

ANNUAL REPORT 2009





Key figures

All figures in NOK 1000	2009	2008	2007
Operating income	217 758	224 374	218 455
Operating profit	11 411	15 644	20 846
Financial income	2 109	3 277	2 033
Profit before taxes	13 433	18 852	22 785
Annual profit	9 581	13 410	15 794
	2009	2008	2007
Operating margin (Operating profit+Financial income/Operating income)	6 %	8 %	10 %
Total return on capital (Operating profit+Financial income/Average total capital)	11 %	17 %	21 %
Return on equity (Operating profit+Financial income - Financial expences-Tax/Average equity capital)	19 %	28 %	35 %
Equity ratio (Equity capital/Total capital as of 31.12)	41 %	43 %	41 %



Content

KEY FIGURES	2
DIRECTOR `S COMMENTS	4
ANNUAL REPORT	6
General information about the business	6
The annual accounts	6
Working environment, personnel and the natural environment	8
Gender equality	8
More about the business	8
PROFIT AND LOSS ACCOUNT	14
BALANCE SHEET	15

DIRECTORS`S COMMENTS 2009

The Managing Director's comments 2009

NORSK EIENDOMSINFORMASJON AS (NE) HAS CREATED VALUE FOR BOTH CUSTOMERS AND THE STATE AS THE COMPANY'S OWNER THROUGH BEING A GOOD WORKPLACE WITH HIGH CUSTOMER SATISFACTION, STABLE IT OPERATIONS AND NEW DEVELOPMENT IN 2009. HIGHLY QUALIFIED EMPLOYEES AND A GOOD WORKING ENVIRONMENT FORM THE BASIS FOR THE COMPANY.



Per Christian Selmer
(Managing Director)

As in recent years, the company has focused on:

- Operations, management and further development of the registration system Regin@ with solutions for electronic documents.
- The marketplace www.infoland.no with the property register EDR, which gives easy access to localised information from the state, municipalities and others, and which offers solutions for simple financial settlement.

The years 2010 and 2011 will be exciting and present new challenges for NE. We will continue to focus on quality, stable deliveries, increased value creation and improved profitability for our customers, which includes:

- Contributing to rationalising banks' loan processing, and simplifying property sales by introducing solutions for electronic registration of real property.
- Helping the Norwegian Mapping Authority develop a new information interface in the Land Register.
- New solutions for data warehouses with report generation and data cleansing for customers' registers.
- Simple and more efficient solutions for the delivery of information to Infoland.

- Providing solutions for intermediaries and customers that are easier to use and improving the integration of information from EDR and Infoland in their own systems.
- Delivering real-time Land Register information from EDR.
- New, commercial procedures that will give customers a better overview of invoices and financial information.
- Strengthening the customer centre by improving the service we offer our customers.

NE has developed advanced systems for services and the dissemination of information. The results of this development are reflected in NE's turnover, which has increased despite lower prices for information from the Land Register. Sales of information via Infoland increased by 31% from January/February 2009 to January/February 2010, which gives an indication of Infoland's potential.

As owner of the company and as the body with responsibility for the registration of real property and cooperative apartments, the Ministry of Justice has prepared a report on the future organisation of registration and NE. In conjunction with the report, NE has advocated continued operation of the company in 2011 without exclusive rights agreements in a competitive market, which is also the report's conclusion. The company is being restructured to meet a situation in which all its services and products will be exposed to competition. With effect from 2011, NE will therefore not be covered by the Freedom of Information Act.

The competitive situation will lead to lower turnover and margins for the dissemination of data from the Land Register, the Cadaster and national maps in 2011.

The delivery of services in connection with e-registration and continued access to data from the Land Register, the Cadaster and national map data is important to the success of NE's future operations.

We have great faith that NE will make a successful transition to a competitive situation. More than 50% of the company's turnover is already based on competitive tendering at the start of 2010 and will therefore not be affected by the change.

We will work to ensure that NE remains a good workplace based on competence-building and innovation, and we want to inspire our customers with new enthusiasm and contribute to their value creation.

On behalf of NE's competent and dedicated employees, I invite current and future customers to take part in coming developments. We are enthusiastic about the future and promise to work hard for our customers.



Per Chr. Selmer
Managing Director

Annual report 2009

GENERAL INFORMATION ABOUT THE BUSINESS

Norsk Eiendomsinformasjon AS (NE) is a wholly state-owned limited liability company under the Ministry of Justice. The company's head office is in Oslo and it has branch offices in Bergen and Hønefoss. The company's Oslo branch moved into new, modern premises in 2009.

NE is an IT company in which 45 of the company's 70 employees are engaged in IT development and IT operations. The company, which delivers services and products based on property and map information, helps customers to rationalise their operations. One of NE's primary tasks is to make information readily accessible for value creation.

Pursuant to agreements with the Ministry of Justice and the Norwegian Mapping Authority, NE has exclusive rights to disseminate data from the Land Register, the Cadastre and national map data. From 2011, all the company's agreements will be non-exclusive and will give NE access to data on a non-discriminatory basis. In addition, the company has non-exclusive agreements with Geovekst, several municipalities, housing associations, power companies and other suppliers, which ensures that we have access to and the right to distribute information that is managed locally.

NE will work to win contracts relating to the operation, management and development of the registration system for real property and shares in housing cooperatives. NE is working with the Norwegian Mapping Authority to improve the quality and efficiency of the registration of real property, among other things by introducing electronic documents.

NE assumes that in 2011 the company will be paid for operating, managing and developing the land registration

system. In 2010, the costs are covered by NE under the agreement for the dissemination of data from the Land Register.

The company had a somewhat lower turnover of data from the housing register in 2009 than in 2008 despite an increase in the total sales volume. The reason for this is lower prices and the restructuring of products.

Deliveries relating to the land registration system for the Norwegian Mapping Authority have been stable and of a high quality, both with respect to IT operations, management and new developments.

ANNUAL ACCOUNTS

In the Board's opinion, the annual accounts give an accurate picture of the company's financial position at the turn of the year. The accounts have been prepared on the basis of the going concern assumption.

In the Board's view there are no indications to the contrary. Further information about the basis for the going concern assumption is presented below.

The company's turnover was NOK 217 757 848 in 2009 and NOK 224 374 009 in 2008. The company recorded a pre-tax profit of NOK 13 433 103 in 2009 and NOK 18 851 626 in 2008. Total operating revenues were down approx. 2.9% from 2008, which is primarily due to a reduction in prices and a different division and pricing of products relating to cooperative apartments.

Total operating expenses were down by 1.4% from 2008, primarily because of a decrease in the cost of goods and depreciation. The decrease in the cost of goods is due to lower turnover and consequently lower payment for map products from Geovekst. The cash flow in 2009 was



The management group at Norsk Eiendomsinformasjon as. From left; Tom Slungaard, Michael Pande-Rolfen (behind), Bjarne Dale, Tore Brettås, Bjørg Strugstad Harbø, Per Christian Selmer (Managing Director). Truls Ingebrigtsen was not present.

negative, see the cash flow statement.

FINANCIAL POSITION

The company's financial position is good. Earnings were satisfactory in 2009, with a pre-tax profit of approximately 8.4% of turnover. In accordance with a previous decision, it is proposed that 80% of the profit after tax be distributed as dividend to the owner.

The company's equity is acceptable in light of the nature and scope of the business. The company's long-term liabilities represent 3.1% of its total capital. All short-term liabilities are covered by current assets and the liquidity reserve is good.

NE has continuous focus on ensuring that all its most important business areas are profitable. The company is making particular efforts to improve profitability relating to maps and the dissemination of external information from municipalities and other suppliers through Infoland. Both of these areas show positive development and positive operating margins are expected in 2010.

FINANCIAL RISK

The company's total financial risk is modest, although there is some uncertainty relating to the company losing exclusive rights to the dissemination of data from the Land Register, the Cadaster and national maps in 2011. NE is currently working on restructuring the company to enable it to compete in all business areas in 2011.

The phasing out of NE's exclusive rights will have an impact on NE's earnings, and restructuring is required to ensure a positive result in 2011. NE's agreements with more than 200 suppliers to the marketplace Infoland and the agreement with Geovekst concerning the dissemination of

map data will continue in 2011.

For the most part, NE's dissemination of information is carried out via intermediaries, which reduces the company's credit risk. It is likely that more of the company's turnover will be transacted directly with end-customers in 2011 with a resultant increase in credit risk. New customers are assessed for creditworthiness before agreements are signed.

PROPOSED ALLOCATION OF PROFIT

The company recorded a pre-tax profit of NOK 13 433 103 and a profit after tax of NOK 9 581 242

The Board proposes to distribute NOK 7 664 994 of the profit for the year as dividend and to transfer the remaining amount of NOK 1 916 248 to other equity, following which the company's distributable equity will be NOK 38 618 835 at 31 December 2009.

ORGANISATION, PERSONNEL AND THE WORKING ENVIRONMENT

The company had 70 employees at year end 2009. Sickness absence in the company was stable at 1.97% in 2009 compared with 2.15% of total working hours in 2008.

There were no personal injuries or damage to the company's property in 2009. The company's working environment is good and the physical conditions have been adapted for work at computer screens.

NE prioritises efforts to continuously improve the working environment and the development of its employees. Each year, the company carries out a working environment survey in which the employees provide anonymous feedback on a number of aspects of the company.



System Director Truls Ingebrigtsen with accounting secretary Ingvild Stolpe and system consultant Steinar Sørli. They are all part of an extensive project for a new commercial system in NE.

The survey shows that the employees believe the working environment is good.

The company has a working environment committee and safety delegates in accordance with the Working Environment Act.

The employees are the company's most important asset. NE is dependent on continuing to be an attractive workplace that attracts qualified staff. The company emphasises establishing good working conditions with professional management, management development and development of other professional expertise.

THE NATURAL ENVIRONMENT

In an environmental context, NE's energy consumption is modest. The nature of the company's business is such that it does not harm, impact on, or pollute the natural environment. Moreover, there is no environmental impact as a result of transport in connection with the business.

The company operates in the service sector and it does not use energy and/or raw materials that pollute or generate waste in amounts that impact on the natural environment. The company ensures that all data is securely destroyed, and it disposes of used ICT equipment at the recycling facilities in Bergen and in Hønefoss. In Oslo, ICT equipment is delivered to the take-back company that attends to collecting, recycling, salvaging and correct environmental treatment of EE waste.

GENDER EQUALITY AND ANTI-DISCRIMINATION MEASURES

NE complies with the new Anti-discrimination and Accessibility Act and actively endeavours to promote the act's object of gender equality and equal status. NE works

to ensure equal opportunities and rights for everyone, regardless of functional ability. The company takes active measures to be a workplace in which no discrimination takes place in areas such as recruitment, pay and working conditions, career advancement and development opportunities. No inequalities have been registered in pay or other areas based on gender, functional ability, ethnicity, age or other factors. Working hours arrangements in the company follow from the different positions and are gender independent. NE is conscious of society's expectations with respect to measures to promote gender equality and prevent discrimination in the business. Of the company's 70 employees, 25 were women and 45 were men as of 31 December 2009. The proportion of women increased from 33% in 2008 to 36% in 2009. NE's Board of Directors has seven members, four of whom are women and three men, as well as one female and four male deputy members. Two board members and four deputy members are elected by and from among the employees.

One of these board members is a woman and one is a man, while there is one woman and three men among the employee-elected deputy members. The gender representation among the employee-elected deputy members and board members is in compliance with the regulations applicable at the time of the election. The company's management comprises five men and one woman. Five women and four men were selected for management development programmes in 2009.

The offices used by NE are designed so that they can be used by as many people as possible. The offices can be accessed by lift, and the common areas have no thresholds. In cooperation with the owner of the building, NE will endeavour to ensure that the offices are adapted for persons with disabilities. All employees in NE have access to a height-adjustable desk and the option of working from



The marketplace infoland.no is in continuous development. Product owner team, from the left: Sissel Skovly, Helge Sagen, Elisabeth Einang Prestegard and Arne Hornnes.

home. Employees with impaired mobility will be given the opportunity to park in the immediate vicinity of our offices. Workplace inspections are conducted annually that focus on the physical working environment. Matters that come to light in the surveys are reported to the company's working environment committee.

MORE INFORMATION ABOUT THE BUSINESS

THE DISSEMINATION OF INFORMATION AND SERVICES AIMED AT RATIONALISING CUSTOMERS' PROCEDURES

NE disseminates data both with standardised interfaces and as products on the marketplace www.infoland.no. Infoland is NE's internet-based portal and marketplace for both intermediaries and end users. The solution consists of modules that enable intermediaries, suppliers and others to use parts of or the whole system functionality, which includes ordering, counting, settlement, invoicing and user processing. Infoland enables direct purchase of information from municipalities, housing associations and other suppliers, in addition to searches of NE's map solutions and the EDR property register. With Infoland, NE can offer access to, among other things, the Land Register, the Cadaster, situation maps, zoning plans, appraisals, architectural drawings, information about property tax and municipal taxes.

More than 200 municipalities, including Oslo and most of the other big municipalities in Norway, use Infoland, and are thus able to obtain information more quickly for users, and at the same time save time and money on the processing of queries. The service is user-financed and it reroutes funds back to the municipalities for services such as digitalisation and automation.

Together with suppliers, intermediaries and users, NE will further develop both the company's central role as an information disseminator and the infrastructure of data dissemination. In the coming years, NE will continue to invest in developing new solutions. In total, this will provide a basis for positive development of the company.

In 2009, NE has worked to improve and secure the internal infrastructure and internal systems for automatic account settlement and invoicing.

E-REGISTRATION

NE is making efforts to rationalise procedures for the submission of documents for land registration from banks, financial institutions, estate agents and other user groups.

In collaboration with the Norwegian Mapping Authority's registration authority and DnB NOR, NE has implemented a project for the submission of electronic documents for land registration. The project was well received by DNB NOR and forms a good basis for the continued development of digital registration of real property and cooperative apartments in Norway. In 2009, approximately 130,000 electronic documents were submitted, a number that is expected to increase in 2010 in step with the development of solutions for electronic title deeds.

THE MARKETPLACE INFOLAND

A new version of Infoland with maps and EDR was developed and put into operation in 2009. Information from the Land Register and the Cadaster are now shown in Infoland, and locations are given on maps. NE works continuously to integrate and automate data delivery with suppliers and users' systems. This work will make Infoland

more user-friendly and ensure faster delivery.

NEW EDR VERSION AND CONVERSION FROM GAB TO THE CADASTRE

In 2009, NE has invested substantial development resources in converting EDR to enable it to obtain data from the new Cadastre, which has replaced the GAB system. The process has been extensive, but necessary in order to ensure the updating of EDR. NE has also helped the Norwegian Mapping Authority by providing resources for data conversion from GAB to the Cadastre.

In 2010, NE will introduce a new version of EDR. While the current version is updated once a day, the new version will be constantly updated from the registration system Regin@. Users will be able to obtain information about exactly when their documents will be registered in Regin@. The new version of EDR will also improve data extraction and make IT operations simpler and more secure.

NORWAY DIGITAL

Norway Digital is a collaboration between selected parties aimed at achieving improved quality and increased use of public geographical information. This is one of several areas in which NE collaborates with the Norwegian Mapping Authority. NE disseminates data from Norway Digital to professional intermediaries and users.

NE has also entered into agreements for the delivery of solutions and information to the parties in Norway Digital. The company will endeavour to develop and expand its activities relating to Norway Digital and the collaboration with the Norwegian Mapping Authority.

MAP DATA

Through agreements with Geovekst on behalf of the Norwegian Mapping Authority and directly with large municipalities, NE has access to high-quality map data for the entire country except Oslo. NE is cooperating with the city of Oslo to draw up a corresponding agreement for Oslo during 2010. NE's total sales of map data were down 7.2% from 2008 to 2009, primarily because of reduced sales of paper maps and data from Geovekst. NE's own deliveries of map data through Infoland increased by 49% in 2009. NE will introduce a new and improved solution for using and purchasing maps in Infoland in 2010. It will be more efficient and have an expanded self-service functionality.

COMMERCIAL PROCEDURES AND NEW ORDER SYSTEM

NE is developing new joint systems to improve the internal infrastructure for, among other things, counting,

authorising, authenticating and preparing the basis for issuing invoices. The restructuring means that NE is moving towards using more standardised systems. New commercial procedures are important in making the company's operations less vulnerable and more efficient, secure and flexible.

THE COMPANY'S IT OPERATIONS

NE has continued the work of modernising, rationalising and securing the company's IT operations in 2009. NE's largest data hall is in Bergen, but it also has an operating facility in Oslo, which was renewed in 2009. In addition to the two data halls, the company has operating facilities for backup and contingency security in both Bergen and Oslo. Pursuant to the agreement with the Ministry of Justice concerning the operation of the registration system Regin@, NE has systems in place for contingency security. In the event of a fire or other emergency situations, the registration system will be run from one of NE's other operating facilities within ten hours. NE has upgraded the company's security policy with underlying guidelines and procedures. The work is based on methods taken from international standards for information security (ISO 27001/27002). Measures relating to the new security policy will be gradually implemented in 2010.

PROSPECTS

NE operates in a growing market for the use of services and systems relating to electronic information. Banks and estate agents' introduction of electronic registration is an example of one such area of growth. NE's services and internal systems are being continually developed with the focus on improved service, quality and profitability for customers.

NE will operate without exclusive rights from 2011. The loss of exclusive rights, especially with respect to the Land Register, will create a more uncertain financial situation for the company with greater demands being made on efficiency, sales work and profitability management. Without exclusive rights, the company will no longer be covered by the Freedom of Information Act and will therefore have a clearer role and a better basis for restructuring and development.

NE's has a good balance between turnover and profit, as well as a good capital base. All system development is expensed as it accrues, which puts the company in a good position to meet change.

NE has modern IT systems, modern development methods and frequent system renewals. This has contributed to Norway having modern systems for the registration and



The Board of Directors in Norsk Eiendomsinformasjon as. From the left: Per Christian Selmer (Managing Director), Geir Vidar Mørner, Tore V. Knudsen, Anny Margrethe Bratterud, Anne-Karin Sogn, Ingvild Myhre, Erik Keiserud (Chairman of the Board). Ingeborg Moen Borgerud was not present.

dissemination of real property information.

NE has adjusted to the difficult market situation that arose as a result of the financial crisis and has achieved its sales budget for 2009. Product development and cooperation with other players have resulted in sales increasing throughout 2009. Development in the real property market in 2010 and 2011 will probably be stable, with a slight price increase. Due to increased competition and pressure on prices, an increase in NE's revenues must come from new products and increased sales volume.

NE's sales are directed at the banking/finance sector, estate agents and the building and construction sector, including solutions and services relating to the electronic submission of documents for registration. NE will, in addition to its current sale of information, focus more on selling related

services and systems, as well as IT operations, IT management and IT development.

NE's services are delivered at low cost, low risk and are easily integrated, which gives customers access to technology and efficient solutions which in turn provides opportunities for achieving a return without major investments.

NE's future prospects are good, even though the phasing out of exclusive rights from 2011 will require restructuring and will result in NE having to enter new markets, which will mean a new position for NE and increased uncertainty. The Board has endeavoured to clarify the company's framework conditions and will continue to focus on this in the time ahead.

OSLO, 18 MARCH 2010
THE BOARD OF DIRECTORS

Erik Keiserud
Erik Keiserud
(Chairman of the Board)

Tore V. Knudsen
Tore V. Knudsen

Anne-Karin Sogn
Anne-Karin Sogn

Ingvild Myhre
Ingvild Myhre

Ingeborg Moen Borgerud
Ingeborg Moen Borgerud

Anny M. Bratterud
Anny Bratterud

Geir Vidar Mørner
Geir Vidar Mørner

Per Christian Selmer
Per Christian Selmer
(Managing Director)





Profit and loss account and balance sheet

PROFIT AND LOSS ACCOUNT 2009

	2009	2008
Sales revenues	217 351 498	224 074 215
Other operating income	406 350	299 794
Total operating income	217 757 848	224 374 009
Purchase of goods and services	99 727 659	102 686 945
Wages, pensions and other personnel costs	70 955 875	69 609 672
Ordinary depreciation	6 798 228	7 591 013
Other operating cost	28 864 665	28 842 004
Total operating cost	206 346 427	208 729 634
Operating profit	11 411 421	15 644 375
Financial income	2 108 768	3 277 172
Financial cost	87 086	69 921
Total financial items	2 021 682	3 207 251
Profit before taxes	13 433 103	18 851 626
Taxes	3 851 861	5 441 454
Annual profit	9 581 242	13 410 172
Allocation:		
Proposed dividend	7 664 994	10 728 137
To retained earnings	1 916 248	2 682 034
Total allocations	9 581 242	13 410 172

BALANCE SHEET 2009

	31.12.09	31.12.08
ASSETS:		
Fixed assets		
Net deferred	892 924	1 072 120
Machinery, fixtures, vehicles	13 696 507	15 760 358
Net pension assets	7 312 000	5 800 000
Total fixed assets	21 901 431	22 632 478
Current Assets		
Map inventory	2 320 104	2 402 030
Accounts receivable	33 399 721	18 166 727
Other receivables	4 956 757	5 359 207
Bank deposits	33 820 470	43 110 425
Money market fund	27 644 199	22 445 244
Total current assets	102 141 250	91 483 633
TOTAL ASSETS	124 042 682	114 116 111
EQUITY AND LIABILITIES:		
Equity capital		
Share capital	6 000 000	6 000 000
Retained earnings	45 023 103	43 106 854
Total equity capital	51 023 103	49 106 854
Provision for contingent liabilities		
Provision for individual pension liability	2 208 000	1 952 000
Pension liabilities, wages above 12G	2 201 000	1 634 000
Total long term liabilities	4 409 000	3 586 000
Current liabilities		
Accounts payable	13 348 474	13 248 302
Taxes payable	3 672 665	5 334 546
Tax deductions and public taxes payable	7 245 595	6 476 217
Dividends	7 664 994	10 728 137
Other current liabilities	36 678 850	25 636 055
Total current liabilities	68 610 578	61 423 257
TOTAL EQUITY AND LIABILITIES	124 042 682	114 116 111

