

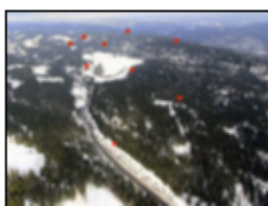
NBNP 2 AS

STATUS REPORT NO. 1 / 2014

This is the fourth report from NBNP 2 AS since the company was established on 20 September 2012 following the demerger from North Bridge Nordic Property AS. The company's only activity is to own and develop a building site of 490.000 m² on Sollihøgda in Bærum municipality.

Some of the information is from previous reports and repeated in order to give make the picture as comprehensive as possible.

PROPERTY UPDATE

	Avtjerna	Sollihøgda, Bærum
	Share:	100 %
	Segment:	Development residential
	Plot area m ² :	490.000
	Number of lessees:	-

Below is an account about a new plan for land use in Bærum municipality and the status for the work on the Ringerike railway. This is the framework for the premises of developing Avtjerna.

A new plan for land use in Bærum municipality

In connection with a new municipality plan in Bærum, it was planned to prepare a strategy for land use as a basis for revising the land part of the municipality plan. The chief administrative officer's proposal for a plan for land use for Avtjerna was the following: *"The development of the Avtjerna area to be moved forward in time, until after 2030 at a minimum. The need for establishing a technical infrastructure is considerable, and the progress for planning and realising the Ringerike railway has not been clarified"*.

Manager worked determinedly before the municipality meeting on 22 October 2013 to demonstrate to the politicians that Avtjerna should be developed earlier. The result was that the municipal council adopted the following resolution: *"Avtjerna to be included as a long-term development opportunity"*. In Manager's view, this resolution makes an earlier development of Avtjerna possible if the other general framework calls for this. In the municipal plans in the 1990's and years into 2000, the development of Avtjerna has been connected with the railway solution (primarily the Ringerike railway). Among local politicians, Venstre, Ap and FrP have been positive to Avtjerna, whereas Høyre, with 26 of 51 votes in the municipal council, are more negative in the short term. As of today, there are no additional plans/documents submitted for comments. Bærum municipality's work on a new municipal plan has been postponed, and a final resolution is expected to be made late in 2014.

The Ringerike railway

John-Ragnar Kval Aarseth (H) has been appointed State Secretary in the Ministry of Transport. Aarseth was formerly the CEO of Forum Nye Bergensbanen (*"the new Bergen railway"*, transl. comment). The Ringerike railway is part of the new Bergen railway. In Manager's view, this appointment is positive for the development of the Ringerike railway. On 20 December 2013, the Ministry of Transport submitted an assignment letter concerning the Ringerike railway to the Norwegian National Rail Administration with the following provisions:

- Completion before 2024
- Dimensioning speed of 250 km/hour
- The National Rail Administration to prepare a project plan
- The distance to be established with double tracks
- The Ringerike railway to be considered as part of the planned InterCity development between major cities in the south-eastern part of Norway



Fig.1, Illustration (prepared by the Directorate of Public Roads) over the future crossing on E16 at Bjørum Sag for, i.a., access to Avtjerna south and train station from the Directorate of Public Roads in connection with the regulation of E16 Bjørum Skaret.

The National Rail Administration's project plan for the Ringerike railway includes a preliminary study to be finalised during 2014. The project plan has several milestones. As an example, roads and stations shall be clarified before the summer of 2014. The preliminary study ends in the upstart of the regulation of the railway line in December 2014. This regulation will probably take a couple of years as a minimum.

A possible waste disposal site on the property

The Directorate of Public Roads has made public that the establishment of the first stage of a new four-lane E16, Sandvika – Wøyen, will be physically started in the autumn of 2014. In that respect, Manager has been contacted by several contractors and the above directorate concerning Lorangmyr, which is a part of NBNP2's property on Avtjerna. Lorangmyr has previously been used as a waste disposal site for clay mass at the former section of the E16 development (Wøyen – Bøærum). The contractors wish to use Lorangmyr as a temporary site for managing and disposing of mass. Should such appointments be made, the company will be able to achieve moderate income.

NAV CALCULATION AS AT 31 December 2013

Date	NAV/share (NOK)	Change NAV/share in the last period 1)	Change NAV/share since the start 1)
30.06.2012	63,4	N/A	N/A
31.12.2012	40,9	- 7,2 %	- 7,2 %
30.06.2013	40,8	0,0 %	- 7,3 %
31.12.2013	40,0	-2,1%	-8,6%

1) NAV per share adjusted for distribution of NOK 18,00 to the shareholders in December 2012

Net asset value (NAV) per share in NBNP 2 AS (the Company/NBNP 2) is calculated to NOK 40,- as at 31 December 2013, compared to NOK 40,83 at 30 June 2013. NAV was reduced by 2,1% in the second half of 2013. Total NAV at 31 December 2013 constituted MNOK 130,8 (NOK 133,6 at 30 June 2013).

There has been a marginal reduction in NAV in the second half year of 2013, due to a reduction in property value of Avtjerna of appr. MNOK 2,5, together with a small reduction in working capital as a consequence of day-to-day operating expenses.

As a basis for calculating NAV at 31 December 2013, two independent valuations related to the company's property Avtjerna was obtained, from Newsec and DTZ, as decided by the General Meeting on 26 June 2012. The value as at 31 December 2013 is set as an average of these two valuations.

NAV is computed by deducting debt from total property values, based on the valuations, and adjustments are made for net working capital in the Group, deferred tax and the market value of financial instruments. Accordingly, NAV expresses the shareholders' ownership of the underlying values in the Company.

There will be deviations between the NAV calculation and the companies' equity in the financial statements due to different accounting principles. The financial statements are prepared in accordance with NGAAP based on historical cost, whereas the NAV calculation is based on fair values pursuant to established principles for valuations.

The valuation of properties is made on the basis of calculated project values. In the Board's and Manager's opinion, the property will achieve a lower sales price than indicated by the valuations in today's market.

FINANCIAL STATEMENTS 2013

NBNP 2 - CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2013

NOK000

INCOME STATEMENT 1 JAN - 31 DEC 2013	NBNP 2 AS	Sollihøgda Eiendom AS	Eliminations	NBNP 2 Group
Operating income and expenses				
Rental income	0	0		0
Operating costs property	0	0		0
Depreciation property	0			0
Other operating expenses	1 352 113	106 211		1 458 324
Total operating expenses	1 352 113	106 211		1 458 324
Operating loss	(1 352 113)	(106 211)	0	(1 458 324)
Finance income and expenses				
Other interest income	(207 211)	(2 121)		(209 332)
Other finance income	(852 539)	0		(852 539)
Other interest expense	0	0		0
Other finance expense	332 391	0		332 391
Net finance items	(727 359)	(2 121)	0	(729 480)
Loss before tax	(624 754)	(104 089)	0	(728 843)
Income tax expense	0	0		0
Loss for the year	(624 754)	(104 089)	0	(728 843)

BALANCE SHEET AT 31 DEC 2013	NBNP 2 AS	Sollihøgda Eiendom AS	Eliminations	NBNP 2 Group
ASSETS				
Non-current assets				
<i>Intangible assets</i>				
Deferred tax asset	0	0		0
<i>Tangible assets</i>				
Investment property	0	81 383 092		81 383 092
<i>Financial non-current assets</i>				
Shares in subsidiaries	210 000	0	(210 000)	0
Loans to subsidiaries	81 657 576	0	(81 657 576)	0
Total financial non-current assets	81 867 576	0	(81 867 576)	0
Total non-current assets	81 867 576	81 383 092	(81 867 576)	81 383 092
Current assets				
<i>Receivables</i>				
Trade receivables	0	0		0
Other receivables	0	0		0
Total receivables	0	0	0	0
Bank deposits, cash etc.	21 490 200	170 831	0	21 661 031
Total current assets	21 490 200	170 831	0	21 661 031
Total assets	103 357 776	81 553 923	(81 867 576)	103 044 123

BALANCE SHEET AT 31 DEC 2013	NBNP 2 AS	Sollihøgda Eiendom AS	Eliminations	NBNP 2 Group
EQUITY AND LIABILITIES				
<i>Paid-in equity</i>				
Share capital	3 271 416	100 000	(100 000)	3 271 416
Other paid-in equity	43 490 100	40 230		43 530 330
Total paid-in equity	46 761 516	140 230	(100 000)	46 801 746
<i>Retained earnings</i>				
Other equity	53 886 943	(259 330)	(110 000)	53 517 613
Total retained earnings	53 886 943	(259 330)	(110 000)	53 517 613
Total equity majority	100 648 459	(119 100)	(210 000)	100 319 359
Equity minority	0			0
Total equity	100 648 459	(119 100)	(210 000)	100 319 359
Liabilities				
<i>Provision for liabilities</i>				
Deferred tax	0	0		0
<i>Non-current liabilities</i>				
Debt to group companies		81 657 576	(81 657 576)	0
Total non-current liabilities	0	81 657 576	(81 657 576)	0
<i>Current liabilities</i>				
Trade payables	259 924	15 448		275 372
Other short-term debt	2 449 393	0		2 449 393
Total current liabilities	2 709 317	15 448	0	2 724 765
Total liabilities	2 709 317	81 673 024	(81 657 576)	2 724 765
Total equity and liabilities	103 357 776	81 553 923	(81 867 576)	103 044 124

COMPANY INFORMATION

The Annual General Meeting will be held on Wednesday 9 April, 10:00 a.m., at the company's address, Karenslyst alle 4, Skøyen, Oslo.

Sincerely yours

NBNP 2 AS /
North Bridge Management AS

(sign.)
Jørn H. Hynne
CEO

Hans Jacob Låhne
Asset manager

Oslo, 1 April 2014