

ABG Sundal Collier

First Quarter 2008 - Report to Shareholders

**ABGSC affected by complicated market conditions in the quarter –
Revenues fall 35% and Pre-tax Profits decrease 44%**

Oslo, 24 April 2008 – The global credit crunch and turmoil in equity markets world wide have negatively affected the entire financial sector, including ABGSC's first quarter results. Lower trading volumes and the near absence of ECM activity have had a negative impact on the Equities Division. Tougher market conditions and a more complicated framework for Nordic corporates to raise financing have led to a more difficult environment for our Corporate Finance Division with longer lead times on potential deals. On the positive side, the underlying relative trends for the Equities Division are encouraging as the company continues to slowly gain market share. Despite complicated markets, activity levels within the Corporate Finance Division remain high and the pipeline of M&A activity looks promising for the rest of the year, but we do not however expect our corporate finance revenues for the balance of the year to reach the level we saw in 2007.

Q1 Highlights

- First Quarter Total Revenues were NOK 372 mill vs. NOK 569 mill last year, a decline of 35%
- First Quarter Earnings Per Share declined by 48% to NOK 0.25 vs. NOK 0.49 last year
- Stockbroking revenues decreased by 17% reflecting lower traded volumes on the Nordic stock exchanges. Despite the dearth of ECM activity in Q1 2008 vs. Q1 2007, ABGSC experienced a smaller decrease in traded volumes than the market in general, achieving another increase in market share for the period (3.52% in Q1 2008 vs. 3.38% in Q1 2007)
- Corporate Finance revenues fell by nearly 52% in a more difficult environment for Nordic corporate clients to raise capital in the wake of the global credit crunch. Despite tough markets however, activity levels remain high within the division and the pipeline of potential M&A and corporate restructuring transactions on which we are currently at work looks promising for the rest of the year.
- ABGSC was once again rated among the top 3 firms in the Nordic region in Institutional Investor Magazine's annual research ranking.
- A number of key recruits were completed within Research Sales and Research in our Stockholm operation, including a new Research Sales management team.

Summary Financial Data

Operating data and key ratios

	1st quarter	1st quarter	Year
	2008	2007	2007
Average number of shares in 1,000 (1)	376,407	330,677	353,859
Shares outstanding end of period	339,860	295,074	337,480
Forward contracts for shares outstanding end of period	65,085	43,465	36,665
Earnings per share (in NOK) (2)	0.25	0.49	1.81
Pre-tax income (in NOK 1,000)	130,852	233,805	887,241
Book value per share (in NOK) (3)	4.90	3.95	4.88
Operating cost / Income ratio (4)	39.6 %	22.8 %	24.9 %
Total cost / Income ratio (5)	70.5 %	62.2 %	64.1 %
Compensation / Income ratio (6)	51.1 %	51.2 %	51.7 %
Pre-tax pre bonus profit margin (7)	66.1 %	80.5 %	79.6 %
Return on Equity (12 months) (8)	39.2 %	67.7 %	49.1 %
Number of employees at period end	301	255	289

(1) Adjusted for treasury shares and shares on forward contracts

(2) Net result for the period + interest element in forward contracts divided by the average number of shares

(3) Book equity at end of period divided by the total number of shares (adjusted for treasury shares)

(4) Operating expenses as a percentage of operating revenues

(5) Total expenses including bonus expense and profit to partners as a percentage of operating revenues

(6) Personnel expenses plus bonus expense and profit to partners as a percentage of operating revenues

(7) Earnings before tax adjusted for bonus expense and profit to partners as a percentage of operating revenues

(8) Net result for the last 12 month period as a percentage of average shareholders' equity.

Market Review

The global financial turmoil took its toll on Nordic equity markets during Q1. Despite a late recovery towards the end of the quarter, the OMX Nordic 40 index fell 12.9% in the quarter. The performance of the different Nordic markets varied and very much reflected the nature of each market. The more cyclical Norwegian market took the brunt of the sell-off (-16%), whereas the more defensive Danish market traded down by 8%. Sweden fell by approximately 12% while Finland fell by around 11%.¹ The increased risk premium and flight to quality was further evidenced by large caps stocks continuing to outperform small caps. Nordic market results were slightly better than those for either Asia or Europe as a whole or the US markets.

Despite the turbulent markets, a few bright spots could be identified in terms of specific industry sectors and stock performances. For example, capital goods companies and speciality steel manufacturers with a high degree of emerging markets exposure achieved a healthy rebound of confidence after the sell off in the autumn and earlier this year. This trend saw companies like Outokumpu (+47%), SKF (19%) and Atlas Copco (15%) all posting solid gains. On a similar trend, the ongoing strength of grain prices continued to benefit the agriculture sector and, in the Nordic area, specifically Yara, which continued to rally another 25% in the quarter. The higher oil price also benefited many oil producers with Lundin Petroleum up 30%. Statoil (-3.5%) was held back by company specific disappointments from late last year and the beginning of 2008.

Contrary to the general trend world wide, Nordic financial stocks had a relatively neutral performance during the first quarter after a dreadful Q4 2007. Share price performances hovered around flat for all Nordic large cap banks other than Handelsbanken which fell 9% mainly due to company specific cost problems announced in February. Within the insurance sector the performance was more varied. The Danish insurers and Sampo all recorded gains, whereas Storebrand, with its higher leverage and the uncertainty regarding its main owner's financial position, felt the bite of the credit crunch and its shares fell 25% during the quarter.

Otherwise, most poor performances during the first quarter reflected company specific or related news within the sector. For example, in Telecom Equipment, problems first at Ericsson and at one of Nokia and Ericsson's sub-suppliers led to fears of a global slowdown within the sector and a consequent downgrade of earnings which affected share prices, Ericsson fell by 16% and Nokia fell by 18% in the quarter. Alternative energy supplier Renewable Energy Corporation (REC) surprised the market with a series of production and earnings downgrades and the stock fell 30% in the quarter, after a stellar performance in 2007. Within Pulp & Paper, the vicious circle of a falling dollar, higher capacity and lower prices continued, leading to a number of profit warnings within the sector that affected share prices negatively, with Stora Enso down 23% and UPM Kymmene down 12%. Finally, and somewhat surprising given its defensive nature, the Nordic Telecom Services sector saw all of its stocks posting negative share price developments. Intensified competition in their home markets and a growing concern about the valuation of emerging market assets led to earnings downgrades and a re-rating of the stocks. TeliaSonera fell 15% and Telenor dropped 20%.

¹ Local market indices

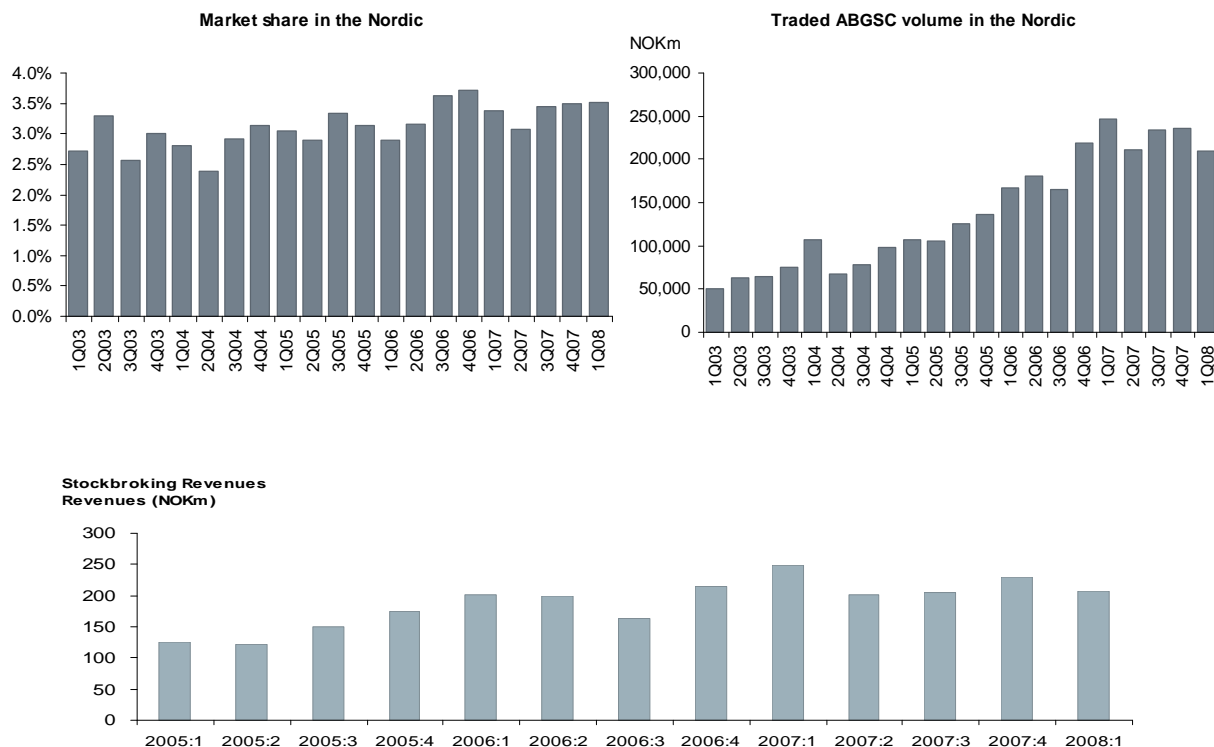
Equities Division

The global credit crunch and the fall in equity prices in the first quarter have led to lower traded volumes in the Nordic markets. Measured in Norwegian kroner (NOK) traded volumes on the Nordic stock exchanges fell by 18.3% in the first quarter. Against this backdrop, ABGSC's Stockbroking revenues fell nearly 17% in Q1 2008 vs Q1 2007. Although this development of revenues is negative, we are encouraged to note that our own Nordic traded volume fell by 14.9%, confirming a continued growth in market share from 3.38% in Q1 2007 to 3.52% in Q1 2008. Further, as ECM related revenues in Q1 2008 compared with Q1 2007 were limited, we are pleased that our underlying secondary commissions have held up relatively well.

The volatile markets have represented a real challenge for our research analysts and the Corporate Access Group (CAG). The need to produce good investment ideas and for clients to have access to companies' management during turbulent times is obvious. In this light we are pleased to again receive a Top 3 ranking within the Nordic area in the Institutional Investor Magazine's annual research ranking. The CAG team achieved an underlying growth in corporate access days of 13% after adjusting the ECM related road shows in Q1 2008 vs. last year. Also within CAG we are pleased that our conscious effort to arrange investor seminars has been well received. In the first quarter, we held our second annual Consumer Goods and Seafood conferences, as well as arranging a number of smaller special trips, e.g. an Icelandic Financial tour.

For a number of years we have been managing a generational shift within the Equities Division, in Research Sales, Research as well as in senior divisional management. One positive element of the challenging market conditions is that it has opened up opportunities for hiring some excellent people, something that has been costly and difficult over the last few years. With this in mind our Equities management group has been busy during the quarter speeding up the generational shift as well as growing our team. One recent priority has been our Swedish operation. In this light we were pleased to announce two new recruits in Research Sales during Q1 (including a new management team) as well as a few more analysts expanding coverage of Finnish companies and strengthening our position within small caps, Macro/Strategy and quant products.

There are few signs yet of a permanent, positive turn of sentiment in the market. However, with the underlying trends we have seen in our secondary commissions, Research and CAG, coupled with our deliberate effort to build a younger and expanded team within the division, we are optimistic about the future and are making every effort to emerge stronger from this financial crisis once trading volumes begin to rise again.

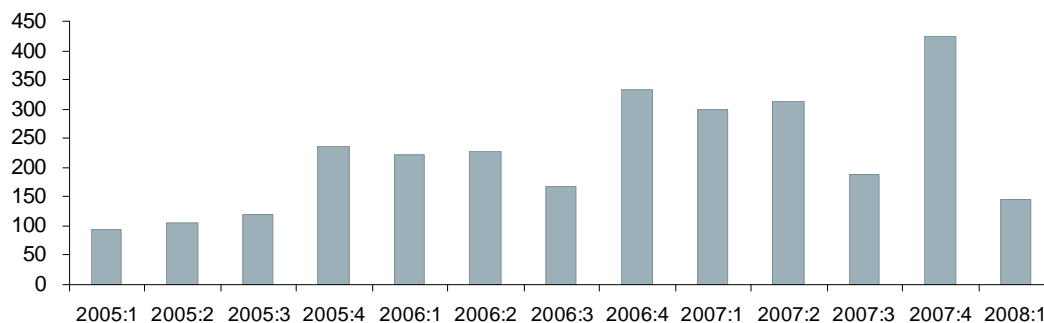


Corporate Finance Division

Corporate Finance revenues fell by 52% to NOK 144 mill in Q1 2008 vs. NOK 298 mill in Q1 2007, reflecting the tougher market conditions. The activity level has remained high but the more complicated environment for financing has led to delays in a number of potential transactions. This trend has been most evident within Bonds, ECM, and Real Estate. On the positive side M&A and corporate restructuring activity remains high and the order book within these areas looks healthy for the rest of the year.

Despite challenging markets, ABGSC's Corporate Finance division continues to improve its market position as manifested in the quarter by a number of high profile assignments: advisor to Norske Skog in its corporate restructuring; advisor to Statoil/Hydro in its sale of Hydro IS Partner to EDB Business Partner and advisor to Borse Dubai in its completed takeover of the OMX Group in Sweden.

Corporate Finance Revenues (NOKm)



Financial Review

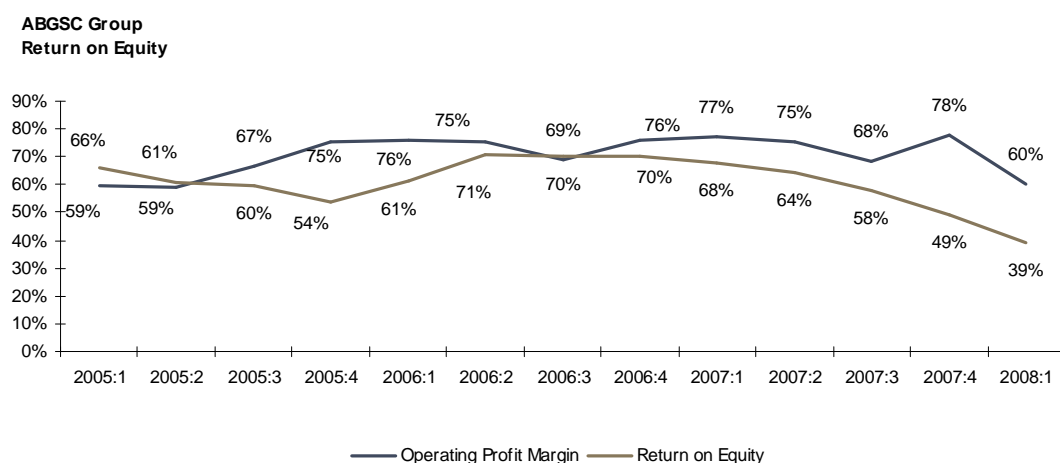
The turmoil in markets has created a growth challenge for ABGSC but its financial strength remains outstanding. With revenues falling nearly 35% and operating expenses increasing by around 15% in the quarter the operating profit before bonuses and profit to partners fell by 50% to NOK 221 mill in Q1 2008 vs. NOK 439 mill in Q1 2007. This development means that the cost/income ratio went up to 40% in Q1 2008 from 23% in Q1 2007.

The increase in operating costs by 14% in the quarter has been mitigated by lower costs associated with the lower trading volumes and some favourable currency adjustments. It also reflects an 18% rise in headcount for the period which underscores a tight rein on non-personnel costs as we build for the future. This is an ongoing process and it is encouraging to see that our efforts are paying off in these testing times.

Net financial income benefited modestly from higher interest rates on deposits and with our normal accrual for bonuses, pre-tax profit came in at NOK 131 mill in Q1 2008 vs. NOK 233 mill in Q1 2007, representing a decrease of 44%. Due to a somewhat lower tax rate (30% in Q1 2008 vs. 32% 1Q 2007), net profit came in at NOK 92 mill in Q1 2008 vs. NOK 159 mill NOK in Q1 2007, a decline of 42%. Reflecting the increase in shares outstanding after last summer's rights issue, EPS fell by a slightly higher 48% to NOK 0.25 per share in Q1 2008 from NOK 0.49 per share in Q1 2007.

During the quarter value adjustments attributable to available for sale investments led to a negative value adjustment equal to NOK 0.25 per share that was recorded directly towards equity (adjustment with NOK 0.00 per share in Q1 2007).

For the first quarter, our return on equity dropped to 39% from 68% in Q1 2007. The company remains in a very strong capital position with a Group capital adequacy ratio of 72% (ex-dividend) compared with the 8% requirement of the Financial Supervisory Authority of Norway and a liquid balance sheet.



ABG SUNDAL COLLIER GROUP
Profit & Loss

Amount in NOK 1,000	1st quarter	1st quarter	%	Year
	2008	2007	change	2007
Operating revenues				
Stockbroking revenues	207,024	248,609	-16.7 %	884,436
Corporate Finance revenues	144,595	298,151	-51.5 %	1,224,445
Proprietary Trading revenues	19,911	22,355	-10.9 %	81,955
Other revenues	-	-		1,508
Total operating revenues	371,530	569,115	-34.7 %	2,192,344
Operating expenses				
Salaries and NI expenses	(75,339)	(66,859)	12.7 %	(275,829)
Other operating expenses	(67,783)	(59,560)	13.8 %	(255,859)
Depreciation	(4,141)	(3,102)	33.5 %	(14,051)
Total operating expenses	(147,262)	(129,522)	13.7 %	(545,739)
EBIT Pre-bonus and profit to partners	224,268	439,593	-49.0 %	1,646,604
Bonus and profit to partners	(114,597)	(224,494)	-49.0 %	(858,498)
EBIT Post-bonus and profit to partners	109,671	215,099	-49.0 %	788,107
Net financial result	21,182	18,706	13.2 %	99,134
Pre-tax income	130,852	233,805	-44.0 %	887,241
Taxes	(39,256)	(74,818)	-47.5 %	(262,134)
Net result for the period	91,596	158,987	-42.4 %	625,107

Balance Sheet

Amount in NOK 1,000	31st March	31st March	31. December
	2008	2007	2007
Total intangible assets			
	77,669	80,116	81,336
Plant and equipment			
	39,413	24,922	38,417
Financial non-current assets			
	67,072	60,005	60,324
Total non-current assets	184,154	165,043	180,078
Receivables			
	5,160,613	5,650,370	4,039,198
Investments			
	649,575	53,431	526,310
Cash and bank deposits			
	609,956	733,789	806,028
Total current assets	6,420,144	6,437,590	5,371,536
Total assets	6,604,297	6,602,633	5,551,614
Paid-in capital			
	635,398	190,855	617,078
Other equity			
	1,027,956	975,396	1,030,518
Total equity	1,663,353	1,166,251	1,647,596
Long-term liabilities			
	383,371	378,491	384,837
Current liabilities			
	4,557,572	5,057,891	3,519,181
Total liabilities	4,940,944	5,436,382	3,904,018
Total equity and liabilities	6,604,297	6,602,633	5,551,614

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Accounting principles

The quarterly report is prepared in accordance with the International Financial Reporting Standard (IFRS) published by the International Accounting Standards Board (IASB) and all interpretations from the Financial Reporting Interpretations Committee (IFRIC), which have been endorsed by the EU commission for adoption within the EU. The quarterly report is unaudited.

Note 2 - Change in equity

	1st quarter 2008	1st quarter 2007	Year 2007
Shareholders equity - opening balance	1,647,596	980,153	980,153
Net result for the period	91,596	158,987	625,107
Dividend paid	-	-	(472,438)
New issuing of shares	21,661	27,508	550,710
Change in own shares	-	-	275
Investments available for sale - valuation effect	(94,261)	-	(20,193)
FX-conversion/other	(3,240)	(398)	(16,017)
Shareholders equity - ending balance	<u>1,663,353</u>	<u>1,166,251</u>	<u>1,647,596</u>

Note 3 - Information about Segments and Geographical Markets

The Group's two business segments are Stockbroking and Corporate Finance. The internal management system is matrix-based. Revenues and expenses are recorded both by business segment and geographical markets. Assets and liabilities except from directly allocatable items, and equity and cash flow are recorded by geographical markets.

Operating profit reported by primary segment (business segment)

	Operating Revenues			Operating costs			Operating profit before bonus and profit to partners		
	1st quarter 2008	1st quarter 2007	Year 2007	1st quarter 2008	1st quarter 2007	Year 2007	1st quarter 2008	1st quarter 2007	Year 2007
Equities	210,268	295,400	1,047,586	80,879	78,314	325,090	129,389	217,086	722,496
Corporate Finance	141,344	251,346	1,062,803	45,530	38,657	170,907	95,814	212,689	891,896
Trading & Risk	19,918	22,369	81,955	20,853	12,551	49,742	(935)	9,818	32,213
Total	<u>371,530</u>	<u>569,115</u>	<u>2,192,344</u>	<u>147,262</u>	<u>129,522</u>	<u>545,739</u>	<u>224,268</u>	<u>439,593</u>	<u>1,646,604</u>

Operating profit reported by secondary segment (geographical markets)

	Operating Revenues			Operating costs			Operating profit before bonus and profit to partners		
	1st quarter 2008	1st quarter 2007	Year 2007	1st quarter 2008	1st quarter 2007	Year 2007	1st quarter 2008	1st quarter 2007	Year 2007
Norway	179,442	324,238	1,285,279	64,288	51,037	232,129	115,154	273,201	1,053,151
Sweden	73,590	76,207	269,914	36,545	30,564	114,069	37,045	45,643	155,845
Denmark	4,008	9,126	31,207	2,805	3,693	15,033	1,203	5,433	16,174
UK *)	71,692	105,150	386,355	25,935	27,490	115,034	45,757	77,660	271,321
US	42,799	54,394	219,589	17,689	16,738	69,476	25,110	37,656	150,114
Total	<u>371,530</u>	<u>569,115</u>	<u>2,192,344</u>	<u>147,262</u>	<u>129,522</u>	<u>545,739</u>	<u>224,268</u>	<u>439,593</u>	<u>1,646,604</u>

*) Inc. Continental Europe

Consolidated Cash flow statement

	1st quarter 2008	1st quarter 2007	Year 2007
Net cash flow from operating activities	(430,220)	(212,460)	1,029,807
Net cash flow from investing activities	(135,148)	(2,341)	(524,373)
Net cash flow from financing activities	369,296	332,896	(315,099)
Net change in cash and cash equivalents	(196,072)	118,095	190,334
Cash and cash equivalents - opening balance	806,028	615,694	615,694
Cash and cash equivalents - ending balance	<u>609,956</u>	<u>733,789</u>	<u>806,028</u>

Shareholder Information

ABG Sundal Collier is listed on the Oslo Stock Exchange with the ticker symbol "ASC".

	31 Dec 2007	31 March 2008
Share price	NOK 12.60	NOK 9.25

Planned dividend Payment (AGM April 24th 2008): NOK 1.70 per share. The share will trade ex dividend from April 25th.

High - Low 2008 (closing prices): NOK 12.60-8.46

Ownership Structure

	Shares	%
Directors & Staff	127,688,548	37.8
Treasury shares	1,750	0.0
All other	209,789,653	62.2
Total Shares at 31 March 2008	337,479,951	100.0

ABGSC has forward contracts with partners purchasing 67,464,500 shares with settlement in 2008-2011. ABGSC owns 1,750 Treasury shares. ABGSC has authorisation to re-purchase its shares in the market or to issue new shares.

Share Price Development - Closing Prices

