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**NORDIC MINING ASA**

MUNKEDAMSVEIEN 45 OPPGANG A VIKA ATRIUM

0250 OSLO

Att: GRØNDAHL LARS

# D&B Business report

Date of report 08/26/2009

## **NORDIC MINING ASA**

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## 1. IDENTIFICATION

### **NORDIC MINING ASA**

#### **Company information**

##### **Visit address**

Munkedamsveien 45 Oppgang A Vika Atrium  
0250 Oslo

##### **P.O. Box**

##### **Reg.no**

989 796 739

##### **D-U-N-S no.**

54-854-0231

##### **Telephone**

(+ 47 ) 22 94 77 90

##### **Telefax**

(+ 47 ) 22 94 77 91

##### **Legal form**

PUBLIC LIMITED COMPANY



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## 2. RATING

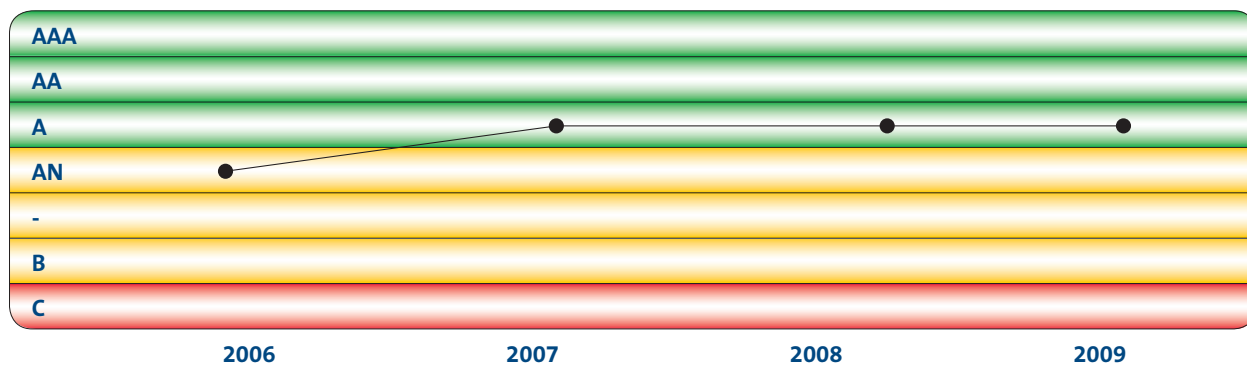
<b>Rating</b>	<b>A - Credit-worthy</b>		
<b>Limit (NOK/1000)</b>	<b>0</b>	<b>Special event</b>	<b>NO</b>

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



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### 3. RATING HISTORY



Changed date	Fiscal year	Rating	Limit (NOK/1000)	Special event
07-2009	2008	A	0	NO
09-2008	2007	A	0	NO
07-2007	2006	A	80	NO
05-2006	0	AN	0	NO



## 4. RATING - DESCRIPTION

### D&B CREDIT RATING NORWAY - AAA

The Norwegian credit rating system was introduced in 1992. This is a knowledge-based expert system, created to provide credit ratings for all Norwegian business entities. Similar systems are also being used by our sister companies in Sweden, Denmark, and Finland.

Today, the AAA rating, is the most known rating system in Norway, and is used 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 all foreign branch offices operating in Norway (NUF).

#### Structure of rating system

The AAA rating system is very dynamic and provides the user with a newly calculated rating code each time an on-line 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, and Payment history.

The following rating codes are used in the rating system; the percentage of Norwegian companies included in each rating group is shown to the right (only private companies-AS).

<b>AAA</b>	<b>Highest creditworthiness</b>	<b>8 %</b>
<b>AA</b>	<b>Good creditworthiness</b>	<b>21 %</b>
<b>A</b>	<b>Creditworthy</b>	<b>32 %</b>
<b>AN</b>	<b>Newly established</b>	<b>18 %</b>
<b>No Rating</b>	<b>Rating cannot be determined</b>	<b>2 %</b>
<b>B</b>	<b>Credit against security</b>	<b>16 %</b>
<b>C</b>	<b>Credit not recommended</b>	<b>3 %</b>

#### 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, capital size, and whether the capital has been fully paid.

#### Assessments:

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

##### Ownership/judicial

Through an analysis of the owner/judicial category, the model performs a test to determine if there exists negative information (payment remarks) connected to 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



## 4. RATING - DESCRIPTION

### 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 12/31/2006 can be utilized as a means of determining a rating code until 11/1/2008. Prior to this date, all accounting records must be sent to the official registry in Brønnøysund and registered in our database. Business entities, whose accounting records are older than 22 month at the time the rating code is published, will receive an assessment of "accounting records too old" under the finance subcategory.

The financial assessment is split into three: return (profitability), cash flow and financing. An analysis of all pertinent financial numbers 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 its development from the previous year, attempting to discover a positive or negative trend as early as possible. The analysis, however, does not take into consideration the nominal amounts, but rather looks at the relationships between the individual sizes of the numbers from the key-figure analysis. This entails that even companies, whose sales and balances are low, may achieve a favorable 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 must also be profitably run, have solid finances, and that the businesses are operated in a professional manner that deserves a favorable rating. Thus, many companies can be "happy 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:

- Return on total assets
- Interest coverage
- Current ratio (liquidity ratio 1)
- Quick ratio (liquidity ratio 2)
- Long-term storage-financing
- Loss buffer
- Equity-capital ratio
- Shareholders capital (eventually shows how much of the capital that has been lost)

For more details on key ratios, see: Financial ratios-descriptions and formulas.

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 eventual remarks registered. In those cases where the auditor(s) 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 code (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 is 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 Brønnøysund registers. 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".



## 4. RATING - DESCRIPTION

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 these key persons, the company will be assigned a rating code of "B" or "C". This feature of the model entails that a person who, for example, has declared bankruptcy one day and then registers a new business the next day receives a poor rating code for that entity.

### 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 on 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.

### Exceptions

Due to special balance sheet forms, banks, financial institutions, and insurance companies are not assigned a rating code. Information pertaining to their registration is, however, available through the on-line system. Entities with a creditworthy rating (AAA, AA, and A) and having sales in excess of NOK 1 mill. are in addition to the rating code assigned a maximum recommended credit limit. Entities belonging to the industries "shipping" and "property management" are, however, not assigned a recommended credit limit.

### Characteristics of entities within the individual rating codes

The rating code is determined, based on a combination of the four previously discussed sub-categories. There are several different combinations that yield the individual rating codes.

Below, please find 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 registered payment remarks associated with the entity itself, the key persons, or the shareholders.

**AA:** The characteristics of an "AA" rated entity are that it is well established, and has a good or acceptable financial structure. Moreover, there are no negative payment remarks registered on the legal entity or the owner.

**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 are no registered payment remarks associated with the owner or relatively insignificant negative information related to the company's payment history. There exists no record of any negative information that might be considered of crucial importance to the company's ability to continue operating.

**AN:** Newly established entity (between 0-2 years old), where accounting records have not yet been received. No payments remarks or negative information is associated with the entity, owner, general manager, Chairman of the Board, or the shareholders.

**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.



## 4. RATING - DESCRIPTION

**B:** A "B" rated company is characterized as having a weak or poor financial structure. The entity has been operating at a loss and the paid-in capital has been partially or wholly lost. No negative information has been registered with respect to payment remarks.

**C:** This entity has a weak or poor financial structure and there are severe payment remarks 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's possible for an entity with severe financial problems to have acceptable finances, based on the past years 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 at the time the next year's closing records are registered.

### Bankruptcy risk

Having used the rating system for several years has enabled us to make a statement surrounding the risk of an entity declaring 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 before 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 7 C-rated private companies will declare bankruptcy within one year.

Rating	Probability of bankruptcy ( i %)
AAA	0,19
AA	0,25
A	0,70
AN	1,78
Ingen rating	3,77
B	3,01
C	14,67



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## 5. ORGANIZATIONAL FACTS

Credit profile: Established

<b>Company name</b>	NORDIC MINING ASA
<b>Legal form</b>	PUBLIC LIMITED COMPANY
<b>Share capital</b>	9 547 009 - Paid-in full COMPANY OWNED
<b>Group connection</b>	YES
<b>Established year</b>	2006
<b>Date of establishment</b>	23-02-2006
<b>Date of registration</b>	08-05-2006
<b>Reg. Place</b>	Foretaksregisteret
<b>Auditor</b>	Ernst & Young AS - 976389387
<b>Line of business</b>	7290 - MINING OF OTHER NON-FERROUS METAL ORES
<b>The object of the company</b>	
<b>No. of employees</b>	2007 - 4 2008 - 5 2009 - 5
<b>Municipality name</b>	OSLO
<b>County</b>	OSLO
<b>Man. Direc.</b>	FOSSUM IVAR SUND
<b>Signature</b>	SIGNATURE EXISTS
<b>Procuration</b>	



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## 6. OWNER/JUDICIAL

Credit profile: Strong

Duty	Born	Name	Postal address
Man. Direc.	280458	FOSSUM IVAR SUND	1394 NESBRU
Chairman	281159	DVERGSTEN DAG ØIVIND	0380 OSLO
Deputy ch.m.	100271	FISKEVOLL CAMILLA	0487 OSLO
Board member	160460	DÆHLIE ANNE	1361 ØSTERÅS
Board member	090741	ULLEBØ EGIL MARTIN	1721 SARPSBORG

### Shareholders

Name	National ID./VAT	Date of Birth	Postal Address	Share
DAG DVERGSTEN AS	987 018 062		0250 OSLO	8.9 %
SKAGEN VEKST	0		0000	7.3 %

### Subsidiary company

Subsidiary company Name	Subsidiary company ID	Post office	Share	Status
NORDIC RUTILE AS	990 691 606	0250 OSLO	100 %	Active
GUDVANGEN STEIN AS	946 362 158	5747 GUDVANGEN	85 %	Active
KELIBER OY	537 856 650	0000	68 %	

**7. FINANCE - SUMMARY**

Credit profile: Weak

**Result**

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>TOTAL REVENUE</b>	<b>66</b>	<b>59</b>	<b>7 500</b>
Cost of goods	0	0	0
Wage costs	8 614	3 164	0
Depreciation (ordinary on fixed assets and intangible assets)	0	0	0
Other operating costs	16 354	26 116	13 381
<b>RESULT AFTER DEPRECIATION</b>	<b>-37 902</b>	<b>-29 221</b>	<b>-5 881</b>
Pre-tax profit (operating result before tax)	-38 841	-36 535	-5 805
Total tax	0	0	0
<b>NET INCOME</b>	<b>-38 841</b>	<b>-36 535</b>	<b>-5 805</b>

**Assets**

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>TOTAL FIXED ASSETS</b>	<b>41 963</b>	<b>23 823</b>	<b>115</b>
Real estate (Land, buildings and other property)	0	0	0
Machines/Equipment	0	0	0
Investments in shares	0	0	0
<b>TOTAL CURRENT ASSETS (TOTAL)</b>	<b>41 357</b>	<b>26 895</b>	<b>103 664</b>
Inventories	0	0	0
Accounts receivables	0	0	0
Cash / Bank deposits etc.	39 092	23 461	101 384
<b>TOTAL ASSETS</b>	<b>83 320</b>	<b>50 718</b>	<b>103 779</b>

**Liability / equity**

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>SHAREHOLDERS EQUITY</b>	<b>63 155</b>	<b>42 920</b>	<b>19 162</b>
Share capital	9 547	5 348	2 872
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>8 234</b>	<b>5 105</b>	<b>0</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>11 931</b>	<b>2 693</b>	<b>84 617</b>
Accounts payable (Trade creditors)	1 144	854	3 133
Public duties payable	0	0	0
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>83 320</b>	<b>50 718</b>	<b>103 779</b>



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## 7. FINANCE - SUMMARY, CONTINUED

Credit profile: Weak

### Remarks from auditor

Year	
2007	Uncertainty about continued operations.

**8. GROUP FINANCE - SUMMARY****Result**

Figures in tnok

<b>Fiscal year</b>	<b>12-2008</b>	<b>12-2007</b>	<b>12-2006</b>
<b>TOTAL REVENUE</b>	<b>18 014</b>	<b>12 571</b>	<b>7 500</b>
Cost of goods	1 401	3 477	0
Wage costs	13 077	5 375	32
Depreciation (ordinary on fixed assets and intangible assets)	4 025	2 588	0
Other operating costs	28 122	31 416	13 364
<b>RESULT AFTER DEPRECIATION</b>	<b>-41 911</b>	<b>-30 285</b>	<b>-5 896</b>
Pre-tax profit (operating result before tax)	-42 143	-38 556	-5 820
Total tax	678	-5 074	0
<b>NET INCOME</b>	<b>-42 570</b>	<b>-33 482</b>	<b>-5 820</b>

**Assets**

Figures in tnok

<b>Fiscal year</b>	<b>12-2008</b>	<b>12-2007</b>	<b>12-2006</b>
<b>TOTAL FIXED ASSETS</b>	<b>98 139</b>	<b>50 902</b>	<b>0</b>
Real estate (Land, buildings and other property)	85 129	0	0
Machines/Equipment	0	0	0
Investments in shares	85	84	0
<b>TOTAL CURRENT ASSETS (TOTAL)</b>	<b>47 417</b>	<b>29 860</b>	<b>103 779</b>
Inventories	2 495	1 291	0
Accounts receivables	0	0	32
Cash / Bank deposits etc.	39 772	23 692	101 499
<b>TOTAL ASSETS</b>	<b>145 556</b>	<b>80 762</b>	<b>103 779</b>

**Liability / equity**

Figures in tnok

<b>Fiscal year</b>	<b>12-2008</b>	<b>12-2007</b>	<b>12-2006</b>
<b>SHAREHOLDERS EQUITY</b>	<b>67 564</b>	<b>45 958</b>	<b>19 147</b>
Share capital	9 547	5 348	2 872
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>47 623</b>	<b>22 056</b>	<b>0</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>19 472</b>	<b>12 748</b>	<b>84 632</b>
Accounts payable (Trade creditors)	3 450	3 025	3 148
Public duties payable	0	0	14
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>145 556</b>	<b>80 762</b>	<b>103 779</b>



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## 9. FINANCIAL STATEMENT

Credit profile: Weak

### Income Statement

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>TOTAL REVENUE</b>	<b>66</b>	<b>59</b>	<b>7 500</b>
Sales income	66	0	0
Other operating income	0	59	7 500
Cost of goods	0	0	0
Movement in inventories	0	0	0
Wage costs	8 614	3 164	0
Depreciation (ordinary on fixed assets and intangible assets)	0	0	0
Write-down (on fixed assets and tangible assets)	13 000	0	0
Other operating costs	16 354	26 116	13 381
<b>Result after depreciation</b>	<b>-37 902</b>	<b>-29 221</b>	<b>-5 881</b>
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	0	0	225
Other financial income	2 233	1 475	0
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	0	0	149
Other financial costs	3 172	8 789	0
<b>Pre-tax profit (operating result before tax)</b>	<b>-38 841</b>	<b>-36 535</b>	<b>-5 805</b>
Tax on ordinary profit	0	0	0
<b>Ordinary operating profit</b>	<b>-38 841</b>	<b>-36 535</b>	<b>-5 805</b>
Extraordinary income	0	0	0
Extraordinary costs	0	0	0
Tax on extraordinary profit	0	0	0
Total tax	0	0	0
Minority interests	0	0	0
<b>Net income</b>	<b>-38 841</b>	<b>-36 535</b>	<b>-5 805</b>
Group contribution	0	0	0
Dividend	0	0	0
Transfer assessment differences (Reserve for valuation variances)	0	0	0
Transfer other equity	-38 841	-36 535	-5 805



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## 9. FINANCE - STATEMENT, CONTINUED

Credit profile: Weak

### Assets

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>TOTAL FIXED ASSETS</b>	<b>41 963</b>	<b>23 823</b>	<b>115</b>
<b>Total intangible assets</b>	<b>3 196</b>	<b>3 196</b>	<b>0</b>
Research and development	0	0	0
Patents etc. (Patents, Concessions, Licences, Trade mark)	3 196	3 196	0
Deferred tax asset	0	0	0
Goodwill	0	0	0
<b>Durable assets (total) (Tangible fixed assets)</b>	<b>0</b>	<b>0</b>	<b>0</b>
Real estate (Land, buildings and other property)	0	0	0
Machines/Equipment	0	0	0
Ships, rigs, aeroplanes etc.	0	0	0
Working moveable property (Fixtures and fittings, tools, office machinery etc.)	0	0	0
<b>Financial fixed assets (total)</b>	<b>38 767</b>	<b>20 627</b>	<b>115</b>
Investments in subsidiaries	36 927	20 627	115
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	1 840	0	0
Pension fund	0	0	0
<b>Other fixed assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL CURRENT ASSETS (TOTAL)</b>	<b>41 357</b>	<b>26 895</b>	<b>103 664</b>
<b>Inventories</b>	<b>0</b>	<b>0</b>	<b>0</b>
Raw materials	0	0	0
Produced goods	0	0	0
Finished goods	0	0	0
<b>Account receivables (total)</b>	<b>2 265</b>	<b>3 434</b>	<b>2 280</b>
Accounts receivables	0	0	0
Other receivables	2 265	3 434	2 280
Group receivables (total)	0	0	0
Claim on payment company capital (Subscribed capital but not paid)	0	0	0
<b>Investments (total)</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>Cash / Bank deposits etc.</b>	<b>39 092</b>	<b>23 461</b>	<b>101 384</b>
<b>Other current assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>83 320</b>	<b>50 718</b>	<b>103 779</b>
Pledges	0	0	0



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## 9. FINANCE - STATEMENT, CONTINUED

Credit profile: Weak

### Liability / equity

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>SHAREHOLDERS EQUITY</b>	<b>63 155</b>	<b>42 920</b>	<b>19 162</b>
<b>Deposit equity (Paid-in capital)</b>	<b>144 335</b>	<b>85 260</b>	<b>24 967</b>
Share capital	9 547	5 348	2 872
Own shares	0	0	0
Profit fund	129 484	75 881	21 251
<b>Earned equity</b>	<b>-81 180</b>	<b>-42 340</b>	<b>-5 805</b>
Transfer assessment difference	0	0	0
Other restricted equity	-81 180	-42 340	-5 805
<b>LIABILITIES</b>	<b>20 165</b>	<b>7 798</b>	<b>84 617</b>
<b>Total long-term liabilities</b>	<b>8 234</b>	<b>5 105</b>	<b>0</b>
Allocation liabilities (Provisions)	8 234	0	0
Pension liabilities	0	0	0
Deferred tax liabilities	0	0	0
Other allocations liabilities (Other provisions)	8 234	0	0
Other long-term liabilities	0	5 105	0
Converted debt (Convertible loans)	0	0	0
Bond loan (Certificate loans)	0	0	0
Debt to credit companies (long-term)	0	0	0
Long-term group liabilities	0	0	0
Subordinated loan capital	0	0	0
Other long-term debt	0	5 105	0
<b>Total current liabilities</b>	<b>11 931</b>	<b>2 693</b>	<b>84 617</b>
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)	1 144	854	3 133
Tax payable	0	0	0
Public duties payable	0	0	0
Intercompany payable (short-term)	0	0	0
Dividends	0	0	0
Other current liabilities	10 787	1 839	81 484
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>83 320</b>	<b>50 718</b>	<b>103 779</b>



Decide with Confidence

## 10. GROUP FINANCIAL

### Income Statement

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>TOTAL REVENUE</b>	<b>18 014</b>	<b>12 571</b>	<b>7 500</b>
Sales income	17 794	12 105	0
Other operating income	220	466	7 500
Cost of goods	1 401	3 477	0
Movement in inventories	0	0	0
Wage costs	13 077	5 375	32
Depreciation (ordinary on fixed assets and intangible assets)	4 025	2 588	0
Write-down (on fixed assets and tangible assets)	13 300	0	0
Other operating costs	28 122	31 416	13 364
<b>Result after depreciation</b>	<b>-41 911</b>	<b>-30 285</b>	<b>-5 896</b>
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	0	0	225
Other financial income	3 758	1 448	0
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	0	0	149
Other financial costs	3 990	9 719	0
<b>Pre-tax profit (operating result before tax)</b>	<b>-42 143</b>	<b>-38 556</b>	<b>-5 820</b>
Tax on ordinary profit	678	-5 074	0
<b>Ordinary operating profit</b>	<b>-42 821</b>	<b>-33 482</b>	<b>-5 820</b>
Extraordinary income	0	0	0
Extraordinary costs	0	0	0
Tax on extraordinary profit	0	0	0
Total tax	678	-5 074	0
Minority interests	-251	0	0
<b>Net income</b>	<b>-42 570</b>	<b>-33 482</b>	<b>-5 820</b>
Group contribution	0	0	0
Dividend	0	0	0
Transfer assessment differences (Reserve for valuation variances)	0	0	0
Transfer other equity	-42 570	-33 482	0



Decide with Confidence

## 10. GROUP FINANCIAL - CONT.

### Assets

Figures in tnok

Fiscal year	12-2008	12-2007	12-2006
<b>TOTAL FIXED ASSETS</b>	<b>98 139</b>	<b>50 902</b>	<b>0</b>
<b>Total intangible assets</b>	<b>12 925</b>	<b>3 196</b>	<b>0</b>
Research and development	0	0	0
Patents etc. (Patents, Concessions, Licences, Trade mark)	3 196	3 196	0
Deferred tax asset	0	0	0
Goodwill	9 729	0	0
<b>Durable assets (total) (Tangible fixed assets)</b>	<b>85 129</b>	<b>47 622</b>	<b>0</b>
Real estate (Land, buildings and other property)	85 129	0	0
Machines/Equipment	0	0	0
Ships, rigs, aeroplanes etc.	0	0	0
Working moveable property (Fixtures and fittings, tools, office machinery etc.)	0	47 622	0
<b>Financial fixed assets (total)</b>	<b>85</b>	<b>84</b>	<b>0</b>
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	85	84	0
Bonds and other receivables	0	0	0
Pension fund	0	0	0
<b>Other fixed assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL CURRENT ASSETS (TOTAL)</b>	<b>47 417</b>	<b>29 860</b>	<b>103 779</b>
<b>Inventories</b>	<b>2 495</b>	<b>1 291</b>	<b>0</b>
Raw materials	0	0	0
Produced goods	0	0	0
Finished goods	2 495	1 291	0
<b>Account receivables (total)</b>	<b>5 150</b>	<b>4 877</b>	<b>2 280</b>
Accounts receivables	0	0	32
Other receivables	5 150	4 877	156
Group receivables (total)	0	0	2 092
Claim on payment company capital (Subscribed capital but not paid)	0	0	0
<b>Investments (total)</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
<b>Cash / Bank deposits etc.</b>	<b>39 772</b>	<b>23 692</b>	<b>101 499</b>
<b>Other current assets</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>145 556</b>	<b>80 762</b>	<b>103 779</b>
Pledges	0	0	0



**10. GROUP FINANCIAL - CONT.**

**Liability / equity**

Figures in tnok

<b>Fiscal year</b>	<b>12-2008</b>	<b>12-2007</b>	<b>12-2006</b>
<b>SHAREHOLDERS EQUITY</b>	<b>67 564</b>	<b>45 958</b>	<b>19 147</b>
<b>Deposit equity (Paid-in capital)</b>	<b>144 335</b>	<b>85 260</b>	<b>24 967</b>
Share capital	9 547	5 348	2 872
Own shares	0	0	0
Profit fund	129 484	75 881	22 095
<b>Earned equity</b>	<b>-76 771</b>	<b>-39 302</b>	<b>-5 820</b>
Transfer assessment difference	0	0	0
Other restricted equity	-76 771	-39 302	-5 820
<b>LIABILITIES</b>	<b>67 095</b>	<b>34 804</b>	<b>84 632</b>
<b>Total long-term liabilities</b>	<b>47 623</b>	<b>22 056</b>	<b>0</b>
Allocation liabilities (Provisions)	23 454	0	0
Pension liabilities	0	0	0
Deferred tax liabilities	12 995	0	0
Other allocations liabilities (Other provisions)	10 459	0	0
Other long-term liabilities	24 169	22 056	0
Converted debt (Convertible loans)	0	0	0
Bond loan (Certificate loans)	0	0	0
Debt to credit companies (long-term)	8 417	4 865	0
Long-term group liabilities	0	0	0
Subordinated loan capital	0	0	0
Other long-term debt	15 752	17 191	0
<b>Total current liabilities</b>	<b>19 472</b>	<b>12 748</b>	<b>84 632</b>
Converted debt (Convertible loans)	0	0	0
Certificate loans	0	0	0
Debt to credit companies (short-term)	2 761	6 721	80 235
Bank overdraft	0	0	0
Accounts payable (Trade creditors)	3 450	3 025	3 148
Tax payable	0	0	0
Public duties payable	0	0	14
Intercompany payable (short-term)	0	0	0
Dividends	0	0	0
Other current liabilities	13 261	3 002	1 235
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>145 556</b>	<b>80 762</b>	<b>103 779</b>

## 11. KEY FINANCIAL RATIOS

### Return

	2008		2007		2006	
		Line of business		Line of business		Line of business
Profit margin	<b>-999,99 %</b>	25,17 %	<b>-999,99 %</b>	57,90 %	<b>-77,40 %</b>	0,00 %
Interest cover	<b>0,00 %</b>	999,99 %	<b>0,00 %</b>	999,99 %	<b>-999,99 %</b>	0,00 %
Return on total capital	<b>-53,22 %</b>	14,72 %	<b>-35,92 %</b>	20,68 %	<b>-5,45 %</b>	0,00 %
Return on equity	<b>-73,23 %</b>	10,26 %	<b>-117,70 %</b>	23,80 %	<b>-30,29 %</b>	0,00 %

### Solvency

	2008		2007		2006	
		Line of business		Line of business		Line of business
Equity ratio	<b>75,80 %</b>	64,73 %	<b>84,62 %</b>	56,10 %	<b>18,46 %</b>	0,00 %
Loss buffer	<b>999,99 %</b>	172,04 %	<b>999,99 %</b>	160,76 %	<b>255,49 %</b>	0,00 %

### Cash-flow

	2008		2007		2006	
		Line of business		Line of business		Line of business
Current ratio (Liquidity ratio 1)	<b>3,47</b>	1,20	<b>9,99</b>	0,62	<b>1,23</b>	0,00
Quick ratio (Liquidity ratio 2)	<b>3,47</b>	1,06	<b>9,99</b>	0,51	<b>1,23</b>	0,00
Liquid assets in % turnover	<b>999,99 %</b>	9,22 %	<b>999,99 %</b>	20,91 %	<b>999,99 %</b>	0,00 %

### Financing

	2008		2007		2006	
		Line of business		Line of business		Line of business
Long term stock (inventory) financing	<b>0,00 %</b>	100,00 %	<b>0,00 %</b>	0,00 %	<b>0,00 %</b>	0,00 %
Cost of external capital	<b>22,69 %</b>	14,43 %	<b>19,02 %</b>	3,03 %	<b>0,18 %</b>	0,00 %

### Effectiveness

	2008		2007		2006	
		Line of business		Line of business		Line of business
Average storage time	<b>0,00d</b>	187,09d	<b>0,00d</b>	214,48d	<b>0,00d</b>	0,00d

## 12. GROUP KEY FINANCIAL RATIOS

### Return

	2008		2007		2006	
		Line of business		Line of business		Line of business
Profit margin	<b>-233,95 %</b>	25,17 %	<b>-306,71 %</b>	57,90 %	<b>-77,60 %</b>	0,00 %
Interest cover	<b>0,00 %</b>	999,99 %	<b>0,00 %</b>	999,99 %	<b>-999,99 %</b>	0,00 %
Return on total capital	<b>-33,72 %</b>	14,72 %	<b>-31,25 %</b>	20,68 %	<b>-5,46 %</b>	0,00 %
Return on equity	<b>-75,44 %</b>	10,26 %	<b>-102,86 %</b>	23,80 %	<b>-30,40 %</b>	0,00 %

### Solvency

	2008		2007		2006	
		Line of business		Line of business		Line of business
Equity ratio	<b>46,42 %</b>	64,73 %	<b>56,91 %</b>	56,10 %	<b>18,45 %</b>	0,00 %
Loss buffer	<b>375,06 %</b>	172,04 %	<b>365,59 %</b>	160,76 %	<b>255,29 %</b>	0,00 %

### Cash-flow

	2008		2007		2006	
		Line of business		Line of business		Line of business
Current ratio (Liquidity ratio 1)	<b>2,44</b>	1,20	<b>2,34</b>	0,62	<b>1,23</b>	0,00
Quick ratio (Liquidity ratio 2)	<b>2,31</b>	1,06	<b>2,24</b>	0,51	<b>1,23</b>	0,00
Liquid assets in % turnover	<b>220,78 %</b>	9,22 %	<b>188,47 %</b>	20,91 %	<b>999,99 %</b>	0,00 %

### Financing

	2008		2007		2006	
		Line of business		Line of business		Line of business
Long term stock (inventory) financing	<b>100,00 %</b>	100,00 %	<b>100,00 %</b>	0,00 %	<b>0,00 %</b>	0,00 %
Cost of external capital	<b>7,83 %</b>	14,43 %	<b>16,27 %</b>	3,03 %	<b>0,18 %</b>	0,00 %

### Effectiveness

	2008		2007		2006	
		Line of business		Line of business		Line of business
Average storage time	<b>493,18d</b>	187,09d	<b>67,76d</b>	214,48d	<b>0,00d</b>	0,00d



## 13. 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:  $\text{Income before tax} * 100\% / \text{Turnover}$

##### 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:  $(\text{Income before tax} + \text{Interest expenses}) * 100\% / \text{Interest expenses}$

##### 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:  $(\text{Income before tax} + \text{Financial costs}) * 100\% / \text{Average total capital}$

##### 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:  $(\text{Income before tax} - \text{Tax}) * 100\% / \text{Average shareholders equity}$

#### 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:  $\text{Shareholders equity} * 100\% / \text{Total capital}$

##### 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:  $\text{Shareholders equity} * 100\% / \text{Turnover}$

#### 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:  $\text{Current assets} / \text{Current liabilities}$

##### 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:  $(\text{Current assets} - \text{inventories}) / \text{Current liabilities}$

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



## 13. KEY FINANCIAL RATIOS - DESCRIPTION

### **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:  $\text{Average inventories} \times 365 \text{ days} / \text{Cost of sold goods}$

### **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:  $(\text{Current assets} - \text{Current liabilities}) \times 100\% / \text{Inventories}$

#### **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:  $\text{Financial costs} \times 100\% / \text{average external capital}$



Decide with Confidence

## 14. PAYMENT HISTORY

Credit profile: Excellent

### Summary

Description	Number	Up-to-date
Debt collection/Judgement debt/Public Announcement	0	26-08-2009
Pledge of chattels	0	26-08-2009
Compulsory pledge Property	0	26-08-2009

### Details

No remarks on payment registered

## 15. 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 been 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 instalment plan)****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 debtor 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 not a 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.



## 15. PAYMENT HISTORY - DESCRIPTION

### **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 credit or 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).