EKSPORTKREDITT
Export Credit Norway

ANNUAL REPORT 2012

CONTENTS

KEY FIGURES 2012

28,582
TOTAL OUTSTANDING LOAN AMOUNT IN MNOK

302/48
NUMBER OF APPLICATIONS RECEIVED IN NUMBER OF COUNTRIES

173,059
APPLICATION VOLUME IN MNOK

39,498
PROBABILITY-ADJUSTED ORDER BOOK IN MNOK

LOAN AMOUNT BY INDUSTRIAL SECTOR

MNOK	
Equipment for the oil and gas industry	13,612
Ship equipment	278
Ships	14,561
Renewable energy and environmental technology	118
Other sectors	13
Total	**28,582**

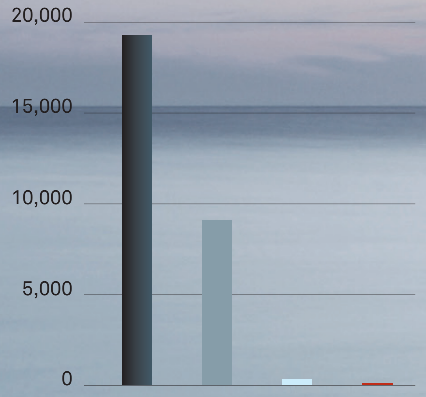
LOAN AMOUNT BY INTEREST RATE (CIRR1 AND MARKET RATE)

MNOK	
CIRR loans[1]	11,986
Market loans	16,596
Total outstanding loans	**28,582**

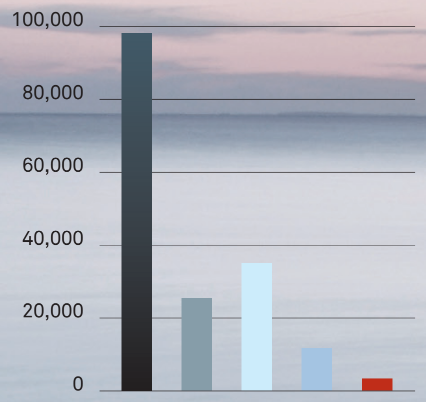
LOAN AMOUNT BY INTEREST RATE (%)

[1] CIRR (Commercial Interest Reference Rate) loans are made in accordance with the OECD agreement on officially supported export credits. The interest rate is based on interest rates on government bonds in each currency in question and is set by the OECD every 15th of the month. CIRR loans may be made in all OECD currencies. Repayment periods vary between two and 12 years. Certain loans for particular purposes may have repayment periods of up to 18 years.

OUTSTANDING LOAN AMOUNT BY CURRENCY (MNOK)



APPLICATION VOLUME BY SECTOR (MNOK)



NUMBER OF LOANS BY SECTOR

« Export Credit Norway shall offer competitive, accessible and effective export financing within the prevailing regulations. »

A GREETING FROM THE CHIEF EXECUTIVE OFFICER

2012 has been an exciting start-up year for Export Credit Norway, with the establishment of the company and the start of the government-run Norwegian export financing scheme. First I would like to take this opportunity to acknowledge the contributions of everyone involved in the process of establishing the company. Many of those involved have played key roles – the interim board, the current board, our owners and, not least, the company's own employees have all put significant efforts into getting Export Credit Norway up and running.

We alone cannot assess the extent to which our customers and cooperation partners have experienced as "seamless" the company's start-up phase and the transition from the previous system. Our perception is that Export Credit Norway has been well received by the market, and we have faith in the model that was selected when the company was established. We are also finding that there is clearly a need for the export financing scheme.

The company's primary mandate is clear: we shall offer competitive, accessible and effective export financing within the prevailing regulations. A yes from Export Credit Norway gives our customers access to a stable and predictable financing scheme – one that helps strengthen the competitiveness of Norwegian exporters. At the same time we attach importance to being a market-oriented organisation, and prioritise the maintenance of close dialogues with our customers and cooperation partners. We will make continual efforts to enhance our financing solutions and to operate in step with Norwegian business.

Currently there is a boom in the offshore oil-and-gas sector both nationally and internationally, and this is reflected in Export Credit Norway's loan portfolio. We take pleasure in the success of a competitive sector that is winning major contracts in the international marketplace. Export Credit Norway has the necessary resources to support this growth and to help ensure that further new contracts are won by Norwegian exporters.

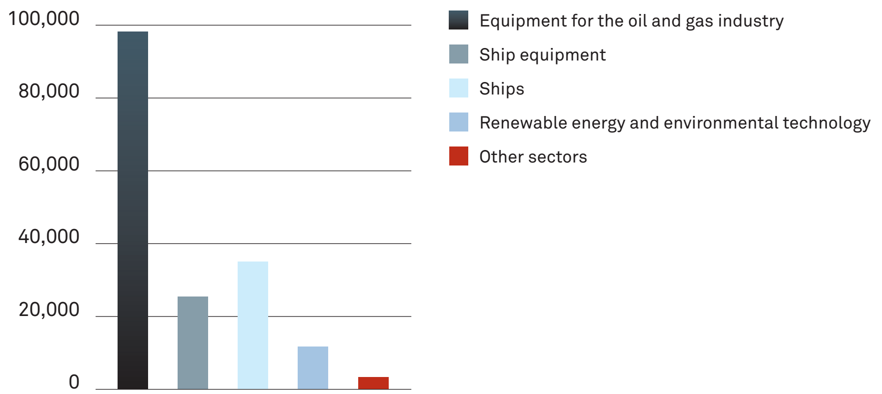
One of the company's ambitions is to improve the availability of export financing solutions for small and medium-sized Norwegian exporters in the coming years. We will work actively to assist companies that are developing new knowledge and technology in order to realise their projects. For many smaller exporters the export credit scheme may be a decisive factor for their ability to win a contract. Accordingly we will work to provide customer-friendly solutions that will effectively safeguard activity levels for many of Norway's smaller companies.

Export Credit Norway is now established – we have the capacity, competence and resources we need to follow Norwegian exporters out into the world.

We are very much looking forward to the future.

Jarle Roth
Chief Executive Officer

APPLICATION VOLUME BY SECTOR (MNOK)



EXPORT CREDIT NORWAY IS BORN

Prime minister Jens Stoltenberg announced on 18 November 2011 that the government would establish a government-run export financing scheme in order to ensure competitive financing for Norwegian exporters.

The government's decision was the signal to commence the establishment of the new government-owned entity Export Credit Norway. Prior to Christmas Day 2011, the Ministry of Trade and Industry agreed with Eksportfinans ASA (Eksportfinans) that Eksportfinans was to operate a transitional scheme until the new company had been established, on 1 July the following year.

In January 2012 the ministry appointed an interim board led by the lawyer Harald Arnkværn. The interim board was tasked with preparing for and executing the start-up of Export Credit Norway. With the support of a number of employees hired from Eksportfinans, as well as external advisers, the interim board started work on a wide range of tasks. These included advising the ministry on choice of entity and the start-up process, recruiting employees, finding new offices and procuring IT systems.

In order to ensure that the company possessed from day one the necessary competence and contacts in the market, it was important to secure employees with the appropriate competence. The necessary transfer of competence was ensured when 29 Eksportfinans employees, pursuant to an agreement between the ministry and Eksportfinans, were offered positions at Export Credit Norway. All 29 accepted the offer.

In parallel with establishing the new company, the interim board assisted in the development of a new pricing mechanism for market loans. Eksportfinans issued its own debt on the international capital markets and accordingly was not covered by EEA rules on state aid. The export credit scheme is financed by the Norwegian government and accordingly is covered by EEA rules on state aid. Export Credit Norway is seeking approval from the EFTA Surveillance Authority (ESA) to ensure that loans that are provided at commercial interest rates comply with prevailing regulations. An interim pricing mechanism was applied during the first six months of 2012. Fixed-rate loans are provided in accordance with the OECD's guidelines for Commercial Interest Reference Rate (CIRR) loans. In its work the interim board attached great importance to maintaining a dialogue with industry organisations and other affected parties in order to obtain their input concerning the new scheme. The interim board made recommendations concerning the choice of entity to the ministry, which decided that the entity should be structured as a government-owned limited company. In June, the Export Credit Act was approved unanimously by parliament. This statute formed the basis for the establishment of Export Credit Norway.

The company was ready for business on Monday 2 July 2012 in new offices next to the City Hall in central Oslo.

The company had in place 29 competent employees with experience from Eksportfinans, supported by external consultants in a number of temporary positions. There was also a permanent board headed by the lawyer Else Bugge Fougner as well as a new management led temporarily by Olav Einar Rygg, formerly head of lending at Eksportfinans. Essential working equipment and IT systems had also been installed. Following an intensive start-up process, Export Credit Norway was ready to assist Norwegian exporters. The company's first loan was disbursed on its very first day of business.

The company's first six months of operations were characterised by high levels of lending activity. At year-end 2012, outstanding loans totalled NOK 28.6 billion. At the same time the company has been working to put a permanent organisation in place. Jarle Roth, who has extensive experience of the export business, took up his appointment as chief executive officer in October 2012.

REPORT FOR 2012 – PRIMARY AND SUBSIDIARY GOALS

Export Credit Norway's primary goal is to promote Norwegian exports by providing competitive, accessible and effective financing.

Against this background, the Ministry of Trade and Industry established a further seven subsidiary goals for 2012. Subsequently the ministry clarified the parameters to be applied in assessing achievement of these goals. The report on the company's success in achieving these goals in 2012, including the status and development of the loan portfolio, is based largely on these parameters.

In the light of the goals set by the ministry, Export Credit Norway has developed a business strategy for the company. The strategy defines four particular focus areas for the company's work in the coming years: (1) attractive financing solutions, (2) effective processes, (3) fulfil our societal role, and (4) motivated and competent staff.

During the first six months of operations both the company and its loan portfolio have been in a start-up phase. The company is still in a developmental phase and will start normal operations during the course of 2013.

Due to the company's brief operational history, the basis for assessing achievement of the ministry's goals is limited.

In the opinion of Export Credit Norway, the company has made good progress during its first six months of operations in ensuring the provision of competitive, accessible and effective financing solutions. The following paragraphs (1–7) provide a more detailed report on, and assessment of, the extent to which the company has achieved its goals.

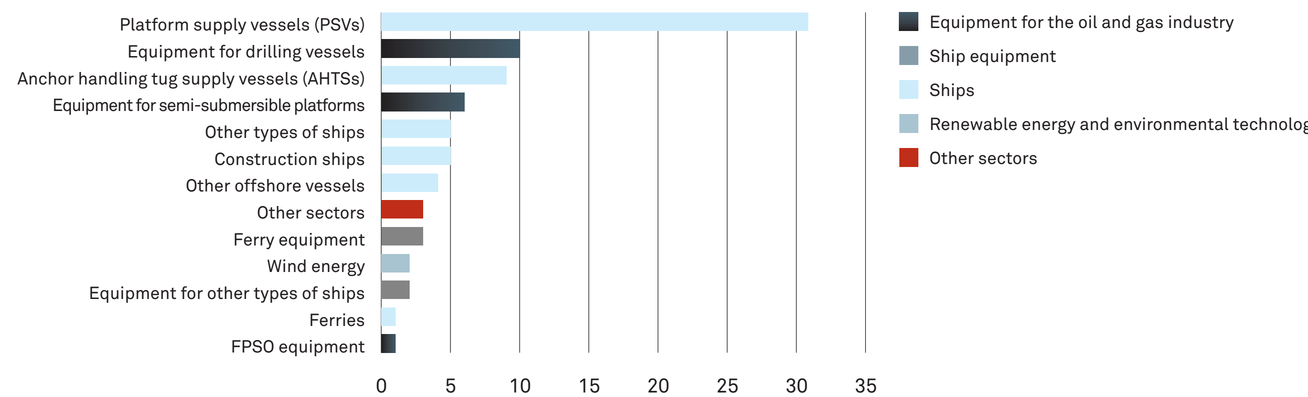
1. COMPETITIVE FINANCING

Subsidiary goal: To ensure that export contracts are entered into with competitive financing of capital goods and services in compliance with international agreements.

Lending and market activities in Export Credit Norway's first six months of operations were driven by the boom in the offshore oil-and-gas sector, combined with a reduction in long-term lending by the banks. Loans disbursed in 2012 totalled NOK 24.2 billion, of which loans totalling NOK 9.4 billion were disbursed in the second six months of the year. Interest income totalled NOK 342.6 million and fee income totalled NOK 19.4 million. Repayments of principal adjusted for foreign exchange

[3] The figure of NOK 28.6 billion for outstanding loans is based on foreign exchange rates on the last banking day in 2012, while the equivalent figure in the government financial statements is based on the exchange rates prevailing at the time the loans were disbursed (historical rates). Outstanding loans calculated according to historical rates totalled NOK 29.9 billion at the end of 2012.

TOTAL LOANS BY SEGMENT



rates totalled NOK 1,033.4 million. Loans outstanding as at year-end 2012 totalled NOK 28.6 billion[2]. The figure for total loans outstanding was higher than that for total loans disbursed because in 2011 the government took over loans disbursed by Eksportfinans.

By year-end 2012, Export Credit Norway was administering 82 loans, divided between 40 borrowers.

During 2012 the company prioritised customer-oriented activities. These included customer events in six Norwegian cities as a part of the company's road show. Members of the executive management and key personnel visited more than 300 existing and potential customers along the Norwegian coast in order to present the company and its lending products. The company has also focused on generating opportunities to meet and work with relevant organisations, banks and guarantors. The company's employees have also attended a wide range of conferences as speakers and panel members.

Last year, Export Credit Norway experienced strong demand and received 302 unique financing applications totalling NOK 173 billion for projects in 48 countries (these figures include the transitional period during the first six months of 2012).

Measured by application volume, the largest segment was equipment for the oil-and-gas industry. Borrowers in this segment applied for financing totalling NOK 98 billion divided between 31 applications. During 2012 Norwegian shipyards experienced the highest influx of orders since before the financial crisis of 2008. Loans from Export Credit Norway will be disbursed upon the delivery of the equipment that is to be exported from Norway. Projects planned in Brazil's offshore sector accounted for a large percentage of the application volume. There were also a high number of applications for projects within the renewable energy and environmental technology sectors, with 71 applications received for loans totalling NOK 12 billion.

A project will only qualify for a loan under the export credit scheme if Export Credit Norway has received the application before the contract between the exporter and the purchaser has been signed. The application must accord with the objectives of the export credit scheme. Only a small percentage of the loan applications received result in actual loans from the company. Applications are withdrawn for three main reasons: 1) the exporter fails to win the export contract; 2) the purchaser cancels the project; or 3) the purchaser opts for a different financing solution. Export Credit Norway calculates its risk-adjusted backlog. This figure represents the company's best estimate of future loan disbursements in the light of loan applications received. At the end of the fiscal year the risk-adjusted backlog stood at NOK 39.5 billion. This amount also includes loans that Export Credit Norway expects to take over from Eksportfinans following renegotiation of the loans' interest margins.

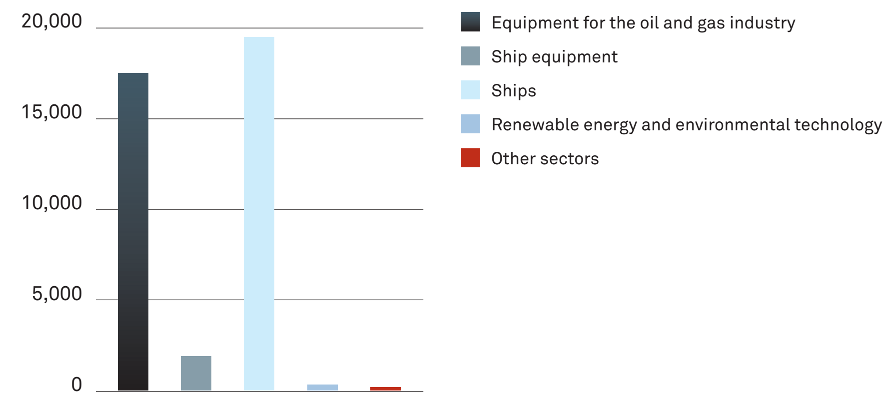
All loans are provided either as CIRR loans, which are on terms compliant with prevailing OECD rules, or as market loans based on the established pricing mechanism. This mechanism is currently under notification to the EFTA Surveillance Authority (ESA).

OUTSTANDING LOANS BY SEGMENT (%)

Segment	%
Platform supply vessels (PSVs)	25,76 %
Drilling vessel equipment	24,82 %
Equipment for semi-submersible platforms	20,26 %
Offshore construction vessels	9,25 %
Anchor handling tug supply (AHTS) vessels	7,89 %
Other vessels	5,65 %
FPSO equipment	2,55 %
Other offshore vessels	2,22 %
Ferry equipment	0,54 %
Other vessel equipment	0,43 %
Wind power	0,41 %
Ferries	0,17 %
Other sectors	0,04 %

Equipment for the oil and gas industry
Ship equipment
Ships
Renewable energy and environmental technology
Other sectors

PROBABILITY-ADJUSTED ORDER BOOK BY SECTOR (MNOK)



In the light of the following factors: loans disbursed during the company's first six months of operations; total loans outstanding; the number of loans in existence at year-end 2012; and the high level of external activity, it is the opinion of Export Credit Norway that the company has succeeded in providing competitive financing on terms compliant with international agreements for exports of Norwegian capital goods and services. The company's current pricing mechanism for market loans (which account for 58 per cent of the loan portfolio) is not sufficiently flexible to react to rapid fluctuations in the market. If the company is to maintain its ability to offer relevant export financing solutions, it is vital that the pricing mechanism currently being reviewed by ESA is put in place as soon as possible.

2. NEW KNOWLEDGE AND TECHNOLOGY

Subsidiary goal: To contribute actively to the financing of projects that will develop new knowledge and technology.

The Ministry of Trade and Industry has requested Export Credit Norway to prioritise projects that will develop new knowledge and technology. In particular the company shall contribute actively to the financing of projects in the sectors of renewable energy and environmental technology. This includes the financing of offshore wind-power projects that will contribute to Norwegian businesses' growth within this area.

Export Credit Norway is making efforts to ensure that export financing is available for projects within the renewable energy and environmental technology sectors. The company is participating in the government's Programme Council for Environmental Technology. The council's mandate includes the coordination of national policy instruments in order to boost the development of the sector in Norway. During 2012 the company received a total of 71 loan applications for projects in this area. This figure accounts for almost a quarter of all loan applications received. Two loans relating to offshore wind power were disbursed during 2012.

Export Credit Norway applies OECD's guidelines for innovation in order to assess the innovativeness of the projects that are granted financing. The term "innovative projects" covers four types of innovation: product innovation, process innovation, organisational innovation and market-related innovation. The three levels of innovation are:

Particularly innovative project:
This category covers projects that aim to develop new products and introduce them to an international market. It also covers projects that will result in new production processes and organisational structures that are not known internationally.

Innovative project:
This category covers projects in new or existing businesses that aim to develop products new to the national market and to introduce them to that market. It also covers projects that will develop and apply new production processes that have not been introduced nationally. Finally, the category covers the introduction of previously exported products and services to new overseas markets.

Non-innovative project:
This category covers projects that are only innovative in relation to the specific business or region in question.

At year-end 2012, four of the 82 loans being administered by Export Credit Norway were classified as "innovative" or "particularly innovative".

In the light of the figures for loan applications and loan disbursements in this area, it is Export Credit Norway's assessment that the company has contributed actively to the financing of projects that are developing new knowledge and technology.

3. SMALL AND MEDIUM-SIZED BUSINESSES

Subsidiary goal: To contribute to the provision of export financing for small and medium-sized businesses.

Export Credit Norway shall offer financing solutions suitable for small and medium-sized businesses. During 2012 the company has worked to make the export credit scheme more accessible to small and medium-sized businesses. To this end it has simplified its lending procedures and standard-form agreements. The costs of executing small loans can be relatively high. In order to reduce such costs, Export Credit Norway, in cooperation with the Norwegian Guarantee Institute for Export Credits (GIEK), is using so-called "simplified loan documentation" to process transactions for under NOK 30 million. This makes the process of preparing documentation less time-consuming and also reduces borrowers' legal expenses. In 2012 Export Credit Norway disbursed two loans that had been processed using simplified loan documentation.

The company has also boosted marketing efforts directed towards small and medium-sized exporters. The aim is to raise businesses' awareness of how export financing can assist them in winning export contracts.

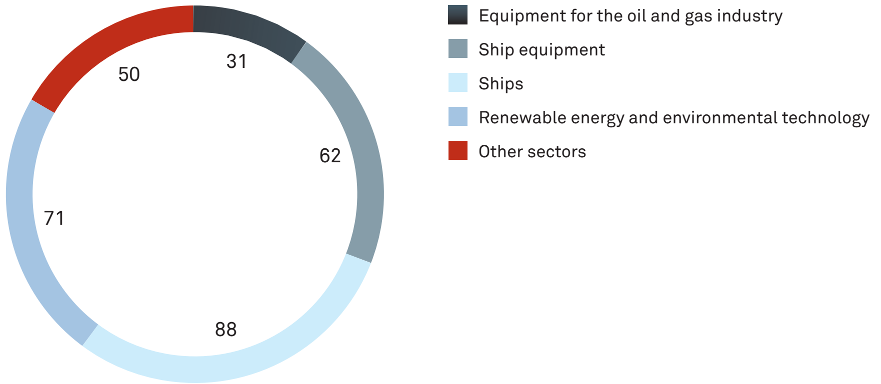
During 2012 the company received 90 loan applications from small and medium-sized exporters. The majority of the projects related to renewable energy, environmental technology and other non-oil-and-gas-related sectors. In addition, Export Credit Norway contributes indirectly to the development of the many small and medium-sized businesses that supply goods and services to shipyards and to the major equipment suppliers in the oil-and-gas sector.

At year-end 2012, six of Export Credit Norway's 82 outstanding loans were to small and medium-sized exporters. The amount outstanding on these six loans amounted to NOK 600 million.

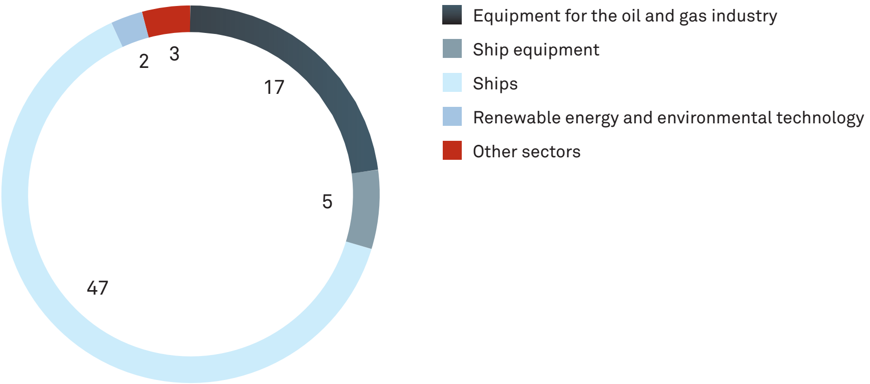
In the light of the following factors: the number of loan applications; total loan disbursements; the number of loans outstanding; and the measures taken to reduce the time and resources spent on fulfilling documentation requirements, it is Export Credit Norway's assessment that the company has made a positive contribution to the provision of export financing for small and medium-sized businesses.

EXPORT CREDIT NORWAY ANNUAL REPORT 2012

NUMBER OF LOAN APPLICATIONS RECEIVED BY SECTOR IN 2012



NUMBER OF LOANS BY SECTOR AS OF 31 DESEMBER 2012



4. FULFILMENT OF THE COMPANY'S SOCIETAL ROLE

Subsidiary goal: To fulfil the company's societal role.

Export Credit Norway can contribute to the improvement of environmental and social conditions and to combating corruption through the requirements the company imposes on its borrowers. The company is participating in the financing of a number of major projects that may have significant social and environmental consequences. Export Credit Norway is very aware of its corporate social responsibility (CSR) and during autumn 2012 took steps to establish a specific CSR policy for the company.

Environmental and social conditions

The overall guidelines for the company's CSR-related work are contained in the OECD document "Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence". This document contains the OECD's guidelines for assessing and following up the environmental and social impact of projects that are supported by OECD member states through export financing schemes.

All loans are classified as either Category A, Category B or Category C on the basis of OECD's guidelines. A loan's classification is determined by carrying out risk assessments of the project's environmental and/or social consequences. Projects that are considered to pose a high risk of causing significant environmental damage or negative social consequences are classified as Category A. Projects in Category B are considered to pose a medium risk, while Category C projects are considered to have a low risk of failing to safeguard environmental and social considerations.

The OECD document "Common Approaches" provides guidelines for assessing projects and, among other things, refer to the World Bank's "Safeguard Policies" and the International Finance Corporation's (IFC) "Performance Standards". In general Export Credit Norway takes the IFC Performance Standards as its reference point for the assessment and follow-up of projects. In addition, projects must in all cases comply with the national laws of the country in which the project is located.

Cooperation with GIEK is important for the risk assessment of projects. GIEK is subject to the same OECD guidelines and undertakes the final risk assessment and classification of transactions in which it is involved as guarantor. By imposing conditions in the loan documentation and, in some cases, by requiring independent reporting, Export Credit Norway follows up borrowers' compliance and the implementation of any specific measures designed to address the risk of negative environmental, human or social consequences. The borrower's compliance with the loan conditions is monitored throughout the loan period.

No Category A loans were disbursed during 2012. One loan was disbursed in Category B. This was in respect of an offshore wind-power project off the coast of Belgium. All other loans were in Category C.

Anti-corruption

The OECD has adopted guidelines entitled "Recommendation on Bribery and Officially Supported Export Credits". These guidelines are intended to prevent exporters from bribing either their customers or other parties in order to win contracts that will be financed by Export Credit Norway. Section 276 (a)–(c) of the Norwegian Penal Code goes further than the OECD guidelines in that it also covers trading in influence. Export Credit Norway's goal is to prevent corruption in connection with export contracts. Measures taken by the company in order to achieve this goal include the exercising of responsibility, the providing of information, the obtaining of declarations from exporters and, in some cases, loan applicants, and the inclusion of anti-corruption provisions in its loan agreements.

Code of Conduct

High ethical standards are crucial to Export Credit Norway's activities. All employees who represent the company have a duty, and a responsibility, to comply with these standards. This means that the company's employees must conduct themselves responsibly at all times whether they are interacting with other employees or with external parties. To this end the company developed and implemented during autumn 2012 ethical guidelines applicable to all employees.

Export Credit Norway pays great attention to fulfilling its societal role. Accordingly the company assesses the environmental and social impact of projects that apply for financing and exercises a zero-tolerance policy towards corruption. The company has also developed a Code of Conduct and a CSR policy. By taking these measures the company has made satisfactory progress in fulfilling its societal role.

5. CENTRE OF EXPERTISE AND CORPORATE REPUTATION

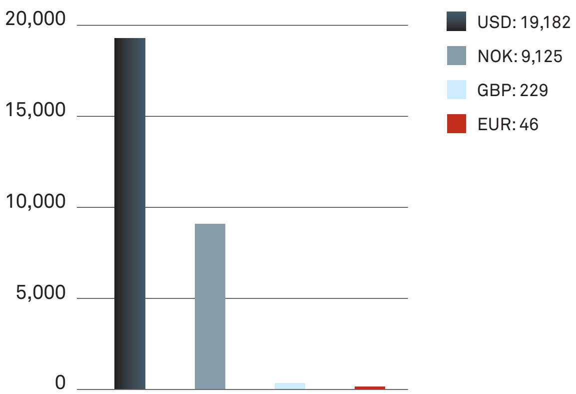
Subsidiary goal: To become a centre of expertise within export financing and to build a good national and international reputation.

To become a centre of expertise

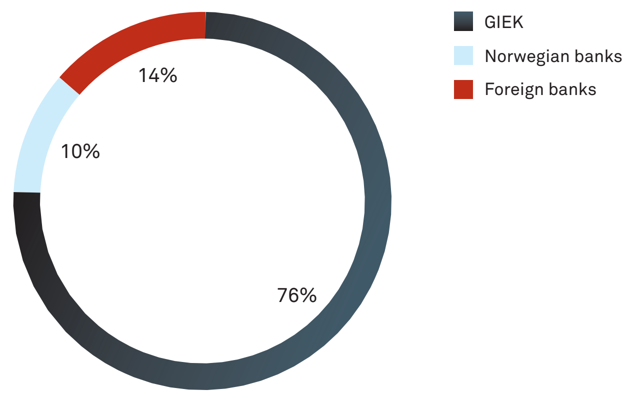
Export Credit Norway shall act as a centre of expertise in the field of export financing for the benefit of Norwegian businesses, their customers, the company's cooperation partners, and the Norwegian authorities. The company's financing solutions shall comply with OECD guidelines as set forth in the OECD document "Arrangement on Officially Supported Export Credits". The company shall attempt to apply these rules in a way appropriate to the requirements of specific projects. Export Credit Norway possesses special expertise in relation to relevant sectors and markets. The company also attaches importance to maintaining a close dialogue with exporters and their customers.

Through the practical experience gained through its lending activities and by maintaining close contact with Norwegian exporters, Export Credit Norway's expertise and input assists the Ministry of Trade and Industry with its management of the export credit scheme in Norway. The company is participating in the ongoing negotiations concerning the OECD agreement on export credits. In this work the company is also focusing on establishing contact

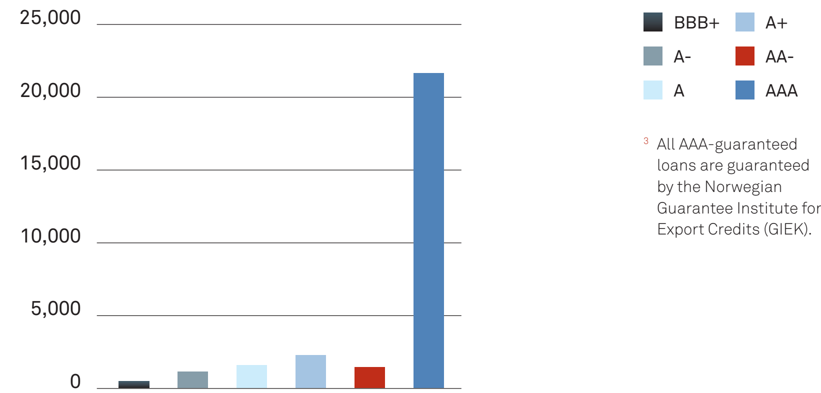
OUTSTANDING LOANS BY CURRENCY (MNOK)



GUARANTORS (%) FOR OUTSTANDING LOANS AS OF 31 DECEMBER 2012



EXPOSURE WITHIN DIFFERENT RATING CATEGORIES[3]



[3] All AAA-guaranteed loans are guaranteed by the Norwegian Guarantee Institute for Export Credits (GIEK).

with other countries' export financing institutions with the aim of building up a good knowledge of other countries' financing schemes and application of the OECD agreement. This is important for ensuring that Norway's export financing solutions are competitive in relation to those of other countries. Export Credit Norway also works closely with GIEK and maintains an ongoing professional dialogue on the application of the OECD agreement on export credits, which governs the work of both institutions.

To build a good national and international reputation

The competence possessed by Export Credit Norway and the ways in which we apply it are important factors in determining how we are perceived by the outside world. Our cooperation partners must have confidence that Export Credit Norway is a constructive and reliable lender that possesses special expertise within export financing.

As a newly established company, Export Credit Norway needs to raise awareness of the company's relevance and attractiveness within its target markets. The company has established a specific communications strategy with the goal of "establishing Export Credit Norway's role as a professional, well-recognised and competitive financial partner for exporters and borrowers". The strategy also contains a plan for communications and marketing activities to support achievement of this goal.

Establishing a strong brand, with a good reputation both nationally and internationally, is a long-term project. The company is well known and in demand in many areas of Norwegian industry. However, it will take time to build up confidence and a good reputation in overseas markets. The company is well on the way to achieving this, but acknowledges that this is a continuous and long-term process.

Most of Export Credit Norway's employees have experience of export financing from their work at Eksportfinans. This has enabled the company to build on and enhance the expertise developed by these employees at Eksportfinans. Through this work Export Credit Norway has established itself as a centre of expertise in export financing and has provided advice to the Norwegian authorities, Norwegian businesses and international organisations. The company is already well known within Norwegian industry and by means of a range of activities, such as customer meetings and visits, is working to raise the company's profile both nationally and internationally. This is a long-term process. In the opinion of Export Credit Norway, the company is well on the way to establishing a good reputation both nationally and internationally.

6. GOOD RISK MANAGEMENT

Subsidiary goal: To operate good risk management within set limits such as to minimise the government's exposure to lending-related losses.

The export credit scheme is organised such that loans are shown on the government's balance sheet. Accordning to Prop. 102 L (2011-2012) the Norwegian Act relating to Eksportkreditt Norge AS (Export Credit Act): "The company is not to carry out hedging transactions in the market on behalf of the state beyond the guarantee of loans, and shall not practise asset management". The state bears all the risk associated with the export credit scheme. All loans are to be guaranteed in their entirety by financial institutions and/or state export guarantee institutions that comply with credit rating requirements. Export Credit Norway is concerned to establish efficient routines for risk management in order to avoid losses in connection with the export credit scheme. No borrowers defaulted on repayments during 2012. The most significant risks attached to the export credit scheme are counterparty risk as against guarantors, market risk and operational risk.

Counterparty risk

During 2012 Export Credit Norway devoted much attention to counterparty risk and established upper limits for various guarantors in order to ensure satisfactory risk management. The board receives regular reports on the status of all guarantors in relation to these limits. At the end of 2012 all lending was comfortably within the limits established for counterparty risk. The business will only suffer an actual loss in the event of a "double default", i.e., default by both borrower and guarantor, and where the proceeds from a foreclosure on collateral are less than the outstanding amount of the loan. Counterparty risk is managed by applying an overall ceiling on risk for the whole loan portfolio in conjunction with detailed limits in relation to specific guarantors, credit rating categories and countries.

In the ongoing management of the business, credit risk is limited by means of Export Credit Norway's right to require a replacement guarantor if a guarantor's credit rating falls below a specified rating. Please also refer to the above figure regarding guarantors' credit ratings.

During the first six months of 2013 the company will implement a comprehensive review of its risk management rules.

Market risk

At the end of 2012, 68.1 per cent of all outstanding loans were in foreign currencies, primarily USD. 58.1 per cent of outstanding loans were granted on market terms. Pricing of 99.6 per cent of these loans is fixed as IBOR plus a margin, while the interest on the remaining 0.4 per cent of loans is payable at a fixed rate. Pursuant to Section 3 ("Decision-making powers") of the Export Credit Regulation, Export Credit Norway may approve loans in either Norwegian kroner or foreign currencies.

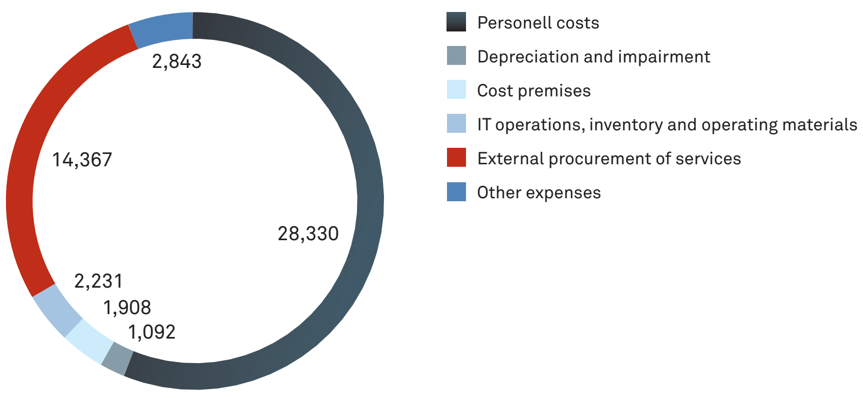
Operational risk

The company's operational risk relates primarily to accuracy of documentation, the ongoing follow-up of outstanding loans, and receipts and disbursements. Particular provision has been made to protect against these risks by strengthening the organisation's legal department and by entering into framework agreements with several well-known law firms. Priority has also been given to the implementation of efficient control routines.

In the opinion of Export Credit Norway, the company manages risk satisfactorily within established limits in order to avoid losses associated with the export credit scheme. Utilisation is within the limits set by the company and no losses or defaults occurred during 2012.

EXPORT CREDIT NORWAY ANNUAL REPORT 2012

OPERATING EXPENSES FOR SECOND HALF 2012 (IN THOUSANDS OF NOK)



7. BUSINESS OPERATIONS

Subsidiary goal: To put in place the conditions for successful business operations through the implementation of efficient processes and technology, and to employ competent employees in appropriate numbers for the company's level of activity.

The Storting approved a grant of NOK 71 million to the company for the second six months of 2012. This grant took account of non-recurring expenses associated with the establishment of the company. For 2013 the Storting has approved an operational grant to the company of NOK 110 million, which equates to a reduction of NOK 32 million compared with the annualised grant for the second six months of 2012. The reason for the reduction is that the company is expected to commence normal operations during 2013.

Operating expenses for 2012 totalled NOK 50.8 million. Most of these expenses related to salaries and payroll, administration and the procurement of external services. The company posted a post-tax profit of NOK 12.8 million in 2012. The company has a solid equity base, good liquidity and very limited exposure to financial risk. A number of contracts relating to the operation of the company have been put out to tender. This has resulted in better terms on several deliveries. Export Credit Norway has also commenced several procurement processes designed to improve the processing and quality of data. The largest single procurement process is for a new customer and document management system. The company's business strategy defines one of the company's four focus areas as "employment of motivated and competent staff". This means that Export Credit Norway shall be a knowledge organisation where the customer comes first. Ongoing skills development is achieved primarily through on-the-job training and through work on projects involving complex and challenging issues. Export Credit Norway's management shall set clear targets, share information efficiently, and provide clear feedback on work that has been carried out. In accordance with its strategy the company increased its staffing levels during 2012 in order to ensure that it had the appropriate competence and that its staff capacity was suited to the company's level of activity.

Sickness absence during the second six months of 2012 totalled 2.7 per cent. Short-term sickness absence accounted for 0.7 per cent of this figure, with long-term sickness absence accounting for 2.0 per cent.

Alignment of the business with government requirements

During 2012 Export Credit Norway has worked consistently to establish a robust organisation with high-quality routines and processes. The company used autumn 2012 to tailor its operations, including its financial system, to comply with the rules on governmental financial management. This was achieved by means of technical modifications and the establishment of routines, guidelines and templates. Once the system was established, as from 1 December 2012 Export Credit Norway took over from the Ministry of Trade and Industry all responsibility for disbursing loans and for recording for the government financial statements in connection with the export credit scheme. The company has prepared detailed guides to its routines and detailed bookkeeping guidelines in respect of both its operational and lending activities. This is in order to ensure that these tasks can be completed regardless of the availability of particular employees. Export Credit Norway has also made ongoing modifications to its lending system to enable it better to reflect and cover the needs of the company's lending operations. In 2012 the company began the process of procuring a new customer and document management system. One of the reasons for doing so is to ensure the proper and secure storage of documentation. We expect to complete this procurement process before summer 2013, with system implementation in autumn 2013.

Compliance with public procurement rules has been ensured by means of carefully considered staff appointments and training. Internal requirements and routines ensure that all key decisions during the tendering process are quality assured by employees with special competence in this area. Export Credit Norway has renewed a number of supplier agreements in order to ensure stability of supply in respect of critical systems, including IT systems and telecommunications.

In the opinion of Export Credit Norway, the company has put in place the conditions for successful business operations through the implementation of efficient processes and technology, and through the employment of competent employees in appropriate numbers for the company's level of activity. The company's spending has remained within the grant allocated by the Storting and the company will commence normal operations during 2013.

EXPORT CREDIT NORWAY ANNUAL REPORT 2012

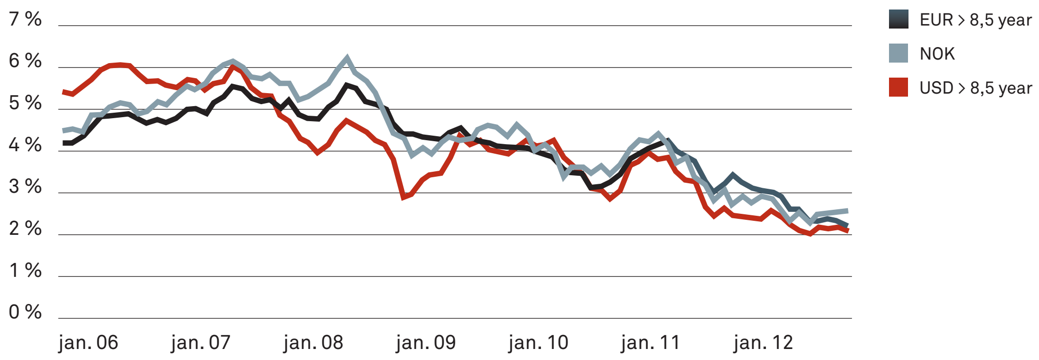
COOPERATION WITH OTHER ENTITIES

Export Credit Norway cooperates closely with GIEK both in individual cases and in relation to general issues concerning government-supported export financing. GIEK was the guarantor for 76 per cent of the outstanding loans in the company's portfolio at year-end 2012. The remaining 24 per cent were guaranteed by Norwegian and international banks.

Cooperation with the banks is important for the operation of the export credit scheme. Banks become involved in projects at an early stage and often work to facilitate financing on behalf of the buyer. GIEK, in cooperation with the banks, manages collateral requirements and the final credit assessment of each project.

Nordic banks predominate in projects in Scandinavia and Europe, while international banks predominate in projects linked to large lending syndicates with international clients. Certain cases, particularly foreign infrastructure projects, may involve multilateral cooperation with financial institutions to achieve financing for the project.

CIRR-RATES IN EUR, NOK AND USD



MARKET TRENDS, OUTLOOK AND EXPECTED DEVELOPMENT

The Norwegian economy has so far proved sound despite a poor outlook for growth internationally. Export Credit Norway expects the Norwegian economy to continue to perform strongly during 2013–15, driven by the high growth in demand from the oil-and-gas sector and low interest rates. The outlook is generally less positive for non-oil-and-gas-related exporters.

Global demand for export financing has grown strongly since the financial crisis of 2008–2009. This growth is expected to continue as the banks cut down on long-term lending. In Norway, since 2008, the amount of loans guaranteed by GIEK has more than quadrupled. During the same period there has been a corresponding increase in the total amount of loans disbursed by Eksportfinans and Export Credit Norway under the auspices of the export credit scheme.

For Export Credit Norway, demand for loans is driven by the oil-and-gas sector. The company expects more than 90 per cent of its lending volume forward to 2015 to be linked to offshore oil-and-gas projects. Currently the company is providing financing for nearly all the offshore-related vessels under construction at Norwegian shipyards. In 2012 the shipyards experienced the highest influx of orders since before the financial crisis. Export Credit Norway will disburse the loans once the ships are delivered from the yards in 2014 and 2015. There is also strong and increasing growth in exports of maritime equipment.

The second largest segment for which Export Credit Norway provides financing is exports of Norwegian equipment for drilling ships and rigs under construction at yards in East Asia. These loans are typically structured as single tranches of USD 150–250 million within large-scale bank syndicates.

Over the past decade, sales to overseas markets by Norwegian suppliers have more than tripled. This trend is expected to continue. In particular, Brazil's ambition to exploit its offshore oil-and-gas resources is becoming an increasingly significant driver for Export Credit Norway's lending activities.

The renewable energy sector is experiencing strong growth worldwide. During 2011, nearly USD 300 billion were invested in renewable energy projects. This figure represents a six-fold increase compared to investment levels in 2004 and, for the purposes of comparison, is equivalent to 75 per cent of global investments in oil-and-gas exploration and production.

The market position of Norwegian suppliers to the renewable energy sector is not as robust, however. The most recent figures available, which are for 2010, put total exports of Norwegian goods within the hydropower and wind-power sectors at NOK 2 billion, compared with approximately NOK 160 billion for exports in the maritime and offshore sectors (Menon Consulting, 2012). Exports of equipment for the production of solar energy have declined following the closure by major players in this sector of their Norwegian production facilities in 2012. Export Credit Norway is experiencing increasing demand for financing in relation to projects associated with offshore wind power.

BOARD OF DIRECTORS

Export Credit Norway has a diversified board with members drawn from the worlds of business, politics and the public sector. The company's board comprises Else Bugge Fougner (Chair), Siri Hatlen, Trude Husevåg, Øivind Rue, Finn Ivar Marum, Jørgen Hauge (employee-elected representative) and Kaare Haahjem (deputy employee-elected representative and observer).

ELSE BUGGE FOUGNER

01

BOARD CHAIR

Else Bugge Fougner is a Supreme Court advocate and a partner in the law firm Hjort DA. She is a former justice minister and has significant directorial experience from her service on the boards of a number of major Norwegian companies.

SIRI HATLEN

02

BOARD MEMBER

Siri Hatlen is a board member of companies including Norske Skog ASA, Sevan Marine ASA and Entra AS. She also sits on the board of the Norwegian Board of Technology and the joint board of the Norwegian University of Life Sciences (NMBU). Hatlen has formerly served as CEO of Oslo University Hospital and as a vice president at Statkraft AS. She has also held a range of positions at Statoil ASA.

TRUDE HUSEVÅG

03

BOARD MEMBER

Trude Husevåg is Finance Director at the insurance company Frende Livsforsikring AS. She has previously held positions at companies that include Argentum Fondsinvesteringer AS and Pricewaterhouse Coopers DA.

ØIVIND RUE

04

BOARD MEMBER

Øivind Rue is Executive Vice President at Statnett SF with responsibility for grid operations. He was formerly a Vice President at Saga Petroleum ASA and a Assistant Deputy Director General at the Ministry of Trade and Industry.

FINN IVAR MARUM

05

BOARD MEMBER

Finn Ivar Marum is Investment Director at Kistefos AS. Marum was previously a senior partner at the private equity fund HitecVision AS. He has also held positions at Ernst & Young AS and Statoil ASA.

JØRGEN HAUGE

06

BOARD MEMBER

Jørgen Hauge (employee-elected representative) has special responsibility for the oil-and-gas sector at Export Credit Norway. He previously worked at Eksportfinans and also has experience from the Financial Supervisory Authority of Norway.

KAARE HAAHJEM

07

OBSERVER

Kaare Haahjem (deputy employee-elected representative and observer) is project manager in the Project and Loan Administration Department at Export Credit Norway. His previous employers include Eksportfinans, Danske Bank and the financial services group DNB.

EXECUTIVE MANAGEMENT AND ADMINISTRATION

The members of Export Credit Norway's executive management have wide-ranging experience of Norwegian industry and the export credit scheme.

At year-end 2012, Export Credit Norway had 32 employees. A further four people had signed employment contracts but had not yet taken up their positions. Of the 32 existing employees, 29 had transferred from Eksportfinans. The majority of Export Credit Norway's employees are lawyers and economists.


01

01 JARLE ROTH

CEO

Jarle Roth is the company's Chief Executive Officer. Mr Roth joined the company from the Umoe Group, where he was deputy chief executive. Previously he had served as chief executive officer at Unitor ASA and at the Umoe Schat-Harding Group. Mr Roth chairs the board of Enova SF, is a board member of Multiconsult and has served on the boards of a number of companies in the maritime sector.


02

02 ELI SKRØVSET

CFO

Eli Skrøvset is Chief Financial Officer at Export Credit Norway. Ms Skrøvset has broad experience of the energy sector and her former roles include those of senior adviser and chief financial officer at Statkraft. She also has experience from the Ministry of Petroleum and Energy.


03

03 OLAV EINAR RYGG

DIRECTOR OF LENDING

Olav Einar Rygg is EVP Director of Lending – Shipping & offshore. Mr Rygg was acting chief executive officer at Export Credit Norway for the company's first 100 days. Previously he held a number of executive management positions at Eksportfinans, most recently director of lending.


04

04 IVAR SLENGESOL

DIRECTOR OF LENDING

Ivar Slengesol is EVP Director of Lending – Industry and renewable energy. Mr Slengesol was previously business development director at Eksportfinans. He has experience of working with start-ups in the renewable energy sector and has also worked at Shell and the World Bank.


05

05 TOBIAS HVINDEN

DIRECTOR

Tobias Hvinden is Legal Counsel – Head of Legal. Mr Hvinden was previously employed as a lawyer at Eksportfinans where he headed Legal & Compliance. He has also held positions at the Norwegian law firms Kvale Advokatfirma DA and Advokatfirmaet Grette DA.


06

06 JOSTEIN DJUPVIK

DIRECTOR

Jostein Djupvik is Head of Project and Loan Administration. Mr Djupvik previously held several positions at Eksportfinans, most recently Senior Vice President and Head of Project Department Lending. He also has experience from the Ministry of Trade and Industry.

« Export Credit Norway manages the export credit scheme in accordance with the requirements laid down in guiding documents of the Norwegian government. **»**

REPORT FROM THE BOARD OF DIRECTORS 2012

Eksportkreditt Norge AS (Export Credit Norway) is a limited liability company owned by Nærings- og handelsdepartementet (the Norwegian Ministry of Trade and Industry). The company was founded 25 June 2012 and has been operational since 1 July 2012. Export Credit Norway is based in Oslo.

Export Credit Norway was established to ensure competitive export financing for Norwegian industry. State-supported export financing plays a key role in supporting Norwegian capital goods for exports. This is particularly important in periods of financial uncertainty and few alternative sources of financing. Export Credit Norway's first six months of operating were well received by the markets and characterised by high lending activities.

A booming oil and gas sector combined with a more stringent long-term lending offerings from commercial banks, propelled market activities during the second half of 2012. Payments of new loans were in line with expectations and totalled around NOK 9 billion during the same period. The company's loan portfolio amounted to NOK 28.6 billion at the end of 2012. The government issued loans during the transitional period before 30 June 2012, and this explains why the loan portfolio is higher than payments in the second half of the year.

Market activities were high during autumn 2012 and included a coastal road show in six cities to present Export Credit Norway and loan opportunities. The company also established a permanent management team during autumn 2012.

THE EXPORT CREDIT SCHEME

The Commercial Interest Reference Rate (CIRR) scheme, also known as the "108 scheme" and based on the OECD-affiliated Arrangement on Officially Supported Export Credits, was established in 1978 to regulate interest rates and repayment terms for publicly subsidised loans used in the export of capital goods within OECD countries. The purpose of the scheme is to enable Norwegian exporters to compete on equal footing with other exporters backed by national export credit schemes. The scheme was managed by Eksportfinans ASA (Eksportfinans) until November 2011.

The Norwegian government announced on 18 November 2011 that it would establish the export finance scheme under state management. The Norwegian Ministry of Trade and Industry appointed an interim board comprise Harald Arnkværn (chair), Benedicte Schilbred Fasmer, Siri Hatlen and Leif Arne Langøy to lead the work to establish the new company. The interim board was mandated to ensure that a state-owned enterprise was operational by no later than 1 July 2012. An agreement between the government and Eksportfinans made it possible to offer staff members whose work related to CIRR-qualified loans employment at Export Credit Norway. All offers of employment were accepted. The agreement was important in order to help the new entity acquire the necessary competence to continue the export financing offering without disruptions. Eksportfinans administered a transitional scheme on behalf of the Norwegian government In the period leading up to 30 June 2012

Export Credit Norway administers the export credit scheme by extending loans for export financing in the form of CIRR loans and CIRR-qualified market loans. All loans must be 100 per cent guaranteed by the Norwegian Guarantee Institute for Export Credits (GIEK) or financial institutions with strong credit ratings. The loans are reported on the government's balance sheet, meaning that the state assumes all risk relating to lending activities.

Export Credit Norway is responsible for all processes relating to sales and marketing, handling of applications, approvals, implementation of loan agreements and documentation, payment and monitoring of loans. Export Credit Norway shall conduct itself in a professional manner in managing the export credit scheme and shall ensure that no losses arise in connection with lending by securing correct documentation, pricing, credit checks, monitoring of loans and compliance with regulatory frameworks.

Export Credit Norway also manages the export credit scheme in accordance with the requirements laid down in guiding documents of the Norwegian government. In accordance with government requirements, the export credit scheme's cash flows are managed independently of Export Credit Norway's operations. Cash flows are channelled directly through the government's group account scheme at Norges Bank. The annual financial statements for the export credit scheme are prepared as part of the state financial statements in accordance with the government's cash flow principles.

STRATEGY AND GOALS

The main goal of Export Credit Norway is to promote Norwegian exports by providing competitive, accessible and efficient export financing. The Norwegian Ministry of Trade and Industry further defined seven subgoals for 2012. These support the main goal and particularly emphasise the financing of projects to develop new knowledge and technology, small and medium-sized enterprises, Export Credit Norway's corporate social responsibility and competence role, reputation, as well as effective risk management and efficient operations.

In 2012 Export Credit Norway initiated several measures to achieve the targets established by the Norwegian Ministry of Trade and Industry. Based on these targets the company has defined a business strategy that focuses on securing the following:

TABLE 1: LOAN APPLICATIONS

(All amounts in NOK million)	Number of applications	Application volume
Ships[5]	88	35,120
Ship equipment	62	25,152
Equipment for the oil and gas industry	31	97,955
Renewable energy and environmental technology	71	11,748
Other industries	50	3,083
Total	**302**	**173,059**

TABLE 2: KEY FIGURES FOR THE EXPORT CREDIT SCHEME

(All amounts in NOK million)	H1 2012	H2 2012	Total 2012
New lending	14,859.3	9,357.7	24,217
Interest income	75,5	267.1	342.6
Repayments[6]	243.1	815.3	1058.4
Fee income	10	9.4	19.4

TABLE 3: LENDING BALANCE

(All amounts in NOK million)	NOK	USD	EUR	GBP	Total
Ships	8,895	5,437	0	229	14,561
Ship equipment	156	122	0	0	278
Equipment for the oil and gas industry	0	13,612	0	0	13,612
Renewable energy and environmental technology	75	0	44	0	118
Other industries	0	11	2	0	13
Total	**9,125**	**19,182**	**46**	**229**	**28,582**
Percentage	**31.9 %**	**67.1 %**	**0.2 %**	**0.8 %**	**100.0 %**

[4] Several of the projects will in all probability lapse, with the result that the probability-adjusted payments will be significantly lower.
[5] At the end of the year offshore vessels accounted for 66.4 per cent of the order book in Norwegian shipyards for the next two years.
[6] Repayments are recognised at historic cost, i.e. at the currency rate in force at the time the loans were extended. No hedging transactions are entered into to cover foreign currency fluctuations. The government's net currency losses relating to repayments amounted to NOK 25 million in the second half of 2012, meaning that, adjusted for currency losses, repayments amounted to NOK 1033.4 million.
[7] Borrowers are measured at Group level.
[8] Based on Norge Bank's mid-market rates for the last banking day in December 2012. USD:NOK 5.5664, EUR:NOK 7.341 and GBP:NOK 9.9958. Reporting in the government's capital accounts is based on historic rates, and will therefore not be directly comparable with Table 3.
[9] The historic currency rate is the currency rate in force at the time the loans were originally issued.
[10] A loan is included in the order book once the customer has accepted the terms of the outline offer.

« The first year in operation was characterised by high lending activities. »

(1) an attractive offering (2) efficient processes (3) fulfilment of the company's public role and social responsibilty and (4) employment of motivated and competent staff.

MARKETING AND LENDING ACTIVITIES

Export Credit Norway's first year in operation was characterised by high lending activities. Market activities were driven by a booming oil and gas sector and more stringent long-term lending offerings from commercial banks. Applications were submitted to Export Credit Norway for the financing of all offshore-related vessels contracted to Norwegian shipyards in the second half of 2012. In 2012 the shipyards' order books were fuller than at any time since the advent of the 2008 financial crisis. The supply industry for the international oil and gas sector also turned in a strong performance. In particular Brazil's planned expansion of its offshore oil and gas sector is fuelling growing demand for export financing. The situation with regard to activities in other areas of the Norwegian export industry is more complex. Nonetheless, in the second half of the year Export Credit Norway received a record number of applications within renewable energy, the largest of the company's non-oil and gas-related lending sectors. The application volume for 2012 was as follows[4]

New payments primarily relate to projects for which financing was applied for in the period 2009–2011. This is attributable to the fact that export credits are normally made upon delivery of Norwegian export goods to the exporter's end customer. The payments also include loans that were taken over from Eksportfinans in connection with re-establishment of the interest margin. At the end of the reporting period Export Credit Norway had 82 loans allocated to 40 lenders[7] with a total value of NOK 28.6 billion[8]. The breakdown of the lending balance by currency and industry as of 31 December 2012 is shown below:

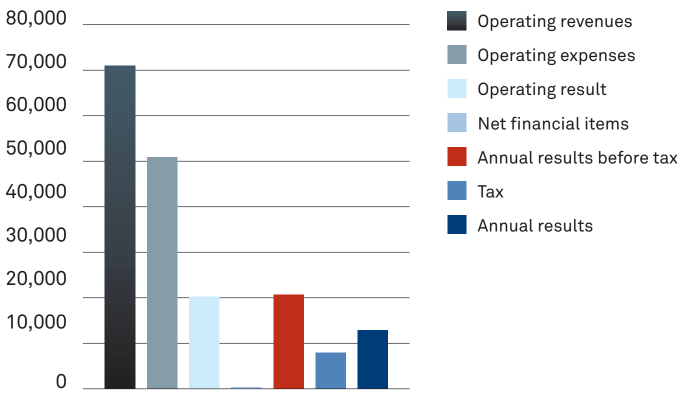
At the end of 2012 the lending balance at the historical exchange rate (historic cost) was NOK 29.9 billion[9]. The currency spread essentially reflects the industries to which most loans are made. Within the oil and gas sector Export Credit Norway only has loans in USD, while loans to maritime sector are dominated by NOK, followed by USD. At the reporting date the total order book amounted to NOK 77 billion, while the probability-adjusted order book totalled NOK 39 billion[10].

EKSPORTKREDITT NORGE AS, SINGLE-ENTITY FINANCIAL STATEMENTS

The Norwegian parliament (The Storting) approves annually the state budget funding of Export Credit Norway to administer the export credit scheme. The grant for the second half of 2012 was NOK 71 million. Operating expenses in 2012 totalled NOK 50.8 million and primarily comprised salary-related costs, administration expenses and the purchase of external services.

The company posted a profit after tax of NOK 12.8 million in 2012. The board proposes that the profit be transferred to other equity. The company has a solid equity base and is not exposed to significant financial risk. The company's statement of cash flow is testament to the strong liquidity of

OPERATING ACCOUNTS SECOND HALF 2012 (IN THOUSANDS OF NOK)



the company. The major difference between the cash flow from operations and the operating result is primarily attributable to provisions, and the recognition in income of unfunded pension liabilities for entitlements earned by employees who were transferred from Eksportfinans. At the reporting date, the company's distributable reserves after appropriation of the profit for the year totalled NOK 12.4 million. The company's assets primarily comprise bank deposits, equipment and intangible assets.

The Storting has approved an operational grant to Export Credit Norway of NOK 110 million for 2013, which equates to a reduction of NOK 32 million compared with the full-year effect of the grant for the second half of 2012. This reflects the fact that the company is expected to enter normal operations during 2012, while in 2012 provision was made for a number of non-recurring costs in connection with the establishment.

In accordance with §§ 3-3 a and 3-2 a of the Norwegian Accounting Act, the board confirms that the limited liability company's annual financial statements and the export credit scheme's statement of cash flow provide a true and fair view of the enterprise's assets and liabilities, financial position and performance, and that the annual financial statements have been prepared on the going concern basis.

There have been no events of importance for an assessment of the financial statements since the end of the accounting year.

RISK MANAGEMENT

The export credit scheme is structured in such a way that lending is shown on the government's balance sheet. Prop. 102 L (2011-2012) the Norwegian Act relating to Eksportkreditt Norge AS states that "the company is not to carry out hedging transactions in the market on behalf of the state beyond the guarantee of loans, and shall not practise asset management." This means that the government bears all risk relating to the lending scheme. All loans must be 100 per cent guaranteed by GIEK or financial institutions and/or state guarantee institutions that satisfy applicable rating requirements. Export Credit Norway stresses the importance of establishing effective routines for risk management in order to avoid losses in connection with the export credit scheme. There were no repayment defaults on lending in 2012. The greatest risks for the export credit scheme relate to counterparty risk with guarantors, market risk and operational risk.

Counterparty risk

In 2012 the board devoted much of its time to counterparty risk and established frameworks for various guarantors in order to secure satisfactory risk management. Framework utilisation by all guarantors is regularly reported to the board. At the end of 2012 all lending was comfortably within the established frameworks for counterparty risk.

Market risk

At the end of 2012, 68.1% of the lending balance comprised foreign currency loans, primarily in USD. A total of 58.1 per cent of the lending balance was issued on market terms, of which 99.6 per cent was made at a lending rate established as a margin above reference interest rates, while the remaining 0.4 per cent was issued at fixed interest rates. Pursuant to §3 of the Export Credit Regulation on decision-making powers, Export Credit Norway may approve loans in both Norwegian kroner and foreign currencies.

Export Credit Norway's own market risk is limited and primarily relates to the re-invoicing of expenditure incurred by the company on behalf of lenders.

Operational risk

Operational risk primarily relates to ensuring correct documentation and ongoing monitoring of loans, and receipts and payments. Particular provision has been made for securing the above through reinforcement of the organisation's legal capacity, and by entering into framework agreements with several recognised law firms. Securing effective control routines has also been a top priority.

The company

Export Credit Norway's operational risk primarily relates to successful implementation and further development of critical systems, and ensuring compliance with the requirements imposed on the company by the Norwegian government. The company is systematically working to implement and enhance business-critical systems and routines.

RESEARCH AND DEVELOPMENT ACTIVITIES

Export Credit Norway does not carry out any independent research and development activities (R&D). The Norwegian Ministry of Trade and Industry has requested that the company focus on projects that develop new knowledge and technology, particularly in the areas of renewable energy and environmental technology. Two loans within the area of renewable energy were extended in the first half of 2012, one of which was paid out in full in the first half of the year and the other of which was partially paid out in the second half of the year.

WORKING ENVIRONMENT

One of Export Credit Norway's strategic focus areas involves securing "motivated and competent employees". Export Credit Norway strives to be a competent organisation where the customer comes first. Ongoing skills development is primarily achieved through on-the-job training, and through working on complex and challenging issues. Export Credit Norway's management shall work towards clear targets, share information efficiently and take due account of all feedback on work performed.

All Eksportfinans employees who were offered to work at Export Credit Norway accepted the offer to join the new company. This was important in order to secure the appropriate skills base for the company and deliver continuity of supply for customers.

The company's overall sickness absence rate in the second half of 2012 was 2.7 per cent, where short-term and long-term absence rates amounted to 0.7 per cent and 2.0 per cent respectively. The board regards this as satisfactory. There were no work incidents or accidents during the year that resulted in significant material damage or

EXPORT CREDIT NORWAY ANNUAL REPORT 2012

personal injuries. The working environment is deemed to be good.

CORPORATE SOCIAL RESPONSIBILITY

Export Credit Norway manages significant values on behalf of the Norwegian government. This requires high standards when handling complex and challenging issues. The company's activities are to a large extent international. The board attaches importance to ensuring that Export Credit Norway's corporate social responsibility initiatives form an integral part of the company's activities and strategy.

Corporate social responsibility and external environment policy

An in-house policy for corporate social responsibility at Export Credit Norway is in process by the end of year 2012. By making demands to increase the focus on the environment, social matters and anti-corruption measures when assessing possible projects to finance, Export Credit Norway can make a real difference. The main guidelines governing corporate social responsibility in relation to loan cases can be found in OECD's "Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence". Our partnership with GIEK also plays an important role in both the review and handling of risk relating to the environment and social conditions. In 2012 Export Credit Norway did not issue any loans classified as highest risk in accordance with OECD's guidelines.

Matters relating to corruption and money-laundering are regulated by Norwegian law. Anti-corruption measures are further monitored in accordance with OECD recommendations.

Export Credit Norway's business is not deemed to pollute the external environment over and above the effects of normal office operation and travel activities for a business of its size and type.

Code of Conduct

Export Credit Norway reports to the government as owner and principal and has obligations and rights in accordance with the Norwegian Act relating to Eksportkreditt Norge AS (the Norwegian Export Credit Act), and applicable national and international legislation, regulations and guidelines. The company is responsible for ensuring that the state's funds are managed in a reasonable way. In order to fulfil its remit as effectively as possible, Export Credit Norway has drawn up and implemented a Code of Conduct as part of the company's guiding documents. The guidelines highlight desired conduct and individual employees are encouraged to familiarise themselves and comply with the company's Code of Conduct in their daily activities.

Equality and diversity

At the end of the year the company employed 32 staff, of whom 15 were women (47 per cent). The percentage of women on the board and in management positions is 50 per cent and 17 per cent respectively.

The company strives to promote equality within the business and attaches particular importance to guaranteeing equality with regard to opportunities for professional and personal advancement and salaries.

The company wishes to secure equal opportunities and rights for everyone regardless of national background, colour or beliefs and employs staff from different cultural and ethnic backgrounds.

THE WORK OF THE BOARD

The board has held nine meetings since the establishment of Export Credit Norway. Much of the board's time has been devoted to measures intended to ensure that Export Credit Norway enters normal operation. The board stresses the importance of effective risk management and has established upper limits for counterparty risk with guarantors. Establishing a customer-friendly profile for the export credit scheme has represented a further priority area for the board.

OUTLOOK

The company expects to continue to encounter strong demand for new loans over the next two to three years on the back of buoyant offshore-related activities. Financing of oil- and gas-related projects is expected to account for more than 90 per cent of the lending volume in the period 2013–2015. The underlying drivers of demand for loans from Export Credit Norway in this sector are the price of oil, planned offshore business investments, and availability of credit from commercial banks and the capital markets. Significant fluctuations in these parameters may impact Export Credit Norway's lending activities.

Developments in areas of the Norwegian export industry that are not related to oil and gas activities have grown at a slower rate. A strong NOK currency rate and high salary costs are affecting Norwegian exporters'competitiveness. At the same time economic performance is poor in several important European export markets. The board stresses the importance of simplifying the lending process and ramping up marketing initiatives in order to attract more non oil and gas related industries. By making export financing more available, in particular to small and medium-sized export businesses, the company aims to strengthen this sector of Norwegian industry.

Oslo, 21 February 2013

Else Bugge Fougner
Board chair

Jarle Roth
CEO

Siri Beate Hatlen
Board member

Trude Husevåg
Board member

Finn Ivar Marum
Board member

Øivind Kristian Rue
Board member

Jørgen Christian Hauge
Board member

2012 ANNUAL FINANCIAL STATEMENTS

INCOME STATEMENT

(All figures in NOK '000)	Notes	25 June - 31 December
Other revenues	2	71,000
Total operating revenues		**71,000**
Salaries and payroll costs	3, 10	28,330
Depreciation, amortisation and impairments	5	1,092
Other operating expenses		21,350
Total operating expenses		**50,771**
Operating profit		**20,229**
Financial income		420
Finanskostnad		- 2
Financial expenses		**418**
Profit for the year before tax		**20,647**
Tax expense	4	7,873
Net profit for the year		**12,774**

The net profit for the year of NOK 12,774 has been transferred to other equity, see Note 9.

BALANCE SHEET

(All figures in NOK '000)	Notes	31 Dec 2012
ASSETS		
Non-current assets		
Intangible assets	5	4,404
Transport means, fixtures and computer equipment	5	3,888
Deferred tax asset	4	346
Total non-current assets		**8,637**
Current assets		
Trade receivables	6	2,848
Other receivables	6	7,693
Cash and cash equivalents	7	47,173
Total current assets		**57,714**
Total assets		**66,351**
EQUITY AND LIABILITIES		
Paid-in equity		
Share capital	8	10,000
Share premium account	8	3,917
Total paid-in equity		13,917
Retained earnings		
Other equity	9	12,774
Total equity		**26,691**
LIABILITIES		
Provisions		
Pension liabilities	10	14,728
Other provisions	11	3,450
Total provisions		**18,178**
Current liabilities		
Trade payables	12	6,488
Public taxes and charges payable	4, 12	11,893
Other current liabilities	12	3,101
Total current liabilities		**21,482**
Total liabilities		**39,660**
Total equity and liabilities		**66,351**

Oslo, 21 February 2013

Else Bugge Fougner
Board chair

Jarle Roth
CEO

Siri Beate Hatlen
Board member

Trude Husevåg
Board member

Finn Ivar Marum
Board member

Øivind Kristian Rue
Board member

Jørgen Christian Hauge
Board member

STATEMENT OF CASH FLOW

All figures in NOK '000	25 June – 31 December
Cash flow from operating activities	
Grants	71,000
Outflow from operations	- 28,360
Net cash flow from operating activities	**42,640**
Cash flow from investing activities	
Purchase of property, plant and equipment*	- 467
Net cash flow from investing activities	**- 467**
Cash flow from financing activities	
Paid-in equity	-
Net cash flow from financing activities	**-**
Net change in cash and cash equivalents during the year	42,173
Cash and cash equivalents 25 June 2012	5,000
Cash and cash equivalents 31 December 2012	**47,173**

* Purchase of non-current assets recognised in the balance sheet after the foundation date, including transport means and fixtures

NOTE 1 ACCOUNTING POLICIES

The annual financial statements have been prepared in accordance with the regulations of the Norwegian Accounting Act and generally accepted accounting practice (NGAAP).

GRANTS/OPERATING REVENUES

The company receives a grant from the Norwegian Ministry for Trade and Industry for use on assignments in accordance with the company's objects. The grant is issued annually by the Norwegian Parliament (Storting) and is allocated by the Ministry for Trade and Industry through annual assignment letters. The grant can be issued as a combination of operating and investment grants.

The operating grant is paid as, and is recognised in its entirety as operating revenues in the same period in which, the company performs its activities. The grant is recognised gross.

The investment grant is treated as deferred income and recognised in the income statement as an adjustment to amortisation in line with the amortisation period for the associated investment. Accrued grants are recognised in the income statement under operating revenues.

PENSIONS

The company operates both defined contribution and defined benefit pension plans. Contributions to defined contribution plans are paid into the pension insurance plans. There are no other liabilities once the contributions have been paid. Payments to defined contribution plans are recognised in the income statement in the period to which the contribution relates.

The liability recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefits at the balance sheet date, less the fair value of the pension assets, adjusted for estimate deviations not recognised in the income statement. The pension liability is calculated on an annual basis by an actuary applying a linear earnings method and by reference to the expected final salary. The net liability recognised in the balance sheet includes employer's national insurance contributions.

The net pension cost for the period relating to defined benefit plans is included in salaries and payroll costs and comprises the accrued pension entitlements for the period, the interest expense on the estimated pension liability, the expected return on pension assets, the effect on the income statement of changes in estimates and accrued employer's national insurance contributions.

Estimate deviations attributable to new information or changes in actuarial assumptions in excess of the higher of ten per cent of the value of pension assets or ten per cent of the value of pension liabilities are recognised in the income statement over a period corresponding to the employees' expected remaining earnings period.

VALUE ADDED TAX

Export Credit Norway sells services involving the provision of financing exempted from Value Added Tax in accordance with the Norwegian Act on Value Added Tax § 3-6 (b).

USE OF ESTIMATES

In preparing the annual financial statements in accordance with generally accepted accounting practice, the company applies estimates and assumptions that impact the income statement and valuation of assets and liabilities and contingent assets and liabilities at the balance sheet date.

CLASSIFICATION OF ASSETS AND LIABILITIES

Assets intended for permanent ownership or long-term use are classified as non-current assets. Other assets are classified as current assets. Receivables due for payment within one year of the acquisition date are classified as current assets. Similar criteria are applied to the classification of current and long-term liabilities.

NON-CURRENT ASSETS

Non-current assets are valued at cost less deductions for depreciation, amortisation and impairments. Non-current assets are written down to fair value when any impairment in value is not considered to be temporary in nature.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recognised in the balance sheet and depreciated on a straight-line basis over the operating assets' expected economic lifetimes. Direct maintenance of operating assets is expensed on an ongoing basis under operating expenses, while upgrades and improvements are added to the cost of the operating asset and depreciated in line with the operating asset. If the recoverable value of the operating asset is lower than book value, the operating asset is written down to the recoverable amount. The recoverable amount is the higher of the net recoverable value and the value in use. The value in use is the present value of the future cash flows that the asset is expected to generate.

CURRENT ASSETS

Current assets are valued at the lower of cost and fair value.

CURRENT LIABILITIES

Current liabilities are recognised at nominal value in the balance sheet on the date they are incurred.

TAXES

The tax expense comprises taxes payable and changes in deferred tax liabilities/deferred tax assets. Tax payable is calculated based on the taxable result for the year. The net deferred tax asset/deferred tax liability is calculated as 28 per cent of the basis of temporary differences that exist between the accounting and tax written-down values, and tax loss carryforwards at the end of the financial year. The net deferred tax asset is recognised in the balance sheet to the extent that it is likely that it can be utilised.

NOTE 1 ACCOUNTING POLICIES

FOREIGN CURRENCY

Transactions denoted in foreign currency are translated at the rate in force at the time of the transaction. Monetary items denoted in foreign currency are translated to NOK using the rate in force at the balance sheet date. Changes in foreign exchange rates are recognised on an ongoing basis under other financial items in the relevant accounting period.

STATEMENT OF CASH FLOW

The statement of cash flow has been prepared in accordance with the direct method. Cash and cash equivalents include bank deposits.

NOTE 2 GRANTS AND OTHER INCOME

In 2012 the company received operating grants from the Norwegian government totalling NOK 71 million, excluding Value Added Tax. The company has no other income.

NOTE 3 SALARIES AND PAYROLL COSTS, NUMBER OF EMPLOYEES, REMUNERATION ETC.

All figures in NOK '000	2012
Salaries and payroll costs	
Salaries	15,257
Employer's national insurance contributions	2,062
Pension expenses	9,415
Other personnel costs	1,595
Total salaries and payroll costs	**28,330**
Number of employees 31 December 2012	32
Employees with signed employment agreement, who had not started work as of 31 December 2012.	4
Average number of full-time equivalents employed	32

NOTE 4 TAX EXPENSE

All figures in NOK '000	2012
Calculation of tax payable	
Profit before tax on ordinary operations	20,647
Permanent differences	7,470
Change in temporary differences	1,235
Basis for tax payable	29,352
Tax payable is calculated based on the taxable result for the year (28%)	**8,219**
Tax payable in the balance sheet comprises	
Tax payable based on the taxable result for the year	8,219
Total tax payable in the balance sheet	**8,219**
The tax expense for the year comprises	
Tax payable based on the taxable result for the year	8,219
Change in deferred tax asset	-346
Tax expense for the year	**7,873**
Breakdown of basis for deferred tax asset	
Operating assets	967
Other temporary differences	-2,202
Total temporary differences	- 1,235
Deferred tax asset	**-346**
Reconciliation of nominal and actual tax rate	
Expected tax at a nominal rate of 28%	5,781
Effect of permanent differences	2,091
Tax expense per income statement	**7,873**

NOTE 5 PROPERTY, PLANT AND EQUIPMENT

All figures in NOK '000	Intangible assets	Furniture	ICT equipment	Transport means
Fair value 25 Jun 2012*	4,893	2,266	1,758	
Additions operating assets	-	67	-	400
Disposals operating assets	-	-	-	-
Cost 31 Dec 2012	4,893	2,333	1,758	400
Depr. and amort. for the year	489	230	293	80
Book value 31 Dec 2012	4,404	2,103	1,465	320
Depreciation/amortisation	5 years	5 years	3 years	-
method	Straight-line	Straight-line	Straight-line	Balance (20 %)

* The opening balance comprised contributions in kind with a total value of NOK 8.9 million, which was transferred in its entirety from the Norwegian Ministry of Trade and Industry. The additions to property, plant and equipment were acquired with the intention of being transferred to Export Credit Norway on the company's foundation. The operating assets were valued at fair value at the time of establishment.

NOTE 6 TRADE AND OTHER RECEIVABLES

Trade receivables comprise in their entirety costs to be re-invoiced to lenders. Other receivables essentially consist of a receivable due from Eksportfinans ASA relating to the expected settlement of pension liabilities for employees who were transferred on the establishment of Export Credit Norway. The receivable has been netted off against the pension costs for the year.

NOTE 7 CASH AND CASH EQUIVALENTS

As of 31 December 2012 the company had NOK 47.2 million in bank deposits, of which NOK 2.3 million comprised restricted tax deduction funds.

NOTE 8 SHARE CAPITAL AND SHAREHOLDER INFORMATION

At the reporting date the company's share capital comprised NOK 10 million, allocated to 10,000 shares each with a par value of NOK 1,000. All the shares are owned by the Norwegian government through the Ministry of Trade and Industry, and all shares confer equal rights.

NOTE 9 EGENKAPITAL

All figures in NOK '000	Share capital	Share premium account	Other equity	Total
Equity 25 June 2012	10,000	3,917		13,917
Net profit for the year			12,774	12,774
Equity 31 Dec 2012	**10,000**	**3,917**	**12,774**	**26,691**

The opening balance comprised a total of NOK 13.9 million, allocated in the amount of NOK 5 million to bank deposits and NOK 8.9 million to contributions in kind. The opening balance has been prepared in accordance with generally accepted accounting practice and is valued at fair value.

NOTE 10 PENSION COSTS

DEFINED CONTRIBUTION PLAN

The company operates a defined contribution plan in accordance with the Norwegian Act on Mandatory Occupational Pensions. The premium rates for the defined contribution plan are the maximum permitted by statute: 5 per cent of salary corresponding to 1 to 6 G (the Norwegian National Insurance Scheme's basic amount) and 8 per cent of salary corresponding to 6 to 12 G.

Some members of executive management have an additional agreement for a defined contribution plan above 12 G in accordance with "Guidelines on terms and conditions of employment for managers in state enterprises".

DEFINED BENEFIT PLAN

28 of a total of 29 employees who were transferred from Eksportfinans ASA on establishment of the company have collective defined benefit plans. These employees have an early retirement (AFP) pension, which entitles them to receive some of their pension between the age of 62 and 66. The plan is funded through an insurance company. Some employees have additional individual agreements connected to the defined benefit plan above 12 G and agreements on early retirement from Eksportfinans ASA, which have been continued by Export Credit Norway. These are unfunded plans. All defined contribution plans are closed.
The pension costs have been prepared by an actuary in accordance with the recommendations of NRS 6. Pension costs and liabilities include employer's national insurance contributions.

All figures in NOK '000	Funded plan	Unfunded plan	Total
Net pension costs			
Present value of accrued pension entitlements for the year	1,313	610	1,923
Interest expense on pension liabilities	618	312	930
Expected yield on pension assets	-620		-620
Estimate deviations recognised in the income statement	-	- 76	-76
Net pension costs	**1,311**	**847**	**2,158**
Of which employer's national insurance contributions	162	75	238

All figures in NOK '000	Funded plan	Unfunded plan	Total
Liability recognised in the balance sheet			
Accrued pension liabilities	-34,939	-10,154	-45,092
Pension assets at market value	29,199	-	29,199
Estimate deviations not recognised in the income statement	71	1,094	1,165
Pension liabilities recognised in the balance sheet	**-5,668**	**-9,060**	**-14,728**
Of which employer's national insurance contributions	-709	-1,256	-1,966

	31 Dec 2012
Assumptions	
Discount rate	4.20 %
Expected yield on pension assets	4.00 %
Expected salary increases	3.50 %
Expected adjustment in the National Insurance Scheme's Basic Amount (G)	3.25 %
Expected pension adjustment	0.20 %
Mortality table applied	K2009

The assumptions are based on conditions at the time of the preparation of the annual financial statements and on company-specific conditions.

NOTE 10 CONT. PENSION COSTS

In the year of establishment 2012 the net pension liability (accrued liability less pension assets as of 1 July 2012), relating to defined benefit plans, was recognised in its entirety in the balance sheet. The corresponding pension cost was included in salaries and payroll costs.

All figures in NOK '000	2012
Net pension costs	
Net defined benefit plan costs	9,233
Net defined contribution plan costs	188
Net pension costs	**9,415**

NOTE 11 OTHER PROVISIONS

Other provisions mainly comprise provisions for performance-related remuneration earned in 2012.

NOTE 12 OTHER CURRENT LIABILITIES

Other current liabilities essentially comprise provisions for accrued expenses, holiday pay, public charges payable and tax payable.

NOTE 13 REMUNERATION PAID TO EXECUTIVE MANAGEMENT AND THE BOARD

THE BOARD'S DECLARATION ON SALARIES AND OTHER REMUNERATION PAID TO EXECUTIVE MANAGEMENT

The declaration concerning remuneration paid to the CEO and executive management is consistent with the guidelines for state ownership, including the revised "Guidelines on terms and conditions of employment for managers in state-owned enterprises" (established by the Stoltenberg Government [II] 31 March 2011).

Remuneration guidelines

Export Credit Norway has drawn up guidelines for uniform salary policies and salary schemes for the entire company and aims to be a competitive, though not the highest, salary payer in comparison to relevant companies. The compensation package for executive management shall reflect the degree of responsibility and complexity of the position in question, the company's values and culture, the position-holder's conduct and performance and the need to attract and retain key individuals. The schemes are transparent and consistent with the Norwegian Code of Practice for Corporate Governance.

Adoption process

The CEO's remuneration is established by the board, while the CEO establishes the remuneration for other managers in consultation with the board.

Remuneration elements and adjustment of these in future accounting years

The total remuneration comprises a fixed salary (main element), performance-related remuneration, benefits in kind, and pension and insurance plans.

Fixed salaries are subject to an annual review and are established based on salary development in society as a whole and in the finance industry in particular. Such a review was implemented with effect from 1 July.

Performance-related remuneration is subject to annual review and adoption by the company's board. The main principle is that performance-related remuneration is established based on an overall assessment, plus target achievement within specific areas. The scheme is the same for all employees, including executive management, with a ceiling of 1.5 months' total salary expense. The CEO does not have an agreement on performance-related pay.

NOTE 13 CONT. REMUNERATION PAID TO EXECUTIVE MANAGEMENT AND THE BOARD

Executive management are offered benefits in kind such as newspapers/magazines, part-subsidised personal loans and phone/communication benefits, in the same way as the rest of the organisation. All employees have access to part-subsidised personal loans, which means that individuals can take out loans the company's bank in the amount of up to three times their fixed salary, and the company will cover interest expenses over and above the government's normative interest rate, which corresponds to 1.15 per cent. Benefits in kind shall not be of a material size compared with the employees fixed salary.

In addition to the ordinary pension plan, some members of executive management, including the CEO, have a defined contribution plan over 12 G. This is in accordance with "Guidelines on terms and conditions of employment for managers in state-owned enterprises". Some executive managers transferred from Eksportfinans ASA have individual plans connected to the defined benefit pension above 12 G and early retirement agreements which have been continued by Export Credit Norway. See Note 10 for a complete list of pension benefits.

Individual schemes

The CEO has an agreement providing severance pay for up to one year after leaving the company in accordance with the government's guidelines. Some managers who were transferred from Eksportfinans ASA have continuing individual agreements on severance pay. The CEO and some members of executive management receive fixed car benefits. All board members receive board fees.

The company pays no other types of remuneration other than those stated above.

Remuneration paid to executive management in 2012[11]

All figures in NOK '000	Salaries	Interest benefit[12]	Performance related salary[13]	Other renumeration	Total renumeration	Pension expence[14]
Jarle Roth[15]	580	-	-	30	610	118
Eli Skrøvset[16]	69	-	-	13	82	15
Olav Einar Rygg	708	6	81	86	881	369
Ivar Slengesol	617	4	74	86	781	279
Christian Hvinden	471	-	66	11	548	130
Jostein Djupvik	523	8	64	9	604	105

Remuneration paid to the board in 2012[17]

All figures in NOK '000	Fees
Else Bugge Fougner (chair)	150
Siri Hatlen	90
Trude Husevåg	90
Finn Ivar Marum	90
Øivind Kristian Rue	90
Jørgen Hauge	45

[11] Benefits earned since 1 July 2012.
[12] Subsidised interest rates on personal loans
[13] Performance-related salaries for 2012 are included in the provision for performance-related remuneration, see Note 11.
[14] The pension cost corresponds to the recognised pension entitlements accrued from 1 July 2012 to 31 December 2012.
[15] Employed since 8 October 2012.
[16] Employed since 1 December 2012 in 50% position due to transition from previous employers. Employed in 100% position since 1 January 2013.
[17] Remuneration earned for three months for Jørgen Hauge and six months for other board members

NOTE 14 AUDITORS' FEES

Auditors' fees for auditing the company's financial statements comprised NOK 0.22 million including Value Added Tax in 2012.

All figures in the table are stated in NOK '000 and exclude Value Added Tax.	Fees
Statutory auditing	175
Certification services	0
Other services	0
Total auditing fees	**175**

NOTE 15 LEASES

In 2012 the company entered into a contract to lease office premises with Bendixen Eiendom AS. The lease runs until 14 June 2017 with an option for a further five years. The leasing expense for the year, including operating and shared costs, comprised NOK 0.84 million.

NOTE 16 RELATED PARTIES

Eksportkreditt Norge AS has no shareholdings in other companies.

Board members and executive management may not participate in the review or vote on matters where the party in question or his/her related parties are deemed to have a particular direct or indirect personal or financial interest in a case. Individuals are responsible for ensuring that they are not incompetent to review a case.

In accordance with the authority issued by the Storting, the government takes over loans from Eksportfinans ASA on readjustment of the interest margin through the export credit scheme. As part of its remit Export Credit Norway is responsible for the practical transfer and subsequent monitoring of the loans. The loans are assumed on the same principles as the loans the government assumed before Export Credit Norway was established. Eksportfinans ASA is not deemed to be a related party.

NOTE 17 FINANCIAL MARKET RISK

Export Credit Norway's financial market risk is limited and primarily relates to expenses for external assistance which are re-invoiced to lenders.

NOTE 18 EVENTS AFTER THE REPORTING PERIOD

The company is not aware of any events after the end of the reporting period that impact the annual financial statements for 2012.

AUDITORS' REPORT

KPMG

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P.O. Box 7000 Majorstuen
Sørkedalsveien 6
N-0306 Oslo

Telephone +47 04063
Fax +47 22 60 96 01
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the Annual Shareholders meeting in Eksportkreditt Norge AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Eksportkreditt Norge AS, showing a profit of NOK 12 774 thousand. The financial statements comprise the balance sheet as at 31 December 2012, and the income statement and cash flow statement 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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 give a true and fair view of the financial position of Eksportkreditt Norge AS as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

KPMG AS, a Norwegian member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening.

Offices in:

Oslo, Alta, Arendal, Bergen, Bodø, Elverum, Finnsnes, Grimstad, Hamar, Haugesund, Knarvik, Kristiansand, Larvik, Mo i Rana, Molde, Narvik, Røros, Sandefjord, Sandnessjøen, Stavanger, Stord, Straume, Tromsø, Trondheim, Tønsberg, Ålesund

AUDITORS' REPORT

KPMG

Independent auditor's report 2012
Eksportkreditt Norge AS

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, 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 Accounting 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 the 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.

Oslo, 4. April 2013
KPMG AS

Ole Christian Fongaard
State Authorized Public Accountant (Norway)

[Translation has been made for information purposes only]

p. 2 / 2

LETTER FROM THE OFFICE OF THE AUDITOR GENERAL

(Only available in Norwegian)

R.
Riksrevisjonen

Vår saksbehandler
Anne-Grethe Staib 22241499
Vår dato 18.03.2013
Vår referanse 2012/01629-13
Deres dato
Deres referanse

EKSPORTKREDITT NORGE AS
Eksportkreditt Norge AS
Postboks 1315 Vika
0112 OSLO

20 MAR 2013

Revisjon av låneregnskapet

Lov om Eksportkreditt Norge AS §4 fastslår at Riksrevisjonen skal forestå revisjon av låneregnskapet. På denne bakgrunn har Riksrevisjonen for regnskapsåret 2012 revidert låneregnskapet forvaltet av Eksportkreditt Norge AS som en del av Nærings- og handelsdepartementet sitt segnskap. Det vil ikke bli avgitt egen revisjonsberetning eller noen annen skriftlig erklæring om låneregnskapet.

Etter fullmakt

Per Anders Engeseth
ekspedisjonssjef

Bernt Nordmark
avdelingsdirektør

Kopi til: NÆRINGS- OG HANDELSDEPARTEMENTET

Postadresse	Kontoradresse	Telefon	Telefaks	E-post/Internett	Bankkonto	Org.nr.
Postboks 8130 Dep 0032 Oslo	Pilestredet 42 0167 Oslo	+47 22 24 10 00	+47 22 24 10 01	postmottak@riksrevisjonen.no www.riksrevisjonen.no	7694 05 06774	974760843

FACTS AND FIGURES

Export Credit Norway is a limited liability company that is wholly owned by the Norwegian government, represented by the Ministry of Trade and Industry. In operation since 1 July 2012, the company administered a loan portfolio of NOK 28.6 billion as of 31 December 2012. The portfolio is expected to grow to NOK 55 billion in 2013.

EXPORT CREDIT NORWAY

- has expertise in, and insight into, different industries and markets
- has extensive practical experience of lending for the benefit of the Norwegian export industry
- provides the Ministry of Trade and Industry with expert advice and feedback on the management of Norway's export finance system
- cooperates closely with GIEK on the practise of the OECD Arrangement on Officially Supported Export Credits
- participates actively in ongoing negotiations relating to the OECD Arrangement on Officially Supported Export Credits
- maintains a broad national and international network of contacts, including through participation in various international forums

28.6

BILLION NOK

LOAN PORTFOLIO AS OF 31.12.2012

55

BILLION NOK

EXPECTED LOAN PORTFOLIO YEAR END 2013

FINANCING THE NORWEGIAN EXPORT INDUSTRY

STABLE SOURCE OF FUNDING

LONG-TERM FINANCING

COMPETITIVE FIXED AND VARIABLE INTEREST RATES

EXPORT FINANCING EXPERTISE

SECTORS

OIL AND GAS EQUIPMENT

SHIP EQUIPMENT

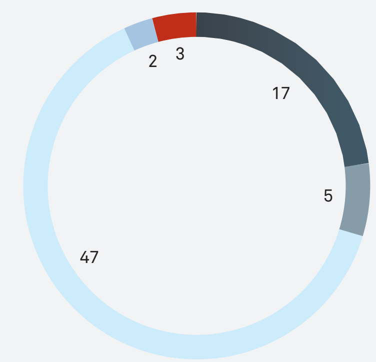
SHIPS

RENEWABLE ENERGY AND ENVIRONMENTAL TECHNOLOGY

OTHER SECTORS

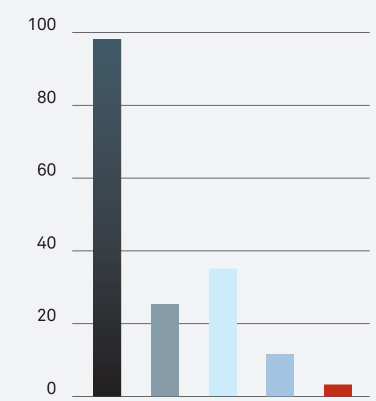
FIGURES

NUMBER OF OUTSTANDING LOANS BY SECTOR, AS OF 31 DECEMBER 2012



- Equipment for the oil and gas industry
- Ship equipment
- Ships
- Renewable energy and environmental technology
- Other sectors

LOAN APPLICATION VOLUME 2012, BY SECTOR (BILLION NOK)



- Equipment for the oil and gas industry
- Ship equipment
- Ships
- Renewable energy and environmental technology
- Other sectors

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