of products which are not considered to be substitutable products. Thus, these products form several of different sub-markets. However, both of the parties are offering products within all these different sub-markets, like most or all of the other electrical wholesalers in the Norwegian market. Therefore Ahlsell does not believe it

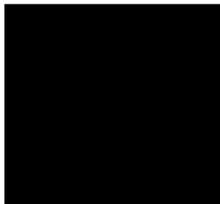
would be suitable for the purpose of this notification to define the different sub-markets, because the situation for the parties having business in the electrical wholesaler market will be the same in all these sub-markets. Thus, the parties consider the relevant market for the purpose of this notification to be the electrical market for wholesalers.

The geographical market includes the areas where the buyers in the relevant product market purchase their products. The geographical market may generally be seen as national, regional or local. The customers in the market in question will be professional and organized, but in smaller or bigger businesses. So, the size of the customers and the size of the purchases may fluctuate a lot. Thus, the geographical market must be seen from the views of the different kind of customers. For larger customers, e.g. [REDACTED], Ahlsell is of the opinion that the market should be regarded as national. For smaller customers (local electricians), the market must be regarded as local, e.g. Tromsø and Fredrikstad. This means that for the purpose of this notification, both the national area and each local area must be evaluated.

Nexans Distribusjon has 23 branch offices in Norway. Ahlsell has 5 locations with a stock of electrical products, and only two of these are located in the same area as Nexans Distribusjons branch offices. The places in question are Stavanger and Oslo. In Oslo Ahlsell assumes that the market share after this transaction will be clearly less than [REDACTED]%. The situation is though otherwise in Stavanger. Ahlsell estimates that the market share in Stavanger will be close to, but not exceeding [REDACTED]%. However, as this is an estimate, the following information is provided regarding the electrical market in **Stavanger**:

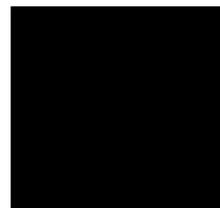
6.1 The five most important competitors

- (i)
- (ii)
- (iii)
- (iv)
- (v)



6.2 The five most important customers

- (i)
- (ii)
- (iii)
- (iv)
- (v)



6.3 The five most important suppliers

- (i)
- (ii)



(iii)
(iv)
(v)



The total market of electrical products in **Norway** consists of many different wholesalers. Ahlsell estimates the total sale in this market to be approximately NOK [REDACTED] millions. Ahlsell had in 2004 in the electrical market sales in Norway at approximately NOK [REDACTED] millions, Nexans Distribusjon had approximately NOK [REDACTED] millions. This implies that both Ahlsell and Nexans Distribusjon are rather small players in the electrical market in Norway seen as a whole, and they will have an estimated total market share of approximately [REDACTED] % at the Norwegian electrical market.

This also supports the view of Ahlsell, that this concentration will not have any negative effect at the market in question.

7. ANNUAL REPORTS AND ANNUAL ACCOUNTS

The annual reports and annual accounts for 2004 of the Ahlsell Group, Ahlsell Norge AS and Nexans Distribusjon AS are attached hereto.

The annual reports and annual accounts for 2004 for AS Bergen Rørhandel og AS Stavanger Rørhandel are also attached.

8. ADDITIONAL INFORMATION

In 2002, the Norwegian Competition Authority granted the parties to this notification a concession related to their planned co-operation as suppliers to Bravida of electrical products, case V2002-18. Alcatel Distribusjon AS is now Nexans Distribusjon AS and Ahlsell AS is now Ahlsell Norge AS. For a number of reasons this co-operation has not materialized as intended. In any event, after the consummation of the transaction the concession will no longer be relevant.

9. PUBLICITY

Information provided in section 6 about the parties market shares, their competitors, suppliers and customers must be regarded as confidential information.

10. ATTACHMENTS

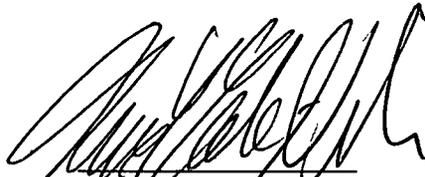
(i) Appendix 1: The annual report from Nexans Distribusjon AS.

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- (ii) Appendix 2: The annual report from Ahlsell Norge AS.
- (iii) Appendix 3: The annual report from AS Bergen Rørhandel.
- (iv) Appendix 4: The annual report from AS Stavanger Rørhandel
- (v) Appendix 5: The annual report from the Ahlsell Group.
- (vi) Appendix 6: A list over Nexans Distribusjon branch offices in Norway.

11. SIGNATURE

Oslo, 21 July 2005



Advokatfirmaet Haavind Vislie AS
Thomas Borch-Nielsen