

NORTH BRIDGE NORDIC PROPERTY AS under liquidation



STATUS REPORT for the
2nd and 3rd QUARTER 2016

SUMMARY

North Bridge Nordic Property AS under liquidation (the Company/NBNP) sold most of the Company's original property portfolio during 2012 and 2013.

The Company owns 19,4 % of North Bridge Opportunity (NBO). NBO has sold all its property investments in Norway and only has one remaining property.

In addition to the shares in NBO, NBNP owns a development property in Sandnes - Elvegata Atrium.

A distribution of NOK 10.46 per share to the Company's shareholders, expected to take place on 5 October 2016, has been approved.

NET ASSET VALUE (NAV)

The final NAV was NOK 34.60 per share as at 31 December 2015. No final calculation of NAV at 30 June 2016 has been made, but there have not been any events expected to imply significant changes. It should be mentioned, however, that the gross property value of Elvegata has been adjusted downward by MNOK 1,5 as at 30 June 2016, i.e., appr. NOK 0,45 per share. At 31 December 2015, Elvagata amounted to just over NOK 14 of 34,60 per share. The sale of Lyckebacken 3 in Sweden was carried out at a property value equaling the last valuation, and is thereby not affecting NAV significantly.

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	0,3 %	56,4 %
31.12.2014	36,8	101,8	0,3 %	54,5 %
30.06.2015	36,2	101,2	-1,6 %	54,0 %
31.12.2015	34,6	99,6	-4,4 %	52,4 %

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, NOK 6,93 in June 2014, NOK 13,07 in September 2014 and NOK 6 in December 2014

3) Adjusted for demerger carried out on 20 September 2012 equaling NOK 63,44 per share, distributions of NOK 24,00 in 2011, NOK 15,00 in June 2013, NOK 6,93 in June 2014, NOK 6,93 in June 2014, NOK 13,07 in September 2014 and NOK 6 in December 2014, respectively.

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 2016 (MNOK)	Appr 2,5
Value* as of 30 June 2016 (MNOK)	45,5

*Value based on external valuation



At the end of Q2 2016, the occupancy rate was appr. 52 %, i.e., unchanged from the last report. It should be noted, however, that the mass of lessees is characterised by rapid changes.

The property's 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 accounts include significant losses on receivables connected with tenants unable to meet their obligations.

Some of the lessees have relatively large arrears. One of the tenants within groceries has gone into bankruptcy, but several parties have shown interest to carry on with this business. Consequently, there is still some dynamics in the mass of lessees where some leases are terminated and new entered into. The parking business continues to show a satisfactory development.

The settling damages in one of the buildings still have a negative effect on the lease situation. Parts of the building are considered not appropriate to let out for security reasons, or it has been considered as not financially justifiable to prepare the premises for leases before the circumstances around the settling damages have been clarified.

The settling damages are a consequence of excavations/building activities on the adjacent property. A claim has been submitted to the constructor in question and their insurance company for losses related to the settling damages. The losses include damage on the building, costs for current repairs, security measures and the documentation of damages, in addition to lost rental income. The compensation process has been slower than anticipated, but it seems to be some progress and the parties are approaching a solution.

The new zoning plan for the property was approved in the first (of two) decision-making meeting in Sandnes municipality on 11 May 2016. There have been some comments in connection with this first meeting, including some claims from Sandnes municipality. The most significant claims will be complied with, and we therefore expect that the new zoning plan will be finally approved in the second decision-making meeting. We have not been informed of any date for this meeting, but we hope that this will be finalised before year-end.

The proposal for a new zoning plan includes a considerable share of residential homes in addition to business activities, and opens up for a step-by-step development of the property. It is a well-known fact that the market for commercial property and new houses has weakened in Rogaland during 2015 and 2016. Accordingly, it is less probable that a development project will be started in the short term, even if a new zoning plan should be approved. On this basis, the Board will consider a strategy for the property.

North Bridge Opportunity AS	Norge/Sverige
Stake:	348 499 shares (19,4 %)
Type of property:	Varied portfolio
Constructed area m2:	N/A
Number of lessees:	N/A
Calculated NAV (per share) at 31 December 2015	NOK 101,85*

After 31 December 2015, i.e., the last NAV calculation, NBO has paid NOK 16 in March 2016 and NOK 44 in September 2016.

NBO has only one remaining investment, a property in Trelleborg in Sweden. The property is put up for sale in the market by a local real estate agent

NBO distributed NOK 16 per share in March 2016 and NOK 44 per share in September 2016. Additional distributions are planned, but there is today no decisions about concrete amounts or dates.

COMPANY INFORMATION

Loans

The NBNP Group has redeemed all external bank loans

Distribution

A distribution to the shareholders of NOK 10,47 per share will be made on 5 October 2016. The Company considers this to be a repayment of taxable paid-in capital, and to the best of our knowledge, this will be the case for all shareholders. It should be noted, however, that each shareholder is responsible for managing these matters and treat the payments correctly in their accounts and tax returns. It should also be noted that our statements indicate that several shareholders will have to treat later dividend distributions from NBNP as ordinary dividends (with a possible dividend tax and withholding tax). In our view, other shareholders will, however, still be able to receive further payments from NBNP as repayment of paid-in taxable capital (i.e., without dividend tax and withholding tax).

The distribution of NOK 10,47 per share applies to shareholders registered as owner of the shares at the date when the distribution was approved, i.e., 22 June 2016.

The table below shows the amounts that have been distributed to the shareholders 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.

NOK	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
Distribution December 2014	6,00		6,00
Total distributions	65,00	18,00	83,00
Approved distribution - to be paid on 5 October 2016	10,47	41,77	76,27
NAV at 31 Dec. 2015 reduced by approved distribution**	24,13	42,20	66,33
Total distributions and NAV	99,60	60,20	159,80

*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.

** The NAV of NBNP 2 is stated at 30 June 2016.

It is the duty of the Board, formally the Liquidation Board, to ensure that the Company can meet its obligations, including the guarantees related to the sale of property. The personal responsibility is more stringent for a liquidation board than for an ordinary board. The Company must therefore hold back adequate capital and values to manage such obligations in addition to capital requirements for a possible development of Elvegata.

Trading of shares

We are aware of the fact that some brokerages have contacted a large number of shareholders in NBNP, offering to buy shares. NBNP is under liquidation and wishes to distribute the remaining values to the shareholders as quickly as possible. In this period, it can be challenging for the parties to determine the sales prices on the correct basis. Manager will do his best to inform about new distributions through reports by mail and website (www.northbridge.no).

North Bridge Management AS cannot, however, give any advice about the purchase and sale of shares, but we encourage the shareholders who consider selling their shares to discuss this with their advisor.

North Bridge Nordic Property AS/
North Bridge Management AS

(Sign.)

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Oslo, 30 September 2016

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