

NORTH BRIDGE NORDIC PROPERTY AS under liquidation



STATUS REPORT for the 2nd QUARTER 2014

SUMMARY

North Bridge Nordic Property AS under liquidation (the Company/NBNP) has during 2012 and 2013 sold most of the Company's original property portfolio. The remaining property portfolio is comprised of Elvegata Atrium in Sandnes and Lyckebacken 3 in Lund in Sweden. The Company also has a stake in North Bridge Opportunity AS.

NBNP has paid NOK 20 per share to the shareholders after the ordinary Shareholders' Meeting on 24 June 2014. The payments were distributed in two tranches: NOK 6,93 was paid on 30 June and NOK 13,07 on 11 September. Following this, a total of NOK 59 per share has been paid. In addition, the "sister company" NBNP 2 AS has distributed NOK 18 per share. Further distributions will be considered already in December this year.

The calculated net asset value (NAV) as at 30 June 2014 is NOK 57,79 per share. Taking the distribution to the shareholders of NOK 6,93 per share in June 2013 into account, NAV per share has increased by NOK 0,17 from the final NAV per share as at 31 December 2013.

NET ASSET VALUE (NAV)

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As a basis for the NAV calculation as at 30 June 2014, external, independent assessments of the Company's properties have been carried out by Newsec in Norway and Sweden.

NAV is calculated by deducting debt from the property values, based on the value assessments/transaction prices, and adjustments are also made for net working capital in the Group, latent income tax and market value of financial instruments. Hence, NAV reflects the shareholders' ownership of the underlying values in the Company.

The Company's equity in the consolidated financial statements (according to IFRS) can deviate from the calculation of NAV due to different methodologies in some areas.

Date	NAV/share (NOK) (1)	NAV/share (NOK) (2)	Change NAV/share last period (3)	Change NAV/share since the start (3)
01.08.2006	106,9	106,9	n.a.	n.a.
31.12.2006	126,7	126,7	18,5 %	18,5 %
30.06.2007	155,6	155,6	22,8 %	45,5 %
31.12.2007	166,5	166,5	7,0 %	55,7 %
30.06.2008	166,4	166,4	0,0 %	55,7 %
31.12.2008	134,4	134,4	-19,2 %	25,7 %
30.06.2009	136,9	136,9	1,9 %	28,1 %
31.12.2009	146,5	146,5	7,0 %	37,0 %
30.06.2010	159,5	159,5	8,9 %	49,2 %
31.12.2010	179,4	179,4	12,5 %	67,8 %
30.06.2011	180,2	180,2	0,5 %	68,6 %
31.12.2011	160,5	184,5	2,4 %	72,6 %
30.06.2012	155,5	179,5	-3,1 %	67,9 %
Demerger	-	-	-	-
31.12.2012	82,6	106,6	-10,3 %	59,1 %
30.06.2013	72,0	111,0	5,3 %	63,2 %
31.12.2013	64,6	103,6	-10,3 %	56,2 %
30.06.2014	57,8	103,7	-10,5 %	56,4 %

1) NAV per share adjusted for split 1:10 (carried out in September 2011).

2) NAV per share including distribution of NOK 24,00 to the shareholders in December 2011, NOK 15 in June 2013 and NOK 6,93 in June 2014

3) Adjusted for demerger carried out on 20 September 2012 equalling NOK 63,44 per share, distribution of NOK 24,00 in 2011, distribution of NOK 15,00 in June 2013 and distribution of NOK 6,93 in June 2014

PROPERTY UPDATE

Elvegata Atrium	Sandnes
Stake:	100 %
Type of property:	Office/trade
Constructed area m2:	5.523
Number of lessees:	9
Annual rent as of 30 June 2014 (MNOK)	2,8
Value* as of 30 June 2014 (MNOK)	58,0
NAV as of 30 June 2014 (MNOK)	22,6

* Value based on external valuation



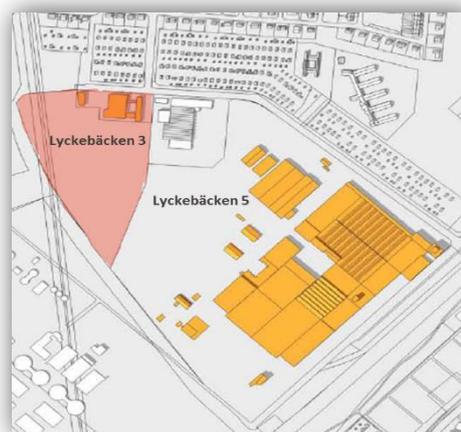
At the end of Q2 2014, the occupancy rate was 73 %. The leases are short-term and/or with the option to terminate the leases on a current basis. Lessees with short-term contracts are a challenge, as they often reflect tenants less capable of paying the rent. The settling damages in the building have to an increasing degree influenced the lease situation negatively. Parts of the building are considered not appropriate to let out for security reasons.

There are significant settling damages in the building as a consequence of excavations/building activities on the adjacent property. Technical consultants have prepared a report concluding that the damages are extensive and that they are due to excavations on the adjacent property. The report is an important part of the claim for compensation raised against the constructor on the latter property and will also be of assistance in any repair work to be performed. There is currently a dialogue between the Company's insurance advisor, relevant insurance companies and other involved parties. We expect that it will take some time before a final assessment of the compensation is clarified. Minor work on the property is performed on an ongoing basis in order to secure the building.

The announcement and notification about starting the regulation of the property was made on 30 June. The time limit for input and notes to the zoning process has expired, and the initiatives received are not considered to weaken the existing plans. The zoning process is continued with assistance from Skanska (contractors) and Brandsberg-Dahls Architects. A new zoning plan will comprise a considerable share of residential homes in addition to business activities and opens up for a split development of the property.

Lyckebacken 3	Lund, Sweden
Stake::	100 %
Type of property:	Industrial/office/warehouse
Constructed area m2:	2900 incl. office modules
Number of lessees:	1
Annual rent as of 31 March 2014 (MNOK)	0,26
Value* as of 31 December 2013 (MNOK)	12,8
NAV* as of 31 December 2013	12,6

*Value based on external valuation



Lyckebacken 3 was part of the property previously referred to as "Lund Business Park", situated in Lund in Sweden. Lyckebacken 3 was not, however, part of the sale carried out on 18 December 2013 and has been included in a separate property company.

The property is of varying quality and partly consists of movable office modules. The vacancy is high, and existing leases are made on the basis of short-term agreements. The site constitutes appr. 48 000 m2, and only part of it has been developed. The site can be of value as a potential development area for housing or other purposes.

Lund municipality has started the preparation of an area plan for the south-western part of Lund including Lyckebacken 3. Due to the fact that a new railway station has been planned in the immediate vicinity, that Lund needs

new growth areas and the consideration to move the nearby cleaning department, the municipality has a positive attitude to looking at housing and business development with a high utilization for Lyckebäcken 3 and nearby sites. Should such a development be further continued, Lyckebäcken 3 will definitely be more attractive in the sales market. The Board and Manager are currently assessing the timing for a sale of the property on this basis.

North Bridge Opportunity AS	Norway/ Sweden
Stake:	348 499 shares (19 %)
Type of property:	Varied portfolio
Constructed area m2:	N/A
Number of lessees:	N/A
Preliminary NAV (per share) as of 30 June 2014	113,34

NAV per share in North Bridge Opportunity AS (NBO) as of 31 December 2013 was NOK 110,52. NAV per share as of 30 June 2014 is calculated at NOK 113,34.

Considerable investments in the property "Trekanten" in Trondheim are made to replace the ventilation plant. In the same property, there are plans to repair parts of the exterior due to water leakages during extreme weather.

The properties Trekanten and Trollåsveien have increased vacancy. In other respects, the operating situation for the properties owned by NBO is mainly normal and satisfactory.

FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR OF 2014

Unaudited financial statements as of 30 June 2014 for the NBNP Group follow below, prepared in accordance with simplified IFRS. Figures from the 2013 financial statements have been included for comparison purposes. No notes have been prepared.

The Group comprises the holding company NBNP and the subsidiaries Innherredsveien Eiendom Holding AS, Sandnes Sentrumsutvikling AS and Højelycken Lund AB. In the balance sheet and the income statement, Højelycken Lund AB has been classified as held for sale. In addition, the Group has shares in the associated company North Bridge Opportunity AS with a stake of 19,4 %. The profit-share from the associated company is presented on a separate line in the income statement.

The semi-annual result before tax mainly constitutes items from ordinary operations. It has been determined that there is no change in the value of Sandnes Sentrumsutvikling in the first half year, whereas the value change for Højelycken Lund AB is positive, amounting to MNOK 0,1 and is included in the result from properties held for sale.

Equity is reduced by repayments to shareholders in June 2014 (MNOK 22,7). In other respect, equity is changed as a consequence of the result of the year and currency exchange differences.

North Bridge Nordic Property AS under liquidation

Income statement

<i>NOK000</i>	Group	
	First half of 2014	2013
Operating income		
Rental income	1 753	3 215
Other operating income	0	0
Total operating income	1 753	3 215
Operating costs		
Other operating costs	2 935	6 056
Total operating costs	2 935	6 056
Operating loss before change in value and profit-share from associated company	-1 182	-2 841
Change in value of investment property	0	-4 465
Profit-share, incl. change in value, associated company	912	1 554
Operating loss after change in value and profit-share from associated company	-270	-5 752
Finance income and expense		
Change in value of investment in subsidiary	0	0
Finance income	1 885	8 931
Finance expense	1 537	3 975
Net finance items	348	4 956
Profit/-loss before tax	78	-796
Income tax expense	491	808
Half-year profit from continued operations	569	12
Profit/-loss from operations held for sale	211	-6 827
Loss after tax from discontinued operations	0	-5 848
Half-year profit/-loss	780	-12 663
Foreign currency conversion	-156	-267
Total profit/-loss	624	-12 930

North Bridge Nordic Property AS under liquidation

Balance sheet - assets

NOK000	Group	
	30 June 2014	31 Dec 2013
Non-current assets		
Property, plant and equipment		
Investment properties	48 000	48 000
Total property, plant and equipment	48 000	48 000
Financial non-current assets		
Long-term receivables	0	0
Shares in associated companies	35 673	34 761
Total financial non-current assets	35 673	34 761
Total non-current assets	83 673	82 761
Current assets		
Receivables		
Trade receivables	10	359
Other receivables	1 623	3 266
Total receivables	1 633	3 625
Bank deposits and cash	115 241	140 943
Total current assets	116 874	144 568
Assets held for sale	11 806	11 366
Shares held for sale	0	0
Total assets	212 353	238 696

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Balance sheet - equity and liabilities

Group

NOK000

	30 June 2014	31 Dec 2013
Equity		
Paid-in equity		
Share capital	99 647	99 647
Share premium reserve	18 294	18 294
Other paid- in capital	39 208	39 208
Total paid-in capital	157 150	157 149
Retained earnings		
Other equity	15 694	37 741
Non-controlling owner interests	0	0
Total retained earnings	15 694	37 741
Total equity	172 844	194 890
Liabilities		
Deferred tax	3 155	3 646
Long-term liabilities		
Liabilities to credit institutions	30 270	30 270
Financial contracts	3 225	3 323
Total long-term liabilities	33 495	33 593
Current liabilities		
Liabilities to credit institutions	0	0
Trade payables	1 343	2 887
Income tax payable	0	0
Public duties payable	55	645
Other short-term liabilities	1 173	1 565
Total current liabilities	2 571	5 097
Liability related to assets held for sale	288	1 470
Total liabilities	39 509	43 806
Total equity and liabilities	212 353	238 696

COMPANY INFORMATION

Loans

The NBNP Group has only one loan concerning Elvegata Atrium. The loan amounts to MNOK 30,27 terminating in April 2016, without instalments and with a fixed margin of 2,5 %. NBNP has guaranteed for timely payment of interest costs in the loan period. There is an interest rate swap of MNOK 27,5 with 5,56 % interest before margin and with expiration in August 2017

Sale of property

The Board and Manager are considering strategies for the realization of the shares in NBO, but a large part of the shares will continue to be tied up as security for guarantees for some time.

The described processes that can contribute to make the values in Lyckebäcken 3 more visible are followed up closely by the Board and Manager. A final plan for a sales process will take this into account, but preferably fairly soon. Today, the property constitutes a small part of total NAV.

The Liquidation Board has established a strategy for realizing Sandnes Sentrumsutvikling AS including 1) the clarification of the settling damages and compensation matters, 2) the implementation of a new regulation plan including residential properties and 3) possible residential developments on parts of the property. This implies that realizing Sandnes Sentrumsutvikling AS could be carried out both as a sale of business property and as a sale of flats to end-users. Such a liquidation strategy is calculated to take about 3 years, but nevertheless in such a manner that the Liquidation Board can realize the entire property or parts of it at an earlier date if this is considered to be appropriate. The Shareholders Meeting in NBNP on 24 June 2014 supported this strategy.

Distribution

A distribution of NOK 6,93 per share was carried out to the shareholders on 30 June 2014, and an additional NOK 13,07 per share on 11 September 2014, i.e., a total of NOK 20 per share has been paid after the general meeting on 24 June 2014. The distributions are in line with the Board's plan and information previously given to the shareholders.

It is the duty of the Liquidation Board to ensure that the Company can manage its obligations, including the guarantees related to the sale of property. The Company must therefore hold back adequate capital and values. In the middle of December 2014, the guarantee commitments related to the sale of Lund Business Park expire. This can result in further distributions up to NOK 10 per share, but a renewed consideration must be carried out at this time. The Board expects that the Company will make a distribution in late December. Further distributions from NBNP are planned to take place concurrently with the sale of the Company's assets and reduction of its obligations related to guarantees and other matters. It should be noted that the future distributions can deviate from NAV.

The table below shows the amounts that have been distributed so far and the remaining assets on which the Company has based its most recent NAV calculation. Distributions and NAV for NBNP 2 AS, demerged from NBNP in September 2012, are also shown for illustration purposes.

NOK000	NBNP	NBNP 2 AS	Total
Paid-in per share*:	110,00		110,00
Distribution November 2011	24,00		24,00
Distribution December 2012		18,00	18,00
Distribution June 2013	15,00		15,00
Distribution June 2014	6,93		6,93
Distribution September 2014	13,07		13,07
Total distributions	59,00	18,00	77,00
Calculated NAV as at 30 June 2014 less distribution in Sept. 2014	44,72	40,90	85,62
Total distributions and NAV	103,72	58,90	162,62

*Amounts paid-in per share depend on the investment date. The amounts are adjusted for a split of shares carried out in September 2011. Shareholders who originally subscribed for shares in Terra Eiendomsinvest AS have other subscription amounts, but the table nevertheless indicates the development in value and today's situation.

North Bridge Nordic Property AS/
North Bridge Management AS

(Sign.)

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Oslo, 1 October 2014

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