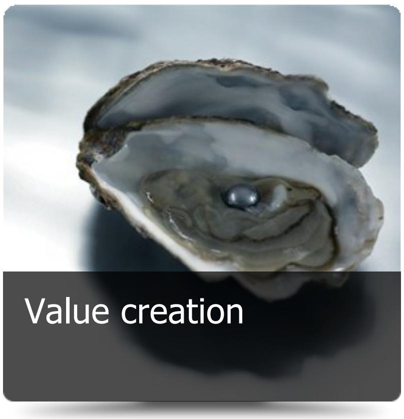
ARGENTUM
PRIVATE EQUITY

Annual Report 2012

Argentum Fondsinvesteringer AS is the Norwegian state's asset manager for private equity investments. In 2012 Argentum's portfolio of investments in private equity funds delivered total returns of NOK 852 million.

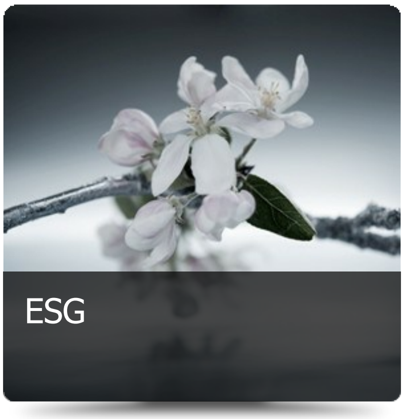

Note from the CEO


Private equity 2012

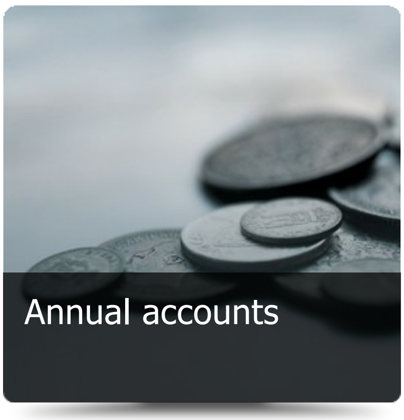

Value creation


Investment examples


Investor programmes


ESG


Board of Directors' Report


Annual accounts


Notes and Auditor's Report

Growth and profitability

Since its inception in 2001 Argentum has invested in a total of 73 funds, which in turn have invested in over 500 companies. The growth in companies owned by private equity funds has been higher than in business in general, and there is reason to believe that this is also reflected in the rate of innovation. Growth and innovation lead to the creation of profits. Argentum has delivered an average annual return of 16.1 per cent as at 31 December 2012 since 2001. In 2012 the company delivered a return of 17.2 per cent and a record dividend of NOK 699 million.

By: Joachim Høegh¬Krohn, CEO

Are Argentum's results due to luck or expertise? An exigent question. Particularly for us ourselves. But as asset managers that is the question we must answer. Luck, bad luck and chance play a major role in asset management and are best measured against how the market has performed. In private equity there are seldom good measures for the market. However our aim of being in line with the best private equity investors in Europe is a starting point, and stock market returns are of course another. And yes, we have additional yields compared with both the 25 per cent best European and Nordic private equity funds and in comparison with the stock market.

Selection expertise
Good asset management is founded on a business idea about how to beat the market. Investment discipline and market knowledge are keywords for Argentum. From the beginning, Argentum has been focused on private equity, exclusively. Over more than a decade the company has systematically built up selection expertise and insight into Nordic private equity. We see that our methodology for fund selection works; Argentum has invested
70 per cent of the capital in the best 25 per cent of Nordic funds, measured by returns.

A skilful asset manager must continuously make changes and utilise market opportunities. In the middle of the financial crisis in 2009 Argentum started trading in the secondary market for private equity funds. Argentum

Secondary now represents an important part of the company's operations. A smoothly functioning secondary market is also vital to the private equity market as a whole.

Management costs in private equity are a challenge and important for our results. As a reaction to this, a growing co-investment market has become established and Argentum is also active there.

As for any asset manager, historical returns are crucial for the company's trust and credibility with investors. Every third Norwegian krone Argentum invests is on behalf of other investors.

Corporate social responsibility and transparency

In recent years the private equity industry has increased its focus on corporate social responsibility and transparency. At Argentum we work to be a driving force in this area, in both our own investment processes and through collaboration with other companies in the industry. At the same time, the industry is now becoming more regulated. The EU directive on Alternative Investment Fund Managers (AIFM) was adopted in Norway on July 2012, and will regulate alternative investment funds such as property funds, hedge funds and private equity funds. Argentum will be subject to the directive, which is expected to apply from 2014. During 2012 Argentum has been working on making preparations for adapting and organising operations to the new regulatory framework conditions that will exist with the AIFMD. As a result of this, Argentum is creating a separate asset management company. In the future Argentum Asset Management will manage capital for Argentum Fondsinvesteringer and other investors.

Internationalisation

The most important trend in recent years has been the increasing internationalisation of the Nordic private equity market. We are seeing that Nordic companies and Nordic funds are becoming increasingly attractive to international investors. In 2012 funds with head offices outside the Nordic countries accounted for over 50 per cent of private equity investments in the Nordic countries. For funds with head offices in Norway, international investors accounted for over 75 per cent of capital raised in 2012, and Nordic funds are increasingly investing outside the Nordic countries, especially in other North European countries. A vital element in our strategy is to know our market. For us that increasingly means developing a deeper familiarity with the North European market.

Private equity is a vital contributor to economic growth, and represents a growing proportion of the economies of Norway and the rest of North Europe. For example, 4.4 per cent of employees in the private business sector in Norway work in companies that are owned by private equity funds. An analysis of value creation carried out by Menon Business Economics shows that this type of active ownership contributes to greater growth and value creation in these companies. We are proud to contribute to this.

Joachim Høegh-Krohn
CEO

ARGENTUM
PRIVATE EQUITY

The private equity market in 2012

The private equity market in 2012 was characterised by a couple of main trends: international players carried out major acquisitions in the Nordic countries; and international investors invested their money in Norwegian and Nordic funds.

The energy sector - an attractive industry

2012 was a year that was characterised by a number of major investments in the Norwegian oil and energy industry. Both Norwegian and international funds were actively involved and contributed to a record high level of investment activity.

INCREASED INVESTMENT IN NORWAY

International players made a major contribution to the increased acquisition activity in the Norwegian oil and energy industry in 2012. Of a total of ten acquisitions conducted in Norway within this sector in 2012, international entities were involved in four of them, including Swedish Ratos' investment in Aibel and EQT's investment in Tampnet. Stavanger-based HitecVision, which Argentum has backed since its early days, is now considered to be one of the leading international private equity investors within the energy sector, and was responsible for three investments in Norway in 2012. New managers have also appeared. Nord Kapitalforvaltning in Tromsø invested in Rapp Marine in Bodø last year. Finnish CapMan made its first investment within the energy sector in Norway through its acquisition of Acona in Stavanger.

LEADING NORWEGIAN PLAYERS

Norway has a number of funds that are specialised in investing in the energy sector and offshore-related businesses. In addition to HitecVision, we can single out Energy Ventures based in Stavanger which conducts investments in early phase companies, for example the US company Ingrain and Norwegian company Cubility. Both HitecVision and Energy Ventures have a strong global presence, with offices in Houston, and in Energy Ventures' case, in Aberdeen. Other prominent private equity funds in the Norwegian energy market are Herkules Capital and Norvestor Equity.

AFTER OIL WE WILL BE LIVING OFF THE SUPPLIER INDUSTRIES

Strong growth in the emerging economies has helped fuel a sharp increase in demand for energy, and much of the appeal of the energy sector is because this surge in demand must be met by substantial investments on the supply side. Norway has built an extensive and attractive supplier industry which will be a vital industry for Norway in the future, even in a scenario where Norwegian oil production is declining. Private equity funds specialised in energy play a key role here; both buyout investments (acquisitions) that contribute to creating growth and to further developing established players into leading global companies, and with early phase investments into companies in the areas of energy efficiency and improved resource use. Argentum has built up substantial expertise in selecting the best ownership teams - also within the energy sector, and about one third of Argentum's investments are in the energy sector.

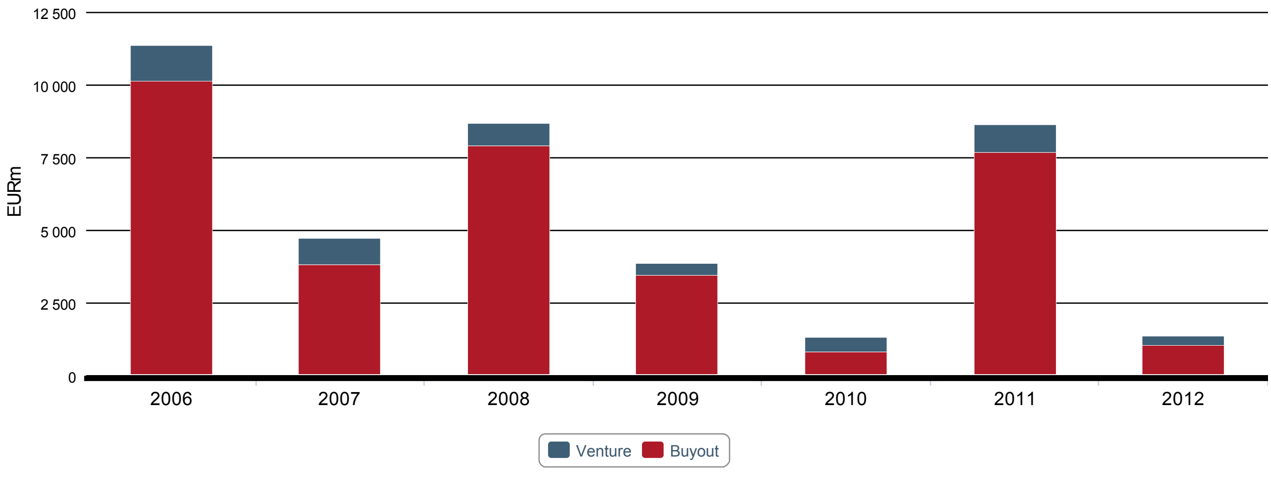
The Nordics as an investment destination

In recent years Norway and the Nordic countries have been among the most attractive regions for private equity investors to invest in. In the Nordic countries over 8 billion euros were raised in 2011, which outstrips Germany, Austria, Switzerland, the Netherlands and Belgium combined.

Still significantly less capital was raised in 2012 than the Nordic private equity managers had notified that they wished to obtain in capital for new funds. In total, fifteen new funds were established in the Nordic countries in 2012 which together attracted 1.5 billion euros. The Norwegian player Norvestor was responsible for establishing the largest fund in 2012. Norvestor raised 410 million euros from international and Norwegian investors, including Argentum and our investment partners, for its sixth fund.

The funds that are attracting capital now will invest the capital in companies over the next five to ten years. Norvestor has already managed to invest in three companies from the new fund in 2012: The IT company Inmeta Crayon, the Swedish sorting and waste handling company Sortera Scandinavien Holding and the Norwegian company Abax, which produces and sells tracking and retrieval solutions.

Capital raised in Nordic private equity funds 2006-2012



INTERNATIONAL FUNDS INVESTING IN NORWEGIAN COMPANIES

Private equity funds invested 800 million euros less in the Nordic countries in 2012 than in 2011, and ended at a total of 7.8 billion euros. International funds accounted for 54 per cent of this amount, even though they only represented 12 per cent of the number of transactions.

One of the main reasons for this is that international funds are often larger and therefore have the opportunity to purchase bigger companies that have the potential to grow outside the Nordic countries and Europe.

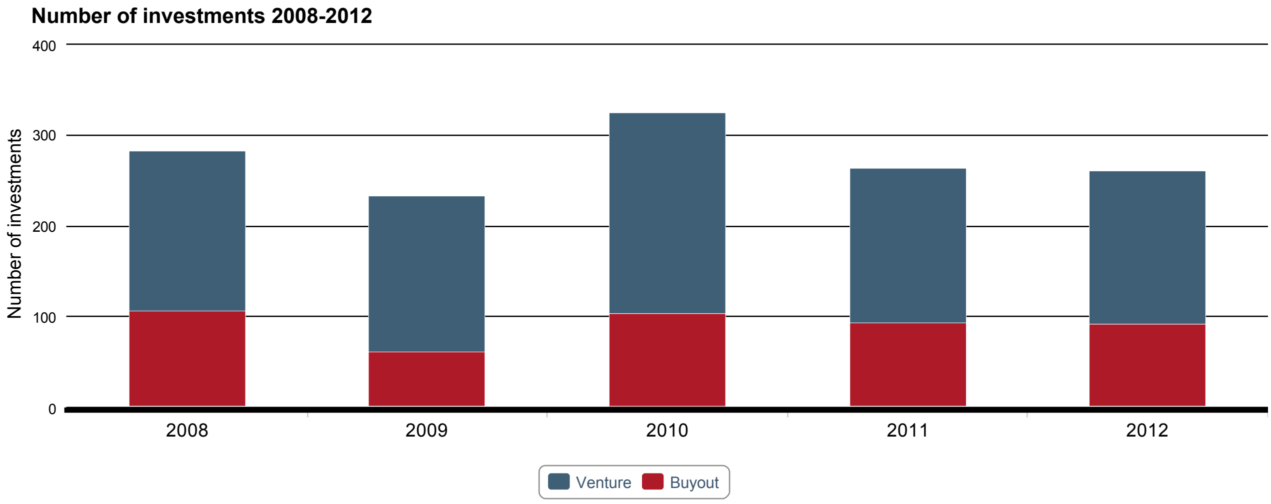
Five largest private equity transactions in 2012

Company	Country	Buyer	Value (mill)
Ahlsell	Sverige	CVC Capital Partners	1 698
Aibel	Norge	Ratos	365
	Norge	EQT	203
Optical Networks	Finland	Marlin Equity Partners	200
	Danmark	EQT	Unknown

About 18 per cent of Argentum's investments are conducted outside the Nordic countries due to Nordic funds having invested in companies across the world, chiefly in the US and Europe.

Investment rate is maintained

Even though the total capital invested in Nordic companies in 2012 was somewhat lower, the number of investments remained relatively steady. As shown by the diagram below, investments in 2012 were in line with 2011, both as regards venture investments and investments in mature companies (buyouts). Funds in Argentum's portfolio invested in 37 companies in 2012, corresponding to 14 per cent of the total activity in Nordic countries.



In order to raise knowledge and awareness of private equity as a form of ownership and asset class, good information is vital. Knowledge and openness also contribute to improving capital markets' efficiency, by making the markets accessible to more investors. Argentum works on this in two ways: a collaboration with Argentum Centre for Private Equity at the Norwegian School of Economics (NHH), and through Argentum's own work in mapping activity in the Nordic private equity market.

ARGENTUM CENTRE FOR PRIVATE EQUITY AT NHH

The Argentum Centre for Private Equity opened in 2012, and shall conduct independent research on private equity. The centre is situated at the Norwegian School of Economics (NHH) and represents a collaboration with a number of industry players including BAHR, Energy Ventures, HitecVision, Northzone Ventures, Norvestor Equity and PwC.

In addition to being involved in the founding and financing of the centre, Argentum has contributed to an academic symposium for the presentation of academic work within the field from researchers across the world. The centre is currently working on establishing an extensive database that will serve as the starting point for research and further work.

ARGENTUM'S MARKET DATABASE

Private equity invests in companies that are not listed on the stock exchange, the information is therefore not as easily accessible as it is in large, listed companies. In order to make the information on activity in the funds and industry easily accessible, Argentum has been mapping investment activity in the Nordic market since 2008. The company continuously monitors the market, and all transactions are added to the market database which forms the basis for the company's Nordic market analyses. Publically available data are collected in the searchable database which in conjunction with the analyses are made available at Argentum's website.

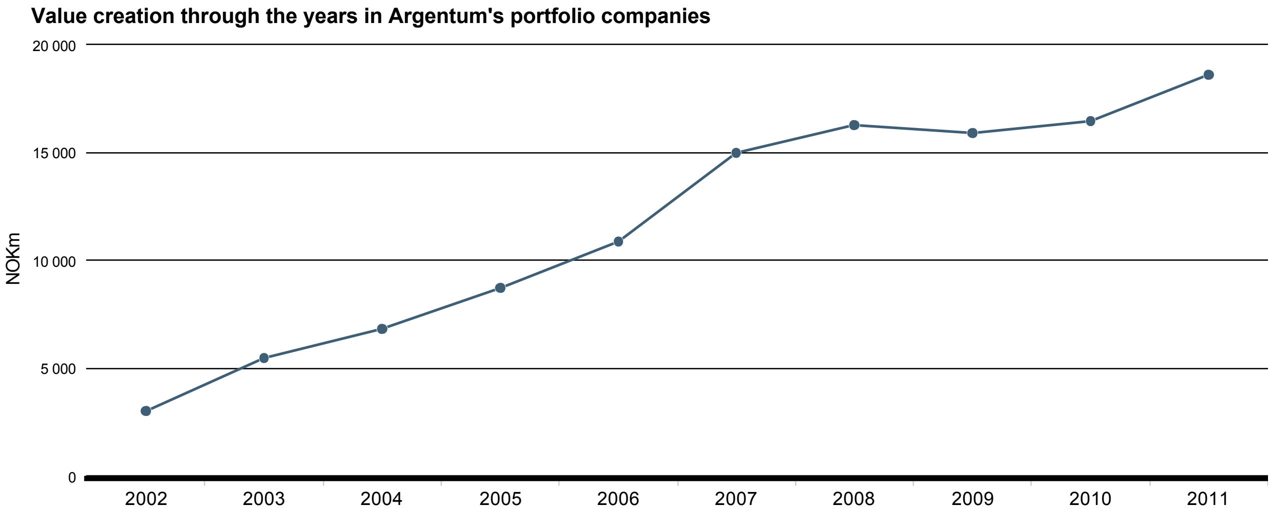
ARGENTUM CONFERENCE IN 2012

Every second year Argentum hosts a private equity conference for the industry. The conferences was held inBergen in September 2012, in cooperation with the Argentum Centre for Private Equity at NHH, with industry participants from across the Nordic countries, as well as international guests. The aim of the conference is to create a meeting place for leading people in the industry and from the academic community, where relevant topics are highlighted from both an academic and a practical perspective. The 2012 conference had two themes: Asset Allocation, and Reputation and Credibility.

Private equity contributes to growth

Private equity has become an important form of ownership and contributor to growth in Norway. The Norwegian funds in Argentum's portfolio employed a total of 28,100 people in Norwegian companies in 2011, compared with 5,400 in 2002. In addition to this, Norwegian companies owned by funds in Argentum's portfolio created NOK 19 billion in value in 2011. This represents an increase of NOK 16 billion compared with 2002. In this context value created is defined as salaries, taxes, interests and dividends.

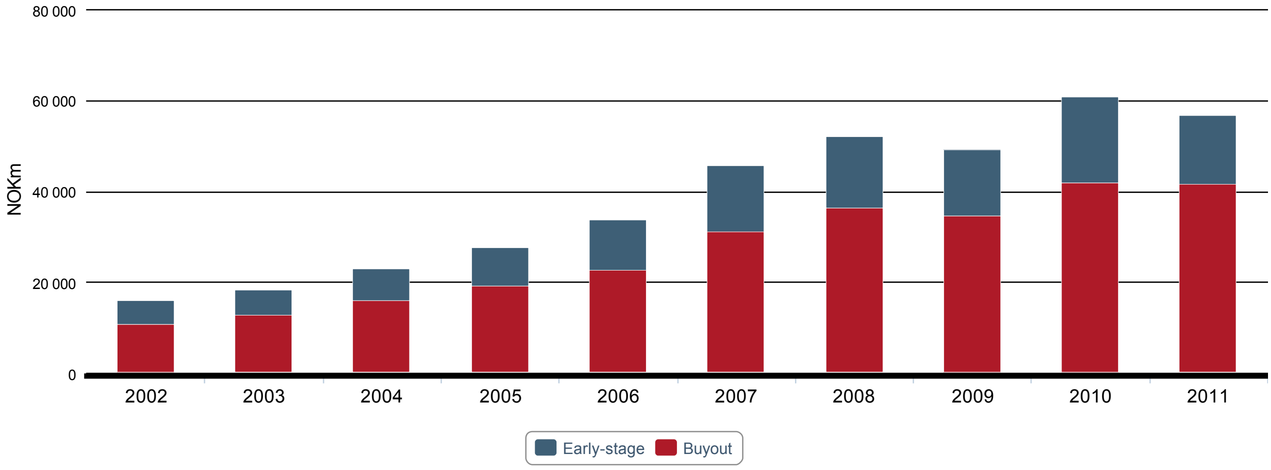
Menon Business Economics conducted an analysis of the Norwegian private equity industry, commissioned by Argentum, to research the funds' contribution to growth and value creation in Norway. In 2012 the study was updated with 2011 figures. It showed a surge in value creation and sales from 2010 to 2011.



VALUE CREATION IN MATURE COMPANIES

The figure below shows the value creation across Argentum's portfolio companies distributed by maturity of the portfolio company. Start-up companies are not the only source of innovation. Mature companies also develop new products, concepts or services to strengthen their own competitiveness or grow into new markets. Private equity offers these companies expertise, experience and capital to succeed in these areas. Elixia's development into a Nordic fitness chain, and the growth exhibited by the sports shop XXL are examples of service innovations where new concepts are the driving force that is contributing to strong growth both nationally and in new markets.

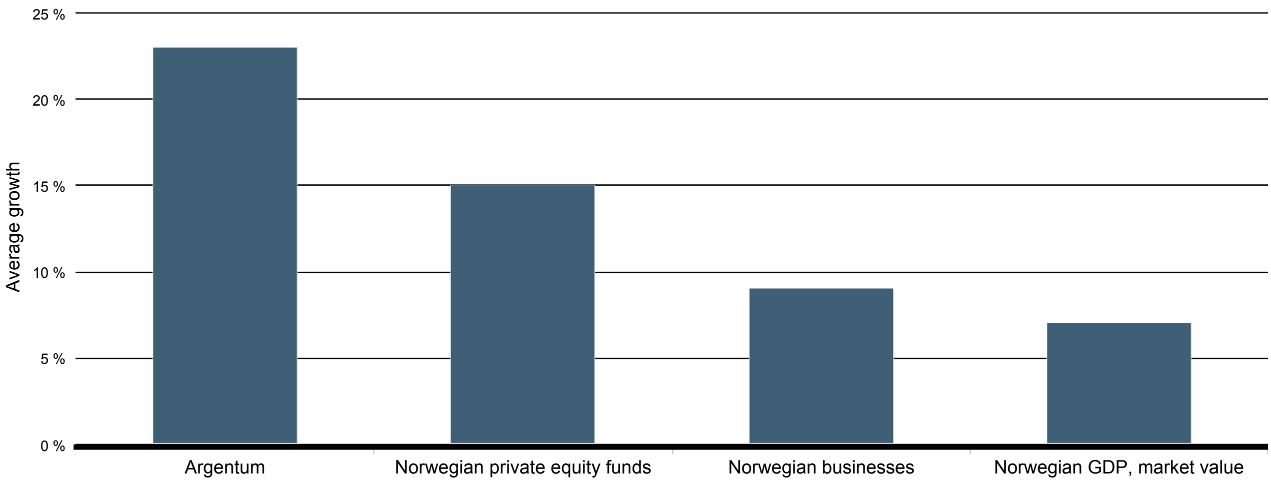
Value creation distributed by early-stage and buyouts (2002-2011)



ARGENTUM CONTRIBUTES TO GROWTH

Argentum's most important resource is the company's expertise within fund selection and asset management. This expertise is vital in ensuring that the company delivers a good return to the state and our co-investors, but is also an element of the value creation that private equity brings about. It is the fund managers who carry out the work of selecting companies that have potential for growth or are being restructured and need extra resources, and who help the companies on their way with experience, expertise and capital. Argentum's job is to choose the best teams to carry out the work. There are strong indications that we are successful in this task; the funds in Argentum's portfolio showed an increase in value creation of 23 per cent, compared with 15 per cent for private equity funds in totalt and 9 per cent for Norwegian businesses in general.

Annual growth in value creation (2002-2011)



Private equity in practice

Identifying growth companies is one of the most important tasks for a private equity fund. But possibly even more important than this is the work that the fund does with the company and the team during the period of ownership. Shown below are several examples from companies that have had funds in Argentum's portfolio on the ownership side.

Realisations in Argentum's portfolio

One of the drivers for Argentum's results and record dividend to the state in 2012 is a large proportion of realisations in the portfolio. Procuritas' sale of the Swedish tyre distribution chain Däckia and FSN Capital's sale of the travel agency Via Travel represent some of the most important realisations in 2012. HitecVision carried out a number of major realisations last year such as SPG, Spring Energy and Tampnet.

Today Tampnet is a company that has delivered strong growth under private equity ownership. The company presently operates the world's largest offshore high capacity communications network, conveying traffic for more than 100 platforms in the North Sea. In total the company has 1,200 kilometres of fibre optic networks and 31 radio links.

Tampnet was established by Statoil in 2001, and HitecVision acquired the company in July 2010. Under HitecVision's ownership, the company's activities have included the acquisition of TeliaSonera's North Sea Communications in 2011, and it has consolidated its position as the leading supplier of offshore broadband in the North Sea.

Tampnet has shown strong growth with HitecVision as its owner, and has increased revenues by about 60 per cent and EBITDA by about 75 per cent. Tampnet was sold to the Swedish EQT infrastructure fund in October 2012, in a transaction that was valued at approximately NOK 1.5 billion.

Aiming to be the largest in the world

The company Its learning was founded in 1999 by three students from Bergen University College who were missing web tools in their everyday lives as students. Today, over a decade later, Its learning has become one of the leading companies within web solutions for the educational sector.

Its learning has developed a cloud-based system known as a learning management system aimed at supporting teachers and students during their studies through multimedia resources, and sharing work and information online.

Its learning has been through a number of financing arrangements. In its earliest years the company had a bank loan and capital from financial investors in Bergen. In 2010 management decided to hire an agent to attract “professional capital.” Arne Bergby says that the company was looking for an entity that could help Its Learning to increase its focus on product development, and, not least, reach new markets. At the same time they saw the need to find a partner who had experience with organisational development and corporate governance.

First were the venture capital funds Viking Venture and Creandum. Then in 2013, EQT Expansion Capital was chosen and it acquired interests from several of the investors and took a 27 per cent ownership stake in the company. This also gave Its learning NOK 75 million in new funds. The founders are certain about what the capital will be used for, namely product development, and the aim is clear:

“We aim to offer the best pedagogic product for education. If we have the best product it is also easier to be the world leader within the segments we are focusing on. Our aim is to be the world's largest company within educational platforms worldwide,” says Bergby.

EQT represents a form of ownership that sets high requirements for companies. “They have a special drive and motivation for growth,” says Bergby and emphasises that the funds' contacts and networks are also something that Its Learning benefits from when it will grow. And the drawbacks? “The drawback, if it is a drawback, is that we cannot always do what we want to do!” concludes Bergby.

Facts on Its Learning:

- Founded: 1999
- Headquarters: Bergen
- Revenues: NOK 155 million (2012)
- Number of employees: 205

Investing with Argentum

One third of the capital Argentum currently manages is on behalf of private investors. Good returns secure investors' confidence, enabling Argentum to contribute to securing more capital for private equity, which in turn benefits growth companies.

Argentum has built up its specialised expertise in private equity since 2001, and currently has a range of investment products within private equity. Together with Argentum professional investors can invest in the primary market (primary investments), purchase stakes in funds in the secondary market (secondary) and invest directly in companies in conjunction with the funds in Argentum's portfolio (co-investments).

Argentum tailors investment programmes for institutional investors, such as pension funds and insurance companies. For other professional investors, such as foundations and family offices, the company has arranged for private equity investments through Argentum Investment Partner I and II.

CEO Joachim Høegh-Krohn provides more information on the programmes.

What are the benefits of investing together with Argentum?

By investing with Argentum, investors gain access to the expertise Argentum has built up over more than a decade. We have good processes for fund selection, documented by the fact that 70 per cent of our funds are within the best 25 per cent of funds in the Nordic countries measured by returns. This is reflected in our returns of 16.1 per cent per year on average since inception in 2001.

At the same time, the risk premium for investing in unlisted companies is higher than in exchange listed companies, for example. Access to information is limited, and thorough market knowledge is absolutely vital for success with private equity investments. As part of a large consortium of investors, you are assured efficiency and professionalism when evaluating funds, better conditions and good follow-up of the investments, and periodic reporting to the investors. To participate in the private equity market requires size and programme investors are given the opportunity to participate in a more diversified portfolio than if they were to manage the portfolio alone.

What type of investors join Argentum's investment programmes?
We have both large institutional investors, such as Gjensidige Forsikring, and other professional, but smaller,

entities such as The Freedom of Expression Foundation. The latter has joined our Argentum Investment Partner (AIP) programme. The benefits of this programme are that since private equity funds often require sizeable minimum investments it can be advantageous for smaller investors to join a consortium such as AIP in order to gain access. For the investors it also means that they can attain a greater degree of diversification with a broader portfolio of private equity funds than they would be able to achieve acting alone with the same figure.

Why should investors invest in private equity?
Allocating funds to private equity is part of good risk diversification in a portfolio of investments. For pension funds, as an example, most of the portfolio will be invested in shares and bonds, while a smaller proportion will be in alternative asset classes such as property and private equity. Private equity is considered to be high risk with the potential for good returns.

Argentum's reports show that less capital was raised for the funds in 2012 than expected, why do you think that is?
It is harder to raise capital now than it was before. We, and many investors, are waiting to commit ourselves until we have seen the results from the fund managers' latest funds. But this is not unusual. What is new is that institutional investors are reducing their allocations to private equity funds as a result of Basel III and Solvency II. A survey conducted for us by Ernst & Young showed that banks in particular are talking about a halt in investment for private equity. It is therefore vital to have long-term investors, such as Argentum and our co-investors, in Nordic private equity. A capital market that functions smoothly for small and mid-sized companies is important for the Norwegian economy and growth, but it is also important in enabling investors and funds to be able to fulfil their roles in the value chain.

Who is currently investing with Argentum?
Gjensidige has been part of our investment programmes since they were launched in 2008. Varner Group and The Freedom of Expression Foundation also invest with Argentum, to name a few. Among the new companies in 2012 is Oslo Pensjonsforsikring, and more will be joining us in 2013.

Argentum's investment programmes

Argentum has two investment programmes: Tailored Private Equity Solutions for institutional investors such as pension funds, and Argentum Investment Partner for other professional investors, for example foundations and family businesses.

In both the programmes Argentum represents the investors through the due diligence process (evaluation phase: assessment of the funds), and in negotiations with the funds that the investors would like to invest in. As part of a large consortium of investors, you are assured efficiency and professionalism when evaluating funds, better conditions and good follow-up of the investments.

Both investment programmes provide access to Argentum's three investment areas:

- Primary: investments in newly established funds through Nordic Private Equity Programme (NPEP)
- Secondary: purchasing units in funds in the secondary market through Argentum Secondary
- Co-investment: company investments together with funds Argentum invests in. Co-investment are done through Nordic Additional Funding Programme (NAF)

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Environmental, Societal and Governance factors

As a leading investor in Nordic private equity funds, work on the environmental, social and governance (ESG) aspects of our business is an important part of Argentum's processes and routines. As an asset manager, the company's core business is fund selection and evaluation, as well as following-up the investments. ESG is an integrated part of this work.

ETHICAL GUIDELINES AND PRINCIPLES

In addition to our own ethical guidelines, Argentum places the principles of the UN Global Compact and UN principles for responsible investment, UN Pri, at the core of the company's investment operations. In 2012 Argentum became a fully-fledged member of the UN Global Compact. The first reports will be issued to the UN during the course of 2013.

THE MAIN POINTS IN ARGENTUM'S ESG WORK

Argentum's work related to corporate social responsibility (*ESG: environmental, social and governance*) is based on seven main points:

- Thorough ethical guidelines that are actively communicated internally and externally
- Integrating the ethical principles in the company's investment processes, including primary, secondary and co-investment
- Involvement in dialogue with the funds Argentum invests in and implementing ESG in operations as well as monitoring and reporting
- Engaging ourselves in the industry and contributing to increased focus on corporate social responsibility, for example via our website
- Being environmentally conscious internally in our activities and operations
- Raising awareness in our own organisation about corporate social responsibility
- Reporting annually on our internally and externally directed work on corporate social responsibility

ESG IN THE INVESTMENT PROCESSES

Argentum carries out a thorough evaluation of the funds that the company commits to, and the funds' work in relation to ESG/corporate social responsibility is an integrated part of this process. For new primary investments a separate analysis is carried out on the manager's vision, guidelines and work methods within corporate social responsibility. In these cases information is collected and discussions are arranged with the funds about how they themselves collect relevant information from the companies that they invest in, at the same time as discussions are held about how the questions are followed up and reported on. Argentum has also drawn up a standard contract that addresses matters relating to corporate social responsibility which must be endorsed by all managers in one form or another before Argentum commits to the fund.

After Argentum has made its commitment, Argentum follows up with the funds on matters connected with corporate social responsibility. In this work we look at what formalised requirements and guidelines the various managers operate with, and more specifically at how the managers actually work with environmental, social and governance factors. The company's annual corporate social responsibility report (ESG report) is available from the company's website: www.argentum.no

From the left: Tina Steinsvik Sund, Mari Tjømøe, Tom Knoff and Grethe Høiland. Kjell Martin Grimeland was not present when the picture was being taken

Report from the Board of Directors

Argentum achieved a profit before tax for the Group of NOK 825.9 million in 2012 and the market value of the Group's investment portfolio in private equity funds amounted to NOK 5.7 billion at the end of 2012. During 2012 the Group realised record high gains from investments in private equity funds of NOK 743.5 million. The total gains amounted to NOK 852 million. The Board proposes a dividend from the parent company for the 2012 financial year of NOK 699 million.

Commercial operations

Argentum Fondsinvesteringer AS is the state's asset manager for investments in private equity funds. Argentum is one of the leading companies in the Nordic countries with an investment portfolio that includes 73 private equity funds at the end of 2012. In addition to investing in newly established private equity funds, the operations include investments in private equity funds via the secondary market and co-investments with private equity funds in Argentum's portfolio.

Besides Argentum Fondsinvesteringer AS the Group consists of the subsidiaries Bradbenken Partner AS, Argentum Nordic PEP 1 AS, Argentum Nordic PEP HC AS, Argentum Secondary AS, Argentum Investment Partner AS, Argentum NPEP AS and Nordic Additional Funding AS. The business operations of Bradbenken Partner AS include equivalent investment activities as those undertaken by the parent company. The company has been founded as a co-investment scheme for employees in the parent company, and the company has the right and duty to invest in parallel with the parent company.*

In connection with the introduction of the EU Alternative Fund Managers Directive (AIFMD) in Norway, which is expected during the course of 2013, Argentum Fondsinvesteringer AS has decided to reposition the capital management business into a separate subsidiary, tasked with managing capital on behalf of Argentum Fondsinvesteringer AS and other investors. Establishment of the new management company is expected to be completed during 2013.

Argentum Fondsinvesteringer AS is wholly owned by the Ministry of trade and industry, and its head office is situated in Bergen, with branch offices in Oslo and Stockholm.

Private equity is an asset class and a market which, in principle, is difficult to gain access to, particularly as a small investor. Since 2008 Argentum has been actively working on further developing its collaboration with external investors, to assist with mobilising private capital into the market. As part of this work Argentum has established several investment programmes in which external investors are given the opportunity to invest together with Argentum, including Nordic Private Equity Programme (NPEP), Argentum Investment Partner (AIP), Nordic Additional Funding Programme (NAFP) and Argentum Secondary. Total net committed capital (planned and completed investments) amounted to NOK 16.1 billion in established programmes up to 2015, of which NOK 4.1 billion is from external investors. Since Argentum's investment programmes were established in 2008, one third of the private capital has come from external entities. In addition to this, Argentum has indirectly contributed to the market attracting capital by, as a leading company in the Nordic countries, functioning as a mark of quality for the funds that Argentum invests in, and thereby attracting other investors.

**The scheme is currently closed to new employees*

Aim and strategy

Argentum aims to deliver returns on a par with the best European investors in private equity funds. At the end of 2012 the company's investment portfolio has generated an annual return of 16.1 per cent since the company was founded in 2001.

Return as at 31 December 2012	From 2002	From 2006	From 2009
Argentum	16.10 %	13.70 %	18.90 %
Top quartile return for PE in Europe*	6.30 %	5.60 %	
Average return for PE in Europe**	2.60 %	2.40 %	
Oslo Stock Exchange with the same cash flow as Argentum***	8.50 %	5.10 %	9.20 %
Oslo Stock Exchange (if all the capital had been invested on the first day)	14.40 %	4.20 %	10.20 %

Performance figures for PE in Europe apply up to 30 June 2012 which are the latest published. Source: ThomsonOne.

**Figures for PE returns in Europe apply up to 30 June 2012 which are the latest published figures. Source: ThomsonOne.*

****Argentum has obtained capital in several rounds, the latest being in 2009. It is also the nature of private equity funds that a commitment is made to a fund and the subsequent investments are undertaken over a certain period of time, usually 5 years. The return that would have been achieved on Oslo Børs with the same cash flow as Argentum is therefore the comparable return for Argentum, where it is assumed that the capital is invested in Oslo Børs at the same time as it is invested in private equity by Argentum. The return for Oslo Børs assumes that all the capital is invested on the first day.*

Asset management within private equity is about having access to investment opportunities and about fund selection. In the opinion of the Board, Argentum has been very successful in these areas; at the end of 2012, 70 per cent of Argentum's capital is invested in funds that are in the top quartile of returns for European private equity, that is to say the best 25 per cent of the funds. In order to achieve these results Argentum's strategy has been to build a position that makes the company an important and attractive partner for both funds and investors. This has been accomplished by building a systematic overview of and insight into the core markets, robust processes, a culture characterised by an entrepreneurial spirit and dynamism, and through investment programmes that cover different sides of the private equity market. Argentum's position has given the company very good access to information, influence on the investment conditions and access to the majority of funds in the market. These conditions have formed the basis for the company's fund selection.

Market development

The Norwegian private equity industry has grown at a rapid pace during the decade or so that Argentum has been in business. The number of private equity fund managers has increased from 12 in 2001 to 51, and the capital under management in Norwegian funds has risen from NOK 18 billion in 2004 to NOK 75 billion in 2012. The Swedish market is still the largest in the Nordic countries, while Norway is the Nordic country which shows the strongest growth in capital under management, of 21 per cent each year since 2004. In Norway Argentum works on an ongoing basis to assist with establishing new managers and operations. Since 2001 Argentum has contributed to building up management teams such as HitecVision and Energy Ventures, both based in Stavanger, and Borea in Bergen. In 2012 Argentum was one of the cornerstone investors in Nord II which is managed by Nord Kapitalforvaltning in Tromsø. The fund's investment focus is small and mid-sized companies in Northern Norway.

Over the last 10 years an integrated Nordic market has taken shape. In the past few years we have also seen a tendency towards an integrated North European market. We are seeing more Nordic funds conducting private equity investments outside the Nordic countries, and that many are also setting up offices outside the Nordic region. At the same time non-Nordic funds have increased their activity in the region. In 2012 these funds accounted for 52 per cent of the amounts invested in Nordic countries. 38 per cent of buyout investments in Norway in 2012 were undertaken by foreign funds.*

The trend is also apparent on the investor side. In the last few years, the Nordic market has been viewed as being attractive for international investors as well, based on the relatively high returns we have seen here in recent years. Reduced access to risk capital from Nordic investors has also contributed to international investors increasingly making investments in the Nordic countries. In 2011 foreign investors represented as much as 76 per cent of capital committed to Norwegian private equity funds.**

**Source: Argentum*
***Source: Menon Business Economics*

Future developments

The Board is keen to ensure that Argentum will contribute to a better functioning Norwegian and Nordic private equity market. In the opinion of the Board, Argentum can best help to contribute to this by being a relevant and preferred partner for funds and investors. This requires Argentum to continuously develop and adapt itself. The Board is of the opinion that it is natural to capitalise on Argentum's position, structure and results in further developing the company.

Argentum has an established and strong position in the Nordic market for private equity funds. At the same time the Board is seeing that the private equity markets are becoming increasingly internationalised and integrated. If Argentum is to maintain and develop its position, the company must adapt to these developments. For the Board this is also a matter of developing Argentum into an asset manager that can attract capital from demanding international investors. It is vital that Argentum's investment universe is seen as being relevant by international investors and gives the company sufficient breadth of variation to maintain a high return. At the same time Argentum must have credibility that the company operates in a market where the company has the conditions to continue to be able to deliver a competitive return.

Regardless of whether or not the market is becoming internationalised, and Argentum with it, in the opinion of the Board there is an intrinsic value for the Norwegian industry in having this type of centre of power, which the environment at Argentum represents, being based and originating in Norway. Such environments will, in many other industries, be established outside Norway. This applies to the rest of the asset management industry, where the major centres of power are situated in Stockholm,Copenhagen and London. Through Argentum and the environment around Argentum in Norway and the Nordic countries, the Board believes that the state has a unique chance to develop a strong knowledge-based industry, asset management within private equity, which can compete internationally and will provide positive ripple effects for Norwegian trade and industry over the long term.

Over the next few years the aim is to develop Argentum into an asset manager that houses an international grouping of expertise in private equity and is an attractive and preferred partner for funds and investors in Nordic and North European private equity funds, as well as develop the company's position as one of the leading asset managers of investments in private equity funds in the energy sector. The energy sector is naturally an international market.

At the same time as Argentum's portfolio of products and cooperating investors grows, the company will build up management for other investors on the same terms and conditions as other entities.

Argentum Centre for Private Equity

In February 2012 the Argentum Centre for Private Equity at the Norwegian School of Economics was opened. The research centre is a collaboration between the Norwegian School of Economics and Argentum, HitecVision, Energy Ventures, PwC, Norvestor Equity, Northzone and the law firm BAHR. The Argentum Centre for Private Equity is the first independent research centre of its kind in the Nordic countries, and one of only a few in Europe.

The research centre shall contribute to the production of objective and independent high quality research on topics related to private equity within the financial sector. The research centre will raise knowledge and awareness of how private equity functions and contributes to companies, investors and society.

Statement on the investments

The Group's investment portfolio at the end of the financial year consists of 73 private equity funds with a total market value of NOK 5.7 billion. The return on the investment portfolio amounted to 16.1 per cent per year at the end of 2012, measured since its inception in 2001. For 2012 seen in isolation the return on the investment portfolio was 17.2 per cent.

During 2012 five new primary investments in private equity funds were undertaken. Through investments in the secondary market, investments in an additional 12 private equity funds were carried out. Realisations of the funds' underlying investments ended the year at a record high level in 2012 with total distributions to Argentum of NOK 1,353 million, of which NOK 721 million represented gains for the parent company. Major realisations included HitecVision's realisations of Spring Energy, Tampnet and SPG, FSN's sale of ViaTravel and Procuritas' realisation of Dackia.

Statement on the annual accounts

The consolidated financial statements and company accounts of Argentum Fondsinvesteringer AS for the 2012 financial year have been prepared in accordance with International Financial Reporting Standards (IFRS) approved by the EU and appurtenant interpretations and pronouncements issued by the International Accounting Standards Board, as well as other Norwegian disclosure obligations pursuant to the law and regulations.

In the opinion of the Board the annual financial statements give a true and fair view of Argentum Fondsinvesteringer AS and the Group's assets, liabilities, financial position and result of operations.

In accordance with the requirements of the Accounting Act (Norway) the Board confirms that the prerequisites for the going concern assumption exist and accordingly the financial statements have been prepared based on the going concern principle.

Argentum achieved a profit for the Group of NOK 819.9 million in 2012, and NOK 792.6 million for the parent company.

OPERATING REVENUES

Proceeds from private equity fund realisations ended at a record high level for Argentum in 2012. Total gains from the funds' realisations amounted to NOK 743.5 million for the Group and NOK 721.6 million for the parent company in 2012.

Return private equity funds	**Parent company**		**Group**	
(All figures in NOK 1 000)	**2012**	**2011**	**2012**	**2011**
Realised return	721 624	519 361	743 512	556 325
Unrealised change in value	93 386	(259 598)	108 750	(270 418)
Net gain/loss private equity funds	**815 010**	**259 763**	**852 262**	**285 907**
Other operating revenues	12 282	6 038	3 969	3 448
Total operating revenues	**827 292**	**265 800**	**856 231**	**289 355**

Total operating revenues for the Group amounted to NOK 856.2 million, while the parent company's operating revenues totalled NOK 827.3 million. Correspondingly, operating revenues for the Group and parent company in 2011 were NOK 289.3 million and NOK 265.8 million respectively.

At the end of 2012 the market value of investments in private equity funds came to NOK 5,670.9 million for the Group and NOK 5,303.9 million for the parent company.

TOTAL COMPREHENSIVE INCOME

	Parent company		**Group**	
(All figures in NOK 1 000)	**2012**	**2011**	**2012**	**2011**
Operating revenues	827 292	265 800	856 231	289 355
Operating expenses	(63 206)	(41 709)	(68 425)	(43 806)
Operating profit	**764 086**	**224 092**	**787 806**	**245 549**
Net financial income and expenses	34 540	49 864	38 099	49 432
Profit before tax	798 625	273 956	825 905	294 981
Income tax	(6 004)	(8 933)	(6 004)	(8 933)
Total comprehensive income	**792 622**	**265 022**	**819 901**	**286 047**

The Group operating profit for 2012 showed earnings of NOK 787.8 million compared with earnings in 2011 of NOK 245.5 million. Profit before tax for the Group amounted to NOK 825.9 million, while the corresponding figure in 2011 was NOK 295.0 million. The Group's total comprehensive income after tax showed earnings of NOK 819.9 million compared with earnings in 2011 of NOK 286.0 million.

The parent company Argentum Fondsinvesteringer AS had an operating profit of NOK 764.1 million in 2012 compared with an operating profit of NOK 224.1 million in 2011. Profit before tax was NOK 798.6 million in 2012 compared with NOK 274.0 million in 2011. Total comprehensive income after tax amounted to NOK 792.6 million compared with NOK 265.0 million in 2011.

Group income taxes were NOK 6.0 million in 2012, compared with NOK 8.9 million in 2011. The reduction was chiefly due to increased tax free realisations in the PE portfolio compared with 2011. Taxes for the year are less than 28 per cent. This is related to the Group's realised returns from PE investments being largely covered by the tax exemption method.

Net cash flow from operating activities in the Group principally consists of payments to and from the private equity funds in the portfolio. Net cash flow for the Group from operating activities was negative NOK 258.4 million in 2012, compared with positive cash flow of NOK 36.5 million in 2011. The reduction in net cash flow from operating activities is largely due to accruals in connection with realisations undertaken in the portfolio during 2012, which are to be disbursed in 2013. The Group operating profit was NOK 787.8 million. The deviation between the operating profit and the cash flow from operating activities is principally due to the Group still being in an investment phase and reinvesting the proceeds from realised investments.

The portion of the Group's capital that is not invested in private equity funds is chiefly managed in the interest rate market with low credit risk and interest rate risk. Return on the interest rate market portfolio was NOK 37.9 million in 2012 compared with NOK 42.5 million in 2011. Short-term investments in the interest rate market were NOK 795.2 million at year-end compared with NOK 1,242.8 million at the end of 2011.

The Group has good liquidity with NOK 339.6 million of liquid assets as at 31 December 2012. Current liabilities in the Group amounted to NOK 174.3 million as at 31 December 2012.

The Group's total assets at year-end were NOK 7,243.6 million, compared with NOK 6,437.4 million in 2011.

Financial risk

Argentum has placed considerable emphasis on the development of risk management tools, and this work has been further strengthened and developed in 2012 through the implementation of a portfolio system for the company's investments in private equity funds. With forecasting models for liquidity management and emphasis on strict investment criteria, as well as closely monitoring existing investments, the Board and management are comfortable with the present risk situation.

The Group values investments in private equity funds based on the values that are reported by the funds pursuant to International Private Equity and Venture Capital (IPEVC) Valuation Guidelines. Argentum's investment portfolio at the end of 2012 shows substantial added value relative to invested amounts. For the portfolio in aggregate, the realisations in 2012 have been carried out at higher levels than the valuations prior to realisation and there have been few bankruptcies in the underlying portfolio. There will always be an element of uncertainty associated with the valuation of financial instruments that are not priced in an active market. The company bases its evaluations on the information that is available in the market. In 2012 Argentum has focused on further developing routines for following up all private equity funds and underlying investment portfolios on an ongoing basis.

There has not been any new information concerning material events that have occurred or conditions already existing at the end of the reporting period as at 31 December 2012 and until the Board adopts the accounts on 22 May 2013.

The Group is exposed to financial market risk through investments in private equity funds and investments in the Norwegian money market.

The Group is exposed to exchange rate changes due to investments in private equity funds denominated in other currencies than Norwegian kroner. It is Group policy to not currency hedge investments denominated in other currencies.

The Group is exposed to changes in the level of interest rates both for funds invested in the money market and investments in private equity funds. The maximum duration of the money market portfolio is 1 year. As at 31 December 2012 the actual duration of the portfolio, weighted by market values, was about 0.54 years.

The Group is also exposed to interest rate risk as private equity funds are valued pursuant to International Private Equity and Venture Capital (IPEVC) Valuation Guidelines. The values of the funds' investments are affected by changes in market interest rates.

Credit risk principally arises in connection with investments in interest rate instruments, as well as bank deposits. For investments in interest rate instruments, the credit risk is sought minimised through limits on exposure to issuer sectors and per issuer. Investments in money market instruments are restricted to the state, municipality/county and finance sectors.

The liquidity risk associated with the investments in funds will be related to the risk that the Group does not have the means to make ongoing payments to the funds within committed capital. These conditions are incorporated into the Group's investment plans and forecasts, and are managed through a liquidity control model that takes into account commitments to the current portfolio and the future commitment programme. The liquidity risk is deemed to be low.

As regards assets managed in the money market, the liquidity risk is connected to whether the assets can be transformed to cash within a reasonable period of time, to secure financial flexibility for investment purposes. This risk is regulated through a framework on risk diversification and requirements for the composition of the portfolio, including the requirement to invest in paper with good liquidity. Investments in interest rate instruments are restricted to the state, municipality, county and finance sectors. Financial institutions shall be credit cleared as an investment grade company.

The Argentum Group invests in unlisted shares via venture capital funds and buyout funds. For the venture capital segment in particular there is a high risk associated with individual investments, with the opportunity for high returns, but also a substantial loss. Argentum seeks to reduce risk concentration by diversifying the investment portfolio across a number of funds and managers and over different investment dates, as well as investing in funds with differing investment focuses as regards sectors, phases and regions.

Environmental, societal and governance factors

As an investor in 73 private equity funds and with indirect ownership interests in almost 500 companies, Argentum emphasises its responsibility as an investor. The work in connection with corporate social responsibility is an important part of this, both the integration of social responsibility into investment decision-making and professional updating within the field of corporate social responsibility to ensure that Argentum is a driving force for this in the industry.

Argentum's work with corporate social responsibility is based on the UN principles for responsible investment, UN Global Compact. These principles address human rights, employee rights, corruption and the environment. In 2012 the company became a fully fledged member of the UN Global Compact. This membership requires annual reporting and follow up with Global Compact, in addition to the company's other corporate social responsibility reporting. In addition, Argentum has incorporated the principles from UN Pri and used these as a basis in the preparation of the ethic guidelines. The Board places emphasis on Argentum integrating consideration of good corporate governance, environmental and social matters into its investment activities, in line with internationally recognised principles for responsible investment businesses. These principles are integrated into Argentum's investment strategy and into all investment decisions.

In investment decisions Argentum places particular emphasis on ensuring that the system of agreements reflects equal treatment and transparency. The principles are integrated into Argentum's investment analyses and decision processes, through the ownership of the funds and through openness in the company's reporting. Evaluation of issues relating to corporate social responsibility is an integrated part of Argentum's assessment of the managers.

Argentum prepares an ESG/corporate social responsibility report each year, where the company reports on the status of work relating to corporate social responsibility at the managers in Argentum's portfolio. The report also contains an overview of Argentum's internal work in relation to corporate social responsibility. In addition, Argentum uses Norwegian and international investors as discussion partners in connection with the work on corporate social responsibility, and will be a member of Norsif from 2013.

For internal matters, Argentum bases its internal report on corporate social responsibility on selected indicators from the UN Global Reporting Initiative (GRI). This is a set of general reporting indicators for corporate social responsibility that is recognised as a global standard.

In 2012 the company's travel activities resulted in 49.4 tonnes of CO_2 equivalents, while the corresponding figure for 2011 was 42.5 tonnes of CO_2 equivalents. The increase is due to greater activity in the company. The company's recycling rate was 45 per cent, the same as in 2011. In addition, an agreement has been signed with external parties to recycle obsolete IT equipment, and the Group also places demands on suppliers' environmental certification.

Working environment and personnel

As at 31 December 2012 Argentum Fondsinvesteringer AS had 17 employees. Absence due to illness represented 3.68 per cent of total working hours in 2012. The other Group companies do not have any employees.

The Board considers the working environment to be good; there have not been any serious accidents at work or accidents during the year that have resulted in personal injury or damage to property and none have been reported.

The Group strives for gender equality. As at 31 December 2012 the proportion of women was 29 per cent. The Board comprises three women and two men.

Proposal for the allocation of the result

The Board proposes that the year's net income of NOK 792.6 million in Argentum Fondsinvesteringer AS be allocated as follows:

Allocations in Argentum Fondsinvesteringer AS (all figures in NOK 1 000)	**2012**	**2011**
Total comprehensive income	**792 622**	**265 022**
Other reserves	792 622	265 022
Total allocation	**792 622**	**265 022**

The company's distributable equity is as follows:

Distributable equity Argentum Fondsinvesteringer AS (all figures in NOK 1 000)	**2012**	**2011**
Other reserves	2 021 049	1 528 428
Unrealised gains	(423 933)	(330 547)
Deferred tax assets	(23 224)	(29 228)

Total distributable equity	**1 573 892**	**1 168 653**

The Board proposes that NOK 699 million be distributed as a dividend for the 2012 financial year 2012.

22 May 2013

Tom Knoff, chairman

Grethe Høiland Marie Thjømøe

Tina Steinsvik Sund Kjell Martin Grimeland

Nils E. Joachim Høegh-Krohn
CEO

Annual accounts

The funds in Argentum's portfolio of investments in private equity funds delivered a total gain of NOK 852 million, of which NOK 743.5 million was in realised gains, and represents the highest amount in the history of the company. This has contributed to a profit of NOK 820 million for Argentum in 2012, and gives a record dividend to the state of NOK 699 million and good returns for private co-investors. Here follows the company accounts for 2012.

Income statement

		INCOME STATEMENT 01.01-31.12			
		(All figures in NOK 1 000)			
PARENT COMPANY				**GROUP**	
2012	**2011**		**Noter**	**2012**	**2011**
		Operating revenues and operating expenses			
815 010	259 763	Gain/loss on private equity fund investments	3, 4, 6	852 262	285 907
815 010	**2 597 623**	**Net/gain loss on private equity fund investments**		**852 262**	**285 907**
12 282	6 038	Other operating revenues	22	3 969	3 448
827 292	**265 800**	**Total operating revenues**		**856 231**	**289 355**
(38 252)	(23 247)	Payroll	14, 15	(38 252)	(23 247)
(24 954)	(18 462)	Other operating expenses	13, 15, 16	(30 173)	(20 559)
764 086	**224 092**	**Operating profit**		**787 806**	**245 549**
		Financial income and financial expenses			
45 935	54 645	Return on market-based current financial assets and other financial income	7, 19	52 246	55 177
(11 396)	(4 781)	Other financial expenses	19	(14 147)	(5 745)
34 540	**49 864**	**Total financial items**		**38 099**	**49 432**

798 625	**273 956**	**Profit before tax**		**825 905**	**294 981**
(6 004)	(8 933)	Income taxes	18	(6 004)	(8 933)
792 622	**265 022**	**Result for the year**		**819 901**	**286 047**
-	**-**	**Comprehensive income statement**		**-**	**-**
792 622	**265 022**	**Total comprehensive income**		**819 901**	**286 047**
		Share of profit attributable to non-controlling interests		21 462	19 949
		Shareholder		798 438	266 099
		Information on transfers			
792 622	265 022	Other reserves			

Balance sheet

		BALANCE AS AT 31 DECEMBER			
		(All figures in NOK 1 000)			
PARENT COMPANY				**GROUP**	
2012	**2011**		**Notes**	**2012**	**2011**
		Assets			
		Non-current assets			
		Intangible assets			
23 224	29 228	Deferred tax assets	3, 18	23 224	29 228
		Tangible fixed assets			
6 521	2 851	Operating equipment, fixtures and fittings, office equipment etc.	20	6 521	2 851
		Financial assets			
5 303 898	4 632 336	Investments in private equity funds	3, 4, 5, 6	5 670 853	4 869 619
105 107	95 282	Shares in subsidiaries	11, 12	-	-
5 409 004	**4 727 619**	Total financial assets		**5 670 853**	**4 869 619**
5 438 750	**4 759 698**	**Total non-current assets**		**5 700 599**	**4 901 698**
		Current assets			
405 716	18 046	Other receivables	5, 8, 21	408 248	17 258
795 165	1 242 838	Market-based bonds and certificates	4, 7	795 165	1 242 838
71 986	185 126	Cash and cash equivalents	5, 9	339 617	275 646
1 272 867	**1 446 011**	**Total current assets**		**1 543 030**	**1 535 742**
6 711 617	**6 205 708**	**Total assets**		**7 243 629**	**6 437 440**

		Equity and liabilities			
		Equity			
		Paid-in capital			
1 953 166	1 953 166	Share capital	10	1 953 166	1 953 166
2 696 706	2 696 706	Share premium account	10	2 696 706	2 696 706
4 649 872	**4 649 872**	**Total paid-in capital**		**4 649 872**	**4 649 872**
		Retained earnings			
2 021 049	1 528 428	Other reserves		2 041 063	1 540 925
2 021 049	**1 528 428**	**Total retained earnings**		**2 041 063**	**1 540 925**
-	-	Non-controlling interests		378 414	215 528
6 670 922	**6 178 300**	**Total equity**		**7 069 349**	**6 406 325**
		Liabilities			
		Current liabilities			
-	-	Taxes payable	18	-	-
40 695	27 408	Other current liabilities	17	174 280	31 115
40 695	**27 408**	Total current liabilities		**174 280**	**31 115**
40 695	**27 408**	**Total liabilities**		**174 280**	**31 115**
6 711 617	**6 205 708**	**Total equity and liabilities**		**7 243 629**	**6 437 440**

Equity

STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2012

(All figures in NOK 1 000)

GROUP	**Share capital**	**Share premium account**	**Other reserves**	**Total majority share of equity**	**Minority**	**Total equity**
Equity as at 31.12.2009	**1 953 166**	**2 696 706**	**837 017**	**5 486 889**	**104 581**	**5 591 470**
Total comprehensive income	-	-	951 810	951 810	65 105	1 016 914
Contribution non-controlling interest	-	-	-	-	58 008	58 008
Distributions to non-controlling interest	-	-	-	-	(24 159)	(24 159)
Dividend distributed in 2010	-	-	(118 000)	(118 000)	-	(118 000)
Equity as at 31.12.2010	**1 953 166**	**2 696 706**	**1 670 826**	**6 320 698**	**203 535**	**6 524 234**
Total comprehensive income	-	-	266 099	266 099	19 949	286 048
Correction opening balance minority	-	-	-	-	(7 070)	(7 070)
Contribution non-controlling interest	-	-	-	-	66 602	66 602
Distributions to non-controlling interest	-	-	-	-	(67 489)	(67 489)
Dividend distributed in 2011	-	-	(396 000)	(396 000)	-	(396 000)
Equity as at 31.12.2011	**1 953 166**	**2 696 706**	**1 540 925**	**6 190 797**	**215 528**	**6 406 325**
Total comprehensive income	-	-	798 439	798 439	21 462	819 901

Accruals opening balance	-	-	1 699	1 699	-	1 699
Contribution non-controlling interest	-	-	-	-	208 215	208 215
Distributions to non-controlling interest	-	-	-	-	(66 791)	(66 791)
Dividend distributed in 2012	-	-	(300 000)	(300 000)	-	(300 000)
Equity as at 31.12.2012	**1 953 166**	**2 696 706**	**2 041 063**	**6 690 935**	**378 414**	**7 069 349**

PARENT COMPANY	**Share capital**	**Share premium account**	**Other reserves**	**Total equity**
Equity as at 31.12.2009	**1 953 166**	**2 696 706**	**827 574**	**5 477 446**
Total comprehensive income	-	-	949 783	949 784
Dividend distributed in 2010	-	-	(118 000)	(118 000)
Group contribution received 2010	-	-	48	48
Equity as at 31.12.2010	**1 953 166**	**2 696 706**	**1 659 406**	**6 309 278**
Total comprehensive income	-	-	265 022	265 022
Divident distributed in 2011	-	-	(396 000)	(396 000)
Equity as at 31.12.2011	**1 953 166**	**2 696 706**	**1 528 428**	**6 178 300**
Total comprehensive income	-	-	792 622	792 622
Dividend distributed in 2012	-	-	(300 000)	(300 000)
Equity as at 31.12.2012	**1 953 166**	**2 696 706**	**2 021 049**	**6 670 922**

Cash flow statement

		CASH FLOW STATEMENT AS AT 31 DECEMBER			
		(All figures in NOK 1 000)			
PARENT COMPANY				**GROUP**	
2012	**2011**		**Notes**	**2012**	**2011**
		Cash flow from operating activites			
798 625	273 956	Profit before tax		825 905	294 981
-	-	Income taxes paid (-)	18	-	-
493	453	Depreciation and impairment	20	493	453
(37 346)	(41 715)	Net change in value of the interest rate market portfolio		(37 346)	(41 715)
(93 386)	259 598	Unrealised gain/loss on PE portfolio	6	(83 621)	270 418
(1 004 210)	(771 073)	PE investments payment		(1 276 702)	(933 357)
425 913	294 530	Return to cost on PE portfolio realisations		560 665	430 825
(374 382)	25 171	Change in trade receivables and other accruals		(247 825)	14 870
(284 293)	**40 920**	**Net cash flow from operating activities**		**(258 431)**	**36 473**
		Cash flow from investment activities			
(4 164)	(347)	Cash paid on purchases of tangible fixed assets	20	(4 164)	(347)
(9 824)	(26 294)	Cash paid on investments in subsidiares	22	-	-
485 000	430 000	Proceeds from market-based bonds and certificates	7	485 000	430 000
471 012	**403 359**	**Net cash flow from investment activites**		**480 836**	**429 653**
		Cash flow from financing activities			
-	-	Proceeds from partnership contribution		208 215	66 602
(300 000)	(396 000)	Dividends paid	22	(366 791)	(463 489)

(300 000)	**(396 000)**	**Net cash flow from financing activities**		**(158 576)**	**(396 887)**
(113 282)	**48 279**	**Netto endring i kontanter**		**63 829**	**69 240**
184 155	135 876	Beholdning av kontanter 01.01	9	274 676	205 436
(113 282)	48 279	Netto endring i kontanter		63 829	69 240
70 874	**184 155**	**Beholdning av kontanter 31.12.**	9	**338 505**	**274 676**

Notes to the financial statement

Note 1 - Accounting policies

1.1 Basis of preparation

Argentum Fondsinvesteringer AS is a limited company registered in Norway, its head office is situated in Bergen and it has a branch office in Oslo. Argentum Fondsinvesteringer AS and its subsidiaries are investment companies that participate with non-controlling interests in specialised, private equity funds. The company's head office is at Bradbenken 1, 5835 Bergen. The annual accounts for the 2012 financial year have been approved by the company's Board of Directors on 22 May 2013 and are subject to approval by the general meeting on 20 June 2013.

The consolidated financial statements and company accounts of Argentum Fondsinvesteringer AS for the 2012 financial year have been prepared in accordance with International Financial Reporting Standards (IFRS) approved by the EU and appurtenant interpretations and pronouncements issued by the International Accounting Standards Board, as well as other Norwegian disclosure obligations pursuant to the law and regulations.

The consolidated financial statements and company accounts are based on the principles of historical cost accounting, with the exception of the following assets:

- Investments at fair value with changes in value recognised in the income statement (note 1.9 and 1.14).
- Assets that are classified as measured at fair value with changes in value recognised in the income statement (fair value option, note 1.9 and 1.14).

The consolidated financial statements and company accounts have been prepared using uniform accounting policies for equivalent transactions and events under otherwise similar conditions.

Preparation of financial statements in accordance with IFRS requires the use of estimates. Furthermore, application of the company's accounting policies requires management to exercise judgement. Areas involving a large degree of such judgements and assessments, substantial complexity, or areas where assumptions and estimates are material to the consolidated financial statements and company accounts are described in note 3.

Changes in accounting polices and disclosures

a) New and amended standards applied by the Group

There were no new or amended IFRSs or IFRIC interpretations that came into effect in 2012 which materially affect the annual accounts of the Group and parent company.

b) Standards, amendments and interpretations of existing standards that have not come into effect and where the Group has not chosen early adoption

The Group and parent company have not chosen early adoption of any new or amended IFRSs or IFRIC interpretations.

IAS 1 Presentation of Financial Statements has been amended with the result that items in the comprehensive income statement are divided into two groups, those that are subsequently reclassified through the income statement and those that are not. The change does not affect what items are to be included in the comprehensive income statement.

IAS 19 Employee Benefits was amended in June 2011. This does not affect the financial statements as the Group only has a defined contribution pension plan.

IFRS 9 Financial Instruments sets out the classification, measurement and accounting practice for financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010, and replaces the parts of IAS 39 that address the accounting, classification and measurement of financial instruments. Pursuant to IFRS 9 financial assets shall be divided into two categories based on the method of measurement: those that are measured at fair value and those that are measured at amortised cost. The classification assessment is conducted on initial recognition in the accounts. The classification will depend on the company's business model for treating its financial instruments and the characteristics of the contractual cash flows from the instrument. For financial liabilities the requirements are largely identical to IAS 39. The main amendment, in the cases where fair value has been chosen for financial liabilities, is that the portion of a change in fair value that is due to a change in the company's own credit risk is posted to the comprehensive income statement instead of the income statement, if this does not entail an accrual error in the profit measurement. The Group is planning to apply IFRS 9 when the standard comes into effect and is approved by the EU. The standard comes into effect for accounting periods commencing on 1 January 2013 or later, however IASB has an exposure draft on a proposal to postpone commencement to accounting periods starting on 1 January 2015 or later.

IFRS 10 Consolidated Financial Statements is based on the current principle of using the concept of control as the determining criterion in deciding whether or not a company should be included in the consolidated financial statements of the parent company. The standard provides additional guidance when considering whether control is present in those cases where it is not clear. The standard will not have a material effect on the accounts as the Group presently conducts its business activities. The Group is planning to apply the standard to accounting periods commencing 1 January 2013 and later.

IFRS 12 Disclosures of Interests in Other Entities contains disclosure requirements for financial interests in subsidiaries, joint ventures, associated companies, special purpose entities (SPEs) and other unrecognised companies. The Group has not evaluated the full effect of IFRS 12. The Group is planning to apply the standard to accounting periods commencing 1 January 2013 and later.

IFRS 13 Fair Value Measurement defines what is meant by fair value when the term is applied in IFRS, gives

a uniform description of how fair value should be determined in IFRS and defines what additional information should be disclosed when fair value is applied. The standard does not expand the scope of fair value accounting, but provides guidance on methods of application in cases where its use is already required or permitted by other IFRSs. The Group applies fair value as the measurement criterion for certain assets and liabilities. The standard will, based on a provisional assessment of the business operations the Group currently has, not have a material effect on items in the accounts. The Group is planning to apply IFRS 13 (early)
to the accounting periods commencing on 1 January 2013 and later.

Otherwise, there are no IFRSs or IFRIC interpretations that have not come into effect that are expected to have a material effect on the accounts.

1.2 Functional currency and presentation currency

The Group and the parent company present financial statements in NOK. This is also the functional currency of the parent company and Group companies.

1.3 Basis of consolidation

The consolidated financial statements for the Group include Argentum Fondsinvesteringer AS and companies that Argentum Fondsinvesteringer AS has a controlling influence over.

a) Subsidiaries

Subsidiaries are companies (including special purpose entities, known as SPEs) where the Group has the power to shape the unit's financial and operational guidelines (control), normally through ownership of more than half the voting capital. Subsidiaries are consolidated from the date that control is transferred to the Group and are omitted from consolidation when the control ceases. Non-controlling interests are included in the Group's equity.

Intra-group transactions and intra-group balances, including internal gains and unrealised gains and losses are eliminated. The subsidiaries' accounts are restated when it is necessary in order to accord with the Group's accounting policies.

1.4 Joint ventures

The Group's interests in joint ventures are accounted for using the proportionate consolidation method. The Group adds its share of the joint venture's income statement, statement of financial position and cash flow items to the equivalent entries in the Group accounts. Gains or losses on the sale of assets to joint ventures are recognised in the income statement for the portion that can be attributed to other owners (outside the Group) in the joint venture business. When purchasing assets from joint ventures, the gain or loss will initially be recognised when the asset is sold out of the Group. Losses are immediately recognised if the transaction indicates a reduction in the net sales value of current assets or an impairment in the value of non-current assets.

In the parent company investments in the principal are classified as subsidiaries at cost, while interests in internal partnerships are included in the private equity portfolio.

All other investments are accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement, further information on this is presented in note 1.9.

1.5 Cash and cash equivalents

Cash includes cash holdings and bank deposits. Cash and cash equivalents are initially recognised at fair value.

1.6 Current receivables
Current receivables are initially recognised in the statement of financial position at fair value. On subsequent measurement, current receivables are recorded at amortised cost using the effective interest rate method, less a provision for losses incurred.

1.7 Property, plant and equipment (tangible fixed assets)
Property, plant and equipment is recorded at acquisition cost, less accumulated depreciation and impairment. When assets are sold or disposed of, the carrying amount is derecognised and any loss or gain is recognised in the income statement. Acquisition cost for property, plant and equipment is the cost price, including fees/taxes and costs directly connected to readying the non-current asset for use. Expenses incurred after the asset is in use, such as ongoing maintenance, are expensed, while other expenses that are expected to generate future economic benefits are recognised in the statement of financial position.

Depreciation is determined using the straight line method with the following useful lives:

Fixtures and fittings, office equipment, equipment: 3-5 years
Art: Not depreciated

The depreciation period and method are reviewed annually. The equivalent applies to the value of obsolete assets.

The carrying amount for property, plant and equipment is reviewed for impairment if events or changes in circumstances indicate that the carrying amount of the asset is not recoverable. The recoverable amount is the higher of value in use and net sales value. Assets under development are classified as non-current assets and are carried at cost until the process or development has been completed. Assets under development are not written off until the non-current asset has been in use.

1.8 Leasing
Operating leases
Leases where substantially all the risks and rewards incidental to ownership of the asset are held by the lessor are classified as operating leases. Rent payments are classified as an operating expense and are recognised in the income statement on a straight line basis over the period of the contract.

1.9 Financial instruments
In accordance with IAS 39 Financial instruments: Recognition and measurement, Group financial instruments are classified in the following categories:

- Fair value with changes in fair value through the income statement
- Designated to be measured at fair value with changes in fair value recognised in the income statement ("fair value option")
- Loans and receivables

The classification depends on the intended use of the asset. Management classifies the financial assets on acquisition.

Assets at fair value with changes in fair value recognised in the income statement

The following financial instruments are classified as measured at fair value with changes in fair value recognised in the income statement:

- Financial instruments held first of all for the purpose of selling or buying back in the short term
- Financial instruments that are part of a portfolio of identified instruments that are managed together and where there is evidence of an actual pattern of short term profit taking

Market-based bonds and certificates as well as listed shares are classified as assets at fair value with changes in value recognised in the income statement.

Fair value option
If it provides more relevant information, financial instruments that qualify are designated as instruments that are to be measured at fair value with changes in value recognised in the income statement ("fair value option")

Investments in private equity funds are classified as financial assets. The Group applies the fair value option to investments in private equity funds. As a fund-in-fund investor, the PE investments are valued based on reported net asset values (NAV) from the fund managers pursuant to International Private Equity and Venture Capital Valuation guidelines.

Fair value is determined on the basis of valuation principles established by IAS 39 and guidelines pursuant to IPEV. In ascertaining the value of the funds' investment portfolios the market value at the reporting date is used as a basis for listed investments. For unlisted investments, with no observable market value, fair value is determined based on recently completed third party transactions or transactions between the funds and the underlying portfolio companies, or with reference to the market value of comparable instruments or based on the present value of future cash flows. The fair value of investments in private equity funds is calculated based on the fund's fair value at the reporting date. The fair value of the fund corresponds to the investment portfolio assessed at fair value plus net other items from the statement of financial position.

Changes in the fair value of financial instruments designated as measured at fair value with changes in value through the income statement, are recognised in the income statement and presented as operating income/expenses or financial income/expenses depending on the purpose of the investment. Also see the comments in note 1.14 Revenue recognition.

Loans and receivables
Financial assets with fixed or determinable cash flows that are not listed in an active market are classified as loans and receivables. They are classified as current assets, unless they are due more than 12 months after the reporting date. In which case they are classified as non-current assets (long term assets). Loans and receivables are shown as other receivables, cash and cash equivalents. Loans and receivables are recorded at amortised cost using the effective interest method.

Initial recognition of financial instruments and subsequent measurement
Ordinary purchase and sale of investments are recognised at the date of the transaction, which is the day when the Group incurs the obligation to purchase or sell the asset. All financial assets that are not recorded at fair value with changes in value recognised in the income statement are initially recognised at fair value plus transaction costs. Financial assets that are recorded at fair value with changes in value through the income statement are initially recognised at fair value and transaction costs are expensed. Investments are removed from the statement of financial position when the rights to receive cash flows from the investment cease or when these rights are transferred and the Group has transferred substantially all the risks and rewards incidental to ownership. Financial assets that are recorded at fair value with changes in value through the income statement are valued at fair value subsequent to initial recognition.

Secondary investments in private equity funds through Argentum Secondary are held at acquisition cost, until the end of the quarter following acquisition. The investments are subsequently accounted for at fair value with changes in fair value through the income statement. When a secondary investment is carried at cost price the other assets in the same fund will be equivalently valued.

Impairment of financial assets recognised at amortised cost

At each reporting date the Group considers whether there exist objective indications that a financial asset or a group of financial assets has fallen in value. An impairment in the value of a financial asset or a group of financial assets is only recognised if there exist objective indications of the impairment in value as a result of one or more incidents that have occurred subsequent to initial recognition (a loss event) and this loss event (or events) affects future estimated cash flows in a way that can be reliably measured.

The criteria that the Group uses in determining whether there are objective indications of an impairment in value include:

- The issuer or the borrower is experiencing significant financial difficulties
- An active market for the financial asset no longer exists due to financial difficulties
- Observable information indicates that there has been a measurable decline in the estimated future cash flows from a group of financial assets subsequent to initial recognition of these assets, even if the decline can not yet be identified to individual financial assets

The Group initially assesses whether an objective indication of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying value and the present value of the estimated future cash flows discounted using the financial asset's original effective interest rate. The carrying value of the asset is reduced and the loss is recognised as an expense in the consolidated income statement. As a practical approach, the Group may also measure the impairment based on the instrument's fair value through the use of an observable market price.

If the impairment is subsequently reduced, and the reduction can be objectively linked to an event that occurs after the impairment was recognised, the previous loss will be reversed in the consolidated income statement.

1.10 Provisions

A provision is recognised when the Group has an obligation (legal or constructive) resulting from past events, it is probable (more likely than not) that an outflow of resources will be required to settle the obligation and the amount can be measured reliably. If the effect is material, the provision is determined by discounting the expected future cash flows using a pre-tax discount rate that reflects the current market assessments of the time value of money and, if relevant, the risks specific to the liability.

1.11 Equity

i) Share capital

Ordinary shares are classified as share capital.

ii) Costs associated with equity transactions

Transaction costs directly connected to an equity transaction are directly recognised in equity after deduction of tax.

(iii) Other reserves

Unrealised gains/losses comprise net unrealised gains/losses on the portfolio as a whole. Unrealised gains are restricted equity that is not included in the basis for dividends. Proposed dividends constitute part of equity until approved at the general meeting.

1.12 Non-controlling interests

Non-controlling interests include the minority's portion of the carrying amount of the subsidiaries including the portion of added value identified at the acquisition date. Losses in a consolidated subsidiary that can be attributed to the non-controlling interest will be charged to the non-controlling interest even if the carrying amount of the non-controlling interest becomes negative.

1.13 Trade receivables

Trade receivables are initially recognised at fair value. On subsequent measurements trade receivables are valued at amortised cost using the effective interest method.

1.14 Revenue recognition

Investing in private equity funds is the company's primary business activity. Accordingly, the revenues from the investments are classified as operating revenues in the income statement. Revenues from investments comprise realised and unrealised gains, as well as dividends or equivalent disbursements from the funds. Gains/losses on investments in private equity funds in the income statement comprise the company's share of realised gains and losses as well as its share of the year's change in unrealised values in the funds' underlying investments.

In determining the realised gain/loss from the funds when the underlying portfolio company is realised, the capitalised management fees and other costs in connection with management of the individual private equity funds are taken into account. The capitalised costs are allocated based on the cost price of the individual underlying portfolio company. When the underlying portfolio company is realised, a portion of the capitalised costs are then reversed, and the realised gain recorded is reduced/loss increases.

Argentum Group's portfolio of fund investments is managed and the return is measured based on the fair value of the funds' underlying company investments. The management model is designed to measure returns based on estimated fair values, supplemented by qualitative analyses of value and risk developments in the portfolio on the grounds that this provides more relevant information. Internal reporting to the Board and management takes place based on the fair value of the fund investments. Based on this, Argentum has chosen to use the option in IAS 39, paragraph 9b to value investments at fair value with changes in value through the income statement (fair value option).

See also the comments in note 1.9 Financial instruments.

Interest income is recognised based on the effective interest method in the period in which it is earned. Dividends are recognised when the shareholders' rights to receive the dividends are established at the general meeting.

1.15 Foreign currency

Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rate at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Norwegian kroner at the foreign exchange rate at the date of the statement of financial position. Non-monetary assets and liabilities that are measured at historical exchange rates in foreign currency, are translated to Norwegian kroner using the exchange rate at the time of the transaction. Non-monetary assets and liabilities that are measured at fair value in foreign currency are translated using the exchange rate at the time of the valuation, which is coincident with the reporting date. Changes in exchange rates are recognised in the income statement in the period in which they occur.

1.16 Employee benefits

Defined contribution pension benefits

The Group has established a defined contribution pension scheme for all permanent employees in accordance with the requirement for mandatory occupational pensions. Contributions to the scheme represent from 0-8 per cent of salary. The annual pension contribution is deferred over the insurance period.

Defined contribution pension schemes entail the Group making an annual payment to the employees' collective pension savings, but there is no promise of a future pension of a certain size. The individual employees' future pension is determined by the size of the annual payments and the return on the pension contributions paid in. The Group does not have any additional payment obligations after the contributions have been made.

1.17 Income taxes

Taxes comprises current taxes and change in deferred tax. Deferred tax/tax assets are calculated on all differences between the carrying amounts of assets and liabilities and their respective tax bases with the exception of:

- Temporary differences related to investments in subsidiaries

Management evaluates the tax positions in the Group for each period, taking into consideration situations where the relevant tax laws are subject to interpretation. Based on management's assessment, provisions are allocated for expected tax payments. Deferred tax is determined using tax rates and tax laws enacted or substantively enacted on the reporting date, and which are expected to apply when the deferred tax asset is realised or when the deferred tax is settled.

Deferred tax assets are recognised only to the extent that it is probable that the company will have taxable profit available in later periods to utilise the tax assets. The company will reduce deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available in the company to allow the benefit of part or all of that deferred tax asset to be utilised.

Deferred tax and deferred tax assets are measured based on expected future tax rates for the companies in the Group where temporary differences have arisen.

Deferred tax assets and deferred tax are recorded at nominal value and classified respectively as an intangible asset and non-current liability in the statement of financial position.

Current taxes and deferred tax are recorded directly to equity to the extent that the tax items relate to equity transactions.

1.18 Dividend income

Dividend income is recognised when the right to receive payment is established.

1.19 Leasing

Leases in which a significant portion of the risks and returns incidental to ownership remain with the lessor are classified as operating leases. Rental payments on operating leases (less any financial incentives from the lessor) are expensed on a straight-line basis over the period of the lease. The Group leases a number of items of property, plant and equipment.

A lease is classified as a finance lease if it transfers substantially all the risks and returns incidental to ownership. The Group does not have any finance leases.

1.20 Proposed dividend
In accordance with IAS 10 concerning events after the reporting period, proposed dividends are classified as equity until adopted at the general meeting.

1.21 Segment
The Group's business operations comprise investing in private equity funds. Based on the risk, return and investment profile of the operations, as well as market and product conditions, the Group is deemed to operate within one segment.

1.22 Events after the reporting period
New information after the reporting period about the company's financial position on the reporting date is taken into account in the annual financial statements. Events after the reporting period that do not affect the financial position of the company on the reporting date, but that will affect the company's financial position in the future are disclosed if they are of material significance.

1.23 Critical accounting judgements in the preparation of the annual financial statements
Judgements, estimates and assumptions are evaluated on an ongoing basis and are based on past experience and other factors, including expectations of future events that are deemed to be likely at the time the accounts are prepared.

Management has made judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the disclosures of contingent liabilities. This particularly applies to the valuation of investments in private equity funds and the estimate of deferred tax assets. See note 3 for additional information.

Note 2 - Financial risk management

Through its activities, the Group is exposed to various types of financial risk: market risk, credit risk and liquidity risk. The Group's aim in relation to asset management is to secure continuing operations in order to ensure returns for the owners and other stakeholders. Argentum Fondsinvesteringer AS is a professional asset manager which via minority investments in private equity funds aims over the long term to achieve a return on invested capital of at least 15 per cent per year and which will equal the best PE funds in Europe.

Returns within private equity are largely driven by the manager's skill and expertise, and there may be significant disparities in returns between comparable PE funds. Argentum aims to invest in the best 25 per cent of PE funds (top quartile of returns). Prospective investments are evaluated in an extensive selection process that takes place in several phases. The phases in the selection process consist of the initial investment policy clarification, screening and top down assessment, extensive analyses of the manager's expertise and the composition of the team, prior results and investment strategy, including how the fund's strategy fits with Argentum's overall portfolio. The Board of Argentum makes the final investment decision.

Diversification of risks in the PE portfolio is pursued through development of a balanced portfolio with regard to time (year), industries, phases, geography and managers. Argentum seeks an active role in the investments it has undertaken during the ownership period, which is served by representation on the Board of directors or investment committees in the PE funds. The company has established systems for monitoring and following up the PE portfolio.

Capital that has been provided and not invested shall in the interim be managed in the Norwegian money market in accordance with the framework conditions for liquidity management issued by the Board. The purpose of the management is to ensure the best possible risk adjusted return, with strict guidelines for good liquidity and low interest rate risk and credit risk.

The Argentum Fondsinvesteringer Group is exposed to various types of risk through its private equity investments and through its investments in interest rate instruments in the Norwegian securities market, including credit risk, liquidity risk, currency risk, interest rate risk and other market risks. Argentum does not have any interest-bearing liabilities as at 31 December 2012.

Credit risk
Credit risk principally arises in connection with investments in interest rate instruments, as well as bank deposits. For investments in interest rate instruments, the credit risk is sought minimised through limits on exposure to issuer sectors and per issuer. Investments in money market instruments are restricted to the state, municipality/county and finance sectors (note 7).

Liquidity risk
The liquidity risk associated with the investments in funds will be related to the risk that the Group does not have the means to make ongoing payments to the funds within committed capital. These conditions are incorporated into the Group's investment plans and forecasts, and are managed through a liquidity control model that takes into account commitments to the current portfolio and the future commitment programme. The liquidity risk is deemed to be low. Also see note 6 concerning committed capital in the PE portfolio.

As regards assets managed in the money market, the liquidity risk is connected to whether the assets can be converted to cash within a reasonable period of time, to secure financial flexibility for investment purposes. This risk is regulated through a framework on risk diversification and requirements for the composition of the portfolio, including the requirement to invest in paper with good liquidity.

Currency risk
The Group Argentum Fondsinvesteringer is exposed to currency risk due to the Group investing part of its capital in private equity funds denominated in other currencies than Norwegian kroner. Capital calls for the funds with a different base currency than Norwegian kroner could be affected by exchange rate fluctuations and thereby affect Argentum's realised or unrealised returns.

The funds' investments in underlying portfolio companies will often not be in the funds' base currency. Exposure to the fund's functional currency could therefore last for only a short time, until the investments are undertaken. It is Group policy to not currency hedge investments denominated in other currencies.

Sensitivity analyses have been conducted, using the fair market value of all the portfolio companies in Argentum's portfolio as the starting point, measured in the underlying portfolio company's currency.

If NOK relative to EUR had been 5 per cent stronger/weaker as at 31 December 2012 and all other variables were kept constant, this would lead to a lower/higher profit after tax of NOK 29.6 million for the parent company (NOK 30.1 million in 2011). The corresponding figure for the Group is NOK 31.9 million (NOK 31

million in
2011).

If NOK relative to USD had been 5 per cent stronger/weaker as at 31 December 2012 and all other variables were kept constant, this would lead to a lower/higher profit after tax of NOK 16.2 million for the parent company (NOK 15 million in 2011). The corresponding figure for the Group is NOK 16.6 million (NOK 15.7 million in 2011).

If NOK relative to SEK had been 5 per cent stronger/weaker as at 31 December 2012 and all other variables were kept constant, this would lead to a lower/higher profit after tax of NOK 40.1 million for the parent company (NOK 54.6 million in 2011). The corresponding figure for the Group is NOK 42.6 million (NOK 57.5 million in
2011).

If NOK relative to DKK had been 5 per cent stronger/weaker as at 31 December 2012 and all other variables were kept constant, this would lead to a lower/higher profit after tax of NOK 25.6 million for the parent company (NOK 22.6 million in 2011). The corresponding figure for the Group is NOK 28.5 million (NOK 25.4 million in
2011).

Interest rate risk
Capital that is managed in the Norwegian money market is exposed to interest rate risk. Interest rate risk is managed through limits on the duration of the total portfolio of money market instruments. The maximum duration of the portfolio is 1 year. As at 31 December 2012 the actual duration of the portfolio, weighted by market values, was about 0.54 years, compared with 0.52 years in 2011. An increase/reduction in market interest rates of 1 per cent as at 31 December 2012 would reduce/increase the value of the money market portfolio by NOK 4.2 million compared with NOK 6.4 million in 2011. Net income and equity would be reduced/increased by NOK 3.1 million compared with NOK 4.6 million in 2011, given that all other variables are held constant.

Other market price risk
Market price risk is related to the risk of a reduction in the Group's value due to an unexpected and unfavourable market movement. The Group invests in unlisted shares via venture funds and buyout funds. For the venture capital segment in particular there is a high risk associated with individual investments, with the opportunity for high returns, but also a substantial loss.

Argentum seeks to reduce risk concentration in the investment portfolio by diversifying the investments across a number of funds and managers and over different investment dates, as well as investing in funds with differing investment focuses as regards sectors, phases and regions.

Argentum is exposed to interest rate risk on its fund investments that are valued pursuant to International Private Equity and Venture Capital (IPEV) Valuation Guidelines. The fair value of the funds' underlying portfolio investments is affected by changes in market interest rates.

Note 3 - Accounting estimates, judgements and evaluations

Estimates and assumptions

The critical assumptions relating to future events and other important sources of estimate uncertainty at the reporting date, where there is not a negligible risk of causing material changes in the recognised amounts of assets and liabilities within the coming financial year are commented on below:

Accounting item

(All figures in NOK 1 000)	**Note**	**Conditions**	**Carrying amount parent**	**Carrying amount Group**
Private equity funds	6	Fair value option	5 303 898	5 670 853
Deferred tax assets	18	Estimate on future utilisation of tax position	23 224	23 224

Fair value option private equity funds

There will be uncertainty associated with the pricing of financial instruments that are not priced in an active market. Any changes in the conditions could affect recognised values. The investments in private equity funds are valued based on the net asset value (NAV) that is reported by the funds. As mentioned in note 1.9 Financial instruments, the Group applies the fair value option to investments in private equity funds. Virkelig verdi blir beregnet basert på verdsettelsesprinsipper fastsatt i IAS 39 og retningslinjer for verdsettelse i henhold til International Private Equity and Venture Capital (IPEV), se www.privateequityvaluation.com.

Management has based its evaluations on the information that is available in the market in combination with best judgements. There has not been any new information concerning material events that have occurred or conditions already existing at the end of the reporting period as at 31 December 2012 and until the Board adopts the accounts on 22 May 2013. See note 6 for valuation of the PE portfolio.

Deferred tax assets

Deferred tax assets are recognised for carried forward tax losses and other tax reducing differences to the extent that it is probable that future taxable profit will be available against which the carried forward tax losses can be utilised. Management is required to exercise considerable judgement in determining the amount of the deferred tax asset recognised in the statement of financial position based on the timing and size of future taxable profits and future strategies for tax planning.

Note 4 - Financial instruments at fair value

The table below shows financial instruments at fair value by valuation method. The various levels are defined as follows:

Level 1:

Financial instruments that are valued using listed prices in active markets for identical assets and liabilities.

This category includes the Group's portfolio of market-based bonds and certificates, as well as listed shares.

Level 2:

Financial instruments that are valued using information that is not listed prices, but where the prices are directly or indirectly observable for the asset or liability, including listed prices in inactive markets for identical assets or liabilities.

The Group does not have any financial instruments at this level.

Level 3:
Financial instruments that are valued using unobservable market data. Financial instruments are considered to be valued based on unobservable market data if fair value is established without being based on quoted prices in active markets, nor based on observable market data.

The Group's private equity portfolio is placed in level 3. Valuation policies for the private equity portfolio are described in greater detail in note 1.9 Financial instruments.

The table below shows the distribution of financial instruments measured at fair value through the income statement, in three levels based on the valuation method.

Parent as at 31 Dec 2012

(All figures in NOK 1 000)	Level 1	Level 2	Level 3	Total
Financial assets				
Private equity funds	-	-	5 303 898	5 303 898
Financial assets at fair value through the income statement	795 165	-	-	795 165
Total	**795 165**	**-**	**5 303 898**	**6 099 063**

Group as at 31 Dec 2012

(All figures in NOK 1 000)	Level 1	Level 2	Level 3	Total
Financial assets				
Private equity funds	-	-	5 665 965	5 665 965
Exchange listed funds	4 888	-	-	4 888
Financial assets at fair value through the income statement	795 165	-	-	795 165
Total	**800 053**	**-**	**5 665 965**	**6 466 018**

Parent as at 31 Dec 2011

(All figures in NOK 1 000)	Level 1	Level 2	Level 3	Total
Financial assets				
Private equity funds	-	-	4 632 336	4 632 336
Financial assets at fair value through the income statement	1 242 838	-	-	1 242 838
Total	**1 242 838**	-	**4 632 336**	**5 875 174**

Group as at 31 Dec 2012

(All figures in NOK 1 000)	Level 1	Level 2	Level 3	Total
Financial assets				
Private equity funds	-	-	4 839 602	4 839 602
Exchange listed shares	30 017	-	-	30 017
Financial assets at fair value through the income statement	1 242 838	-	-	1 242 838
Total	**1 272 855**	**-**	**4 839 602**	**6 112 457**

The following table presents the changes in the instruments that are classified as level 3 as at 31 December 2012.

Note 5 - Financial instruments by category

The following policies for subsequent measurement of financial instruments have been applied to financial instruments in the statement of financial position:

Parent as at 31 December 2012

(All figures in NOK 1,000)	Loans and receivables	Fair value through the income statement	Fair value option	Total
Assets				
Private equity funds	-		5 303 898	5 303 898
Other receivables	405 716	-	-	405 716
Markets-based bonds and certificates	-	795 165	-	795 165
Bank deposits	71 986	-	-	71 986
Total	**477 702**	**795 165**	**5 303 898**	**6 576 765**

Group as at 31 December 2012

(All figures in NOK 1 000)	Loans and receivables	Fair value through the income statement	Fair value option	Total
Assets				
Private equity funds	-		5 665 965	5 665 965
Exchange listed shares	-	4 888	-	4 888
Other receivables	408 248	-	-	408 248
Market-based bonds and certificates	-	795 165	-	795 165
Bank deposits	339 617	-	-	339 617
Total	**747 865**	**800 053**	**5 665 965**	**7 213 884**

Parent as at 31 December 2012

(All figures in NOK 1 000)	Loans and receivables	Fair value through the income statement	Fair value option	Total
Assets				
Private equity funds	-		4 632 336	4 632 336
Other receivables	18 046	-	-	18 046
Market-based bonds and certificates	-	1 242 838	-	1 242 838
Bank deposits	185 126	-	-	185 126
Total	**203 172**	**1 242 838**	**4 632 336**	**6 078 346**

Group as at 31 December 2012

(All figures in NOK 1 000)	Loans and receivables	Fair value through the income statement	Fair value option	Total
Assets				
Private equity funds	-		4 839 602	4 839 602
Exchange listed shares	-	30 017	-	30 017
Other receivables	17 258	-	-	17 258
Market-based bonds and certificates	-	1 242 838	-	1 242 838
Bank deposits	275 646	-	-	275 646

Total				292 904	1 272 855	4 839 602	6 405 361

Note 6 - Investments in private equity funds

Specification of investments in private equity funds - parent

Parent as at 31 December 2012

All figures in NOK 1 000	Jurisdiction	Registered office	Ownership interest	Currency	Remaining liabilities (local currency)
Teknoinvest VIII KS	Norway	Oslo	32.11 %	EUR	-
Teknoinvest VIII B DIS	Norway	Oslo	32.11 %	EUR	193
Teknoinvest VIII C IS	Norway	Oslo	61.95 %	NOK	16 007
Northzone IV K/S	Denmark	Oslo	25.05 %	EUR	-
Northzone IV SPV	Jersey	Oslo	77.00 %	EUR	-
Energy Ventures IS	Norway	Stavanger	22.09 %	NOK	2 014
CapMan Equity VII LP	Guernsey	Helsinki	22.11 %	EUR	-
Sector Speculare AS	Norway	Oslo	10.00 %	NOK	-
Convexa Capital IV AS	Norway	Oslo	16.34 %	NOK	-
Viking Venture II AS	Norway	Trondheim	13.75 %	NOK	-
Viking Venture II B IS	Norway	Trondheim	66.91 %	NOK	5 663
Norvestor IV LP	Guernsey	Oslo	14.26 %	EUR	2 383
NeoMed Innovation IV LP	Jersey	Oslo	11.46 %	EUR	832
FSN Capital LP II	Jersey	Oslo	11.46 %	EUR	-
Energy Ventures II KS	Norway	Stavanger	20.18 %	NOK	831
Energy Ventures II B IS	Norway	Stavanger	46.73 %	NOK	31 187
Verdane Capital V B K/S	Denmark	Oslo	28.29 %	SEK	1 706
CapMan Buyout VIII LP	Guernsey	Helsinki	9.63 %	EUR	3 678
HitecVision Private Equity IV LP	Guernsey	Stavanger	20.13 %	USD	6 147
Verdane ETF III SPV KS	Denmark	Oslo	14.05 %	EUR	4 965
Axcel III K/S	Denmark	Copenhagen	2.46 %	DKK	889
Northzone V K/S	Denmark	Oslo	11.31 %	EUR	2 703
EQT V LP	Guernsey	Stockholm	0.58 %	EUR	478
Borea Opportunity II AS	Norway	Bergen	9.59 %	NOK	33 877
Verdane Capital VI K/S	Denmark	Oslo	9.90 %	SEK	22 362
Creandum II LP	Guernsey	Stockholm	12.07 %	SEK	21 700
Intera Fund I KY	Finland	Helsinki	11.88 %	EUR	2 058
Litorina Kapital III LP	Jersey	Stockholm	8.61 %	SEK	11 948
Norvestor V LP	Guernsey	Oslo	13.52 %	EUR	7 405
HitecVision V LP	Guernsey	Stavanger	9.40 %	USD	10 998
Viking Venture III IS	Norway	Trondheim	13.17 %	NOK	23 162
Nordic Capital VII LP	Jersey	Stockholm	0.81 %	EUR	7 290
Procuritas Capital Investors IV LP	Guernsey	Stockholm	22.46 %	EUR	5 168
Nordic PEP HC IS	Norway	Bergen	91.36 %	NOK	78 383
Nordic PEP 1 IS	Norway	Bergen	70.08 %	EUR	9 453
CapMan Buyout IX LP	Guernsey	Helsinki	8.40 %	EUR	5 741
Verdane Capital VII K/S	Denmark	Oslo	11.50 %	SEK	67 982

Argentum Secondary I IS	Norway	Bergen	97.20 %	NOK	67 694
Argentum Secondary II IS	Norway	Bergen	79.37 %	NOK	393 971
Argentum Investment Partner IS	Norway	Bergen	47.05 %	NOK	159 292
Northzone VI LP	Jersey	Oslo	12.09 %	EUR	6 588
HitecVision Asset Solutions LP	Guernsey	Stavanger	14.10 %	USD	22 731
Energy Ventures IV LP	Guernsey	Stavanger	7.44 %	USD	19 739
Axcel IV K/S	Denmark	Copenhagen	3.14 %	DKK	85 443
EQT VI LP	Guernsey	Stockholm	0.05 %	EUR	1 723
NPEP HitecVision VI IS	Norway	Bergen	58.88 %	USD	42 409
NPEP Norvestor VI IS	Norway	Bergen	60.02 %	NOK	123 096
Norsk Holding IS	Norway	Bergen	99.00 %	NOK	4 945
NPEP Nord II IS	Norway	Bergen	60.33 %	NOK	45 810
NPEP NeoMed V IS	Norway	Bergen	37.33 %	EUR	3 192
N5 Investment IS	Norway	Oslo	37.33 %	EUR	1 975
NPEP Accent Equity 2012 IS	Norway	Bergen	49.20 %	NOK	23 331
Argentum Secondary III IS	Norway	Bergen	70.32 %	NOK	1 944 568
Nordic Additional Funding Programme IS	Norway	Bergen	61.53 %	NOK	524 273
NPEP Procuritas V IS	Norway	Bergen	62.40 %	EUR	16 959
Argentum Investment Partner II IS	Norway	Bergen	48.03 %	NOK	126 116
NPEP CapMan X IS	Norway	Bergen	70.46 %	EUR	12 655

*Argentum Fondsinvesteringer AS holds an indirect ownership interest in Teknoinvest VIII KS of 29.186 %. Through the general partner, Teknoinvest VIII (GP) KS, the company has an indirect ownership position of 2.919 %.

Investments in private equity funds	**Parent**	
(All figures in NOK 1 000)	**2012**	**2011**
Cost price in NOK	4 879 964	4 301 789
Carrying amount in NOK	5 303 898	4 632 336
Value added portfolio	**423 933**	**330 547**

The residual liability as at 31 December 2012 represents NOK 5,052.77 million. The residual liability is gradually paid as the private equity funds carry out investments.

Specification of investments in private equity funds - group

Group as at 31 December 2012

All figures in NOK 1 000	**Jurisdiction**	**Registered office**	**Ownership interest**	**Currency**	**Remaining residual liability (local currency)**
Teknoinvest VIII KS	Norway	Oslo	32.43 %	EUR	-
Teknoinvest VIII B DIS	Norway	Oslo	32.43 %	EUR	207
Teknoinvest VIII C IS	Norway	Oslo	62.57 %	NOK	16 168
Northzone IV K/S	Denmark	Oslo	25.30 %	EUR	-
Northzone IV SPV	Jersey	Oslo	78.00 %	EUR	-
Energy Ventures IS	Norway	Stavanger	28.29 %	NOK	2 580
CapMan Equity VII LP	Guernsey	Helsinki	22.33 %	EUR	-
Sector Speculare AS	Norway	Oslo	10.10 %	NOK	-

Convexa Capital IV AS	Norway	Oslo	16.51 %	NOK	-
Viking Venture II AS	Norway	Trondheim	28.17 %	NOK	-
Viking Venture II B IS	Norway	Trondheim	67.59 %	NOK	5 720
Norvestor IV LP	Guernsey	Oslo	39.31 %	EUR	6 732
NeoMed Innovation IV LP	Jersey	Oslo	18.34 %	EUR	1 383
FSN Capital LP II	Jersey	Oslo	16.20 %	EUR	-
Energy Ventures II KS	Norway	Stavanger	23.78 %	NOK	980
Energy Ventures II B IS	Norway	Stavanger	46.36 %	NOK	31 502
Verdane Capital V B K/S	Denmark	Oslo	28.57 %	SEK	1 721
CapMan Buyout VIII LP	Guernsey	Helsinki	11.99 %	EUR	3 950
HitecVision Private Equity IV LP	Guernsey	Stavanger	22.33 %	USD	7 140
Verdane ETF III SPV KS	Denmark	Oslo	14.19 %	EUR	5 333
Axcel III K/S	Denmark	Copenhagen	14.09 %	DKK	5 494
Northzone V K/S	Denmark	Oslo	11.43 %	EUR	2 903
EQT V LP	Guernsey	Stockholm	0.59 %	EUR	575
Borea Opportunity II AS	Norway	Bergen	16.91 %	NOK	60 110
Verdane Capital VI K/S	Denmark	Oslo	11.00 %	SEK	24 656
Creandum II LP	Guernsey	Stockholm	12.20 %	SEK	21 888
Intera Fund I KY	Finland	Helsinki	17.60 %	EUR	2 211
Litorina Kapital III LP	Jersey	Stockholm	9.31 %	SEK	12 051
Norvestor V LP	Guernsey	Oslo	15.78 %	EUR	9 119
HitecVision V LP	Guernsey	Stavanger	10.72 %	USD	13 050
Viking Venture III IS	Norway	Trondheim	13.31 %	NOK	23 850
Nordic Capital VII LP	Jersey	Stockholm	0.81 %	EUR	7 830
Procuritas Capital Investors IV LP	Guernsey	Stockholm	23.73 %	EUR	5 793
Herkules Private Equity III LP	Jersey	Oslo	4.99 %	NOK	85 839
Altor Fund III LP	Jersey	Stockholm	1.41 %	EUR	12 439
CapMan Buyout IX LP	Guernsey	Helsinki	12.23 %	EUR	6 965
Verdane Capital VII K/S	Denmark	Oslo	12.36 %	SEK	72 639
Northzone VI LP	Jersey	Oslo	12.86 %	EUR	7 434
HitecVision Asset Solutions LP	Guernsey	Stavanger	14.98 %	USD	25 193
Energy Ventures IV LP	Guernsey	Stavanger	8.14 %	USD	22 503
Axcel IV K/S	Denmark	Copenhagen	3.43 %	DKK	93 469
EQT VI LP	Guernsey	Stockholm	0.06 %	EUR	2 273
HitecVision VI LP	Guernsey	Stavanger	5.19 %	USD	72 024
Norvestor VI LP	Guernsey	Oslo	14.61 %	NOK	204 962
Nord II IS	Norway	Tromsø	20.90 %	NOK	75 928
NeoMed Innovation V LP	Jersey	Oslo	25.28 %	EUR	8 550
N5 Investment IS	Norway	Oslo	99.00 %	EUR	5 290
Accent Equity 2012 LP	United Kingdom	Stockholm	1.32 %	SEK	48 853
Procuritas Capital Investors V LP	Guernsey	Stockholm	14.80 %	EUR	27 121
CapMan Buyout X LP	Guernsey	Helsinki	11.79 %	EUR	17 897
Altor Fund II LP	Jersey	Stockholm	0.42 %	EUR	-
Energy Ventures III LP	Guernsey	Stavanger	5.97 %	NOK	14 483
EQT III LP	Guernsey	Stockholm	0.25 %	EUR	-
EQT IV LP	Guernsey	Stockholm	0.04 %	EUR	10
FSN Capital III LP	Jersey	Oslo	1.32 %	EUR	1 833

Herkules Private Equity II LP	Jersey	Oslo	2.59 %	NOK	15 013
SPV Herkules II LP	Jersey	Oslo	1.45 %	NOK	2 116
IK 2000 Fund LP	Jersey	London	1.62 %	EUR	-
NeoMed Innovation III LP	Jersey	Oslo	26.11 %	USD	-
Nexit InfoCom II LP	Guernsey	Helsinki	5.88 %	EUR	1 333
Odin Equity Partners K/S	Denmark	Copenhagen	5.78 %	DKK	-
Procuritas Capital Investors III LP	Guernsey	Stockholm	13.21 %	EUR	4 437
Progressus AS	Norway	Stavanger	27.53 %	NOK	53 860
Sector Speculare III Fund Class A USD	Norway	Oslo	1.90 %	USD	-
Verdane Capital IV AS	Norway	Oslo	3.38 %	NOK	186
Verdane Capital IV Twin AS	Norway	Oslo	3.38 %	NOK	101
Viking Venture I AS	Norway	Trondheim	24.35 %	NOK	-
DKA II A/S	Denmark	Copenhagen	49.91 %	DKK	940
Axcel II A/S	Denmark	Copenhagen	7.89 %	DKK	5 555
Royal Scandinavia Co-Investment	Denmark	Copenhagen	23.18 %	DKK	-
SSB Energivekst ASA	Norway	Oslo	5.73 %	NOK	-
New Energy Solutions II K/S	Denmark	Copenhagen	18.34 %	EUR	2 490
Rapp Holding IS	Norway	Tromsø	35.00 %	NOK	26 374
Kuros Biosurgery Holding AG*				EUR	-

The residual liability as at 31 December 2012 represents NOK 2,717 million.

**In 2012 the company received shares in Kuros Biosurgery Holding AG as a result of the termination of the private equity fund NeoMed Innovation III LP. The investment in Kuros Biosurgery Holding AG is still managed by the NeoMed Innovation III LP management company, and the shareholding is therefore considered to be part of the total PE portfolio*.

Investments in private equity funds	**Group**	
(All figures in NOK 1 000)	**2012**	**2011**
Cost price in NOK	5 148 985	4 446 740
Carrying amount in NOK	5 653 965	4 839 602
Value added portfolio	**504 981**	**392 862**

Listed shares, Group

(All figures in NOK 1 000)	**Number of shares**	**Cost price**	**Previous change in value**	**Change in value for the period**	**Carrying amount**
Clavis Pharma ASA	626 663	24 305	5 712	(25 129)	4 888

Exchange listed shares in Clavis Pharma ASA have been allocated to the investors in connection with the termination of NeoMed Innovation III LP.

Other shares, Grou

(All figures in NOK 1 000)	**Number of shares**	**Cost price**	**Previous change in value**	**Change of value in the period**	**Carrying amount**
Zi-Lift AS	13 553 196	12 000	-	-	12 000

Changes recognised in the income statement and realised gains

Realised returns on private equity fund investments are included under Gain/loss on private equity investments in the income statement.

Changes in unrealised value added are recognised in the income statement as part of the line item Gain/loss on private equity fund investments.

	Parent		Group	
(All figures in NOK 1 000)	**2012**	**2011**	**2012**	**2011**
Realised return	721 624	519 361	743 512	556 325
Unrealised change in value	93 386	(259 598)	108 750	(270 418)
Net gain/loss on PE investments	**815 010**	**259 763**	**852 262**	**285 907**
Value added (value reduced) portfolio	**423 933**	**330 547**	**504 981**	**392 862**

Estimating the fair value of investments

The fair value of investments in private equity funds is determined based on the fund's fair value on the reporting date. The fair value of the fund corresponds to the investment portfolio assessed at fair value plus net other items from the statement of financial position.

Also see note 3 for estimates and accounting judgements relating to the PE portfolio.

Note 7 - Market-based bonds and certificates

The company's market-based financial bonds and certificates are administered by external asset managers. The portfolio may be divided as follows:

	2012		2011	
(All figures in NOK 1 000)	**Carrying amount**	**Cost**	**Carrying amount**	**Cost**
Acrrued interest	8 542	8 542	13 229	13 229
Bank deposit	949	949	6 260	6 260
Certificates	206 039	205 584	234 099	233 413
Bonds	579 634	578 067	989 250	995 138
Total	**795 165**	**793 143**	**1 242 838**	**1 248 039**

	2012		2011	
(All figures in NOK 1 000)	**Carrying amount**	**Cost**	**Carrying amount**	**Cost**
Certificates				
State	176 931	176 584	234 099	233 413
Municipality	-	-	-	-
Finance	29 107	29 000	-	-
Total	**206 039**	**205 584**	**234 099**	**233 413**
Bonds				
State	12 467	12 877	-	-
Municipality	-	-	-	-
Finance	567 168	565 190	989 250	995 138
Total	**579 634**	**578 067**	**989 250**	**995 138**

Unrealised changes in value for the parent company and the Group in 2012 were NOK 7.2 million (changes in value of NOK 4.1 million in 2011), and are included under Return on market-based current financial assets in the income statement, see note 19.

For investments in bonds and certificates at financial institutions the issuer shall have equity of at least NOK 250 million or be credit cleared as an Investment grade company, i.e. a rating that is equivalent to or better than Baa3 from Moody's or BBB from Standard & Poor.

Note 8 - Trade receivables and other receivables

Fair value corresponds to the book value of trade receivables and other receivables.

	Parent		Group	
(All figures in NOK 1 000)	**2012**	**2011**	**2012**	**2011**
Trade receivables	3 395	6	185	6
Prepaid leases	24	47	24	47
Other prepaid expenses	460	344	529	344
Other current receivables	401 837	17 649	407 511	16 861
Total	**405 716**	**18 046**	**408 248**	**17 258**

Included in trade receivables and other current receivables for the parent company in 2012 are Group contributions of NOK 100.6 million (NOK 2.7 million in 2011).

Also included is NOK 302.6 million (NOK 15 million in 2011) of other current receivables for the parent company connected to proceeds from realisations in the private equity portfolio in 2012, but that are not disbursed to the investors until early in 2013. The corresponding figure for the Group in 2012 is NOK 406.3 million (NOK 16.5 million in 2011).

Note 9 - Cash and cash equivalents

	Parent		Group	
(All figures in NOK 1 000)	**2012**	**2011**	**2012**	**2011**
Cash in the bank and cash holdings	70 874	184 155	338 505	274 676
Restricted tax deduction accounts	1 113	970	1 113	970
Total	**71 986**	**185 126**	**339 617**	**275 646**
Cash and cash equivalents in the statement of cash flows	**70 874**	**184 155**	**338 505**	**274 676**
Credit rating of bank deposits (Moody's)	**2012**	**2011**	**2012**	**2011**
A1	71 986	185 126	339 617	275 646

Note 10 - Share capital and share premium

	2012	2011
Ordinary shares, nominal value of NOK 1 000	1 953 166	1 953 166

Changes in share capital and share premium, parent company

(All figures in NOK 1 000)		Share capital		Share premium	
		2012	**2011**	**2012**	**2011**
Ordinary shares, issues and paid					
	OB	1 953 166	1 953 166	2 696 706	2 696 706
	CB	**1 953 166**	**1 953 166**	**2 696 706**	**2 696 706**

Argentum Fondsinvesteringer AS is wholly owned by the Ministry of Trade and Industry.

Note 11 - Overview of subsidiaries

Company	Domicile	Main business	Holding	Proportion of voting rights
Bradbenken Partner AS	Norge	Investering	90.00 %	90.00 %
Argentum Nordic PEP 1 AS	Norge	Investering	100.00 %	100.00 %
Argentum Secondary AS	Norge	Investering	100.00 %	100.00 %
Argentum Nordic PEP HC AS	Norge	Investering	100.00 %	100.00 %
Argentum Investment Partner AS	Norge	Investering	100.00 %	100.00 %
Argentum NPEP AS	Norge	Investering	100.00 %	100.00 %
Nordic Additional Funding AS	Norge	Investering	100.00 %	100.00 %

Shares in subsidiaries are accounted for by the cost method. The carrying amount as at 31 December 2012 is as
follows:

Company

(All figures in NOK 1 000)	Carrying amount
Bradbenken Partner AS	46 145
Argentum Nordic PEP 1 AS	4 030
Argentum Secondary AS	24 297
Argentum Nordic PEP HC AS	6 030
Argentum Investment Partner AS	10 535
Argentum NPEP AS	10 035
Nordic Additional Funding AS	4 035
Total	**105 107**

Shareholdings are eliminated in the Consolidated financial statements.

The subsidiary Bradbenken Partner AS has the right and duty to invest in parallel with 1 per cent of Argentum's investments. 90 per cent of the company is owned by Argentum Fondsinvesteringer AS through preference shares. This class of shares has preferential rights to a dividend up to a return equivalent to the risk free rate plus a risk premium. The remaining 10 per cent are owned by employees of Argentum Fondsinvesteringer AS.

Note 12 - Investments in joint ventures

Argentum Investment Partner AS is the principal in the internal partnerships Argentum Investment Partner IS and Argentum Investment Partner II IS. The underlying business operations occur in the internal partnerships, where Argentum Fondsinvesteringer AS and the Group control 47.05 per cent and 49.52 per cent respectively of the voting capital in Argentum Investment Partner IS and the equivalent for Argentum Investment Partner II IS is 48.03 per cent and 49.52 per cent.

The parent company's investment in Argentum Investment Partner IS and Argentum Investment Partner II IS is included in the PE note for the parent company in note 6.

The following gross values for items in the income statement as well as assets and liabilities form the basis for the consolidation.

Argentum Investment Partner AS

(All figures in NOK 1 000)	**2012**	**2011**
Private equity investments	174 007	98 046
Other receivables	1 285	124
Bank deposits	30 754	34 051
Total assets	206 046	132 221
Equity	205 313	131 659
Current liabilities	733	562
Total equity and liabilities	206 046	132 221
Gains/losses on private equity investments	10 259	15 333
Operating expenses	(2 576)	(1 519)
Operating profits	7 683	13 814
Net financial item	346	522
Tax expenses	-	58
Result for the year	**8 029**	**14 278**

Note 13 - Other operating expenses

Other operating expenses

(All figures in NOK 1 000)	Parent		Group	
	2012	**2011**	**2012**	**2011**
Depriciation on property, plant and equipment	493	453	493	453
Fees to the auditors	646	279	991	552
Lease cost/common cost	3 761	4 190	3 761	4 190

IT expenses	535	473	535	473
Various fees and services	11 415	6 664	16 158	8 465
Travel expenses	1 553	1 393	1 553	1 393
Other expenses	6 552	5 010	6 683	5 033
Total	**24 954**	**18 462**	**30 173**	**20 559**

Note 14 - The Board's statement on determination of salaries and other remuneration for executive management

The statement regarding remuneration of the Managing director and other executive managers has been prepared in accordance with regulations set out in the Norwegian public limited liability companies act and the Accounting act.

Guidelines for remuneration

Argentum Fondsinvesteringer AS has established guidelines for remuneration of executive management which are intended to ensure that highly qualified colleagues are attracted, developed and stay with the company. The company's compensation schemes shall be competitive with similar companies in the asset management industry, but without taking the lead in a total remuneration context.

Decision process

The Board has established a compensation committee consisting of the Chairman, Deputy chairman and one member of the Board. The Managing director participates at the committee meetings, except on those occasions when the committee considers matters concerning the Managing director, or having consequences for the Managing director.

The committee is an advisory body to the Board and is responsible for:

- Preparing proposals for guidelines and the framework for establishing the salary and remuneration of executive management and following up its practice
- Conducting an annual evaluation and presenting recommendations to the Board regarding the Managing director's total remuneration
- Being oriented and consulted by the Managing director about remuneration of other executive managers

Main remuneration principles in the coming accounting year

The following statement on the remuneration of executive management will be presented for an advisory vote at the ordinary general meeting in June 2013. The Board proposes that the guidelines described below form the basis for 2013 and until the ordinary general meeting in 2014.

Executive management's remuneration shall always reflect the individual executive manager's responsibilities for managing the company. Total remuneration for the Managing director and other executive managers shall be competitive, but without taking the lead in a total remuneration context, in relation to similar companies in the asset management industry.

Total remuneration for the Managing director and other executive managers consists of fixed remuneration and a profit related component. With effect from 2013 a synthetic share-based long-term incentive scheme for certain executive managers is being introduced. The Managing director also has an agreement on severance pay in the event that the company is wound up.

Fixed remuneration

Fixed remuneration for executive managers consists of base salary, with the addition of payments in kind such as compensation for a company car or mileage allowance, free telephone and newspapers, as well as life annuity and insurance arrangements. The granting of payments in kind must follow market practice and not be substantial in relation to the fixed salary. The base salary for the individual executive manager is assessed each year in light of the position's responsibility and complexity, the manager's contribution to the company's development, qualifications and experience and viewed in consideration of salary trends in society generally. The manager's contribution is assessed each year against the attainment of predefined individual objectives.

Pension

The company has a defined contribution pension scheme that applies for all employees. Contributions are paid in based on the individual's salary. Between 1 – 6 G an amount of 5 per cent of fixed salary is paid in. From 6 – 12 G an amount of 8 per cent of fixed salary is paid in. For fixed salary above 12 G no payments are made to the scheme. The company's pension scheme satisfies the requirements of the Act on mandatory occupational pensions. The Managing director and certain executive managers also have an agreement on contributions to a life annuity in addition to the defined contribution based scheme. For the Managing director the total pension contribution amounted to NOK 375,000 for 2012.

Variable salary

Argentum has linked part of the compensation to the company's results and other objectives. A new agreement for variable salary has been established with effect from 2013, which replaces previous agreements. The scheme works by making annual provisions that are equivalent to two per cent of the result from the private equity investments less a minimum return equivalent to the three month Nibor plus seventy five basis points calculated on two per cent of the company's average invested capital during the year. The annual bonus provision is limited to a total figure that is equivalent to six months fixed remuneration for those persons who are covered by the scheme. The bonus for the individual participant consists of an element that depends on results and a discretionary element, where the discretionary element is linked to attainment of defined key performance indicators. The Managing director's proportion of the element that depends on results constitutes thirty five per cent for 2013. The agreement is valid for a specific period and expires in 2017. In connection with the termination of prior variable salary agreements a transition scheme has been established which applies up to and including 2016, and which means that the payments going forward will be able to reflect previously earned variable salary. The total annual variable salary disbursed may not exceed six months fixed remuneration in the year of payment..

Long term incentive

The Long term incentive scheme (LTI) is offered to selected executive managers who are not participating in the co-investment scheme through Bradbenken Partner AS. The participants are obligated to invest a portion of their fixed base salary after tax in synthetic shares in Argentum. The synthetic shares are valued at market price at the time of acquisition, which is based on the book value of equity (in accordance with IFRS) per share in Argentum. The synthetic shares have a lock-in period of three years. For participants who resign on their own initiative, or are dismissed, the company may require the synthetic shares that are covered by the lock-in period to be realised at the lower of cost price
and market price.

Severance pay

If the company is wound up by the Norwegian parliament or another public authority the Managing director is entitled to 2 years' severance pay, life insurance premiums and other remuneration. Other salary income including the Board fee which the Managing director earns 2 years after resigning will be deducted from the payments. This type of remuneration does not provide entitlement to holiday pay. The Chairman is not entitled to severance pay.

Main policies for determining remuneration during the previous financial year

Remuneration for the Managing director and other executive managers for the 2012 financial year was based on the same guidelines as described above. Variable salary was based on the scheme for 2012. The Board confirms that the guidelines for executive compensation set out in 2012 have been followed.

In January 2012 the Board decided to adjust the Managing director's fixed remuneration by 3.0 per cent, entailing an increase in the base salary from NOK 3,110,000 to NOK 3,200,000 with effect from 1 January 2012. The base salary for other executive managers was increased by an average of 2.2 per cent in the annual salary adjustments.

Note 15 - Payroll, number of employees, remuneration, loans to employees etc.

Payroll

(All figures in NOK 1 000)	Parent		Group	
	2012	**2011**	**2012**	**2011**
Fixed salary	15 777	14 696	15 777	14 696
Variable salary	15 040	3 401	15 040	3 401
Employer's National Insurance contribution	4 716	2 760	4 716	2 760
Pension costs	1 030	1 075	1 030	1 075
Other benefits	1 689	1 314	1 689	1 314
Total	**38 252**	**23 247**	**38 252**	**23 247**

The company has employed 16.8 full time equivalents in 2012 compared with 16.7 full time equivalents in 2011.

Remuneration and similar in 2012

(All figures in NOK 1 000)	**Salary**	**Variable salary**	**Pension**	**Other remuneration**	**Board fee**
CEO	3 235	1 867	375	204	
CFO	1 419	715	59	12	
Director of business development and market research	1 495	300	176	112	
Board of directors					757
Total	**6 149**	**2 882**	**610**	**328**	**757**

Remuneration and similar in 2011

(All figures in NOK 1 000)	**Salary**	**Variable salary**	**Pension**	**Other remuneration**	**Board fee**
CEO	3 141	1 828	360	194	
CFO	1 300	653	55	11	

Director of business development and market research (until 31.07.11)	826	690	32	7	
Director of business development and market research (from 01.11.11)	292	-	10	4	
Board of directors					735
Total	**5 560**	**3 171**	**457**	**216**	**735**

No loans have been granted or collateral pledged for the CEO, other employees, Chairman or other related parties.

Variable salary

For the 2012 financial year variable salaries corresponding to NOK 15,039,678 have been set aside. The Managing director was paid NOK 1,867,000 in variable salary in 2012 (NOK 1,828,000 in 2011).

Pension

The CEO has a defined contribution pension scheme and an agreement on contributions to a life annuity, with total costs of NOK 375,000 in 2012.

Fees to the auditors

Fees to the auditors (excl. VAT)

(All figures in NOK 1 000)	Parent		Group	
	2012	**2011**	**2012**	**2011**
Statutory audit	216	175	491	391
Other attestation services	5	40	5	42
Tax advisory services	-	-	-	-
Fees for other services unrelated to auditing*	307	15	308	15
Total	**527**	**230**	**803**	**448**

*In Fees for other services unrelated to auditing NOK 222,238 is recorded for remuneration to companies that the auditors have a special collaboration with. The most important of these relate to assistance with updating a Nordic PE database, the work was undertaken by Öhrlings PricewaterhouseCoopers AB.

Note 16 - Leasing

The Group has signed leases on its offices in Bergen and Oslo.

For the office in Bergen the term of the lease is five years from 1 September 2010 to 1 September 2015. The annual rent for 2012 was NOK 1,271,103 (NOK 1,251,741 in 2011). The rent is adjusted for inflation during the period of the lease.

For the office in Oslo an agreement was signed to lease the premises for a four year period from 1 April 2011 to 30 June 2015. After which there is an option to negotiate on an additional 5 year period. The total cost of the lease in 2012 was NOK 1,066,863 (NOK 1,067,220 in 2011). The rent is adjusted for inflation during the period of the lease.

Note 17 - Other current liabilities

Other current liabilities

(All figures in NOK 1 000)	Parent		Group	
	2012	**2011**	**2012**	**2011**
Trade receivables	5 213	2 887	5 964	3 545
Government taxes	5 668	3 844	5 668	3 844
Provisions	2 988	2 296	2 988	2 152
Other current liabilities	26 827	18 381	159 660	21 573
Total	**40 695**	**27 408**	**174 280**	**31 115**

Other current liabilities for the Group include NOK 121,112,414 in connection with the residual settlement of the portfolio purchase in Argentum Secondary AS linked to the investment in Axcel II A/S, Axcel III K/S and Royal Scandinavia Co¬Investment in 2012. Settlement with the seller of the interests will take place in the middle of May 2013. In connection with the amount of the settlement the parent company, Argentum Fondsinvesteringer, has established a guarantee with a face value of NOK 130,000,000 in DNB Bank ASA, with the seller of the aforementioned interests as the guarantee creditor.

Note 18 - Income taxes

Tax expense

(All figures in NOK 1 000)	Parent		Group	
	2012	**2011**	**2012**	**2011**
Current taxes	-	-	-	-
Changes in deferred tax	6 004	8 933	6 004	8 933
Total	**6 004**	**8 933**	**6 004**	**8 933**

Calculation of the tax basis for the year				
Profit before taxes	798 625	273 956	825 905	294 981
Permanent differences	(780 054)	(237 189)	(807 368)	(258 135)
Change in temporary differences	73	(59)	73	(59)
Tax basis before Group contribution	18 645	36 708	18 610	36 787
Group contribution	-	-	-	-
Utilised tax losses and carried forward	(18 645)	(36 708)	(18 610)	(36 787)
Taxable income	-	-	-	-
Current taxes 28 %	-	-	-	-

Deferred tax assets in the statement of financial position relate to the following temporary differences

(All figures in NOK 1 000)	Parent		Group	
	2012	**2011**	**2012**	**2011**
Non-current assets	(16)	4	(16)	4
Financial instruments	2 905	2 101	2 905	2 101
Tax losses carry forward	(26 113)	(31 334)	(27 335)	(33 115)
Tax losses carry forward not recognised in the statement of financial position 1)			1 222	1 781
Total deferred tax assets	**(23 224)**	**(29 228)**	**(23 224)**	**(29 228)**

Reconciliation of the year's tax expense

28 % tax on income before tax	223 615	76 708	231 253	82 595
Tax effect of permanent differences	(218 415)	(66 413)	(226 063)	(72 278)
Tax effect of MF financial industruments	804	(1 361)	804	(1 361)
Tax effect of utilised tax losses carry forward for subsidiaries	-	-	(71)	(69)
Change in tax losses carry forward not recognised in the statement of financial position 1)	-	-	81	47
Estimated taxes	**6 004**	**8 933**	**6 004**	**8 933**

1) Deferred tax for tax-reducing differences (principally tax losses carry forward) in subsidiaries are not recognised in the statement of financial position unless the Group can substantiate the use of these tax positions in the future.

Note 19 - Financial items

Financial items

	Parent		Group	
(All figures in NOK 1 000)	**2012**	**2011**	**2012**	**2011**
Financial income				
Interest income	1 999	2 452	3 782	3 925
Currency gains	4 026	3 615	10 252	4 877
Other financial income	1 990	6 055	291	3 853
Gross return on market-based bonds and certificates	37 921	42 522	37 921	42 522
Total financial income	**45 935**	**54 645**	**52 246**	**55 177**
Financial expenses				
Currency losses	(7 996)	(2 081)	(10 755)	(3 032)
Other financial expenses	(3 399)	(2 700)	(3 392)	(2 713)
Total financial expenses	**(11 396)**	**(4 781)**	**(14 147)**	**(5 745)**
Net financial items	**34 540**	**49 864**	**38 099**	**49 432**

Realised returns and unrealised changes in the value of financial assets at fair value with changes in value through the income statement are included in the gross return on market-based current financial assets.

Note 20 - Tangible assets (parent and group)

Tangible assets, parent and group

(All figures in NOK 1 000)	**Art**	**Operating equipment**	**Assets under development**	**Total**
Carrying amount as at 31 December 2010	1 578	1 377	-	2 957
Additions	-	347	-	347
Depriciation	-	(453)	-	(453)
Impairment	-	-	-	-
Disposals	-	-	-	-
Carrying amount as at 31 December 2011	**1 578**	**1 272**	-	**2 851**

Original acquisition cost	1 578	4 748	-	6 326
Accumulated depriciation and impairment	-	(3 476)	-	(3 476)
Carrying amount as at 31 December 2011	**1 578**	**1 272**	-	**2 851**
Additions	-	194	3 969	4 164
Depriciation	-	(493)	-	(493)
Impairment	-	-	-	-
Disposals	-	-	-	-
Carrying amount as at 31 December 2012	**1 578**	**974**	**3 969**	**6 521**
Original acquisition cost	1 578	4 943	3 969	10 490
Accumulated depriciation and impairment	-	(3 969)	-	(3 969)
Carrying amount as at 31 December 2012	**1 578**	**974**	**3 969**	**6 521**

Note 21 - Intra-group balances

As at 31 December 2012 Argentum Fondsinvesteringer AS has outstanding Group receivables amounting to NOK 100.6 million. This principally relates to distributions from Argentum Secondary AS that accrue to 2012, and which are paid early in 2013.

Until December 2012 Bradbenken Partner AS has had outstanding balances at Argentum Fondsinvesteringer AS, which have been settled in mid-December 2012. The outstanding balances accrue interest at market rates and the interest expense recognised in Argentum Fondsinvesteringer AS amounted to NOK 10,014 (interest income of NOK 121,840 in 2011). At the end of 2012 Argentum Fondsinvesteringer AS has outstanding balances at Bradbenken Partner AS with a face value of NOK 209,829.

Intra-group balances as at 31 December 2012 are included in the item Other current receivables, ref. note 8.

Note 22 - Transactions with related parties

The policies pursuant to the Limited Liability Companies Act § 38 and § 39 form the basis for transactions between related parties and Group companies. Such transactions are thereby based on ordinary commercial terms in accordance with the principle of arm's length transactions.

Argentum Fondsinvesteringer AS has participated in equity issues in the following subsidiaries in 2012:

- Bradbenken Partner AS: Capital contribution NOK 5,282,829
- Nordic Additional Funding AS: Capital contribution NOK 4,035,000

Income from investments in subsidiaries

The overview below shows a summary of group contributions and dividends from subsidiaries:

Transactions with related parties

(All figures in NOK)	2012		2011	
	Received	**Given**	**Received**	**Given**
Group contribution				
Argentum Secondary AS	579	-	2 384	-

Argentum Investment Partner AS	-	-	206	-
Nordic Additional Funding AS	3			
Dividend				
Bradbenken Partner AS	1 699	-	3 193	-
Total group contribution and dividend	**2 281**	**-**	**5 784**	

Advisory agreements

Argentum Fondsinvesteringer AS, as advisors, has entered into advisory agreements (management agreements) with the following Group companies: Argentum Secondary AS, Argentum Investment Partner AS and Nordic Additional Funding AS. These companies are the principals in the investment companies Argentum Secondary II IS, Secondary CoInvest I IS and Argentum Secondary III IS, Argentum Investment Partner IS, Argentum Investment Partner II IS, as well as Nordic Additional Funding Programme IS. The principal shall make all the investment and realisation decisions for the investment companies, while Argentum Fondsinvesteringer AS performs investment advisory services and associated duties for the principal. The annual fee in 2012 was NOK 10,095,070, the corresponding figure in 2011 was NOK 4,063,637.

Guarantees

In connection with the residual settlement of the portfolio purchase in Argentum Secondary AS linked to the investments in Axcel II A/S, Axcel III K/S and Royal Scandinavia CoInvestment in 2012, the parent company, Argentum Fondsinvesteringer, has established a guarantee with a face value of NOK 130,000,000 in DNB Bank ASA, with the seller of the aforementioned interests as the guarantee creditor. Settlement with the seller of the interests will take place in the middle of May 2013. See note 16. Argentum Secondary AS covers the fee for the guarantee for the designated amount.

Other than this there have not been any transactions with related parties or Group companies during the accounting period.

Parent company dividend

Argentum Fondsinvesteringer AS is wholly owned by the Ministry of trade and industry. Dividends distributed in 2012 for the 2011 financial year amounted to NOK 300 million.

Note 23 - Events after the reporting period

There has not been any new information concerning material events that have occurred or conditions already existing at the end of the reporting period as at 31 December 2012 and until the Board adopts the accounts on 22 May 2013.

The proposed dividend from the parent company for the 2012 financial year amounts to NOK 699 million but has not been included in the financial statements as a liability.

Auditor's report

To the Annual Shareholders' Meeting of Argentum Fondsinvesteringer as

Independent auditor's report

Report on the Financial Statements

We have audited the accompanying financial statements of Argentum Fondsinvesteringer as, which comprise the financial statements of the parent company and the financial statements of the group. The financial statements of the parent company and the financial statements of the group comprise the balance sheet as at 31 December 2012, income statement, changes in equity and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director's Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by EU, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are prepared in accordance with the law and regulations and present fairly, in all material respects, the financial position for the parent company and the group Argentum Fondsinvesteringer as as at 31 December 2012, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report concerning the financial statements and the going concern assumption, and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements ISAE 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 22 May 2013
PricewaterhouseCoopers AS

Jon Haugervåg
State Authorised Public Accountant (Norway)

Note: This translation from Norwegian has been prepared for information purposes only.