

D&B BUSINESS REPORT

DATE OF REPORT 9. FEBRUARY 2016

NIRAS AS

1. Identification
2. Rating
3. Rating History
4. Rating - description
5. Organizational Facts
6. Owner/Judicial
7. Finance - Summary
8. Financial Statement
9. Key Financial Ratios
10. Key Financial Ratios - description
11. Payment History
12. Payment History - description

1. IDENTIFICATION

NIRAS AS

Company information

| | |
|----------------|---|
| Visit address | Bø Industriområde 2 Sandavegen 17 3802 Bø I Telemark |
| Postal Address | P.O Box: 0 |
| Reg.no | 836 938 062 |
| D-U-N-S no. | 51-772-3334 |
| Telephone | (+ 47) 35 06 13 10 |
| Telefax | (+ 47) 35 95 31 05 |
| Legal form | PRIVATE LIMITED COMPANY |

2. RATING

| | | | |
|-------------------------|---------------------------------------|----------------------|-----------|
| Rating | AAA - Maximum creditworthiness | | |
| Limit (NOK/1000) | 1 800 | Special event | NO |

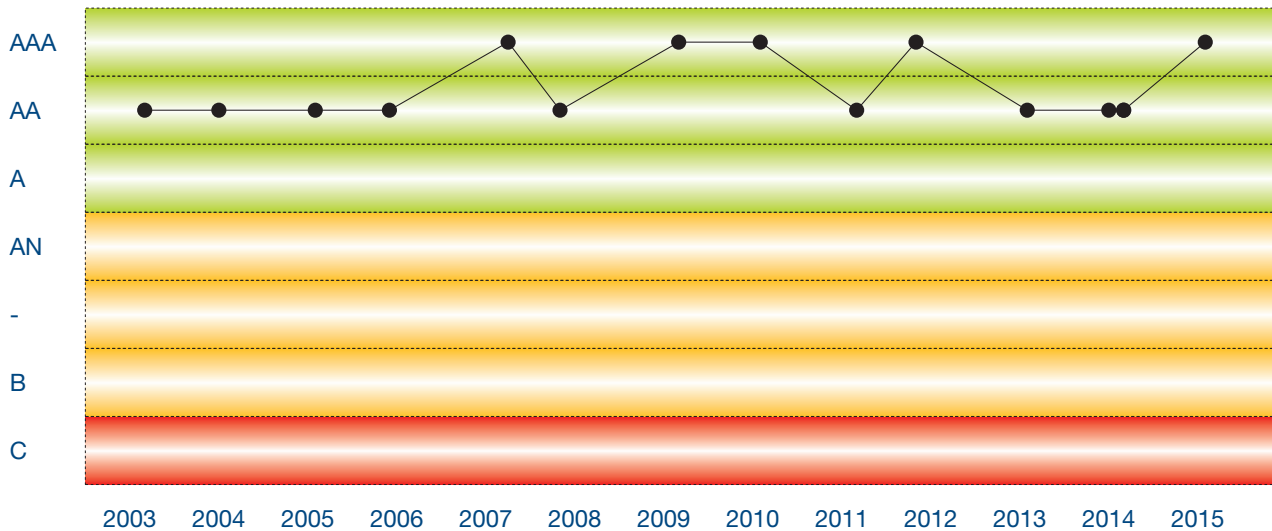
CREDIT PROFILE

| Organizational Facts | Owner/Judicial * | Finance | Payment History |
|-------------------------|------------------|--------------------------|------------------|
| Well established | Strong | Strong | Excellent |
| Established | Good | Good | Acceptable |
| Newly Established | Weak | Acceptable | Doubtful |
| Unknown | Doubtful | Weak | Poor |
| Liquidated | Negative | Poor | Insolvent |
| | | No information available | Bankrupt |
| | | Auditor remarks | |
| | | Balance sheet is too old | |

* If a company is personally owned, it will not be able to attain a Strong rating unless it is a member of a group (subsidiary).

3. RATING HISTORY

NB: Only last 15 events shown in the Graph



| Changed date | Fiscal year | Rating | Limit (NOK/1000) | Special event |
|--------------|-------------|--------|------------------|---------------|
| 07-2015 | 2014 | AAA | 1 800 | NO |
| 08-2014 | 2013 | AA | 1 500 | NO |
| 08-2014 | 2012 | AA | 1 600 | NO |
| 06-2014 | 2013 | AA | 1 500 | NO |
| 07-2013 | 2012 | AA | 1 600 | NO |
| 04-2012 | 2011 | AAA | 2 300 | NO |
| 08-2011 | 2010 | AA | 1 300 | NO |
| 07-2010 | 2009 | AAA | 1 400 | NO |
| 08-2009 | 2008 | AAA | 1 200 | NO |
| 04-2008 | 2007 | AA | 860 | NO |
| 09-2007 | 2006 | AAA | 1 100 | NO |
| 05-2006 | 2005 | AA | 160 | NO |
| 07-2005 | 2004 | AA | 100 | NO |
| 06-2004 | 2003 | AA | 260 | NO |
| 08-2003 | 2002 | AA | 260 | NO |

4. RATING - DESCRIPTION

D&B CREDIT RATING NORWAY - AAA

Dun & Bradstreet's AAA credit rating system was introduced in January 1992. This is a knowledge-based expert system created to provide uniform credit ratings for all Norwegian business entities. Similar systems are also being used by our sister companies in Sweden, Denmark and Finland. A joint Nordic rating system is available on the Internet.

D&B's AAA rating has developed a strong reputation and recognized stature in the Norwegian credit market and is widely used as a credit assessment tool by a wide range of Norwegian companies.

The following business organization forms are rated: public companies (ASA), private limited companies (AS), sole proprietorships (ENK), limited partnerships (BA), associations and clubs (FL) as well as foreign branch offices operating in Norway (NUF). All other company forms are not rated, nor any of the following branches: banks, financial institutions and insurance companies.

STRUCTURE OF THE RATING SYSTEM

The AAA rating system is very dynamic and provides the user with a newly calculated rating code each time an online search is performed. This entails that the rating code for a particular business entity may change during the day if new elements of information are registered. Therefore, a rating code from our on-line system is always considered to be the latest update. The rating code is determined based on the assessment given to the 4 sub-categories:

- Organizational facts
- Ownership/judicial
- Finance
- Payment history

The 4 sub-categories are described in greater detail below.

The following rating codes are used in the rating system, along with the percentage of Norwegian companies included in each rating group as of 01.10.2013.

| | | |
|-----------|-----------------------------|--------|
| AAA | Highest creditworthiness | 2.5 % |
| AA | Good creditworthiness | 23.6 % |
| A | Creditworthy | 42.6 % |
| AN | Newly established | 4.0 % |
| No Rating | Rating cannot be determined | 10.8 % |
| B | Credit against security | 9.6 % |
| C | Credit not recommended | 6.9 % |
| | | 100 % |

SUB-CATEGORIES

ORGANIZATIONAL FACTS

Under organizational facts, the model analyzes the following elements: Formal registration of the business entity, status, assessment of the entity's age and size of capital. An analysis of the organization facts yields one of the following status descriptions:

- Well established
- Established
- Newly established
- Unknown
- Liquidated

OWNER/JUDICIAL

Through an analysis of the owner/judicial category, the model performs a test to determine whether any negative information exists (payment remarks) associated with the following elements: General Manager, Chairman of the Board, parent company and subsidiaries. The company's ownership structure determines which informational elements will be prioritized. The ownership/judicial category yields one of the following assessments::

- Strong
- Good
- Weak
- Doubtful
- Negative

If a company is personally owned, it will not be able to attain a Strong rating unless it is a member of a group (subsidiary).

FINANCE

The finance area plays a central role in the rating model and a thorough analysis of the balance sheets for the last three years is performed. Additionally, the trend is measured against the accounting records of previous years. Due to the fact that accounting records already are "historical" when we receive them, we have chosen to only assess records that were completed less than 22 months ago. This means that an accounting record that was completed as of 31 Dec 2013 can be utilized as a means of determining a rating code until 1 Nov 2015. Prior to this date, all accounting records for 2015 must be sent to the official registry in Brønnøysund and registered in our database. Business entities whose accounting records are older than 22 months at the time the rating code is published, will receive an assessment of "accounting records too old" under the finance subcategory.

The rating model enables a thorough analysis of the financial accounts, where we focus on profitability, liquidity and financing. Importantly, an analysis of all pertinent key figures is performed, enabling our customers to assess the company's financial situation. In addition to analyzing the key figures of the most recent accounting records, we also look at developments since the previous year in order to discover a positive or negative trend as early as possible. The analysis, however, does not take into account the nominal amounts, but instead looks at the relationships between the individual sizes of the numbers from the keyfigure analysis. This entails that even companies whose sales and balances are relatively low may achieve a favourable rating.

However, certain minimum sales and capital requirements have been set in order for a company to attain a AAA or AA rating. One of our points for awarding even small companies with a creditworthy rating has been that these companies are also profitably run, have solid finances, and that the businesses are operated in a professional manner that merits a favourable rating. Thus, many companies can be "content to be small". However, our maximum recommended credit limit does take into consideration the size of the company. A company whose capital size is negative will never be able to attain a higher rating than "B".

The following key financial ratios are utilized in the rating model:

| KEY FIGURES | DEFINITION |
|-----------------------------------|--|
| Return on total assets | $\frac{\text{ordinary result before taxes} + \text{financing costs}}{\text{average total capital}} \times 100$ |
| Interest coverage | $\frac{\text{interest costs} + \text{ordinary result before taxes}}{\text{interest costs}} \times 100$ |
| Current ratio (liquidity ratio 1) | $\frac{\text{current assets}}{\text{current liability}}$ |
| Quick ratio (liquidity ratio 2) | $\frac{\text{current assets} - \text{stock in trade}}{\text{current liability}}$ |
| Long-term storage-financing | $\frac{\text{current assets} - \text{short-term liability}}{\text{stock-in-trade}} \times 100$ |
| Loss buffer | $\frac{\text{equity}}{\text{total revenues}} \times 100$ |
| Equity-capital ratio | $\frac{\text{equity}}{\text{total capital}} \times 100$ |
| Shareholders capital | $\frac{\text{share capital}}{\text{equity}} \times 100$ (can show a portion of capital that has been lost) |

The finance-area of the rating model also takes into consideration any remarks made by external auditors. Upon registration of the accounting records, all external audits are reviewed and any remarks are registered. In those cases where the auditors are unable to comment on the company's year-end closure, the note "Auditor remarks" is added to the finances sub-category. Companies having this assessment will not be given a creditworthy rating (A, AA, AAA).

The following assessments are used under the finance sub-category:

- Strong
- Good
- Acceptable
- Weak
- Poor
- No information available (balance sheet missing)
- Auditor remarks
- Balance sheet too old (records are older than 22 months)

PAYMENT HISTORY

This section of the rating model determines if the company has any payment remarks registered in our database. If this is the case, an extensive analysis of those defaults is performed. Our database of payment remarks contains information gathered from a large number of credit-reporting agencies, in addition to many of the collection agencies and conciliation boards. The model analyzes a company's payment history, concentrating on the type, age, quantity, and amount of the payment default(s).

An extensive analysis is of crucial importance in order to assign a company the correct rating code. For example, it is quite possible for a large company to attain a favorable rating code in spite of the presence of payment remarks. Companies declared to be insolvent are automatically assigned a rating code of "C".

The following assessments characterize the payment history sub-category:

- Excellent
- Acceptable
- Doubtful
- Poor
- Insolvent
- Bankrupt

NEWLY ESTABLISHED ENTITIES

One of the unique features of the AAA model is how it assigns rating codes to newly established entities. These business entities will not be able to produce any accounting records until after roughly two years' existence. The model is built so that it takes into consideration the size of the firm's registered capital and whether or not this has been paid fully. The primary advantage of the model is that it assesses the key persons running the entity (General Manager and Chairman of the Board). A newly established entity is initially assigned a rating code of "AN", but if we encounter a negative payment history on the part of one or more of the key persons, the company will be assigned a rating code of "B" or "C"..

RATING SOLE PROPRIETORSHIPS

Dun & Bradstreet has developed a model specifically aimed at sole proprietorships. This model is built on the same platform used for corporations, but due to different access levels to informational sources, the models are characterized by different sets of rules. In the case of sole proprietorships, we focus on the proprietor's personal income tax returns for the past two years. Additionally, the model also takes into consideration any payment remarks registered for the proprietor and other entities the proprietor is involved in, and if the proprietor has ever been associated with an entity that has declared bankruptcy. Sole proprietorships cannot receive AAA.

CREDIT LIMIT

D&B's recommended credit limit was introduced several years ago based on customer demand. We have based this limit on a normal 30-day trade credit. The two accounting entries that affect this limit are sales and equity ratio, i.e. the size of commercial activity and the size of the buffer that the company has to meet difficult times. The larger the turnover and equity, the higher the credit limit will be. The calculation of the limit is schematic in nature and does not take into account differences in trade sectors, etc.

Certain absolute criteria have been set for assigning a credit limit:

- The company must have an A credit rating or better
- Turnover must be a minimum of 1 million NOK
- The company must not be in the shipping or estate trades
- The company may not be in the management or holding company sectors

Due to the lack of a requirement for submission of annual accounts for Sole proprietorships, we have fixed the credit limits for these at NOK 50,000 for AA rated companies and NOK 25,000 for A-rated..

MINIMUM CRITERIA FOR ATTAINING AAA AND AA RATINGS

We have included absolute minimum criteria in our rating model for obtaining an AAA or AA rating. These are criteria governing the size of operating revenue and the total amount of equity. In order to qualify for an AAA rating, an entity must have a turnover of more than NOK 1 million and more than NOK 2000 000 in equity, while an entity qualifying for an AA rating must have a turnover of more than NOK 500 000 and more than NOK 100 000 in equity. In addition to small companies, this assessment negatively affects holding and investment companies, which frequently have zero operating revenue..

CHARACTERISTICS OF ENTITIES WITHIN THE INDIVIDUAL RATING CODES

The rating code is determined based on a combination of the four previously listed sub-categories. There are several different combinations that yield the individual rating codes. We provide below an example of how an average entity within each rating code may appear.

AAA: The entity has a strong financial structure, is well established, and there are no significant registered payment remarks associated with the entity.

AA: The characteristics of an “AA” rated entity are that it is well established, and has a good or acceptable financial structure. Moreover, there is no significant negative information registered on the legal entity.

A: An “A” rated entity is usually characterized by a somewhat weak financial structure; nevertheless, it is still considered to be a creditworthy entity. There is only insignificant negative information, or none at all, associated with the company.

AN: Newly established entity (between 0-2 years old), where accounting records have not yet been received. No defaults or negative information have been associated with the general manager or chairman of the board.

No Rating: Payment remarks and negative events that are of significance to the future operation of the entity often characterize these types of entities. Additionally, key elements of information might not be available, making it impossible for us to assess the entity’s creditworthiness.

B: A “B” rated company is characterized as having a weak or poor financial structure. The entity has normally been operating at a loss and the paid-in capital has been partially or wholly lost. No negative information has been registered in the form of payment remarks.

C: This entity has a weak or poor financial structure and severe payment remarks have been registered. The entity may also be recently established, without accounting records. In the latter case, there would be negative information registered on the entity, general manager, or the chairman of the board.

Exceptions to this scheme of classification do exist; however, the most common situations have been described. For example, it is possible for an entity with severe financial problems to have acceptable finances, based on the past year’s accounting records. However, the registration of new payment remarks could result in the entity’s rating code being reduced to a “B” or “C”. Entities with poor finances will not automatically receive a better rating if new capital is injected; rather, the effect will be noticeable only when the following year’s closing records are registered and the new capital is reported..

BANKRUPTCY RISK

Having used the rating system for several years has enabled us to make a statement concerning the risk of an entity having to declare bankruptcy. We receive continuous updates of all entities that declare bankruptcy so that we are able to see what rating codes these entities had 12 months prior to bankruptcy and at the time bankruptcy was declared.

The statistics enable us to determine the probability that a particular entity with a given rating code will declare bankruptcy within one year. As seen in the table below, 1 out of 6 C-rated entities will declare bankruptcy within one year’s time.

| RATING | PROBABILITY OF BANKRUPTCY (IN %) |
|---------------|---|
| AAA | 0.08 |
| AA | 0.29 |
| A | 0.53 |
| AN | 1.15 |
| No rating | 9.16 |
| B | 2.41 |
| C | 10.78 |

Last updated october 1, 2013

5. ORGANIZATIONAL FACTS

CREDIT PROFILE: WELL ESTABLISHED

| | |
|-----------------------|---|
| Company name | NIRAS AS |
| Legal form | PRIVATE LIMITED COMPANY |
| Share capital | 1 150 000 - Paid-in full COMPANY OWNED |
| Group connection | YES |
| Established year | 1985 |
| Date of establishment | 01-03-1985 |
| Date of registration | 23-06-1990 |
| Reg. Place | Foretaksregisteret |
| Auditor | Revisjonsselskapet AS - 974481596 |
| Line of business | 24200 - MANUFACTURE OF TUBES, PIPES, HOLLOW PROFILES AND RELATED FITTINGS, OF STEEL |
| No. of employees | 2014 - 29 2015 - 31 2016 - 31 |
| Municipality name | BØ (TEL.) |
| County | TELEMARK |
| Man. Direc. | SUNDE OLAV |
| Signature | SIGNATURE EXISTS |
| Procuration | PROCURATION EXISTS |

6. OWNER/JUDICIAL

CREDIT PROFILE: STRONG

BOARD OF DIRECTORS

| Duty | Born | Name | Postal address | Code |
|--------------|--------|----------------------|--------------------|------|
| Man. Direc. | 080864 | SUNDE OLAV | 3801 BØ I TELEMARK | |
| Chairman | 250554 | GJERLAND JAN ARNE | 1338 SANDVIKA | |
| Board member | 270770 | KYVIK RUNE | 3801 BØ I TELEMARK | |
| Board member | 140350 | LIE TORMOD | 4990 SØNDELED | |
| Board member | 251277 | LIE VIGBJØRN | 3825 LUNDE | |
| Board member | 080549 | LUND BJØRN | 3803 BØ I TELEMARK | |
| Board member | 060542 | SKIPENES ANDERS KNUT | 3830 ULEFOSS | |

| Rep. codes | Code |
|--------------------------------|------|
| Rep. for share holders class A | A |
| Rep. for share holders class B | B |
| Rep. for share holders class C | C |
| Employee rep. | R |

SHAREHOLDERS

| Name | National ID./ VAT | Date of Birth | Postal Address | Share |
|--------------------|-------------------|---------------|--------------------|-------|
| NIRAS HOLDING AS | 989 213 083 | | 3802 BØ I TELEMARK | 60 % |
| SKIPENES INVEST AS | 989 273 310 | | 3830 ULEFOSS | 30 % |
| LUND BJØRN | 0 | 08-05-1949 | 3803 BØ I TELEMARK | 10 % |

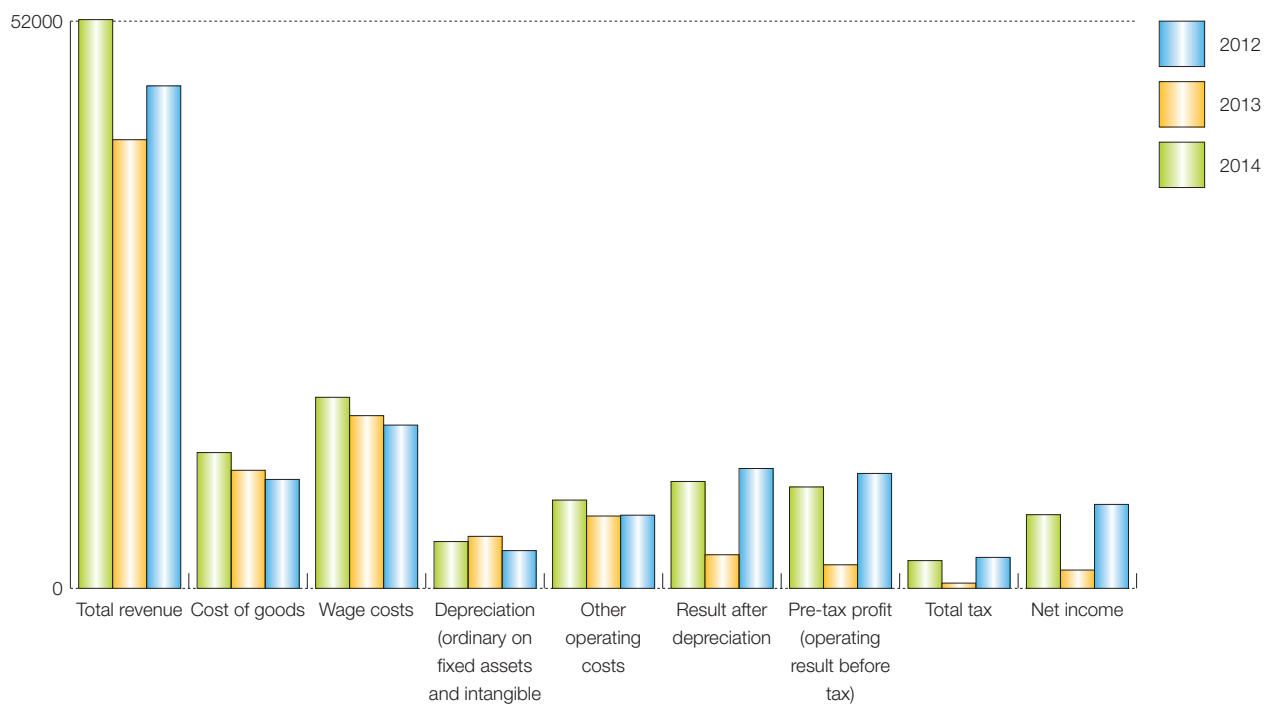
7. FINANCE - SUMMARY

CREDIT PROFILE: STRONG

RESULT

Figures in tnok

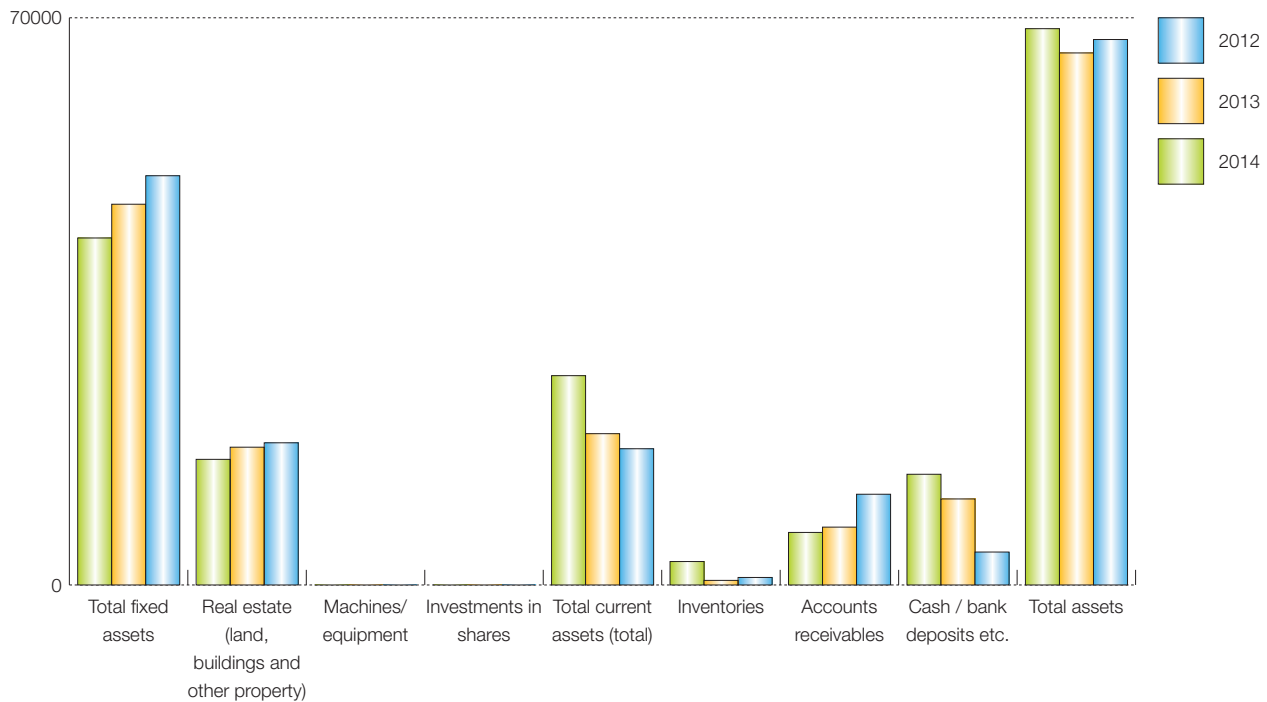
| Fiscal year | 12-2014 | 12-2013 | 12-2012 |
|---|---------------|---------------|---------------|
| TOTAL REVENUE | 52 142 | 41 132 | 46 065 |
| Cost of goods | 12 447 | 10 823 | 9 985 |
| Wage costs | 17 515 | 15 833 | 14 967 |
| Depreciation (ordinary on fixed assets and intangible assets) | 4 289 | 4 767 | 3 459 |
| Other operating costs | 8 092 | 6 630 | 6 708 |
| RESULT AFTER DEPRECIATION | 9 799 | 3 079 | 10 987 |
| Pre-tax profit (operating result before tax) | 9 294 | 2 157 | 10 534 |
| Total tax | 2 542 | 481 | 2 838 |
| NET INCOME | 6 752 | 1 676 | 7 695 |



ASSETS

Figures in tnok

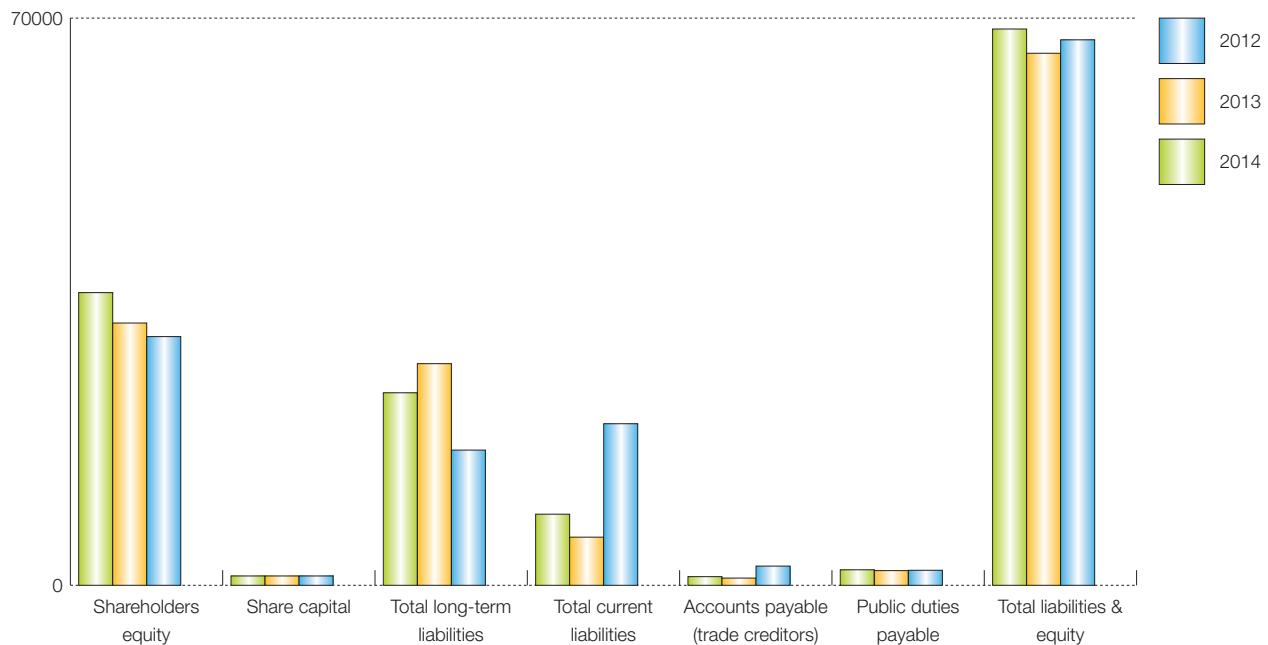
| Fiscal year | 12-2014 | 12-2013 | 12-2012 |
|--|---------------|---------------|---------------|
| TOTAL FIXED ASSETS | 42 824 | 46 990 | 50 507 |
| Real estate (Land, buildings and other property) | 15 503 | 17 004 | 17 546 |
| Machines/Equipment | 0 | 0 | 0 |
| Investments in shares | 0 | 0 | 0 |
| TOTAL CURRENT ASSETS (TOTAL) | 25 832 | 18 672 | 16 812 |
| Inventories | 2 892 | 566 | 926 |
| Accounts receivables | 6 483 | 7 139 | 11 197 |
| Cash / Bank deposits etc. | 13 662 | 10 616 | 4 065 |
| TOTAL ASSETS | 68 656 | 65 662 | 67 319 |



LIABILITY / EQUITY

Figures in tnok

| Fiscal year | 12-2014 | 12-2013 | 12-2012 |
|---------------------------------------|---------------|---------------|---------------|
| SHAREHOLDERS EQUITY | 36 121 | 32 368 | 30 693 |
| Share capital | 1 150 | 1 150 | 1 150 |
| TOTAL LONG-TERM LIABILITIES | 23 759 | 27 352 | 16 687 |
| TOTAL CURRENT LIABILITIES | 8 776 | 5 941 | 19 939 |
| Accounts payable (Trade creditors) | 1 065 | 891 | 2 368 |
| Public duties payable | 1 913 | 1 812 | 1 854 |
| TOTAL LIABILITIES & EQUITY | 68 656 | 65 662 | 67 319 |


REMARKS FROM AUDITOR

No auditor remarks registered

8. FINANCIAL STATEMENT

CREDIT PROFILE: STRONG

Figures in tnok

INCOME STATEMENT

| Fiscal year | 12-2014 | 12-2013 | 12-2012 |
|---|---------------|---------------|---------------|
| TOTAL REVENUE | 52 142 | 41 132 | 46 065 |
| Sales income | 51 910 | 41 105 | 45 879 |
| Other operating income | 232 | 27 | 186 |
| Cost of goods | 12 447 | 10 823 | 9 985 |
| Movement in inventories | 0 | 0 | -41 |
| Wage costs | 17 515 | 15 833 | 14 967 |
| Depreciation (ordinary on fixed assets and intangible assets) | 4 289 | 4 767 | 3 459 |
| Write-down (on fixed assets and tangible assets) | 0 | 0 | 0 |
| Other operating costs | 8 092 | 6 630 | 6 708 |
| RESULT AFTER DEPRECIATION | 9 799 | 3 079 | 10 987 |
| Investment subsidiaries (income from subsidiaries) | 0 | 0 | 0 |
| Investment group (income from other group entities) | 0 | 0 | 0 |
| Other investments (income from associates) | 0 | 0 | 0 |
| Interest income group | 0 | 0 | 0 |
| Other interest income | 302 | 166 | 240 |
| Other financial income | 35 | 0 | 1 |
| Change of value financial current assets | 0 | 0 | 0 |
| Depreciation current financial assets (write-down) | 0 | 0 | 0 |
| Depreciation fixed financial assets (write-down) | 0 | 0 | 0 |
| Interest costs group (interest paid to group companies) | 0 | 0 | 0 |
| Other interest costs | 838 | 991 | 661 |
| Other financial costs | 4 | 97 | 33 |
| Pre-tax profit (operating result before tax) | 9 294 | 2 157 | 10 534 |
| Tax on ordinary profit | 2 542 | 481 | 2 838 |
| Ordinary operating profit | 6 752 | 1 676 | 7 695 |
| Extraordinary income | 0 | 0 | 0 |
| Extraordinary costs | 0 | 0 | 0 |
| Tax on extraordinary profit | 0 | 0 | 0 |
| Total tax | 2 542 | 481 | 2 838 |
| Minority interests | 0 | 0 | 0 |
| Net income | 6 752 | 1 676 | 7 695 |
| Group contribution | 0 | 0 | 0 |
| Dividend | 3 000 | 0 | 0 |
| Transfer assessment differences (Reserve for valuation variances) | 0 | 0 | 0 |
| Transfer other equity | 3 752 | 1 676 | 7 695 |

ASSETS

Figures in tnok

| Fiscal year | 12-2014 | 12-2013 | 12-2012 |
|---|---------------|---------------|---------------|
| TOTAL FIXED ASSETS | 42 824 | 46 990 | 50 507 |
| Total intangible assets | 0 | 0 | 0 |
| Research and development | 0 | 0 | 0 |
| Patents etc. (Patents, Concessions, Licences, Trade mark) | 0 | 0 | 0 |
| Deferred tax asset | 0 | 0 | 0 |
| Goodwill | 0 | 0 | 0 |
| Durable assets (total) (Tangible fixed assets) | 42 824 | 46 990 | 50 507 |
| Real estate (Land, buildings and other property) | 15 503 | 17 004 | 17 546 |
| Machines/Equipment | 0 | 0 | 0 |
| Ships, rigs, aeroplanes etc. | 0 | 0 | 0 |
| Working moveable property (Fixtures and fittings, tools, office machinery etc.) | 27 321 | 29 986 | 32 961 |
| Financial fixed assets (total) | 0 | 0 | 0 |
| Investments in subsidiaries | 0 | 0 | 0 |
| Investments in other group companies | 0 | 0 | 0 |
| Group receivables | 0 | 0 | 0 |
| Investments in other associates | 0 | 0 | 0 |
| Loans to associates and joint ventures | 0 | 0 | 0 |
| Investments in shares | 0 | 0 | 0 |
| Bonds and other receivables | 0 | 0 | 0 |
| Pension fund | 0 | 0 | 0 |
| Other fixed assets | 0 | 0 | 0 |
| TOTAL CURRENT ASSETS (TOTAL) | 25 832 | 18 672 | 16 812 |
| Inventories | 2 892 | 566 | 926 |
| Raw materials | 0 | 0 | 0 |
| Produced goods | 0 | 0 | 0 |
| Finished goods | 2 892 | 566 | 926 |
| Account receivables (total) | 9 279 | 7 490 | 11 821 |
| Accounts receivables | 6 483 | 7 139 | 11 197 |
| Other receivables | 2 796 | 352 | 624 |
| Group receivables (total) | 0 | 0 | 0 |
| Claim on payment company capital (Subscribed capital but not paid) | 0 | 0 | 0 |
| Investments (total) | 0 | 0 | 0 |
| Shares in group companies | 0 | 0 | 0 |
| Other shares (Quoted investment shares) | 0 | 0 | 0 |
| Other bonds (Quoted bonds) | 0 | 0 | 0 |
| Other quoted financial instruments | 0 | 0 | 0 |
| Other financial instruments | 0 | 0 | 0 |
| Cash / Bank deposits etc. | 13 662 | 10 616 | 4 065 |
| Other current assets | -1 | -1 | 0 |
| TOTAL ASSETS | 68 656 | 65 662 | 67 319 |
| Pledges | 0 | 0 | 0 |

LIABILITY / EQUITY

Figures in tnok

| Fiscal year | 12-2014 | 12-2013 | 12-2012 |
|--|---------------|---------------|---------------|
| SHAREHOLDERS EQUITY | 36 121 | 32 368 | 30 693 |
| Deposit equity (Paid-in capital) | 1 150 | 1 150 | 1 150 |
| Share capital | 1 150 | 1 150 | 1 150 |
| Own shares | 0 | 0 | 0 |
| Profit fund | 0 | 0 | 0 |
| Earned equity | 34 971 | 31 218 | 29 543 |
| Transfer assessment difference | 0 | 0 | 0 |
| Other restricted equity | 34 971 | 31 218 | 29 543 |
| LIABILITIES | 32 535 | 33 293 | 36 626 |
| Total long-term liabilities | 23 759 | 27 352 | 16 687 |
| Allocation liabilities (Provisions) | 2 871 | 2 575 | 2 205 |
| Pension liabilities | 0 | 0 | 0 |
| Deferred tax liabilities | 2 792 | 2 491 | 2 116 |
| Other allocations liabilities (Other provisions) | 79 | 84 | 89 |
| Other long-term liabilities | 20 888 | 24 777 | 14 482 |
| Converted debt (Convertible loans) | 0 | 0 | 0 |
| Bond loan (Certificate loans) | 0 | 0 | 0 |
| Debt to credit companies (long-term) | 20 888 | 24 777 | 14 482 |
| Long-term group liabilities | 0 | 0 | 0 |
| Subordinated loan capital | 0 | 0 | 0 |
| Other long-term debt | 0 | 0 | 0 |
| Total current liabilities | 8 776 | 5 941 | 19 939 |
| Converted debt (Convertible loans) | 0 | 0 | 0 |
| Certificate loans | 0 | 0 | 0 |
| Debt to credit companies (short-term) | 0 | 0 | 0 |
| Bank overdraft | 0 | 0 | 0 |
| Accounts payable (Trade creditors) | 1 065 | 891 | 2 368 |
| Tax payable | 2 242 | 106 | 1 541 |
| Public duties payable | 1 913 | 1 812 | 1 854 |
| Intercompany payable (short-term) | 0 | 25 | 0 |
| Dividends | 0 | 0 | 0 |
| Other current liabilities | 3 556 | 3 107 | 14 176 |
| TOTAL LIABILITIES & EQUITY | 68 656 | 65 662 | 67 319 |

9. KEY FINANCIAL RATIOS

| RETURN | 2014 | | 2013 | | 2012 | |
|-------------------------|----------|------------------|----------|------------------|----------|------------------|
| | | Line of business | | Line of business | | Line of business |
| Profit margin | 17,82 % | 9,45 % | 5,24 % | 8,10 % | 22,87 % | 24,35 % |
| Interest cover | 999,99 % | 999,99 % | 317,66 % | 999,99 % | 999,99 % | 999,99 % |
| Return on total capital | 15,09 % | 16,90 % | 4,88 % | 12,38 % | 21,70 % | 26,49 % |
| Return on equity | 19,72 % | 25,59 % | 5,32 % | 19,49 % | 28,66 % | 35,00 % |

| SOLVENCY | 2014 | | 2013 | | 2012 | |
|--------------|---------|------------------|---------|------------------|---------|------------------|
| | | Line of business | | Line of business | | Line of business |
| Equity ratio | 52,61 % | 41,33 % | 49,29 % | 43,59 % | 45,59 % | 50,16 % |
| Loss buffer | 69,27 % | 28,37 % | 78,69 % | 30,24 % | 66,63 % | 47,84 % |

| CASH-FLOW | 2014 | | 2013 | | 2012 | |
|-----------------------------------|---------|------------------|---------|------------------|--------|------------------|
| | | Line of business | | Line of business | | Line of business |
| Current ratio (Liquidity ratio 1) | 2,94 | 1,39 | 3,14 | 1,63 | 0,84 | 1,89 |
| Quick ratio (Liquidity ratio 2) | 2,61 | 1,20 | 3,05 | 1,38 | 0,80 | 1,59 |
| Liquid assets in % turnover | 26,20 % | 5,55 % | 25,81 % | 8,01 % | 8,82 % | 6,24 % |

| FINANCING | 2014 | | 2013 | | 2012 | |
|---------------------------------------|----------|------------------|----------|------------------|--------|------------------|
| | | Line of business | | Line of business | | Line of business |
| Long term stock (inventory) financing | 100,00 % | 100,00 % | 100,00 % | 100,00 % | 0,00 % | 100,00 % |
| Cost of external capital | 2,56 % | 5,57 % | 3,11 % | 4,16 % | 2,79 % | 12,53 % |

| EFFECTIVENESS | 2014 | | 2013 | | 2012 | |
|----------------------|--------|------------------|--------|------------------|--------|------------------|
| | | Line of business | | Line of business | | Line of business |
| Average storage time | 50,70d | 47,37d | 25,16d | 63,32d | 34,29d | 117,49d |

10. KEY FINANCIAL RATIOS - DESCRIPTION

KEY RATIOS - DESCRIPTIONS AND FORMULAS

We have divided the ratios into 4 categories: Return (profitability), Solvency, Cash-flow and Financing.

RETURN

PROFIT MARGIN

Profit margin shows how much profit the company generates in % of total turnover. A good margin should be more than 10 %. In capital-intensive industries it should be even higher.

Formula: $\frac{\text{Income before tax} \times 100\%}{\text{Turnover}}$

INTEREST COVERAGE

This ratio shows the company's ability to serve their loans by paying interest. We measure how many times the income before interest covers the interest expenses. The absolute minimum requirement should be 100% which means that you can pay the interest, but then you have zero left to pay taxes or dividends. We say that a sound company should have an interest coverage ratio of 300% or more.

Formula: $\frac{(\text{Income before tax} + \text{Interest expenses}) \times 100\%}{\text{Interest expenses}}$

RETURN ON TOTAL CAPITAL

This ratio shows how much return the company generates on the total capital (assets). This ratio should exceed common interest level on deposits or else it would be more profitable to put the money in the bank.

Formula: $\frac{(\text{Income before tax} + \text{Financial costs}) \times 100\%}{\text{Average total capital}}$

RETURN ON EQUITY

Return on equity shows the return from the owner's perspective. Be aware that this ratio gets higher the less equity the company has.

Formula: $\frac{(\text{Income before tax} - \text{Tax}) \times 100\%}{\text{Average shareholders equity}}$

SOLVENCY

EQUITY RATIO

Shows how much of the total capital that is equity. Negative or zero equity means that the shareholders capital is lost.

Formula: $\frac{\text{Shareholders equity} \times 100\%}{\text{Total capital}}$

LOSS BUFFER

This ratio measures the shareholders equity as a percentage of the turnover. Given unchanged turnover, the loss buffer shows how negative profit margin you can have before the share capital is lost. An acceptable loss buffer should be more than 10 %.

Formula: $\frac{\text{Shareholders equity} \times 100\%}{\text{Turnover}}$

CASH-FLOW

CURRENT RATIO (LIQUIDITY RATIO 1)

This ratio looks at the relation between current assets and current liabilities. The goal should be that your current assets, that is sellable within short term (1 year) should exceed current liabilities (payable within 1 year). This ratio should be at least 1,3 to be acceptable.

Formula: $\frac{\text{Current assets}}{\text{Current liabilities}}$

QUICK RATIO (LIQUIDITY RATIO 2)

Compared to current ratio, this ratio focuses on the most liquid assets, which means that we deduct inventories. This ratio should be more than 1,0 to be acceptable.

Formula: $\frac{(\text{Current assets} - \text{inventories})}{\text{Current liabilities}}$

LIQUID ASSETS IN % OF TURNOVER

This ratio shows how much highly liquid assets the company has compared to the turnover. We say that 5% or more is satisfactory.

Formula: $\frac{\text{Liquid assets (Cash/Bank deposits + Short term financial investments)}}{\text{Turnover}}$

AVERAGE STORAGE TIME

This ratio shows how many days in average the goods are stored. The shorter storage time, the faster the inventories are turned around. High turnover is positive for the cash-flow.

Formula: $\frac{\text{Average inventories} \times 365 \text{ days}}{\text{Cost of sold goods}}$

FINANCING

LONG TERM STOCK (INVENTORY) FINANCING

This ratio tells us how much of the inventories that is financed on long term. It is important that at least the fixed minimum stock-level is financed by long term capital.

Formula: $\frac{(\text{Current assets} - \text{Current liabilities}) \times 100\%}{\text{Inventories}}$

COST OF EXTERNAL CAPITAL

This ratio shows what the cost is for the external capital (both short and long term debt). When comparing with the market interest rate, take into consideration that some of the external capital is interest-free, like debt to suppliers.

Formula: $\frac{\text{Financial costs} \times 100\%}{\text{average external capital}}$

11. PAYMENT HISTORY

CREDIT PROFILE: EXCELLENT

SUMMARY

| Description | Number | Up-to-date |
|--|--------|------------|
| Debt collection/Judgement debt/Public Announcement | 0 | 09-02-2016 |
| Pledge of chattels | 3 | 09-02-2016 |
| Compulsory pledge Property | 0 | 09-02-2016 |

DETAILS

| Date | Type | Amount | Source | Ref. number | Creditor |
|------------|------|------------|------------------|-------------|-----------------|
| 23-02-2012 | DT | 30 000 000 | LØSØREREGISTERET | 65813 | Sparebanken Sør |
| 23-02-2012 | FA | 10 000 000 | LØSØREREGISTERET | 65815 | Sparebanken Sør |
| 23-02-2012 | KA | 5 000 000 | LØSØREREGISTERET | 65814 | Sparebanken Sør |

12. PAYMENT HISTORY - DESCRIPTION

PAYMENT REMARKS

AR - ARREST

An interim measure which can be used before a decision has been reached in respect of a creditor's claim, where there are grounds for fearing that normal enforcement will be forfeited or complicated significantly. Used to a large extent in claims against Norwegian citizens resident abroad and where the claim is disputed.

AV - PROVISIONAL ATTACHMENT

A time-limited sanction, where a decision has been reached which has not yet been granted legal force. This deals largely with disputed cases and as such they should not be attributed with too much importance. This form of sanction has rarely used following the introduction of the new Enforcement Act.

DO - JUDGEMENT IN THE CONCILIATION COURT

A judgement in favour of a debt-collection demand has been reached in the conciliation court. In other words, the debtor has either failed to attend or otherwise expressed the correctness of the claim.

HE - ENCUMBRANCE OF ASSETS (WITH SECURITY IN REAL PROPERTY)

HF - ENCUMBRANCE OF ASSETS (WITH SECURITY IN CHATTELS)

In order to ensure payment of a fine, confiscation, litigation costs, compensation or reparation, which the accused has been, or is assumed would be fined, the court may, following application by the prosecuting authority, decide a charge for a specified sum in assets belonging to him, where there are grounds for believing that the execution would otherwise be forfeited or made complicated significantly. The encumbrance can be enforced until the restraint sought is legally settled. A settlement made by the court cannot be appealed by the defendant.

IN - COLLECTION PROCEEDINGS

RS - DEBT-COLLECTION PROCEEDINGS (WITH LEGAL MEASURES)

AO - RECOVERY (DEFAULTED INSTALMENTPLAN)

NR - COLLECTION PROCEEDINGS (WITH NEW LEGAL ACTION)

Registration of debt-collection proceedings may, in respect of private individuals, take place where the debtor has failed to pay the claim or expressed that the claim is incorrect within one month of the taking of legal measures. Legal measures will usually mean the submission of an application for conciliation proceedings or creditor's statutory demand for a written acknowledgement of debt. In respect of companies, the same type of registration takes place one month after the payment request has been sent out. The same reservations in respect of settlement and dispute also apply here.

IS - INSOLVENCY/INABILITY TO PAY

The debt-collection agency has received information that, as of this date, it is not possible to register a charge in salary, chattels or real property. «Nothing for distraint».

KR - RESTRAINT ON DISPOSAL PRIOR TO BANKRUPTCY

The debtor has filed for bankruptcy and the probate court or a court of justice has, on their own initiative or at the request of a creditor, specified that the debtor's right of disposal in respect of properties which is comprised by sequestration in a bankruptcy shall cease. This shall be due to the fact that the court has found it likely that the debt or would otherwise dispose of the properties to the detriment of the creditors.

MF - INTERIM MEASURES

An interim sanction prior to the granting of grounds for enforcement, which is similar to arrest but applies only where the requirement is nota monetary claim.

TL - ENFORCEMENT PROCEEDINGS IN RENTAL AGREEMENT**UA - DISBURSEMENT/PROVISIONAL ATTACHMENT****UB - DISTRAINT OF PROVISION****UL - LEVYING OF DISTRESS****UP - DISTRESS**

Enforced distress to debtor's chattels or property. In the case of claims in the civil court this is an extension of a default action where there is a legally enforceable judgement or other grounds for enforcement. The same type of forced distress is also used by the State and municipalities in order to secure claims for public duties, e.g. tax and VAT. It is worth noting that the levying of distress may be performed in order to secure a claim in a dispute over tax assessment. Where there are other negative charges in addition to the claim from the chief municipal treasurer, this registration should therefore be emphasised to a somewhat lesser degree. These registrations are removed, either on cessation or 4 years after the date of registration. Exceptions to this are active charges recorded in the Register of Mortgaged Movable Property or on a fixed property. These entries will, where the charges are not removed after 4 years, remain until the charge is struck from the public register, and are thereafter removed immediately when we receive an update verifying that the charges have been cancelled.

SO - VOLUNTARY CREDIT FREEZE

This is a form of voluntary registration which has primarily been used where the registered person or named trustee has been in contact with us, as a result of theft of identification papers or where for some other reason an individual does not wish to be granted credit. This registration therefore acts as a «freeze», and for this reason it is desirable that contact be made with our Investigation Service for further information about the background of the registration.

VOLUNTARY LODGING OF SECURITY**FA - FACTORING AGREEMENT**

This is a form of voluntary lodging of security where the debtor's outstanding debts are placed as security for a loan, other creditor are transferred to a factoring company as part of financing. In respect of the latter this means that the company «sells» its debts and receives advance settlement for these. In this way they remain covered in respect of any loss due to claims, but must pay the factoring company a percentage of the assets' value. The majority of factoring agreements may, however, be compared with other voluntary mortgage debts, where the creditor - in addition to or instead of some other form of security, receives a security in the debtor's outstanding claims.

DT - SECURITY IN MACHINERY AND PLANT**FP - SECURITY IN FISHING EQUIPMENT****JB - SECURITY IN RAILWAY EQUIPMENT****LP - SECURITY IN AGRICULTURAL BUSINESS****KA - SECURITY IN MOTOR VEHICLE/PLANT****LA - LEASING AGREEMENT****SP - SECURITY FOR UNPAID PURCHASE OF VEHICLE****VL - SECURITY IN STOCK**

These are voluntary forms of voluntary lodging of security placed as security for a loan or some other form of credit.

OFFICIAL STATEMENTS

GF - DEBT-SETTLEMENT PROCEEDINGS

The debtor is granted consent by the enforcement officer to negotiate with all his/her creditors, in order, where possible, to come to an agreement over voluntary or enforced settlement of debt. This is announced in the Register of Mortgaged Movable Property and may be followed up subsequently by notification of enforced or voluntary debt settlement. Most debt settlements however conclude without the debt restructuring being undertaken.

FG - VOLUNTARY DEBT-SETTLEMENT

TG - ENFORCED DEBT-SETTLEMENT

Having opened debt-settlement proceedings, the debtor has been granted a voluntary/enforced debt-settlement. The settlement normally has a duration of 5 years, at the end of which period the debtor shall be debt free.

LI - CLEARED COMPANY

The company is removed from the Central Coordinating Register for Legal Entities/Register of Business Enterprises. This is done either because the company has been dismantled or shall continue in the form of another company. This also applies when the company shall merge with another company.

MA - PUBLIC DEBT SETTLEMENT

A debt-settlement made public. This is seldom used since the majority of companies now opt to initiate debt settlement proceedings with their creditors without this having to be made public.

MK - BANKRUPTCY

Opening date for a publicly announced bankruptcy.

TV - ENFORCED LIQUIDATION

Opening date for a public announcement of enforced liquidation of a company.

TK - RETURNED BANKRUPT ESTATE

The debtor has been petitioned for bankruptcy or subjected to enforced winding-up but the conclusion of administration of the estate is that the estate be returned to the debtor to freely dispose of, due to the fact that there have been sufficient funds in the estate to cover all debts or that the basis of the enforced closure no longer applies. These registrations are also removed 4 years from the date of registration. The exceptions are registered, enforced/voluntary debt-settlement, which are registered for the duration of the settlement. Opening of debt-settlement proceedings (GF) is cancelled immediately on granting of voluntary/enforced debt-settlement or alternatively 1 year after the registration is removed from the Register of Mortgaged Movable Property as a result of the debtor not being granted public debt-settlement. Notification of bankruptcy (MK) or enforced liquidation (TV) will be cancelled where it is made known that the estate has been returned for the debtor's full disposal (TK).