

SCHJØDT

Konkurransetilsynet
Postboks 439 Sentrum
5805 Bergen

By e-mail

Oslo, 6 September 2012

Partner in charge:
Olav Kolstad

Please find below a standardized notification of ÅF AB's acquisition of Advansia AS. For reasons set out below, the notifying party considers the proposed transaction will not create or strengthen a significant restriction of competition contrary to Section 16 (1) of the Norwegian Competition Act.¹

STANDARDIZED NOTIFICATION OF CONCENTRATION – ÅF AB's ACQUISITION OF ADVANSIA AS

1. NOTIFYING PARTY

Name: ÅF AB
Registration number: 556120-6474²
Address: Frösundaleden 2
169 99 Stockholm
Sweden
Representative: Advokatfirmaet Schjødt AS
Att: advokat dr. juris Olav Kolstad
Munkedamsveien 45 A
Postboks 2444 Solli, 0201 Oslo, Norway
E-mail: olko@schjodt.no
Phone: 22 01 88 00

2. TARGET

Name: Advansia AS
Registration number: 883 889 762
Address: Dronning Eufemias gate 16
0191 Oslo
Norway

¹ Cf. LOV-2004-03-05-12.

² ÅF AB is registered in Sweden.

3. NATURE OF THE CONCENTRATION

The proposed transaction is a share acquisition in which the notifying party, ÅF AB, will acquire 100 % of the shares in the target company, Advansia AS, and thus obtain sole control over the target company. Prior to the proposed transaction, Advansia AS is owned by 36 employees and former employees of the company (sellers). The main owner is the company's former CEO, Björn Sund, with 33, 7 percent of the shares in the target company.

4. STRUCTURE AND BUSINESS AREAS OF THE UNDERTAKINGS CONCERNED

4.1 ÅF AB and ÅF Group

ÅF AB is a Swedish public limited company listed on the Stockholm Stock Exchange and the ultimate parent company in the ÅF Group, headquartered in Stockholm (Sweden). The ÅF Group is a provider of technological consultancy services to the energy, industry, infrastructure and technology sectors; serving clients from both the private and public sector, accounting for 71 percent and 29 percent of the ÅF Group's total sales accordingly.

Technical consultancy services are offered to proprietors and property developers as one category of the wide range of services which are needed in large and complex building projects. The other categories of services include architect services; project management; services provided by general contractors; and services provided by technical contractors.

In addition to the main activity, i.e. technical consultancy services, the notifying party also has limited activities within project management. The Group's limited activities within project management are mainly carried out by the ÅF Group subsidiary Bygganalys AB and to some lesser extent within the Group's divisions (see below). The limited project management services offered by the ÅF Group, including its subsidiary Bygganalys AB, are exclusively provided in Sweden, i.e. the ÅF Group does not have any activities within project management in Norway. Further information on Bygganalys AB is available here:

<http://www.bygganalys.se/>

The services provided by the ÅF Group are divided in four specialist divisions as follows:

- **International Division:** The ÅF Group's Energy Division offers technical and management-oriented consulting services for the energy sector, including advice on different energy markets and on investments relating to the construction of new power plants. The division possesses specialist expertise in power generation and energy market issues. The ÅF Group's energy's consultants offer support throughout the entire life cycle of a project: market analyses and feasibility studies in the initial stages, pre-engineering and engineering once the investment decision has been made, and project management during implementation. Services include: Project steering, the basic design of process solutions, procurement negotiations, manufacturing, design and installation inspections and functionality testing. The Energy Division contributes to approximately 25 percent of total Group sales. The Group's customers within the Energy Division are international energy companies, banks, financial institutions, energy-intensive industries and public authorities. All assignments are conducted outside Sweden, with the major geographical markets being Czech Republic, Finland, India, Russia, Spain, Switzerland and Turkey.

- **Industry Division:** The ÅF Group's Industry Division carries out assignments in all sectors of industry. Services, which are offered to companies with industrial plant and processing facilities, include: Process and control technology, design and analysis calculations, industrial IT, automation, electrical power systems, mechanical engineering, piping design and inspections. Services in these areas cover everything from pre-studies and design concepts during the earliest phases of a project to implementation and commissioning. Typical assignments include technology and financial impact assessments to produce documentation on which clients can base future investment decisions, new control technology for production lines, the integration of production systems and business management systems, and design engineering and mechanical engineering projects for power plants. The Industry Division contributes to approximately 29 percent of total Group sales. The Group's customers comprise clients within all sectors of industry. Approximately 20 percent of assignments are conducted outside Sweden, with the major geographical markets being Sweden, Norway, Denmark, Estonia and Spain.
- **Infrastructure Division:** Within its Infrastructure Division, ÅF Group provides technical solutions for infrastructure and building projects. The Infrastructure Division comprises five business areas: Lighting, Installations, Sound & Vibrations, Environment and Rail & Roads. The area Installations is the largest of the division's business areas within the Infrastructure Division. Within Installations, the AG Group provides proprietors and property developers with technical consultants for qualified construction and modernisation services for commercial, industrial and public-sector premises in order to improve functionality, reduce operating costs and enhance environmental performance. The Infrastructure Division contributes to approximately 29 percent of total Group sales. The Group's customers within the Infrastructure Division are typically large companies involved in publicly financed projects, such as the company Skanska, which has engaged ÅF's engineering expertise for project engineering assignments on some of the more complex aspects of the construction of the New Karolinska University Hospital in Solna. Individual project assignments are carried out all over the world, with the major geographical markets being Sweden, Czech Republic, Denmark and Norway.
- **Technology Division:** The Technology Division is active in the fields of telecommunications, defence and product development; with almost one third of the revenue within the division generated by the telecom industry. Typical assignments include conducting technical IT security analyses, procuring and implementing new communications solutions, and planning and project engineering mobile and fixed broadband networks. Technology also develops and operates customized IT solutions for the Swedish export industry, government authorities, etc. The Infrastructure Division contributes to approximately 17 percent of total Group sales. The Group's customers within the Technology Division include major telecom operators, network owners, municipal authorities, automotive companies, the defence sector, medical technology and life sciences.

ÅF Group carries out operation on a global basis, with Europe as its main market. A list of subsidiary companies controlled by the ÅF Group is available in the 2011 annual report.³

The companies under the ÅF Group have approximately 4,400 employees in total. These are based in Sweden, Denmark, Estonia, Finland, Germany, Italy, Lithuania, Norway, Russia, Spain, Switzerland, Thailand, the Czech Republic, India, Indonesia, Kazakhstan, Nigeria, Scotland, South Africa, Turkey, Turkmenistan, Ukraine and Vietnam.

Further information about the business of ÅF AB and ÅF Group is available here:

<http://www.afconsult.com/>

4.2 Advansia AS and Advansia AB

Advansia AS is a Norwegian private limited company. The company's services are limited to project management services for the building industry. Prior to the proposed transaction, the company is owned by 33 employees, with the main owner being Björn Sund, with 33, 7 percent of the shares in the company. Following the proposed transaction, Advansia AS will become part of the ÅF Group as a wholly owned subsidiary of ÅF AB.

Advansia AS is managing large and complex projects within areas, such as development of airports, hospitals and urban development. For example, Advansia AS has experience from project management of large and multi-discipline projects in Norway, such as Oslo Airport, Telenor's headquarter at Fornebu and the New Akershus University Hospital. The company's primary business model is to manage large, complex, multi-discipline projects within time- and cost budget. In providing its services, the company inquires and issues construction contracts, control contract costs, interface between contracts, and controls the construction processes on the principal builders behalf. The company is also pre-qualified by the Norwegian Ministry of Finance (Finansdepartementet) to provide quality assurance for large public building projects, i.e. building projects valued above MNOK 500.

The company's main customers include Oslo Lufthavn (expansion of Oslo Airport Gardermoen), the Oslo municipality (Deichmann library in Bjørvika), Steen & Strøm (new shopping centres in Åsane and Økern) and Helse Sør-Øst (new hospital in Sarpsborg). Advansia also provides, among others, services for Oslo Havn and Oslo S Utvikling AS.

Advansia AS has a total of 86 employees.

In addition to the project management services provided to customers located in Norway, which is the company's main geographical market, the company also provides project management services in Sweden through its wholly owned subsidiary Advansia AB (556742-2596). The operations in Sweden through the subsidiary have been set up in cooperation with Steen & Strøm in relation to Advansia AB being selected as project manager for a new Steen & Strøm shopping center under construction in Malmö (Sweden).

Advansia AB has a total of approximately 24 employees.

Further information about the business of Advansia AS is available here:

<http://www.advansia.no/>

³ AF Group's 2011 Annual Report is publically available here (see list at pp. 111-113):
http://www.afconsult.com/upload/ekonomi/rapporter/arsredovisn2011/ar2011/eng/engl/pdf/AF_AR_2011.pdf

5. TURNOVER AND OPERATING RESULTS

	Name	Total turnover 2011	Total turnover 2011 in Norway	Operating result 2011 in Norway
Notifying party	ÅF AB	MSEK 5,130 (consolidated)	MNOK 143,4	NOK -702 000
Other undertaking(s) concerned	Advansia AS	MNOK 228,9 (consolidated)	MNOK 185,7 (consolidated)	MNOK 38,6
	Advansia AB	MNOK 43,3	NOK 0	N/A

6. AFFECTED MARKETS

Suppliers offering technological consultancy services to the building industry offer project management services as an integrated part of their services. Project management services are also offered separately by companies specializing in this kind of services. The notifying party submits that the relevant geographical market for both project management services to the building industry and a possible wider product market for technological consultancy services (with project management as integrated part) is Norway, based on the fact that local resources who can keep the projects close to the customer is of significant importance for customers when contracts are awarded and that market players compete for projects on a nation-wide level.

It follows from the description of the business areas (above) that the activities of the undertakings to a large extent are complementary. ÅF Group is mainly a provider of technical consultancy services, whereas Advansia AS's (and Advansia AB's) activities are limited to project management services only. The limited activities of ÅF Group within project management are exclusively carried out in Sweden. Thus, the parties have no overlapping activities on a separate Norwegian market for project management services.

If project management services are regarded as an integrated product in a larger product, i.e. technological consultancy services, the acquiring company and the target company will have limited, overlapping activities in the Norwegian market. The notifying party submits that the limited overlapping activities between the ÅF Group and Advansia AS on a Norwegian market for technological consultancy services will not give rise to competition concerns. The companies will have a very limited market share on this market (see table below), and will not be able to exercise market power of any kind in such a market. Furthermore, customers on a possible market for technological consultancy services in Norway are typically large companies involved in publicly financed projects. Consequently, the customers on this market would be able to exercise considerable counter-veiling purchasing power.

The total turnover in the relevant market for technological consultancy services in Norway is approximately NOK 14 billion. The involved undertakings and its five largest competitors have the following turnover and market shares in Norway:⁴

⁴ Based on estimates.

Name	Turnover MNOK	Market share

It is not necessary to conclude on the market definition, since the notified concentration will not lead to a substantial lessening of competition on neither of the two relevant markets described above.

7. ANNUAL REPORTS AND ACCOUNTS

The 2011 annual report and accounts for the ÅF Group is publically available here:

<http://www.afconsult.com/no/Investor-Relations/>

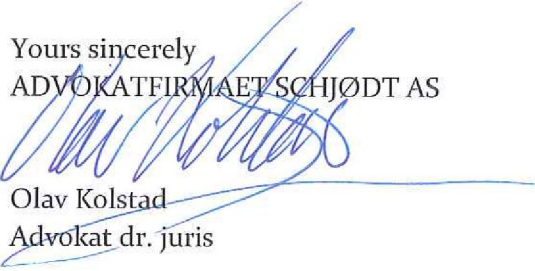
The 2011 annual report and accounts for Advansia AS is publically available in the Brønnøysund registries. The 2011 annual report and accounts for Advansia AB is enclosed.

Annex 1: 2011 annual report and accounts for Advansia AB.

8. BUSINESS SECRETS

The notifying party request that the information on turnover and market shares in the table in section 6 is regarded as business secrets, and not disclosed to any third party.

Yours sincerely
ADVOKATFIRMAET SCHJØDT AS


Olav Kolstad
Advokat dr. juris