

Annual Report 2013

Steen & Strøm saw growth in retail sales and rental income at its shopping centers in 2013. Low interest rate had a positive impact on the profit. The group had a pre-tax profit in 2013 of NOK 1 162.7 million (NOK 1 345.3 million). Value adjustments of investment properties were NOK 190.2 million (NOK 607.1 million).

In December 2013 Steen & Strøm completed the sale of four shopping centers located in Norway; Halden Storsenter, Torvbyen, Stovner Senter and Markedet. The sales amount was NOK 2 063 million. The sale has accounting impact from November 1st 2013.

Shopping center investments amounted to NOK 883.0 million (NOK 1 710.3 million) in 2013, mainly on the new development project in Kristianstad and extension and refurbishment of Vinterbro. Book value of assets amounted to NOK 32.8 billion (NOK 31.3 billion) as of 31.12.2013, while group net interest-bearing debts at that time amounted to NOK 16.6 billion (NOK 16.9 billion). The book equity-to-assets ratio was 36.1 % (31.4 %).

Steen & Strøm has a solid financial foundation based on attractive shopping centers that are mainly rented by large retail trade operators.

Other highlights:

- Retail sales increased by 3.2 % at shopping centers owned by Steen & Strøm. Like for like it was a decrease of 0.4 %. Like for like figures on a national basis were -1.2 % in Norway, 0.5 % in Sweden and -0.4 % in Denmark.
- The shopping centers had an increase in rental income of 12.4 % in 2013 compared with 2012. Like for like it was an increase 3.6 %. Like for like figures on a national basis was 3.3 % in Norway, 1.6 % in Sweden and 7.0 % in Denmark.
- Operating profit for the shopping center business increased from NOK 1 360.0 million in 2012 to NOK 1 520.7 million in 2013. The Emporia shopping center in Malmö were inaugurated end of October 2012, and has full year operations in 2013.
- Value adjustments of the shopping centers and projects amounted to NOK 190.2 million in 2013 compared with NOK 607.1 million in 2012.
- The average interest rate on loans was 3.8 % in 2013 compared to 3.9 % in 2012.

Explanation of the annual accounts

Steen & Strøm rents out premises at its shopping centers. The rent that the tenants are able to pay depends primarily on their retail turnover. Hence, the rental income for Steen & Strøm depends mostly on the development in the tenants retail turnover at the centers.

Steen & Strøm saw growth in retail sales at its shopping centers in 2013 compared to 2012. Forecasts for Norwegian, Swedish and Danish economies predict further growth in Scandinavian retail trade in 2014.

Operating revenues

Operating revenues amounted to NOK 2 881.5 million (NOK 2 563.6 million). Of this amount, rental income made NOK 1 830.8 million (NOK 1 665.1 million). The growth came as a result of full year operations at Emporia shopping center and general increase in rental income and investment activity. The like for like increase in rental income was 3.6 %.

Most of the leasing contracts have elements of both guaranteed rent and rent based on the tenants turnover. Guaranteed rent makes 94 % of the total rent in 2013. Leasing contracts are normally signed for a durations of 5 years. The average duration of remaining contracts is approximately 3 years.

Profit from sale of assets makes NOK 202.7 million and is mainly related to the sale of four shopping centers in Norway.

Operating expenses

Operating expenses amounted to NOK 1 291.4 million (NOK 1 274.9 million). The increase is primarily related to full year impact of Emporia shopping center.

Value adjustments

Value adjustment of investment properties was NOK 190.2 million in 2013 (NOK 607.1 million). The increase is due to change in yield by NOK 38.4 million and improved cash flow by 151.8 million. The valuation of the shopping centers is based on an average yield of 5.80% (5.81%). The valuation is made by external appraisers.

The shopping centers and projects has a book value of NOK 31.3 billion (NOK 29.8 billion) as of 31.12.2013.

Operating profit/loss

The group's operating profit was NOK 1 780.4 million (NOK 1 895.8 million) after value adjustments.

Financial expenses

Steen & Strøm's net financial expenses amounted to NOK 617.6 million (NOK 550.6 million). Net interest-bearing debts decreased by NOK 300 million in 2013 to NOK 16.3 billion at 31.12.2013. The average interest rate was 3.8 % in 2013 and 3.9% in 2012.

Pre-tax profit

Pre-tax profits amounted to NOK 1 162.7 million (NOK 1 345.3 million). Adjusted for value adjustments and one-time effects the pre-tax profit amounted to NOK 769.8 million, which is NOK 67.3 million higher than 2012. Net financial expenses are increased by NOK 67.0 million and profit from operations are increased by NOK 134.3 million.

Cash flow

Net cash flow from operational activities amounted to NOK 821.5 million (NOK 863.2 million), while net cash flow from investment activities amounted to NOK 665.5 million (NOK -2 144.6 million). Net cash flow from financial activities amounted to NOK -1 235.2 million (NOK 1 137.1 million). Cash and cash equivalents increased by NOK 251.8 million in 2013 and

amounted to NOK 604.4 million as of 31.12.2013. The group has liquidity reserves through unused drawing rights and unmortgaged properties of approximately NOK 1.0 bn.

Balance sheet

Group assets as of 31.12.2013 were booked at NOK 32.8 billion (NOK 31.3 billion), of which investment properties amounted to NOK 31.3 billion (NOK 29.8 billion). The group gross investments on shopping centers and projects was NOK 883 in 2013. The main investments were:

- Development project in Kristianstad	NOK 390.3 million
- Extension and refurbishment of Vinterbro	NOK 93.7 million
- Completion of Emporia development	NOK 178.8 million

Book equity amounted to NOK 11 848.5 million as of 31.12.2013, corresponding to an equity ratio of 36.1 % (31.4 %).

Shopping center operations

Steen & Strøm is responsible for operations of 39 shopping centers in Scandinavia. Of these, Steen & Strøm owns all or part of 12 centers in Norway, 11 centers in Sweden and 3 centers in Denmark. The strategy is to put great effort into prominent centers located in popular shopping areas around Scandinavia. An important element is to continue to make improvements at existing centers.

The financial occupancy rate at the shopping centres was 95.9 % at 31.12.2013. Some vacancies are temporary on centers under refurbishment.

Shopping centers in Norway

Steen & Strøm fully owns 8 shopping centers in Norway and is partly owner of 4 shopping centers.

Steen & Strøm's centers saw a decrease in retail sales in 2013 of -1.2 % on a like for like basis. The shopping centers had total operating revenues of NOK 721.0 million (NOK 738.0 million) in 2013. Operating profit amounted to NOK 624.8 million (NOK 635.2 million). The like for like rent increase was 3.3 % compared with 2012. This increase is due to a general rise in rents at the centers, as well as investments.

The revenue and profit for the year is influenced by divestment of 50% of Nordbyen with financial impact from February 1st 2013, and divestment of Stovner Senter, Torvbyen, Markedet and Halden Storsenter with financial impact from November 1st 2013.

The extension and refurbishment of Vinterbro was completed June 2013.

Shopping centers in Denmark

Steen & Strøm Denmark is responsible for management of 16 shopping centers in Denmark. Danica owns 13 of these. Own shopping centers in Denmark saw a decrease in retail sales of -0.4% in 2013.

Operating revenues for the 3 owned centers amounted to NOK 366.3 million (NOK 364.0 million). The like for like rent increase was 7.0 % in 2013. Operating profit amounted to NOK 315.2 million (NOK 307.8 million).

An extension of Field's shopping center in Copenhagen, including a cinema is ongoing and will be inaugurated June 2015.

Shopping centers in Sweden

Steen & Strøm owns 11 shopping centers in Sweden. The centers saw a total increase in retail sales of 17.0 % in 2013. On a like for like basis the increase was 0.5 %. Operating revenues for the Swedish shopping centers amounted to NOK 746.6 million (NOK 563.1 million). The like for like rental increase was 1.6 % in Sweden. Operating profit amounted to NOK 580.7 million (NOK 417.0 million). The increase in retail sales and rental income is mainly due to full year impact of Emporia in Malmø that was inaugurated in October 2012.

The construction of a new shopping center in Kristianstad is ongoing and stage one opened October 2013.

Shareholder concerns

Shareholder policy

Steen & Strøm's long-term goal is to ensure a competitive return on invested capital and equity. Assets are managed to give optimal long-term return.

Ownership structure

The shares in Steen & Strøm AS is held by Storm Holding Norway AS. Storm Holding is indirectly owned by the French shopping center group Klepierre (56.1%) and Stichting Depository APG Strategic Real Estate Pool (43.9%). Klepierre has 256 shopping centers. The company is represented in 10 countries in addition to Scandinavia and is Europe's second largest shopping center company. APG is one of the world's largest pension fund managers, and manage assets for more than EUR 340 billion.

The Board of Directors of the company shall have between 5 and 7 members. The members are elected by the General Meeting.

There are no regulations in the Articles of Association or elsewhere that authorize the Board of Directors to buy back own shares or to issue new own shares or equity instruments.

Organization and environmental aspects

Employees

Steen & Strøm had 365 (405) employees at the end of 2013 and 17 (16) of these were employed in the parent company. Employees working for the group are by gender 44 percent women and 56 percent men. The group's main office is located in Oslo. The group also has offices in Copenhagen, Stockholm and Goteborg, in addition to the offices at all the shopping centers.

Women are overrepresented in positions and departments like accounting, marketing and as shopping center secretaries, while men are overrepresented in corporate management, shopping center management, caretakers, operations managers, development activities and rental departments. Normal work hours are about the same for all employees.

Steen & Strøm is an equal opportunity employer. The average yearly salary for women is lower than that for men. The main reason for this is that more men than women work at management level in the company. The board of directors is composed of five men. The executive management and the board of directors are interested in recruiting women to new or available positions.

The group work constantly to avoid any kind of discrimination.

The Board consider the working environment to be good, and this is monitored on a regular basis.

Absence due to illness on average at the group was 2,5 % of all work hours at the company. The board of directors considers the working environment in general to be satisfactory. There have been no injuries or accidents of any significance at the company.

Corporate Responsibility and Sustainability statement

Steen & Strøm established already in 2007 an environmental program with the vision of being one of the leaders within corporate responsibility in our industry. Shopping centres are important social players in the local areas and this gives the best possible basis for influencing both the environment and the society around in a positive direction. To meet this vision, Steen & Strøm has started implementation of ISO 14001 in all units and centres, and the final certificate expects to be signed by the certification partner (SP) within April 2014.

The pollution from the group's activities is limited. However, Steen & Strøm has put a lot of effort into environmental issues and developed individual actions plans to improve the group's environmental performance level. Special focus is placed on reducing the energy consumption and to optimize waste management and source separation to achieve increased recycling rate.

Steen & Strøm is also investing billions in new and existing centres to create the best retail destinations for the future; therefor responsible decision making in relation to the development projects is highly needed. In major development projects we complies with the international classification system "BREEAM", aiming for level "very good" or higher.

In 2013, Steen & Strøm's participation in GRESB's annual benchmark once again increased substantially and was rated as "Green Star", and ranked as number 4th out of 55 real estate companies in peer group "Europe Retail". Green Star is the highest level of rating in the GRESB quadrant.

Strategy

Environmental and social responsibility are defined as a strategic key element in Klépierre, which is Steen & Strøm's French parent company. This includes both the Klépierre Group and subsidiaries in all countries, as well as in the operation of each shopping centre in its own real estate portfolio and managed portfolio.

A comprehensive report on environmental and social responsibility describes the company's commitment to meet its goal of being among the leaders in environmental and social responsibility in the shopping centre industry. The report highlights key policies, target areas and action plans, as well as case studies that highlight focus areas within the Klépierre group and Steen & Strøm. The Annual Report for Sustainability can be read at the following internet site: [Klépierre Annual Report 2013](#).¹

Standards and continuous improvement

The environmental management system in Steen & Strøm complies with the ISO 14001:2004 standard. All Norwegian Steen & Strøm shopping centres also comply with the Norwegian Miljøfyrtårn (Eco-lighthouse) standard.

In 2007, Steen & Strøm implemented a program "Good Choice", to motivate employees, tenants, vendors and partners, to increased environmental performance and focus, which is still an important part of the force within sustainability.

Steen & Strøm AS organizes its environmental and social work according to the company's CR policy that identifies the following key areas:

CR policy (CSR policy)

1. Adapt its business in order to offer safe and secure shopping centres.
2. Focus on reducing environmental risks, use resources more efficiently, and minimise its environmental impact with particular focus on energy, waste, transport and procurement.
3. Create vibrant meeting places, contribute to powerful shopping destinations and develop shopping centres with contemporary aesthetic qualities.
4. Cooperate with local initiatives and organisations.
5. Work to promote high-quality indoor environments by focusing on indoor climate and universal design.
6. Work to promote inclusive working environments.
7. Focus on goal-oriented, long-term corporate responsibility, and to ensure compliance with applicable laws, regulations and other requirements. The work will continually be improved, and the entire organisation will participate. Management will lead by example in the environmental field.
8. Ensure employees receive environmental and corporate responsibility training.
9. Show openness and enthusiasm, as well as inform and report on the environmental work, both internally and externally.

¹ http://www.klepierre.com/content/uploads/2014/03/KLEPIERRE_AR_2013_UK.pdf

10. Facilitate participation by tenants, suppliers and partners so they can help to address shared environmental and corporate responsibilities.
11. Prefer tenants, suppliers and partners who already focus on environmental and corporate responsibility.
12. Make a positive contribution to society's economic development as an employer, taxpayer and purchaser of goods and services.

Organization

The company has a steering committee for CR (Sustainable Committee) consisting of the following management representatives: Managing Director (CEO), Country Manager in Norway, Country Manager in Sweden, Country Manager in Denmark and Head of HR. Group Quality Director is designated as the management representative to ensure compliance to the ISO 14001:2004 standard, as well as responsible within: corporate CR reporting, monitoring of the company's CR performance, follow up the working groups in each country and comply to external reporting requirements.

Within each country, there is a CR workgroup to ensure sustainable performance in the daily operation. This workgroup is led by a core team consisting of Country Manager, Property Management Director and CR Coordinator. All participants in the national management team are also present and full members of this workgroup, which holds its meetings in conjunction with the ordinary management team meetings. The purpose of this workgroup is to ensure that the monitoring of actions and key performance indicators is put on the agenda at an operational level.

Environmental focus

Steen & Strøm aims to actively reduce the environmental impact in both the near and distant surroundings. This is done by systematically analyse and mapping of each shopping centres environmental impact, definition of targets for the sustainable development and continuous improvements by individual action plans, measurement and reporting.

Management Reporting

The company has developed a framework for monitoring and reporting of environmental performance based on SharePoint (named Superview). The key performance indicators are based on a total of seven significant environmental aspects with the underlying action plans for corporate and national level, and individual plans for each shopping centre.

Steen & Strøm has identified the following priority areas and significant environmental aspects for measurement and reporting:

1. Energy (Reduce energy consumption, increased share of renewable energy)
2. Waste (Increased sorting and recycling)
3. Water (Reduce water consumption)
4. Transportation (Reducing environmental impact in general)
5. Shopping (Environmental and focus on environmentally friendly choice)
6. Tenants (Reducing environmental impact within coordination and agreements)
7. Project (BREEAM rating "Very good" or higher in new development)

In the following section, we describe some of the key targets for 2013. It should be noted that the objectives and results for the entire portfolio of shopping centres is set individually for each subsidiaries of the Steen & Strøm Group.

Key target areas

Within energy management, the company is working proactively to reduce energy consumption and increase the share of renewable energy. The company purchases green power in Norway and Sweden, and has an ambition to increase the share of green electricity in Denmark. There is an on-going proactive process to ensure that the company's energy monitoring system reveals possible savings potential in terms of energy consumption related to the operation of shopping centres.

Within waste management, the goal is to achieve the highest possible degree of sorting. The goals are set individually for each country and shopping centre, with an effectiveness of about 70 % recycling degree for the Norwegian shopping Centres by the end of 2015. In 2013, approximately 64 % of all waste was recycled (exclusive incineration). The total recovery rate for Steen & Strøm is 99,2 %. The rate of waste send to landfill was 0,8 %.

Within procurement, the target is to gain 40 % of all purchases (related to the operation of shopping centres) from certified suppliers and contractors (ISO 14001, EMAS, Eco-lighthouse or similar standards). This goal has already been reached, and the goal will be revised to ensure further achievements.

Within water management, consumption should be optimized and reduced in comparison to 2010 by the end of 2015. In Norway, an important goal is to install water meters in tenant's areas with consumption equal to/or exceeding 10 m³ per year.

Within transport, one of the goals is to increase the number of charging stations/points for electric cars by the end of 2015. Approx. 90 charging stations exist by the end of 2013 and will increase significantly for the next years. By the end of 2015, 1 % of all parking spaces are desired to be prepared for green cars.

All shopping centres under development should achieve the BREEAM rating of level: "Very Good" or higher. The planned development of ØKERN SENTRUM in Oslo and VIVA in Odense will follow this classification standard.

Corporate governance

Steen & Strøm aims to comply with requirements from laws, regulations and general good business ethics. The company also tries to be open about economic conditions and other issues. Corporate governance for the group is built on systematic application of principles laid down in Norwegian recommendations in this field, and we try to harmonize as much possible with current international guidelines for good corporate governance.

Risk management and control

Risk management is a part of the Group system for risk management and internal control. The purpose of this system is to secure that there is a link between the overall strategy and goals, and the daily business. The main goal is to create values for the shareholder.

The Group has established a five year strategy, which is the basis for yearly plans and budgets. Group activities involve different kinds of risk; market risk, credit risk, liquidity risk and risks related to floating/fixed interest rates. The Board of Directors set the goals and frameworks for how financial risk is managed.

The main driver of the operational business of the group is the development in retail spending. Based on public forecasts we have reason to believe that the growth will be stable in the Scandinavian markets. The shopping centre business share of the retail spending is stable. A further sustainable development is dependent on high standards for taking care of the environment. The Group has a very active approach in these issues.

The group's credit risk is primarily related to the ability of the tenants to pay rent. The group has more than 2000 rental contracts. Prominent, stable retail chains form the major group of our tenants. The tenants normally present some kind of security for the rent, and good routines have been established to follow-up and collect on rent due. The group loss on receivables is limited.

The liquidity risk is managed by always having liquid reserves in the form of liquid current assets, unused credit ceilings and unmortgaged properties. We try to limit liquidity risk that arises from the refinancing of group debts by scheduling maturity dates for loans at different times of the year and by having sufficient liquid reserves available to cover short-term refinancing needs.

To reduce the exposure to interest rate changes in the short-term interest market, the group has signed fixed interest agreements for approximately 58% of its loan portfolio.

Employees and working environment

Steen & Strøm's most important resource is its employees. The group aims to promote a healthy working environment for all employees. This is done by actively involving employees and follow-up in terms of employee satisfaction surveys.

The physical work environment is monitored through meetings of its working environment. Risk assessment has been prepared for each centre, as well as feedback from employees. The company strives to offer regular courses in safety, first aid and fire fighting for all relevant staff. The number of work-related accidents is in general very low.

Actions against corruption

Steen & Strøm has employee manual and ethical guidelines where regulations are incorporated to highlight the Groups attitude to prevent corruption, and in line with the Employment Protection Act, established procedures for whistle blowing.

Steen & Strøm has also established actions to reveal eventual corruption, this implies actions of control that are organized threwh internal control, ordinary audit and extended audit.

Financial reporting and process

Steen & Strøm AS has listed bonds, and due to that the external financial reporting is in line with the Oslo Stock Exchange regulations, in addition to general regulations.

Internal financial reporting is made on a monthly and quarterly basis where the results are assessed and analyzed against budgets and last year.

The number of board meetings was 7 in 2013, and financial statements were on the agenda. On a monthly basis each country present and discuss the financial and operational results for the Group management.

The Group and parent company financial statements are prepared by the Group financial department. The financial statements are audited with a full report on a yearly basis, and with a limited audit on a semiannual basis. In addition to that there are also audits and control by externals on specific issues.

Routines for reporting and benchmarking will contribute to make irregular costs visible.

Investment properties are booked in the balance sheet at fair value (IAS 40). Value of investment properties makes 95 % of all Group assets, and is therefore the most important item in the accounts.

The valuation of the investment properties is made by independent external appraisers, and the portfolio is split between two different appraisers; DTZ and Akershus Eiendom (cooperation with Jones Lang LaSalle).

The valuations are carried out according to the Red Book of Royal the Institution of Chartered Surveyors. The valuation method used is the discounted cash flow method (DCF).

Actions of control

Steen & Strøm organizes internal and external actions of control. Internal control actions comprise mainly ordinary internal control within the financial and operational fields. External controls actions comprise ordinary audit, extended audit, IT audit, risk analyses and insurance analyses.

Going concern

Steen & Strøm has ownership in 26 shopping centers and perform management and development of all together 39 shopping centers in Scandinavia. The financial statements have been presented under the assumption of going concern. It is the opinion of the board of directors that the financial statements and notes presented for the year give satisfactory information about the group's operations and financial position at the end of the year. The board of directors believes that the annual accounts give a true picture of company/group's assets, liabilities, financial position and profit/loss for the year. It is the board of directors' opinion that nothing of significance have occurred after the end of the year that would harm the company's reputation or change the group's financial position. In accordance with Section 3-3a of the Norwegian Accounting Act, we hereby confirm that conditions for going concern is fulfilled. The group has a shopping center portfolio of high quality, a strong financial position and employees with high competence within the shopping center business.

Steen & Strøm AS

Steen & Strøm AS had a profit for the year of NOK 992.8 million.

Future prospects

The market in general

In historical terms, consumer spending has been stable in Scandinavia. Following a lower growth in 2009 and 2010 due to the financial crisis, the growth has stabilized in 2013.

Steen & Strøm's market position

Steen & Strøm is Scandinavia's leading market operator in shopping center activities. The board of directors and company administration consider our market position to be a good reason to maintain a high level of activity, yet being responsible. Statistics for turnover show that customers appreciate the extensive modernizations, expansions and upgrades being carried out by Steen & Strøm at many of our shopping centers. We are also working actively to maintain a low level of vacancy, good marketing and a high level of commercial activity at all shopping centers.

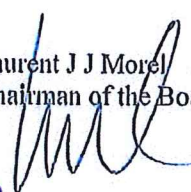
Legal disputes

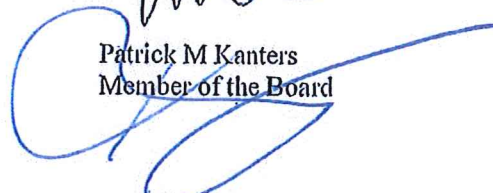
Steen & Strøm is not involved in any significant legal disputes that could be of significance for our economic position.

Thank you

The board of directors would like to thank all employees and customers for great efforts and positive contributions in 2013.

Oslo March 21st 2014

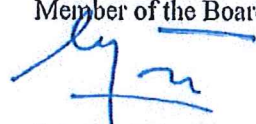

Laurent J J Morel
Chairman of the Board


Patrick M Kanters
Member of the Board


Rafael Torres Villalba
Member of the Board


Bjørn Tjaum
Managing Director

Jean-Michel Gault
Member of the Board


Jean-Marc Jestin
Member of the Board


Toru Josth


Teije Daaland
Managing Director

CONSOLIDATED STATEMENTS FOR STEEN & STRØM

Consolidated Income Statement

Year ended 31. December

Figures in NOK 1000

		2013	2012
			Restated
Operating income and expenses			
	Note		
Rental income	2, 19	1 833 896	1 665 065
Other operating income	2, 19	844 938	898 515
Gain sale of assets	8	202 687	0
Total operating income		2 881 521	2 563 580
Operating expenses			
Salaries	3	290 832	316 541
Depreciation	2, 8	33 285	30 068
Other operating expenses	2, 20, 21	967 327	928 280
Total operating expenses		1 291 444	1 274 889
Operating profit before fair value adjustments		1 590 077	1 288 691
Fair value adjustments on investment property	8	190 243	607 144
Operating profit after fair value adjustments		1 780 320	1 895 834
Financial income and expenses			
Income on other investments	11	23	2
Interest income	14	92 760	154 416
Other financial income	22	18 837	73 761
Interest expenses	22	-722 648	-776 646
Other financial expenses	22	-6 593	-2 117
Net financial expenses		-617 621	-550 584
Net tax profit		1 162 698	1 345 250
Tax cost			
Tax cost	17	148 559	209 043
Tax cost		148 559	209 043
Profit of the year		1 014 139	1 136 208
Allocation			
Minority		94	-21
Shareholders		1 014 045	1 136 229
Profit per share - basic and diluted	6	34,61	38,78
Consolidated statement of other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Profit for the year		1 014 139	1 136 229
Currency translation etc.		933 179	-225 562
Financial instruments		179 950	-73 015
		2 127 268	837 652
<i>Item that will not be reclassified subsequently to profit and loss</i>			
Pension	15	10 654	-632
Total comprehensive income for the periode, net of tax		2 137 922	837 020

CONSOLIDATED STATEMENTS FOR STEEN & STRØM
Statement of Financial Position

Year ended December 31.

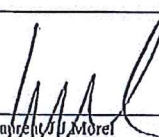
Assets	Note	2013	2012 Restated
Non-current assets			
<i>Fixed assets</i>			
Investment property and projects	8	31 251 724	29 760 511
Equipment, furniture and other fixed assets	9	120 788	129 562
Total fixed assets		31 372 513	29 890 073
Financial assets			
Investment in shares	11	856	2 232
Loan and other outstanding receivables	12	451 113	840 564
Total financial assets		451 969	842 796
Total non-current assets		31 824 482	30 732 869
Current assets			
Accounts receivable	13	76 435	147 560
Other outstanding receivables	10	269 100	124 742
Shares and financial instruments	11	66 500	0
Cash and cash equivalents	14	604 406	276 990
Total current assets		1 016 441	549 292
Total assets		32 840 922	31 282 161

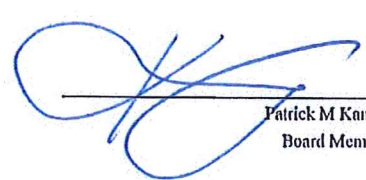
CONSOLIDATED STATEMENTS FOR STEEN & STRØM
Statement of Financial Position


Year ended December 31.

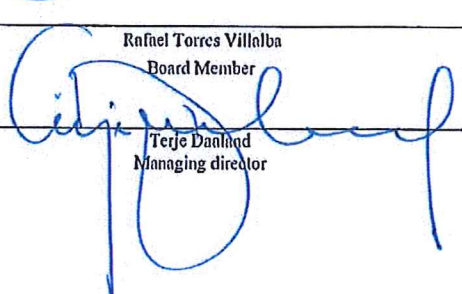
Equity and liabilities	Note	2013	2012
			Restated
Equity			
Contributed equity			
Ordinary shares (30,402,116 shares @ NOK 1.91)	4, 5	58 134	58 134
Treasury shares	4	-2 198	-2 198
Share premium reserves		2 746 762	2 746 762
Total paid in equity		2 802 697	2 802 697
Retained equity			
Fair value and hedging reserves		4 978 321	3 692 250
Other equity		4 063 079	3 323 939
Total retained equity		9 041 399	7 016 189
Total equity allocated to shareholders		11 844 097	9 818 886
Minority interest		4 362	2 276
Total equity		11 848 459	9 821 162
Liabilities			
Non-current liabilities			
Pension liabilities	15	18 426	30 551
Borrowings to financial institutions	16	12 724 716	14 002 528
Bonds	16	2 040 000	1 350 000
Other long term liabilities	16	364 420	67 603
Deferred tax	17	2 334 016	2 406 252
Total non-current liabilities		17 481 578	17 856 934
Current liabilities			
Accounts payable		121 724	211 413
Other taxes and withholdings		61 126	69 651
Tax payable	17	3 576	226
Borrowings to financial institutions	16	2 953 639	2 066 941
Other short term debt	18, 22	370 820	1 255 834
Total current liabilities		3 510 885	3 604 064
Total liabilities		20 992 463	21 460 998
Total equity and liabilities		32 840 922	31 282 161

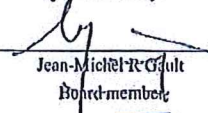
Oslo, March 21 2014

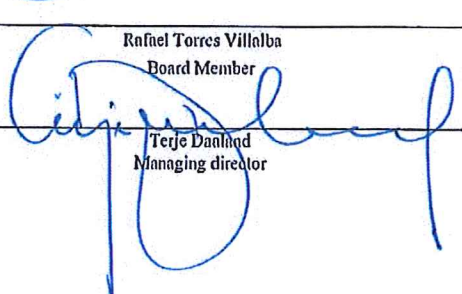

 Laurent J. Morel
 Chairman of the board

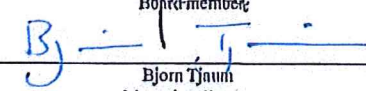

 Patrick M. Kanfers
 Board Member


 Jean Marc Jestin
 Board member


 Rafael Torres Villalba
 Board Member


 Jean-Michel R. Gault
 Board member


 Terje Daalgaard
 Managing director


 Bjorn Tjaum
 Managing director

Consolidated statement of changes in equity

	Note	Share capital	Treasury shares	Share premium	Property revaluation reserve	Retained earnings	Cash flow hedging reserve	Total	Minority	Total equity
2012										
Balance 1.1.2012		60 804	(2 198)	2 917 239	3 928 097	3 011 223	(279 361)	9 635 804	2 297	9 638 101
Demergers		(2 670)		(170 477)	(277 771)	9 763		(441 155)	(42)	(441 197)
Profit for the year					458 828	677 379		1 136 207	21	1 136 228
Currency translation etc.					(64 528)	(161 034)		(225 562)		(225 562)
Cashflow hedging effects							(73 015)	(73 015)		(73 015)
Remesurment of pension						-632		(632)		(632)
Total comprehensive income		58 134	(2 198)	2 746 762	4 044 626	3 536 699	(352 376)	10 031 647	2 276	10 033 923
Group contribution						(212 760)		(212 760)		(212 760)
Balance 31.12.2012 Restated		58 134	(2 198)	2 746 762	4 044 626	3 323 939	(352 376)	9 818 887	2 276	9 821 162
2013										
Balance 1.1.2013		58 134	(2 198)	2 746 762	4 044 626	3 323 939	(352 376)	9 818 887	2 276	9 821 162
Profit for the year					144 058	870 080		1 014 139	(94)	1 014 045
Currency translation etc.					789 637	158 684	(17 322)	930 999	2 180	933 179
Cashflow hedging effects							179 950	179 950		179 950
Remesurment of pension						10 654		10 654		10 654
Total comprehensive income		58 134	(2 198)	2 746 762	4 978 321	4 363 357	(189 748)	11 954 629	4 362	11 958 990
Group contribution						(110 531)		(110 531)		(110 531)
Balance 31.12.2013		58 134	(2 198)	2 746 762	4 978 321	4 252 826	(189 748)	11 844 097	4 362	11 848 459

Property revaluation reserve is related to investment property. When an asset is reclassified to investment property, the value that exceeds the book value will be recorded as a Property revaluation reserve. In

STEEN & STRØM**Cash flow statement**

	Note	2013	2012
Profit for the year		1 014 139	1 136 431
Tax expenses for the year	17	148 559	209 130
Paid tax for the year		3 350	-226
Gain/Loss on sale of non-current assets	8,9	-202 687	-11 754
Income from other investments		-23	-2
Fair value adjustments on investment property	9	-190 243	-607 144
Depreciation on fixed assets	8	33 285	30 068
Changes in financial instruments		-10 937	2 203
Changes in accounts receivables	13	71 125	-35 075
Changes in accounts payable		-89 689	-107 322
Changes in other taxes and withholdings		-8 525	-30 811
Changes in other current assets and liabilities	18	53 194	277 750
<i>Net cash flow from operating activities</i>		821 548	863 248
Proceeds from sale of non-current assets	8,9	137 342	24 550
Payments on acquisitions of non-current assets	8,9	-1 179 802	-1 710 653
Payments on acquisitions of financial investments		-66 500	-166 830
Proceeds from sale of shares etc.	11	1 354 800	108 831
Proceeds from borrowings	12	419 651	-400 545
<i>Net cash flow from investment activities</i>		665 491	-2 144 647
Proceeds from borrowings	16	2 294 045	6 174 927
Repayment of borrowings	16	-3 375 726	-4 746 870
Group contributions to owners (Net)		-153 515	-290 983
<i>Net cash flow from financial activities</i>		-1 235 196	1 137 074
Net changes in cash		251 843	-144 325
Cash at the start of the period	14	276 990	409 366
Effect of foreign exchange differences		75 574	11 949
Cash at the end of the period	14	604 406	276 990

Note 1 - Consolidation and accounting principles

General information

Steen & Strøm AS (the Company) is a limited liability company incorporated in Norway. The Company's principal offices are located at Støperigata 1, N-0118 Oslo

The consolidated financial statements for the accounting period of 1 January 2013 to December 31 2013 were authorized for issue in accordance with a resolution of the Board of Directors on March 21 2014.

1.1 Basis of preparation

The consolidated financial statements for the year 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Group's statement of comprehensive income, statement of financial position, statement of cash flows and statement of changes in equity are presented with comparable numbers for the prior year.

The consolidated financial statements have been prepared on a historical cost basis, except for following accounting items:

- Financial instruments at fair value (including financial derivatives and shares)
- Investment properties at fair value

In addition for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

The consolidated financial statements are prepared with same principles for same transactions and events under similar conditions.

1.2 Changing in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

New and amended standards adopted by the Group

- IFRS 13

The Group has applied IFRS 13 for the first time in current year. IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value

measurements. The scope of IFRS 13 apply to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under IFRS 13 is an exit price regardless of whether the price is directly observable or estimated using another valuation technique.

IFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by IFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of IFRS 13 has not had any material impact on the amounts recognized in the consolidated financial statements.

- *IAS 1 – Presentation of items of Other Comprehensive Income*

The Group has applied the amendments to IAS 1 Presentation of items of Other Comprehensive Income for the first time in current year. The amendments to IAS 1 require of other comprehensive income to be grouped in two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to IAS 1 does not result in any impact on profit or loss, other than other comprehensive income and total comprehensive income.

- *IAS 19 – Employee benefits*

In the current year, the Group has applied IAS 19 (as revised in 2011) and the related consequential amendments for the first time.

IAS 19 (as revised in 2011) changes the accounting for defined benefit plans and termination benefits. The most significant change on the Group relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in the fair value of plan assets when they occur, and hence eliminate the ‘corridor approach’ permitted under the previous versions of IAS 19 and accelerate the recognition of past service costs. All actuarial gains and losses are recognized in OCI as they occur. Furthermore, the interest costs and expected return on plan assets used in previous version of IAS 19 are replaced with ‘net interest’ amounts under IAS 19 (as revised in 2011), which is calculated by applying the discount rate to the net benefit liability or asset. These changes have had an impact on the amounts recognized in profit or loss and other comprehensive income in prior years (see table 1A below for detail).

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2013 and not early adopted

- *IFRS 9 – Financial Instruments*

IFRS 9 will replace IAS 39 and introduces new requirements for classification, measurement and derecognition of financial assets and liabilities. The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2015 on condition of EU approval.

- *IFRS 10 - Consolidated financial statements*

The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2014.

- *IFRS 11 – Joint arrangements*

IFRS 11 replaces IAS 31 *Interests in Joint Ventures*. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 *Jointly Controlled Entities – Non-monetary Contributions by Venturers* has been withdrawn upon the issuance of IFRS 11. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportionate accounting. The Group is yet to assess IFRS 11's full impact and intends to adopt IFRS 11 no later than the accounting period beginning on or after 1. January 2014.

- *IFRS 12 – Disclosures of interests in other entities*

IFRS 12 is a disclosure standard and is applicable to all entities that have interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. The standard establishes disclosure objectives and specifies minimum disclosures that entities must provide to meet those objectives. The objective of IFRS 12 is that an entity should disclose information that helps users of financial statements evaluate the nature of, and risks associated with, its interests in other entities and the effects of those interests on its financial statements. The disclosure requirements set out in IFRS 12 are more extensive than those in the current standards. The Group is yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2014.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

1.3 Consolidation

The consolidated financial statements include the financial statements of Steen & Strøm AS and entities controlled by Steen & Strøm AS (the Group). Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control normally exists when the Group has more than 50% of the voting power through ownership or agreements. Non-controlling interests in subsidiaries are presented within Group's equity.

The Group applies the acquisition method to account for business combinations. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investments in associated companies where the Group has significant influence but not control, are accounted for using the equity method of accounting. Significant influence normally exists when the Group has 20% to 50% voting power through ownership or agreements.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control. Joint venture arrangements that involve a separate entity in which each venturer has an interest are referred to as jointly controlled entities.

The Group reports its interests in jointly controlled entities using proportionate consolidation. The Group's share of the assets, liabilities, income and expenses of jointly controlled entities are combined with equivalent items in the consolidated financial statements on a line-by-line basis.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Other investments are recognized in the consolidated financial statements in accordance with *IAS 39 – Financial instruments: Recognition and Measurement*. Supplementary information is given in Note 1.10 and 1.18

Intercompany transactions and related balance sheet items, including internal profit and unrealized gains and losses, are eliminated. Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates.

Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.4 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

1.5 Accounts receivable and other receivables

Trade receivables are recognized and carried at original invoice amount less provision for impairment.

1.6 Hedging

At the inception of each hedge relationship the Group designates certain derivatives as hedges of future cash flow related to a recognized asset or liability or a highly probable forecast transaction.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

(i) Cash flow hedge

The effective portion of changes in fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The ineffective portion is recognized in the income statement.

When the forecast transaction that is hedged results in the recognition of an asset or liability, the gain and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

1.7 Fixed assets

Fixed assets and buildings, except of investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the income statement.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs as repairs and maintenance are charged to the income statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful life, as follows:

- Vehicles and machines 3-5 years
- Furniture, fittings and equipment 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

1.8 Leasing

(i) The Group as lessee

- Finance leases
The Group has not entered into any finance leasing agreements
- Operational leases
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made are charged to the income statement on a straight-line basis over the period of the lease.

(ii) The Group as lessor

- Finance leases
The Group has not entered into any finance leasing agreements
- Operational leases
The Group presents assets leased to third parties as fixed assets in the balance sheet. Lease income is recognized on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are included in the carrying amounts of the leased asset and recognized on the same basis as lease income over the lease terms. Any rent reductions are recognized as cost in the period in which they are earned.

1.9 Investment properties

Investment properties comprise land and buildings for rent. Investment properties are initially recognized at cost and subsequently measured at fair value and changes in fair value are recognized in the income statement in the period in which they occur. Fair value is the estimated value of the asset in a transaction between independent parties, without any deduction for transaction costs.

Fair value represents an estimated sale value of the asset at the year end. The investment properties are valued twice a year by external valuers who use a cash-flow based model in the calculation of fair value. For further details, see Note 8.

Sale of subsidiaries where the main asset is an Investment Property is presented as gain (loss) sale of assets. The gain (loss) is calculated as the Fair Value of the received payments reduced for the Net Book Value of the assets and liabilities connected to the asset.

1.10 Financial assets and financial liabilities

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the income statement.

The Group classifies its financial assets in the following categories: at fair value through profit and loss, loans and receivables, and available for sale.

(i) Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivates are also categorized as held for trading unless they are designed as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

Financial assets are classified as at fair value through profit or loss when the financial asset is held for trading. These assets are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in the income statement.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Loans and receivables are subsequently measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivates that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Financial assets classified as available-for-sale are recognized at fair value at the year end, without deduction of the transaction costs related to sale.

For a description of accounting policies for impairment of financial assets, see Note 1.18.

The Group classifies its financial liabilities in the following categories: at fair value through profit and loss, and other financial liabilities.

(i) **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading. These liabilities are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in the income statement.

(ii) **Other financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the income statement.

1.11 Provisions

Provisions for environmental restoration, restructuring costs and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value money and the risks specific to the obligation.

1.12 Equity

(i) Debt and equity

Financial instruments are classified as debt or equity in accordance with the underlying economic reality.

Interests, dividends, gain and losses related to a financial instrument which are classified as debt, will be presented as cost or income. Payments to holders of the financial instruments which are classified as equity will be recognized directly through equity.

(ii) Treasury shares

Own equity instruments which are reacquired (treasury shares) are deducted from equity. No gains or losses are recognized in the income statement on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Costs of equity transactions

Costs of equity transactions are recognized directly through equity (net of tax). Only costs of transactions related to equity transactions are recognized in equity.

(ii) Other equity

(a) Reserve for foreign currency translation

Foreign currency translation occurs in connection with currency differences in the consolidation of foreign companies.

Exchange differences on monetary items (debt or receivables) which are a part of company's net investment in a foreign unit are treated as foreign currency translation differences.

At disposal of a foreign entity, the foreign currency translation differences related to the unit, is reversed and recognized in the income statement in the same period as the recognition of the gain or loss related to the transaction.

(b) Hedging reserve

Fund for hedging include the total net change in fair value on a cash flow hedge, until the hedged cash flow occurs or is no longer expected to occur. See Note 1.6.

1.13 Revenue recognition

Revenues are recognized when it is probable that economic benefits from the transactions will flow to the Group and the revenues can be reliably measured. Revenues are measured at the fair value of consideration received, net of discounts and sales related taxes.

Rental income from investment properties is recognized using the straight-line method over the lease period. The termination a tenant's lease payment is recognized over the remaining lease term, or until the new tenant moves in. Income from guarantees is treated in the same way as terminations. See Note 1.8.

Interest income is recognized using the effective-interest method as it is earned.

Dividends are recognized when the shareholder's right to receive dividends is established by the General Assembly.

Costs

In the event of the Company releasing a tenant from the lease contract, the costs are expensed immediately.

1.14 Foreign currency translation

(i) Foreign currency transactions

Transactions in foreign currency are initially recognized in the functional currency at the exchange rate at the date of the transaction. Monetary assets in foreign currencies are

translated to the functional currency at the Group's exchange rate at the reporting date. Non-monetary items that are measured at historical cost in foreign currency are translated using exchange rates at the dates of the initial transactions. Non-monetary items that are measured at fair value in foreign currency are translated using exchange rates determined on the fair value valuation date. All exchange differences are recognized in the income statement.

(ii) Foreign entities

Assets and liabilities of foreign operations, including goodwill and fair value adjustments, arising on consolidation, are converted to the presentation currency (NOK) using the Group's closing rate. Revenues and expenses of foreign operations are converted to the presentation currency using a weighted average exchange rate.

Translation differences arising from translation of net investments in foreign operations are classified as translation differences in equity. Translation differences in equity are recognized in the income statement on disposal of foreign operations.

1.15 Employee benefits

(i) Pension obligations

The Group companies provide their employees pensions which are defined as benefit plans. Pension assets are valued by actuaries every year. Pension obligations and pension expense are determined using a linear formula. A linear formula allocates the earning of future pension benefits linearly over the vesting period and considers earned pension rights of the employees during a period, as pension costs. Introduction of a new benefit plan or an improvement of the current benefit plan involves changes in the pension liability. These changes are expensed linearly until the effects of the changes are retained. The introduction of new arrangements or changes to existing arrangements that occur retroactively so that employees have immediately earned a paid-up (or change in paid-up) is recognized in the income statement immediately. Gain or loss related to reductions in, or termination of pension plans, is recognized in the income statement when it occurs. Actuarial gains or losses are amortized over the remaining average service period.

The present value of pension obligations depends on a number of factors. Any change in the assumptions affects the estimated pension liabilities and future pension costs. Pension obligations are calculated based on the present value of expected cash flows. The discount rate used is estimated on the basis of interest rates on Norwegian 10-year government bonds, with an estimated addition, to take into account the maturity. Company's right to repayment of some or all of the previous costs related to termination of a benefit plan, are recognized in the income statement when (and only when) the repayments are secure.

(ii) Incentive agreements with employees of the management team

For the Group's incentive agreements for employees of the management team, see note 3.

1.16 Borrowing costs

Borrowing costs are capitalized to the extent they are directly related to the purchase, construction or production of a fixed asset. Capitalizations of borrowing costs occur when

interest costs accrue during the construction period of the asset. Capitalization of borrowing costs is made up to the time asset is ready for use.

1.17 Income taxes

Tax expense consists of current tax and changes in deferred tax. Deferred tax liability/tax asset is calculated on all differences between accounting and tax values of assets and liabilities with the exception of:

- temporary differences related to the initial recognition of goodwill, and
- temporary differences related to investments in subsidiaries, joint ventures or associates where the Group controls the timing of the reversal and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized when it is probable that the Company will have sufficient taxable profit to utilize the tax benefit. At each balance sheet date, the Group reviews any unrecognized deferred tax asset and the carrying value of deferred tax assets. The companies recognize previous unrecognized deferred tax assets to the extent that it's likely that the company can take advantage of the deferred tax asset. Likewise, the company will reduce its deferred tax assets to the extent that the company no longer is able to utilize the deferred tax asset.

Deferred tax liabilities and deferred tax assets are measured based on tax rates that are enacted or substantively enacted and are expected to apply when the related deferred tax or deferred tax asset is realized.

Deferred tax liabilities and deferred tax assets are recognized regardless of when the differences will be reversed. Deferred tax liabilities and deferred tax assets are recognized at their nominal value and are classified as non-current liability (non-current financial asset) in the balance sheet.

Current tax and deferred tax are recognized directly in equity as long as they relate to items that are recognized directly in equity.

Current tax and deferred tax liabilities/assets are measured using the tax rates enacted or substantively enacted on the balance sheet date and which are applicable to the obligation to be settled.

1.18 Impairment of assets

Impairment of financial assets

Financial assets carried at amortized cost are impaired when there is objective evidence that it is likely that the instrument's cash flows have been negatively affected by one or more events that occurred after the initial recognition of the instrument. The impairment amount is recognized in the income statement. If the reason for the impairment in a later period expires, and the loss can be related to an event occurring after the impairment was recognized, the previous impairment charge is reversed. The reversal shall not result in the carrying amount of the financial asset exceeding the amount of what the amortized cost would have been, if the impairment had not been recognized. Reversal of previous impairment is presented as income.

Financial assets classified as available for sale are written down when there is objective evidence that the asset is impaired. The cumulative loss recognized directly in the equity (the difference between the acquisition cost and current fair value less impairment previously recognized in profit and any amortization amount) is removed from the equity and recognized in the income statement.

If the fair value of a debt instrument classified as available for sale increases at a later period, and the increase can be related objectively to an event that occurred after the impairment was recognized, the impairment is reversed through profit and loss. Impairment losses related to an investment in an equity instrument are not reversed through profit and loss.

1.19 Operating segments

For management purposes the Group is organized into three operating segments areas in three countries. Financial information about operating segments is presented in Note 2.

1.20 Contingent liabilities and assets

Contingent liabilities are not recognized in the consolidated financial statements. Significant contingent liabilities, with the exception of contingent liabilities where the likelihood of a settlement is remote, are disclosed.

A contingent asset is not recognized in the consolidated financial statements, but disclosed if it likely that a benefit will accrue to the Group.

Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition.

1.21 Subsequent events

New information on the balance sheet date that affects the company's financial position at the balance sheet date is recognized in the financial statements. Subsequent events that do not affect the Company's financial position at the balance sheet date, but which will affect the Company's financial position in a subsequent period, are reported if significant.

1.22 Use of estimates in preparation of financial statements

Management has used estimates and assumption that affect assets, liabilities, revenues, expenses and disclosure of contingent liabilities. This is specially the case in assessment of investment properties. Future events could cause the estimated to change. Examples of such estimates are; the interest rate and yield level, the CPI-index and growth forecasts. Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognized in the period the change occurs. If the changes are also related to the future periods, the effect is allocated both on current and future periods. For further details, see Note 8.

1.23 Table 1A Adjustments

2 Group

Impact on total comprehensive income for the year of the application of IAS 19 (as revised in 2011)

	Year ended 31/12/12
<u>Impact on profit (loss) for the year</u>	
Increase in operating expenses	-311
Decrease in income tax expenses	87
	<hr/>
Decrease in profit for the year	-224
	<hr/>
<u>Impact on other comprehensive income for the year</u>	
Decrease in remeasurement of defined benefit obligation	-877
Decrease in income tax related to items of other comprehensive income	246
	<hr/>
Increase in other comprehensive income for the year	-632
	<hr/>
Increase (decrease) in total comprehensive income for the year	-856
	<hr/>

Impact on assets, liabilities and equity as of 31 December 2012 of the application of IAS 19 (as revised in 2011)

	<i>As at 31/12/2012 as previously reported</i>	<i>IAS 19 adjust- ments</i>	<i>As at 31/12/2012 (as restated)</i>
Pension liabilities	-29 363	-1 188	-30 551
Deferred tax	-2 406 585	333	-2 406 252
Total effect on equity	-9 822 018	856	-9 821 162

Parent company

Impact on total comprehensive income for the year of the application of IAS 19 (as revised in 2011)

	Year ended 31/12/12
<u>Impact on profit (loss) for the year</u>	
Decrease in administration expenses	2
Decrease in income tax expenses	0
	<hr/>
Decrease in profit for the year	1
	<hr/>
<u>Impact on other comprehensive income for the year</u>	
Decrease in remeasurement of defined benefit obligation	-1 273
Decrease in income tax related to items of other comprehensive income	356
	<hr/>
Increase in other comprehensive income for the year	-916
	<hr/>
Increase (decrease) in total comprehensive income for the year	-572
	<hr/>

Impact on assets, liabilities and equity as of 1 January 2012 of the application of IAS 19 (as revised in 2011)

	<i>As at 1/1/2012 as previously reported</i>	<i>IAS 19 adjustments</i>	<i>As at 1/1/2012 (as restated)</i>
Pension liabilities	-8 851	-3 352	-12 203
Deferred tax asset	218 378	939	219 317
Total effect on equity	-3 652 508	2 413	-3 630 095

Impact on assets, liabilities and equity as of 31 December 2012 of the application of IAS 19 (as revised in 2011)

	<i>As at 31/12/2012 as previously reported</i>	<i>IAS 19 adjustments</i>	<i>As at 31/12/2012 (as restated)</i>
Pension liabilities	-9 946	-4 623	-14 569
Deferred tax asset	363 438	1 294	364 732
Total effect on equity	-3 017 798	3 329	-3 014 469

Note 2

Operating segments - Operating revenue and operating profit

The Group's business is divided into strategic operating segments that are organized separately. The different segments conduct different business activities, are targeted at different customer groups, and have different risk profiles.

The Steen & Strøm Group is divided into the following operating segments:

- a. Shopping centers and projects
- b. Commercial operation
- c. Development

For financial reporting to management, the countries in which the Group operates are presented both collectively and separately for Norway, Sweden and Denmark. The table shows segments divided into geographical areas. The table also shows the relationship between the segment reporting and consolidated statements.

The Group's activities in Shopping centers and projects consists mainly of buying, selling and operating investment property, in addition to large scale real estate projects.

The Group's activities in Commercial operation concerns rental and centralized marketing of our shopping centers. The Group's activities in Development includes fee based work in project development and real estate. This is conducted both internally and on assignment from other clients.

Other activities include the operation of our shopping centers on behalf of our tenants (joint costs and marketing). In addition, this includes the Group management's activities and several smaller companies without significant activities. Transactions between the different segments are not eliminated, but shown as gross figures for each segment in order to provide a fair view of the activity.

Norway									
Operating segment	Shopping centers and projects		Commercial operations		Development		Total Norway		
	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	
<i>Profit and loss account:</i>									
Operating revenue, external	717 958	736 845	5 965	5 097	3 345	22 090	727 268	764 032	
Operating revenue, internal	3 083	1 177	27 869	34 563			30 952	35 740	
Operating expenses	-96 267	-102 788	-42 347	-57 247	-22 274	-25 123	-160 888	-185 158	
Depreciation	-	-	-3 465	-3 544	-	-	-3 465	-3 544	
Operating profit (loss)	624 774	635 234	-11 978	-21 131	-18 929	-3 033	593 867	611 070	
Fixed assets	10 110 359	11 821 913	8 255	8 180			10 118 614	11 830 093	
Unallocated assets									
Long-term debt	2 302 369	4 020 921					2 302 369	4 020 921	
Investments in the period	472 838	343 145	4 981	3 818			477 819	346 963	
Denmark									
Operating segment	Shopping centers and projects		Commercial operations		Development		Total Denmark		
	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	
<i>Profit and loss account:</i>									
Operating revenue, external	366 256	363 978	63 039	66 273	12 360	12 057	441 655	442 308	
Operating revenue, internal			12 509	14 522			12 509	14 522	
Operating expenses	-51 019	-56 175	-73 140	-70 256	-21 818	-20 694	-145 977	-147 125	
Depreciation			-2 671	-2 406			-2 671	-2 406	
Operating profit (loss)	315 237	307 803	-263	8 133	-9 458	-8 637	305 516	307 299	
Fixed assets	8 006 283	6 806 105	6 159	7 880			8 012 442	6 813 985	
Unallocated assets									
Long-term debt	4 099 900	3 821 096					4 099 900	3 821 096	
Investments in the period	60 535	82 623		2 944			60 535	85 567	

Sweden									
Operating segment	Shopping centers and projects		Commercial operations		Development		Total Sweden		
	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	
<i>Profit and loss account:</i>									
Operating revenue, external	746 577	563 065			28 149	52 364	774 726	615 429	
Operating revenue, internal	-154 973	-138 616	42 466	28 917			42 466	28 917	
Operating expenditure	-10 944	-7 460	-46 740	-40 229	-54 543	-48 251	-256 256	-227 096	
Depreciation			-410	-447	-252	-274	-11 606	-8 181	
Operating profit (loss)	580 660	416 989	-4 684	-11 759	-26 646	3 839	549 330	409 069	
Fixed assets	13 135 082	11 199 800	1 677	1 680			13 136 759	11 201 480	
Unallocated assets	9 153 161	7 919 314					-	-	
Long-term debt	624 943	1 254 273	478	6 218			9 153 161	7 919 314	
Investments in the period							625 421	1 260 491	
Total									
Operating segment	Shopping centers and projects		Commercial operations		Development		Total		
	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	
<i>Profit and loss account:</i>									
Operating revenue, external	1 830 791	1 663 888	69 004	71 370	43 854	86 511	1 943 649	1 821 769	
Operating revenue, internal	3 083	1 177	82 844	78 002			85 927	79 179	
Operating expenses	-302 259	-297 579	-162 227	-167 732	-98 635	-94 068	-563 121	-559 379	
Depreciation	-10 944	-7 460	-6 546	-6 397	-252	-274	-17 742	-14 131	
Operating profit (loss)	1 520 671	1 360 026	-16 925	-24 757	-55 033	-7 831	1 448 713	1 327 438	
Fixed assets	31 251 724	29 827 818	16 091	17 740			31 267 815	29 845 558	
Unallocated assets	15 555 430	15 761 332					-	-	
Long-term debt	1 158 316	1 680 041	5 459	12 980			15 555 430	15 761 332	
Investments in the period							1 163 775	1 693 021	

Operating segment	Service charges, eliminations and other operations		Group administration		Profit on sales		Total group	
	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12	31-12-13	31-12-12
Profit and loss account:								
Operating revenue, external	734 908	750 938	221	580	202 743	-9 707	2 881 521	2 563 580
Operating revenue, internal	-135 927	-129 179	50 000	50 000			-	-
Operating expenses	-595 445	-613 010	-69 577	-72 122			-1 228 143	-1 244 511
Depreciation	-8 332	-8 847	-7 211	-7 090			-33 285	-30 068
Operating profit (loss)	-4 796	-98	-26 567	-28 632	202 743	-9 707	1 620 093	1 289 001
Fixed assets	15 609	16 097	41 462	28 418			31 324 886	29 890 073
Unallocated assets	-		47 627	22 882			47 627	22 882
Long-term debt	-5 835 515	-5 467 633	5 044 908	5 088 192			14 764 823	15 381 891
Investments in the period	102	14 219	15 925	3 413			1 179 802	1 710 653
Reconciliation of net business to the official accounts							31-12-13	31-12-12
Operating results pursuant to business reporting							1 620 093	1 289 001
Revaluation of investment property							190 243	607 144
Expensed maintenance and impairment of projects							-30 016	
Operating results in accordance with official accounts							1 780 320	1 896 145

Note 3**Salary expenses, headcount, remuneration, etc.**

	2013	2012
Salary expenses		
Salaries and fees	234 130	259 768
Social security taxes	35 649	37 599
Pension costs	18 360	17 953
Other benefits	2 693	1 221
Total	290 832	316 541

Headcount

The average number of employees in the Group was 390 (399) in 2013. At of 31.12.13, the Group had 365 employees.

Executive benefits

An incentive scheme has been established for top management. The scheme is divided into three components.

Part 1 provides for a maximum payout of 50-70% of annual salary, depending on position. The bonus is calculated based primarily on achieved rental income from the shopping center operations and achieved return on equity.

Part 2 provides for a maximum payout of 15% of annual salary. The bonus is determined on the basis of an individual assessment of the employee.

Part 3 is a long term individual incentive that is paid by 50% two years after it is earned, and 50% three years after it is earned.

Remuneration of senior executives

2013	Directors' fees	Salary	Bonus	Payment in kind	Periodic pension expenses	Total compensation
Group Management						
Terje Daaland - Chief Economy and IT officer and Joint Managing Director		2 179	1 293	185	179	3 836
Bjørn Tjaum - Chief Financial Officer and Joint Managing Director		2 173	1 187	156	134	3 650
Jan Ove Holmen - former CEO		2 935	1 200	177	316	4 627
Board of Directors						
Laurent J J Morel	0					
Jean-Michel R Gault	0					
Patrick M Kanters	0					
Marie-Thérèse Dimasi	0					
Rafael Torres Villalba	0					
Total compensation	0	7 286	3 680	519	629	12 114

As of 31.12.2013, TNOK 13.342 (TNOK 10.447) has been provisioned to cover the groups incentive scheme.

The provision is including public and social taxes.

Remuneration of senior executives

2012	Directors' fees	Salary	Bonus	Payment in kind	Periodic pension expenses	Total compensation
		2 829	1 207	178	387	4 601
Jan Ove Holmen - Chief Executive Officer		2 146	1 304	172	227	3 848
Terje Daaland - Chief Economy and IT officer		2 078	1 340	156	182	3 756
Bjørn Tjaum - Chief Financial Officer		1 633	977	155	140	2 905
Nils Eivind Risvand - Chief Legal Officer						
Board of Directors						
Laurent J J Morel	0					
Jean-Michel R Gault	0					
Patrick M Kanters	0					
Marie-Thérèse Dimasi	0					
Rafael Torres Villalba	0					
Total compensation	0	8 686	4 826	660	936	15 109

Auditing fees

Fees to the auditor of the accounts for 2013	Tax				Total
	Statutory Audit	Consulting Services	Other Certification Services	Other Services	
Parent company	992		380	337	1 709
Subsidiaries in Norway	857		55		912
Subsidiaries abroad	761			361	1 122
Total	2 610	0	435	698	3 743

Note 4

Number of shares, shareholders etc.

The share capital of the parent company of the Group, Steen & Strøm AS, is NOK 58.133.335 (NOK 58.133.335), divided into 30.402.116 (30.402.116) shares with par value NOK 1,9121(NOK 1,9121) per share.

The company has only one class of shares. As of 31.12.13 there is only one shareholder, and no foreign shareholders.

All shares are owned by Storm Holding Norway AS. Storm Holding Norway AS is owned by Nordica HoldCo AB, which in turn is owned by Klépierre Nordica BV and Stichting Pensioenfonds ABP.

Treasury shares

The Company's value of treasury shares as of 31.12.13 is TNOK 2.197.310 (TNOK 2.197.310).

Note 5
Shares held by the CEO or members of the Board

None of the Company's employees or directors have shares in the Company.

Note 6
Earnings per share

Basic earnings per share is calculated as the ratio of net income accruing to ordinary shareholders and the weighted average number of ordinary shares.

	2013	2012
Financial results to shareholders	1 014 045	1 136 229
Weighted average number of shares (thousands)		
Ordinary shares on January 1	30 402	30 402
Newly issued shares	-	-
Effect of treasury shares	(1 099)	(1 099)
Average number of shares (thousands)	29 303	29 303
Basic earnings per share (NOK per share).	34,61	38,78
Diluted earnings per share (NOK per share).	34,61	38,78

Note 7

Risks associated with asset management

The Group's objective regarding asset management is to secure continued operation in order to ensure sustainable returns for shareholders and other stakeholders, and maintain an optimal capital structure to reduce capital costs.

To improve the capital structure the Group may adjust the level of dividends to shareholders, repay capital to shareholders, issue new shares, or sell assets in order to repay loans.

Debt ratio on December 31st is shown below:

	2013	2012
Total loans	17 847 270	18 051 103
Cash and interest-bearing receivables	1 208 158	1 130 657
Net interest bearing debt	16 639 112	16 920 446
Total fixed assets	31 372 513	29 890 073
Debt ratio	53,0 %	56,6 %

Distribution of dividends

The Board proposes to give a dividend on TNOK 0 (TNOK 0) for 2013.

The proposal will be presented for a vote at the Annual General Meeting, to be held in April 2014.

Overview of dividends paid:

	2013	2012
Dividend	0	0

Note 8

Investment property

Book values	2013	2012
Opening balance	29 760 511	28 652 250
Acquisition of new investment properties	275 697	-
Investments to existing investment properties	882 609	1 696 931
Disposals and demerger effects.	(2 030 232)	(653 549)
Recognized revaluation	190 243	607 144
Translation differences	2 172 896	(542 265)
As of 31.12	31 251 724	29 760 511
Itemization of recognized value adjustment:		
Index adjustment	296 483	537 397
Real growth and exchange rate changes	(144 668)	(515 475)
Change in discount rate	38 428	585 222
Recognised investment property revaluation	190 243	607 144

Annual revenues related to investment property amounted to TNOK 1.833.874 (TNOK 1.665.065). Direct costs related to real estate rental amounted to TNOK 302.259 (TNOK 297.579). All investment property generate rental income.

Steen & Strøm sold Torbyen Senter, Stovner Senter, Os Alle and Markedet to Sektor Portefølje II AS in 2013. As a result of the sale the group recorded a gain on TNOK 202.687.

Reconciliation of funds for fair value reserve

	2013	2012
IB fund for fair value reserve	3 928 097	3 928 097
Change in value	190 243	607 144
Tax expenses	(46 185)	(148 316)
Demergers	-	(277 771)
Translation differences	789 637	(64 528)
EB fund for fair value reserve	4 978 321	4 044 626

In determining the value of investment properties the following average yields are used:

	2013	2012
Norwegian investment property	5,80 %	5,90 %
Swedish investment property	5,82 %	6,00 %
Danish investment property	5,78 %	5,60 %
Weighted average	5,80 %	5,80 %

Sensitivity

Overview of how the value of our investment properties could be affected by changes in cash flow and yield.

	Yield	Value	Change
Change in yield -0.50%	6,3 %	28 771 428	(2 480 296)
Value 31.12.2013	5,8 %	31 251 724	0
Change in yield + 0.50%	5,3 %	34 200 000	2 948 276

	Change in cash flow	Value	Change
Increased cash flow + 2%	36 252	31 876 758	625 034
Increased cash flow + 1%	18 126	31 564 241	312 517
Value 31.12.2013		31 251 724	
Reduced cash flow -1%	(18 126)	30 939 206	(312 517)
Reduced cash flow -2%	(36 252)	30 626 689	(625 034)

There are no significant contractual commitments to purchase, construct or develop investment property. The group is, however, committed to build 24,000 square meters of residentials in connection with the development of Emporia in Malmö.

Interest on building loans

Fixed assets include building loan interests in connection with the construction of certain assets. Capitalized interest in building loans amounted to TNOK 19.642 (TNOK 64.091). Interest on building loan interest rates in 2013 was 5.0% (5.0%).

Ongoing construction contracts

Steen & Strøm has entered into several contracts for building and development of shopping centers. This is mainly on turnkey contracts. The maturity structure of these contracts is as follows:

	2013	2012
Within 1 year	214 148	309 968
1 to 2 years	-	201 384
After 2 years	-	-
Total	214 148	511 352

Note 9
Fixed assets
2013

Fixed assets	Equipment and furniture	Cars and Machinery	Total Fixed assets
Acquisition cost as of 01.01	302 599	12 396	314 995
Acc. depreciation as of 01.01	180 350	5 083	185 433
Translation differences	6 574	207	6 781
Acquisition	17 525	3 971	21 496
Disposal	-3 766	0	-3 766
Acquisition cost as of 31.12	322 932	16 574	339 506
Acc. depreciation as of 31.12	210 850	7 868	218 718
Book value as of 31.12	112 082	8 706	120 788

Depreciation for the year	30 500	2 785	33 285
Write-offs for the year	0	0	0
	112 082	8 706	120 788
			0

2012

Fixed assets	Equipment and furniture	Cars and Machinery	Total fixed assets
Acquisition cost as of 01.01	208 423	12 910	221 333
Acc. depreciation as of 01.01	152 022	5 083	157 105
Translation differences	-1 062	-70	-1 132
Acquisition	95 386	3 392	98 778
Disposal	-148	-2 096	-2 244
Acquisition cost as of 31.12	302 599	12 396	314 995
Acc. depreciation as of 31.12	180 350	5 083	185 433
Book value as of 31.12	122 249	7 313	129 562

Depreciation for the year	28 328	1 740	30 068
Write-offs for the year	0	0	0
Depreciation Rate	10-20%	20 %	
Depreciation Schedule	Linear	Linear	

Note 10**Other receivables**

	2013	2012
Loans and receivables	58 491	71 118
Sales credit	148 000	15 000
Prepaid expenses	32 087	19 879
Interests	6 404	14 639
Other receivables	24 118	4 108
Total other receivables	269 100	124 744

Note 11**Other investments**

	2013	2012
Investment in Nordbyen Senter DA	-	909
Equity investment in Christiania Byggeselskap AS	460	460
Other shares and TC stakes	396	863
Total other investments	856	2 232
Investment in Sector Portefølje 2 AS	66 500	-

Note 12**Loans and other receivables**

	2013	2012
Loan to parent companies	449 377	839 028
Other receivables	1 736	1 536
Total loans and other receivables	451 113	840 564

Note 13

Accounts receivable

	2013	2012
Accounts receivable	89 532	155 051
Provision for bad debts	- 13 097	- 7 491
Total	76 435	147 560

There is no single customer who represents a large share and therefore poses a material credit risk. The accounts receivable are spread across industries in different countries. The majority of the Group's rental contracts have deposit/bank guarantees that secure up to 3-6 months rent, including accounts receivable.

	2013	2012
IB provisions for bad debts	- 7 491	- 13 988
Provisions for bad debts for the year	- 7 841	- 3 850
Confirmed losses for the year	4 907	10 949
Reversed earlier allocation and fx.	- 2 672	- 602
EB provisions for bad debts	- 13 097	- 7 491

When there is objective evidence of a loss of value, the difference between book value and present value of future cashflows is recognized as a loss.

Summary of accounts receivable - divided by age

	Total	Not due	< 30 days	30-60 days	60-90 days	>90 days
2013	89 532	48 051	19 785	3 979	4 516	13 202
2012	155 051	68 641	78 981	(2 404)	2 882	6 952

Note 14

Cash and cash equivalents

The average interest rate on bank deposits was 0,9% (1,1%).

The group has a group account scheme linked to the overdraft account.

Interest income and interest expenses on the accounts linked to this scheme are shown gross in the accounts.

The Group's credit balance or outstanding balance are shown net.

Restricted bank deposits

At 31.12.2013, restricted funds amounted to TNOK 34.634 (TNOK 4.892).

Note 15
Pensions

The Group has a defined benefit plan for certain groups of employees. The scheme carries rights to defined benefit contributions. The terms are 30 years of saving. The scheme provides 60% pension of the pensionable salary on 01.01 of the year of the recipient's 67th birthday, as well as benefits for spouse and children. All pension benefits are coordinated with expected contributions from the national insurance. As of 31.12.2013, the scheme had 63 (66) members.

In assessing the value of pension assets and measuring accrued liabilities, estimated values are used. These estimates are adjusted annually in accordance with the statement of the fair value and the actuarial calculation of the obligation.

Financial assumptions

	2013	2012
Discount rate	4,10 %	2,20 %
Expected wage adjustment	3,75 %	3,25 %
Expected return on plan assets	4,10 %	2,20 %
Expected pension increase	0,60 %	0,00 %
Expected adjustment of pension benefits	3,50 %	3,00 %
Expected turnover	2,50 %	2,50 %

The actuarial assumptions are based on common assumptions in the insurance industry with respect to demographic factors.

	2013	2012 (Restated)
Service cost:		
<i>Current service cost</i>	9 286	8 602
<i>Past service cost and gain (loss) from settlements</i>	-	-
Net interest expense	709	884
Components of pension costs recognised in profit or loss	9 995	9 486

Remeasurement of net defined benefit liability:			
Return on plan assets (exl. amounts included in net interest expense)	5 908	-1 131	
Actuarial gains and losses arising from changes in demographic assumptions	5 402	-	
Actuarial gains and losses arising from changes in financial assumptions	-20 607	-	
Actuarial gains and losses arising from experience adjustments	-5 946	1 492	
Other	648	516	
Components of pension costs recognised in other comprehensive income	-14 595	877	
Total	-4 639	10 364	
	2013	2012	
		(Restated)	
Net pension liability			
Present value of funded defined benefit obligation	62 919	73 893	
Fair value of plan assets	-48 294	-46 962	
Social security taxes	3 801	3 620	
Net pension liability	18 426	30 551	
Reconciliation of pension obligation			
Opening pension liability	30 552	27 161	
Pension costs recognised in profit or loss	9 995	9 486	
Remeasurement gains and losses	-14 595	876	
Premium Payments etc	-7 526	-6 973	
Net recognised pension liability as of 31/12	18 426	30 551	

Actual returns on pension plan assets for 2012 amounted to TNOK 2.022 (TNOK 1.370).
Scheduled payments on the Group's pension plans for 2013 amount to TNOK 7.475 (TNOK 5.978).

Note 16

Long-term liabilities

	Effective interest rate	2013	2012
Other liabilities		364 420	67 603
Bonds	3,15 %	2 040 000	1 350 000
Liabilities to credit institutions	3,73 %	12 724 716	14 002 528
Total		15 129 136	15 420 131

Mortgages:

Liabilities secured by mortgages	14 764 716	15 352 528
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Book value of mortgaged assets:

	2013	2012
Investment property and projects	31 251 724	27 318 698
Other assets	8 706	7 313
Total mortgaged assets	31 260 430	27 326 011

Repayment plans, and renegotiation of long-term debt:

	2013	2012
Between 1 to 2 years	1 294 117	1 620 157
Between 2 to 5 years	5 831 232	4 247 983
More than 5 years	8 003 787	9 551 991
Total	15 129 136	15 420 131

Short-term interest-bearing liabilities

	Effective interest rate	2013	2012
Commercial papers	2,67 %	1 520 000	1 750 000
1. year repayment term debt	3,73 %	1 433 639	316 941
Total		2 953 639	2 066 941

Mortgages:

Liabilities secured by mortgages	1 433 639	316 941
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Book value of mortgaged assets:		
Investment property and projects	31 251 724	27 318 698
Other assets	8 706	7 313
Total mortgaged assets	31 260 430	27 326 011

The Group is exposed to changes in interest rates based on the following pricing structure, taking into consideration fixed rate agreements swap agreements and interest rate cap agreements;

	2013	2012
6 months or less	4 095 166	1 013 484
6-12 months	3 750 155	1 053 457
1-5 years	6 172 816	6 355 237
Over 5 years	4 064 638	9 064 894
Total	18 082 775	17 487 072

Recognized value of the Group's borrowings are as follows:

	2013	2012
NOK	8 212 279	8 556 932
SEK	5 716 047	5 222 396
DKK	4 154 449	3 707 744
Total	18 082 775	17 487 072

Bank overdraft, remaining credit	2013	2012
	710 236	180 955

Note 17

Tax

<u>Tax expenses:</u>	2013	2012
Taxes payable	0	0
Change in deferred tax	148 559	-209 043
Taxes expenses	148 559	-209 043

	2013	2012
Profit before tax (including discontinued operations)	1 162 698	1 345 250
Tax calculated on profit before tax	305 803	332 065
Tax effect of tax benefits not booked prev. years	25 708	-40 676
Effect of changes in tax rates	-120 137	-92 688
Non taxable elements	-56 748	20 566
Other	-6 067	-10 224
Tax expenses	148 559	209 043

Non taxable elements in 2013 mainly related to sale of shares. See note 8 for details.

Effective tax rate 12,8 % 15,5 %

<u>Deferred tax - tax assets</u>	2013	2012
Deferred tax assets		
Current assets	873	751
Losses carried forward	310 136	133 572
Financial instruments	51 217	97 101
Other	4 975	18 502
Deferred tax assets	367 202	249 926

Deferred tax liabilities			
Tangible fixed assets and investment property	2 685 968	2 637 117	
Gain and loss accounts	15 249	19 061	
Other	0	0	
Deferred tax liabilities	2 701 217	2 656 178	
Net deferred tax liabilities	2 334 016	2 406 252	

Summary of losses carried forward		2013	2012
No due date	1 473 843	836 091	
By the end of 2019	0	0	
Total carried forward	1 473 843	836 091	

Deferred tax recognized directly against equity is as follows:

	2013	2012
Cash flow hedges	(48 421)	24 338
Total	(48 421)	24 338

Note 18**Other current liabilities**

	2013	2012
Prepaid rent, etc.	-	192 188
Liabilities for sale of gift certificates	58 470	51 282
Accrued expenses	17 265	78 797
Financial instruments	-	487 097
Salary-related costs	66 412	79 180
Interest	45 982	58 687
Group contributions	-	290 983
Liabilities related to sale transactions	44 750	-
Other	137 941	17 620
Total	370 820	1 255 834

Note 19**Itemization of operating income**

	2013	2012
Rental income from retail	1 557 116	1 388 208
Rental income from office	72 746	73 272
Rental income from storages	25 135	22 657
Other shopping center revenues	175 816	180 929
Total shopping center revenues	1 833 896	1 665 065
Revenue from service charges	781 467	772 908
Management	151 848	149 750
Development	43 854	86 511
Other operating income	50 221	74 931
Gain from sale of investment property	202 687	-
Eliminations and miscellaneous	-	185 585
Total	2 881 521	2 563 580

Note 20**Specification of other operating expenses**

	2013	2012
Rental expenses	25 016	17 012
Building maintenance	37 810	45 173
Owner's share of service charges	100 326	89 171
Municipal taxes, property taxes and insurance	13 410	12 670
Bad debts	4 907	18 394
Management and other fees	137 094	115 159
Service charges	735 631	728 904
Other administrative expenses	65 195	87 293
Eliminations and miscellaneous	-	185 496
Total	967 327	928 280

Note 21
Leases

The Group as lessee - operating leases

The Group has entered into several operating leases for machinery, offices and other facilities. Several of these leases have an extension option. The agreements do not contain restrictions on the company's dividend policy or financing opportunities.

Rent expense consisted of the following:

	2013	2012
Regular rental payments		
Vehicles and machinery	6 175	5 249
Facilities	18 841	18 253
Total	25 016	23 502

Future minimum lease payments related to non-cancellable leases fall due as follows:

	2013	2012
Within 1 year	23 012	26 449
1 to 5 years	79 371	108 489
After 5 years	285 210	302 626
Total	387 593	437 564

The rent expense is calculated based on agreements as of 31.12.2013.

The amounts are nominal, and the amounts relate to the period after 2013 will be adjusted along with changes in the consumer price index (CPI). The retail space leased out by the company is rented out to the tenants of our shopping centers. See below.

Group as lessor - operating leases

The carrying value of assets leased under operating leases is as follows:

	2013	2012
Buildings	31 251 724	29 760 511
Total	31 251 724	29 760 511

Future minimum payments related to non-cancellable leases fall due as follows:

	2013	2012
Within 1 year	1 458 394	1 598 664
1 to 5 years	3 669 390	3 587 292
After 5 years	733 508	649 743
Total	5 861 292	5 835 698

The amounts are nominal, and the amounts relate to the period after 2013 will be adjusted along with changes in the consumer price index (CPI).

The group's rental contracts can be divided into the following categories:

- 1) Fixed rent
- 2) Minimum rent + percentage of tenants turnover
- 3) Percentage of tenants turnover

Percentage of rental rates that are fixed as of 31.12.2013 is:

	Norway	Sweden	Denmark	Average
	99,1 %	94,2 %	93,0 %	95,9 %

Finance leases

The Group has no finance leases.

Note 22

Financial instruments - financial market risk

The procedures for managing risk are approved by the Board of Directors.

Interest rate risk

Interest rate risk arises in the short and medium term, following the part of the Company's debt which has a floating interest rate. The loan portfolio currently has a combination of floating and fixed rates, where long term rent agreements have been made for approx. 58% of the Group's loan portfolio.

The Group uses various types of interest rate derivatives to hedge against fluctuations due to changes in interest rate levels.

As of 31.12.2013, the Group had interest rate swaps valued at TNOK 8.574.141 (TNOK 10.722.444), where the Group receives a variable interest rate and pays a fixed interest rate.

The interest rate swaps are used to hedge against fluctuations due to changes in the level of interest rates. The secured loans and the swap agreements have the same terms and conditions. The swaps satisfy the requirements for hedge accounting under IAS 39, and changes in fair value are recognized directly through equity.

Overview of the Group's swap agreements:

Start Date	End Date	Amount (T Valuta)	Currency	Int. rate	Excess value (TNOK)
02.01.2006	04.01.2016	300 000	DKK	4,50 %	(24 464)
30.12.2009	31.12.2014	500 000	DKK	3,53 %	(15 901)
29.06.2012	30.12.2021	466 071	DKK	2,33 %	(10 140)
06.02.2006	05.02.2016	200 000	NOK	4,00 %	(9 901)
05.11.2006	05.11.2016	200 000	NOK	4,51 %	(15 257)
10.01.2011	10.01.2017	400 000	NOK	3,69 %	(33 034)
10.01.2009	10.01.2014	400 000	NOK	3,75 %	(2 084)
10.01.2012	10.01.2017	175 000	NOK	3,87 %	(15 694)
05.08.2009	05.02.2016	300 000	NOK	4,34 %	(17 100)
05.11.2009	05.11.2014	200 000	NOK	4,00 %	(4 696)
31.08.2009	29.08.2014	400 000	NOK	3,99 %	(7 009)
05.11.2012	07.11.2016	200 000	NOK	3,97 %	(12 077)
05.11.2012	05.11.2017	300 000	NOK	3,95 %	(20 986)
30.12.2010	30.12.2016	300 000	NOK	3,69 %	(14 898)
07.02.2013	12.03.2014	500 000	NOK	3,85 %	(2 754)
30.03.2009	30.12.2016	200 000	SEK	4,03 %	(13 860)
29.09.2012	29.09.2018	200 000	SEK	2,80 %	(6 390)
01.01.2007	01.01.2014	300 000	SEK	4,50 %	(1 640)
18.12.2008	18.03.2014	300 000	SEK	4,50 %	(1 415)
29.06.2009	28.12.2015	150 000	SEK	3,97 %	(7 707)
31.10.2011	31.10.2017	300 000	SEK	3,13 %	(14 950)
30.10.2011	30.10.2017	200 000	SEK	3,10 %	(9 596)
30.09.2011	30.09.2020	300 000	SEK	2,89 %	(7 709)
30.10.2012	30.10.2020	300 000	SEK	2,79 %	(6 439)
30.09.2011	30.09.2021	300 000	SEK	2,64 %	(1 455)
30.09.2011	30.09.2021	300 000	SEK	2,70 %	(2 568)
29.06.2012	30.06.2022	300 000	SEK	2,15 %	11 024
11.02.2013	09.11.2020	300 000	SEK	2,75 %	(5 389)
19.09.2013	19.03.2019	400 000	SEK	2,58 %	(7 849)
SUM					(281 940)

Average rate on interest-bearing loans in 2013 was 3,73% (3,91%).

Based on the financial instruments and interest rate swaps as of Desember 31, 2013, a general increase of 1% in interest rate levels will reduce profits by TNOK 66.556 (TNOK 75.600).

The Group has in 2013 expensed TNOK 166.899 (TNOK 134.591) for interest rate hedging.

Other movements in interest rate hedging that are not recognized through the income statement are itemized in the statement of equity.

Liquidity Risk

The Group's strategy is to at all times have sufficient cash, cash equivalents or credit facilities to be able to finance operations and investments for the next three years, in accordance with the company's strategic plan for the same period.

Foreign exchange risk

Changes in exchange rates involve both direct and indirect financial risk for the Company. The currency exposure is mainly limited to the equity portion of shopping center investments in Sweden and Denmark. Hedging is achieved by using the same currency for assets and liabilities in each country.

	2013	2012
Long-term receivables		
TSEK	-	-
TDKK	-	-
Long-term debt		
TSEK	6 938 856	6 938 356
TDKK	3 771 365	3 828 252
Exchange rate on the balance sheet date		
SEK	93,26	83,91
DKK	111,26	97,86
Figures in Norwegian Kroner		
Long-term receivables	-	-
Long-term debt	10 667 198	9 568 302

Recognized gains on realized foreign currency items amount to TNOK 13.499 (TNOK 30.003).

The Group's future expansions are planned to be financed with a combination of cashflow from operations and new loans.

The Group's future expansions depends therefore on a well-functioning finance market.

The Group has at the end of the year a net interest bearing debt of TNOK 16.639 (TNOK 16.843). The Group depends on a well-functioning finance market in order to maintain its operations. The financing of the Group is based on the long term debt agreements.

Note 23

Fair Value Measurements

This note provides information about how the Group determines Fair Values of various assets and liabilities.

Description of adapted methods for determining Fair Value on liabilities and assets measured at Fair Value in the balance sheet

Investment Property

The Group has appointed DTZ and Akershus Eiendom as external appraisers for determining the fair value of the Group's investment property. The fair value was determined based on the income approach. The model is based on the actual tenant situation, long term predictions based on expected inflation and market developments. The shopping centers are appraised twice a year by the external appraisers.

Hedging items

Interest rate swaps are included in the balance sheet at fair value. The fair value of interest rate swaps is determined using implicit yield curves and obtained by financial institutions.

All accounting items measured at Fair Value has been categorized to assess valuation uncertainty. Level 1 includes investments where Fair Value have been determined based on quoted prices in active markets. Level 2 includes investments where Fair Value have been determined based on valuation modelling and market information. These investments are more uncertain than Level 1. Investments in Level 3 is determined using valuation models that, in material aspect, uses input that is non observable market data which implies that there exist a considerable uncertainty in determining Fair Value.

Description on adapted methods for determining Fair Value on liabilities and assets measured at other than Fair Value in the balance sheet

Fair value of financial assets classified as "available for sale" are determined as the estimated sales value at the balance sheet date.

The carrying value of cash, cash equivalents and bank overdrafts approximates their fair value as these instruments have short maturities. Similarly, the book value of accounts receivable and accounts payable is close to fair value.

For other financial assets and liabilities, except the accounting items described above, fair value is calculated as the present value of estimated cash flows discounted at the rate applicable to similar liabilities and assets on the balance sheet date. This value is approximately equal to fair value.

The fair value of "held-to-maturity" investments is determined using available market prices.

	Level 1		Level 2		Level 3		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Investment Property	-	-	-	-	31 251 724	29 760 511	31 251 724	29 760 511
Total Investment Property	-	-	-	-	31 251 724	29 760 511	31 251 724	29 760 511
Financial derivatives (liabilities)	-	-	-281 940	-487 097	-	-	-281 940	-487 097
Total financial derivatives	-	-	-281 940	-487 097	-	-	-281 940	-487 097
Cash and bank equivalents			604 406	276 990			604 406	276 990
Other financial assets			412 035	272 302	451 113	840 564	863 148	1 112 866
Other financial liabilities			(492 544)	(1 467 247)	(18 082 755)	(17 487 072)	(18 575 299)	(18 954 319)
Total other financial assets and liabilities	-	-	523 897	(917 955)	(17 631 642)	(16 646 508)	(17 107 745)	(17 564 463)
Total	-	-	241 957	(1 405 052)	13 620 082	13 114 003	13 862 039	11 708 951

Determining Fair Value of Investment Properties include a material level of assumptions, estimates and judgement and hence have been allocated to Level 3. See note 8 for a reconciliation of the Fair Value of Investment Properties. There have been no movements between different levels in the Fair Value hierarchy in 2013.

Note 24

Related parties

Steen & Strøm AS is owned 100% by Storm Holding Norway AS. Storm Holding Norway AS in turn is owned by Nordica Holdco AB, which in turn is owned by subsidiaries of Klépierre and APG.

Steen & Strøm AS has a receivable of TNOK 248.456 (TNOK 839.028) on Storm Holding Norway AS. In addition the group also has a receivable vs. Nordica Holdco AB on TNOK 200.921 (TNOK 0). The receivables are interest bearing at NIBOR + 1.0%.

Demergers

There has been no demergers in 2013.

Transactions

Steen & Strøm Group purchased 49,9% of Nordbyen DA from Storm Holding Norway AS. The transaction took place in February 2013. The purchase price according to appraisal values for the asset.

Note 25

Litigation and claims

At the end of the year, Steen & Strøm was involved in the following material legal disputes:

Claim for additional purchase price at Emporia

Parkfast Arena AB has put forward a claim for additional purchase price according to the SPA signed between Steen & Strøm Holding AB and Parkfast Arena AB in 2006 when Steen & Strøm acquired the land and building rights for Emporia.

The claim is based on an agreement stipulated in the SPA according to which Steen & Strøm Holding should pay additional purchase price if certain defined building rights were acquired later on. Steen & Strøm has acquired some additional building rights, but not the rights that were specified in the agreement, and Steen & Strøm as consequently rejected the claim in full. The total claim from Parkfast amounts to MSEK 260.

Metro Senter – tax issue

In connection with the extension of Metro from 2005 to 2012, the local municipality imposed on Metro an obligation to construct a public road. The costs related to this was capitalized on the structure (a consequence of which is that the costs are subject to taxable depreciations).

In a recent tax audit, the tax authorities have concluded that the costs relating to the road works must be capitalized on land and not on structures. The consequence of this is that no depreciations can be made for the amount.

Consequently, the tax authorities have stated that the depreciations made for 2010 and 2011 can not be upheld. In total, this amounts to approx. MNOK 3 for Metro Senter ANS.

Steen & Strøm has started legal proceedings, however the case has been suspended awaiting the outcome of a similar case in Oslo.

Note 26

Subsequent events

The group has not identified any material subsequent events that will affect the accounts.

Note 27

Summary of consolidated companies

Company name	Country	Headquarter	Share as of 31.12.13	Share as of 31.12.12	Consolidation method	
Steen & Strøm AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Holding/shopping centre
Amanda Storsenter AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Farmandstredet ANS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Farmandstredet Eiendom AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Gulskogen Prosjekt & Eiendom AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Other
Gulskogen Senter ANS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Hamar Storsenter AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Hovlandbanen AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
KS Markedet	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Lille Eiendom AS	Norway	Oslo	66,0 %	66,0 %	Fully consolidated	Other
Markedet Haugesund 2 AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Other
Metro Shopping AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Other
Metro Senter ANS	Norway	Oslo	50,0 %	50,0 %	Proportional consolidation	Shopping centre
Nerstranda AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Nordal ANS	Norway	Oslo	50,0 %	50,0 %	Proportional consolidation	Other
Nordbyen Senter AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Other
Nordbyen Senter 2 AS	Norway	Oslo	50,0 %	50,0 %	Fully consolidated	Other
Nordbyen Senter DA	Norway	Oslo	50,0 %	0,1 %	Proportional consolidation	Shopping centre
Nordbyen Senterforening AS	Norway	Oslo	69,2 %	69,2 %	Fully consolidated	Service charge
Steen & Strøm Mediapartner AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Other
Slagenveien AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
SSI Lillestrøm Torv AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Stavanger Storsenter AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Steen & Strøm Norge AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Asset management
Steen & Strøm Senterservice AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Service charge
Storebrand Kjøpesenter Metro AS	Norway	Oslo	50,0 %	50,0 %	Proportional consolidation	Other
Torvbyen Utvikling AS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Torvhjørnet Lillestrøm ANS	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Vintebro Senter DA	Norway	Oslo	100,0 %	100,0 %	Fully consolidated	Shopping centre
Økern Eiendom ANS	Norway	Oslo	50,0 %	50,0 %	Proportional consolidation	Other
Økern Sentrum ANS	Norway	Oslo	50,0 %	50,0 %	Proportional consolidation	Shopping centre
Økern Sentrum AS	Norway	Oslo	50,0 %	50,0 %	Proportional consolidation	Other
Åsane Hotellutvikling AS	Norway	Bergen	49,9 %	49,9 %	Proportional consolidation	Other

Åsane Kontorutvikling AS	Norway	Bergen	49,9 %	49,9 %	Proportional consolidation	Other
Åsane Kulturutvikling AS	Norway	Bergen	49,9 %	49,9 %	Proportional consolidation	Other
Åsane Storsenter DA	Norway	Bergen	49,9 %	49,9 %	Proportional consolidation	Shopping centre
Åsane Storsenter Drift AS	Norway	Bergen	49,9 %	49,9 %	Proportional consolidation	Service charge
Åsane Senter AS	Norway	Bergen	49,9 %	49,9 %	Proportional consolidation	Other
Bruun's Galleri ApS	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Shopping center
Bryggen, Vejle A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Shopping center
Steen & Strøm Danmark A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Management
VIVA, Odense A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Shopping center
Entreprenørselskapet af 10.04.2001 P/S	Denmark	Copenhagen	0,0 %	0,0 %	Fully consolidated	Other
Fields Copenhagen I/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Shopping center
Field's Eier I A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Holding
Field's Eier II A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Holding
Projektselskabet af 10.04.2001 ApS	Denmark	Copenhagen	0,0 %	0,0 %	Fully consolidated	Other
Steen & Strøm CenterDrift A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Other
Steen & Strøm CenterService A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Other
Steen & Strøm Centerudvikling V A/S	Denmark	Copenhagen	0,0 %	0,0 %	Fully consolidated	Other
Steen & Strøm CenterUdvikling VI A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Other
Steen & Strøm Holding A/S	Denmark	Copenhagen	100,0 %	100,0 %	Fully consolidated	Holding
Steen & Strøm Holding AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Holding
Detaljhandelshuset i Hyllinge AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Allum	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Borlänge Köpcentrum	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Centrum Västerort	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB CentrumInvest	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Emporia	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Holding
FAB Hageby Centrum	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Lantmäteribacken	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Marieberg Galleria	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Other
FAB P Brodalen	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB P Porthälla	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB P Åkanten	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Sollentuna Centrum	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Uddevallatorpet	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Viskaholm	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
FAB Västra Götaland	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Other
FAB Överby Köpcentrum	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
Lackeraren Borlänge AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Other

Mitt i City i Karlstad FAB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
Mässcenter Torp AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
Möndal Centrum Byggnads FAB	Sweden	Stockholm	0,0 %	100,0 %	Fully consolidated	Other
Möndal Centrum Karpen 12 Fastighets AB	Sweden	Stockholm	0,0 %	100,0 %	Fully consolidated	Other
Möndal Centrum Koljan 1 Fastighets AB	Sweden	Stockholm	0,0 %	100,0 %	Fully consolidated	Other
NorthMan Sverige AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
Partille Lexby AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
Steen & Ström Sverige AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Other
Västra Torp Mark AB	Sweden	Stockholm	100,0 %	100,0 %	Fully consolidated	Shopping centre
Grytingen Nya AB	Sweden	Stockholm	64,8 %	64,8 %	Proportional consolidation	Shopping centre

To the Annual Shareholders' Meeting of Steen & Strøm AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Steen & Strøm AS, which comprise the financial statements of the parent company and the financial statements of the group. The financial statements of the parent company and the financial statements of the group comprise the statement of financial position as at December 31, 2013, and the statement of comprehensive income, statement of changes in equity 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 International Financial Reporting Standards as adopted by EU, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Steen & Strøm AS and of the group as at December 31, 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.


Report on Other Legal and Regulatory Requirements*Opinion on the Board of Directors' report and the statements on Corporate Social Responsibility*

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

Opinion on Registration and Documentation

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

Oslo, March 21, 2014
Deloitte AS



Bjørn Prestegard
State Authorised Public Accountant (Norway)

Annual report Steen & Strøm AS
for the period January 1 to December 31

Figures in NOK 1000

Operating income and expenses	Note	2013	2012 (Restated)
Rental income	6	0	31 425
Other operating income	6	50 226	50 765
Gain from sales of assets	7	33	324
Total operating income		50 259	82 514
Salaries	1	41 309	40 946
Depreciation	7	7 212	7 364
Loss on bad debts		0	101
Other operating expenses	13	26 017	35 548
Total operating expenses		74 538	83 959
Fair value regulation on investment property	7	0	-37 002
Operating profit after fair value regulation	6	-24 279	-38 447
Financial income and expenses			
Income from investments in subsidiaries		360	0
Interest received from group companies		275 147	298 316
Other interest income		15 621	18 999
Other financial income	16	319 467	50 535
Interest paid to group companies		-3 924	-3 658
Interest on borrowings	11	-453 267	-459 278
Write down of shares	9	0	-7 350
Gain from sales of shares		953 854	-142
Other financial expenses	16	-57 451	-54 826
Net financial income and expenses		1 049 807	-157 404
Net profit before tax		1 025 528	-195 851
Tax cost			
Tax cost on ordinary result	14	-32 778	60 281
Tax cost		-32 778	60 281
Profit for the year		992 750	-135 570
Majority owners part of profit		992 750	-135 570
<i>Profit per share - basic and diluted</i>	2	32,65	(4,63)
Comprehensive income			
<i>Profit of the year</i>		992 750	(135 570)
Statement of other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation etc.		70 488	(28 670)
<i>Item that will not be reclassified subsequently to profit and loss</i>			
Pension		3 703	(917)
Total comprehensive income for the periode, net of tax		1 066 941	(165 157)

Annual report Steen & Strøm AS
Year ended December 31

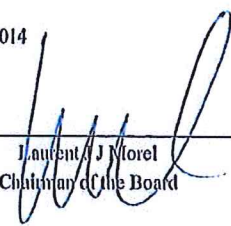
ASSETS	Note	2013	2012 (Restated)
Fixed assets			
Intangible assets			
Deferred tax assets	14	304 908	364 732
Total intangible assets		<u>304 908</u>	<u>364 732</u>
Property, plant & equipment			
Company cabin	7	4 377	4 662
Cars, machinery and equipment	7	24 752	23 755
Total property, plant & equipment		<u>29 129</u>	<u>28 417</u>
Financial assets			
Investment in subsidiaries	9	6 410 015	4 578 457
Loans to subsidiaries	10, 16	3 729 867	5 455 605
Investments in joint ventures	8	1 504 800	1 363 921
Investments in shares	9	66 500	0
Other receivables	10, 16	448 795	839 258
Total financial assets		<u>12 159 977</u>	<u>12 237 241</u>
Total non current assets		<u>12 494 014</u>	<u>12 630 390</u>
Current Assets			
Receivables			
Trade receivables		710	15 552
Loans to group companies	10	8 508	130 167
Other receivables	10	48 838	27 375
Total receivables		<u>58 056</u>	<u>173 094</u>
Shares and other financial instruments			
Shares		460	460
Cash and cash equivalents			
Cash and cash equivalents	1	2 837 926	1 529 446
Total current assets		<u>2 896 442</u>	<u>1 703 000</u>
Total assets		<u>15 390 456</u>	<u>14 333 390</u>

Annual report Steen & Strøm AS
Year ended December 31

EQUITY AND LIABILITIES

	Note	2013	2012 (Restated)
Equity			
<i>Contributed equity:</i>			
Ordinary shares (30.402.116 shares à NOK kr. 1,91)	2	58 133	58 133
Treasury shares	3	-2 198	-2 198
Equity premium		2 746 456	2 746 456
Total contributed equity		2 802 391	2 802 391
<i>Retained earnings:</i>			
Fair value reserves		0	0
Other equity		1 279 020	212 079
Total earned equity		1 279 021	212 079
Total equity		4 081 412	3 014 472
Liabilities			
<i>Non-current liabilities</i>			
Bonds	11	2 040 000	1 350 000
Borrowings to financial institutions	11	4 048 095	5 276 773
Liabilities to group companies	10	50 000	25 000
Pension liabilities	15	10 049	14 569
Total non-current liabilities		6 148 144	6 666 342
<i>Current liabilities</i>			
Accounts payable		-	1 931
Other taxes & withholdings		2 326	768
Borrowings to financial institutions	11	3 065 869	2 062 020
Liabilities to group companies	10	235 646	147 053
Certificates and bonds and others debt	11	1 520 000	2 096 516
Other current liabilities	16	337 059	344 282
Total current liabilities		5 160 900	4 652 570
Total liabilities		11 309 044	11 318 912
TOTAL EQUITY AND LIABILITIES		15 390 456	14 333 390


Oslo, Mars 21 2014


 Laurent J Morel
 Chairman of the Board


 Patrick M Kanters
 Board Member

Alfonso R Torres Villalba
 Board Member


 Jean-Michel R Gault
 Board Member


 Jean-Marc Jestin
 Board Member


 Bjorn Tjaum
 Managing Director


 Terje Daaland
 Managing Director

STEEN & STRØM AS

2013

2012

Cash flow statement

Profit for the year	992 750	-135 572
Tax expenses for the year	32 778	-60 281
Paid tax for the period	0	0
Gain/Loss on sale of non-current assets	-953 887	-182
Depreciation on fixed assets	7 212	7 364
Write-down/reversal of write-down on financial assets	0	7 350
Changes in accounts receivables	14 842	-3 164
Changes in accounts payable	-1 931	936
Changes in other taxes & withholding	1 558	1 613
Changes in other current assets & other liabilities	183 652	-331 689
Fair value adjustment	0	37 002
<i>Net cash flow from operating activities</i>	276 974	-476 623
Proceeds from sale of non-current assets	1 311 623	2 782
Payments on acquisitions of non-current assets	-9 255	-25 817
Payments on acquisitions of other assets	-341 981	0
Payments on conversion of intercompany debt	-2 146 771	0
Payments/proceeds from borrowings		875 000
<i>Net cash flow from investment activities</i>	-1 186 384	851 965
Proceeds from borrowings - non current	4 271 809	3 984 720
Payments on borrowings - non current	-3 762 154	-5 131 910
Proceeds from current borrowings	576 516	459 043
Changes in bank overdraft	1 003 848	436 514
Proceeds from dividends	127 870	51 530
<i>Net cash flow from financial activities</i>	2 217 890	-200 103
Net changes in cash	1 308 479	175 239
Cash at the start of the period	1 529 446	1 354 208
Net changes in cash	1 308 479	175 239
Cash at the end of the period	2 837 926	1 529 446

NOTES TO FINANCIAL STATEMENTS 2013

All amounts in NOK 1.000, unless otherwise specified

Accounting Principles

See notes on the group's principles.

Shares in subsidiaries and group

Shares in subsidiaries and joint ventures are stated using the cost method in the company accounts.

Group contributions from subsidiaries are recognized in the year the group contribution has been approved.

Group contribution given in current year is added to the cost price related to investment in subsidiaries decision to be made by the General Assembly.

Note 1

Payroll expenses, number of employees, remuneration etc..

Salaries	2013	2012
Salaries and wages	31 927	28 420
Social security tax	4 358	4 077
Pension costs	2 460	3 085
Other benefits	2 564	5 366
Total	41 309	40 948

Number of employees

The average number of employees in Steen & Strøm AS in 2013 was 18 (17).

Remuneration of Directors and Group Management

See note 3 of the consolidated financial statements.

Audit fees

See note 3 of the consolidated financial statements.

Restricted funds

Of the company's cash and cash equivalents TNOK 31.182 (1.136) amount to restricted funds.

Note 2

Earnings per share and dividend

Earnings per Share

Average number of outstanding shares in 2013 was 30.402.116 (30.402.116).

Earnings per share amounts to 32,65 (-4,63) calculated for a profit of TNOK 992.750 (-135.572).

Earnings per share is calculated on the basis of net shares outstanding. Outstanding shares are 29.303

Capital changes

No dividend was paid to the shareholders in 2012.

It is proposed a dividend payment of TNOK 0 (0) for 2013.

Note 3

Number of shares, shareholders ETC

See note 4 of the consolidated financial statements.

Note 4

Shares owned by the CEO or members of the Board

See note 5 of the consolidated financial statements.

Note 5

Treasury shares

See note 4 of the consolidated financial statements.

Note 6
Operating segments

(NOK 1.000)	Shopping centers and projects		Other activities		Total	
	2013	2012	2013	2012	2013	2012
Operating revenue	-	31 771	50 259	50 743	50 259	82 514
Operating expenditure	-	4 123	74 538	79 838	74 538	83 961
Operating profit (loss)	-	27 648	(24 279)	(29 095)	(24 279)	(1 447)
Fixed assets	-	-	29 129	28 417	29 129	28 417
Long-term debt	-	-	6 148 144	6 661 719	6 148 144	6 661 719
Investments in the period	-	-	9 255	25 817	9 255	25 817

Due to reorganizing and internal sales, Steen & Strøm no longer have any shopping center in its balances.

Note 7

Fixed assets and investment properties

Vehicles, furniture and office equipment, and machinery.

	2013	2012
Acquisition cost as of 01.01	80 425	55 959
Acquisition	9 255	25 817
Disposal	1 331	1 351
Acquisition cost as of 31.12	88 349	80 425
Acc. depreciation as of 31.12	63 597	56 670
Book value as of 31.12	24 752	23 755

Depreciation for the year 6 927 7 079

Depreciation for the year 3- 5 years 3- 5 years

Company Cabin

	2013	2012
Acquisition cost as of 01.01	6 698	6 698
Acquisition cost as of 31.12	6 698	6 698
Acc. depreciation as of 01.01	2 036	1 751
Acc. depreciation as of 31.12	2 321	2 036
Book value as of 31.12	4 377	4 662

Depreciation for the year 285 285

Depreciation of property 4 % 4 %

Investment property	2013	2012
Acquisition cost as of 01.01	-	313 082
Acquisitions	-	-
Demerger	-	(313 082)
Acquisition cost as of 31.12	-	-
Acc. Fair value adjustment as of 31.12	-	-
Book value as of 31.12	-	-
Fair value adjustment	-	(37 002)

For more information on valuation of investment properties and principles used, see note 8 of the consolidated financial statements.

Note 8**Shares in associated companies/joint ventures**

Associated companies/joint ventures in the statutory accounts, recorded at cost method.

Company	Ownership		Value 01.01	Acquisition/Disposal 2013	Value 31.12
	31.12	01.01			
Metro Senter ANS	50,0 %	616 250	-38 000	578 250	
Nordbyen Senter DA	50,0 %	-	268 750	268 750	
Åsane Storsenter DA	49,9 %	419 420	-64 870	354 550	
Økern Sentrum ANS	50,0 %	328 251	-25 000	303 250	
Total		1 363 921	140 880	1 504 800	

Note 9**Other investments**

Company	Ownership	Value 31.12
Gumøy Golf AS	7,8 %	-
Sektor Portefølje II AS	10,0 %	66 500
Total		66 500

Book value of investments in subsidiaries

	2013	2012
	6 410 015	4 578 457

All subsidiaries are valued at cost.

For a list of all subsidiaries of Steen & Strøm AS, see the consolidated financial statements note 27.

Note 10
Intercompany receivables and payables

Current assets and current liabilities	2013	2012
Current receivables from group companies	8 508	130 167
Current receivables from parent company	-	-
Total current	8 508	130 167
Long-term receivables from group companies	3 729 867	5 455 605
Other receivables	448 795	839 028
Total receivables	4 187 170	6 424 800
Current liabilities to group companies	235 646	147 053
Long-term liabilities to group companies	50 000	25 000
Total liabilities	285 646	181 215
Receivables due after one year	2013	2012
Other long term assets	3 729 867	5 455 605
Other receivables	448 795	839 028
Total long-term assets	4 178 662	6 294 633
Long-term receivables/liabilities to group companies have a maturity of 3 years.		
Other receivables	2013	2012
Receivables from parent	0	0
Other	48 838	27 375
Total other receivables	48 838	27 375

Note 11

Liabilities

Long term interest bearing borrowings	Effective interest rate	
	2013	2012
Bonds	2,67 %	1 350 000
Borrowings to financial institutions	3,73 %	5 276 773
Total	6 088 095	6 626 773

Current borrowings

1. year repayment term of credit	1 053 342	171 516
Bonds	-	600 000
Certificates	1 520 000	1 325 000
Borrowing to financial institutions	2 012 527	2 062 020
Total	4 585 869	4 158 536

Liabilities secured by mortgages

Book value of mortgaged assets:

Land, buildings, etc.	-	-
Total mortgaged assets	-	-

Repayment plans, and renegotiation of long-term debt:

Between 1 and 5 years	4 434 312	4 268 817
More than 5 years	1 653 783	2 357 956
Total	6 088 095	6 626 773

The table excludes intercompany loans. Secured debt includes also collateral of other Group companies' assets. See note 26 for a complete listing of subsidiaries in the group.

Note 12**Guarantees**

Steen & Strøm AS is by ownership solely responsible for the debts of the following companies.

	Total debt	SST Share	Ownership
Gulskogen Senter ANS	1 850	1 831	99,0 %
Markedet KS	6 925	6 848	98,9 %
Økern Senter ANS	2 692	1 346	50,0 %
Åsane Storsenter DA	1 342	670	49,9 %
Nordbyen Senter DA	157	79	50,0 %
Metro Senter ANS	5 015	2 508	50,0 %
Torvhjørnet Lillestrøm ANS	205	2	1,0 %
Total	18 186	13 284	

Note 13**Breakdown of other operating expenses**

	2013	2012
Rental space	7 782	7 954
Management and other fees	6 337	10 048
Other operating expenses	6 872	5 341
Other administrative costs	5 026	12 205
Total	26 017	35 548

Note 14

Calculation of deferred tax / deferred tax assets and changes in deferred tax /deferred tax assets

	2013	2012
Temporary differences		Restated
Fixed assets	-1 166	-2 079
Long-term liabilities	-85 681	9 995
Long-term receivables	287 745	-51 383
Receivables	0	-101
Pension assets / liabilities	-10 049	-14 569
Shares in partnerships	-890 947	-910 680
Shares in partnerships adjustments in 2013	55 197	66 787
Taxable profit and loss account	35 975	44 969
Accrual of interest rate swap	8 631	7 349
Other differences	-147 855	-244 414
Net temporary differences	-748 150	-1 094 126
Losses carried forward	-325 940	-141 666
Changes in loss carried forward in 2012 due to income on Partnerships	-55 197	-66 787
Allowances carried forward	0	0
Basis for deferred tax / tax assets	-1 129 287	-1 302 579
28% deferred tax / deferred tax assets	-316 200	-364 732
Change in tax rate (from 28% to 27 %)	11 293	0
Total deferred tax assets (-) / liabilities	-304 907	-364 732
Explanation of the tax charge		
28% tax on profit before tax	287 148	-54 839
Permanent differences on sale of shares	-267 177	39
Change in valuation allowance for MF shares	127	2 058
Permanent differences - Other differences (28%)	-52 994	36 039
Income tax expense	-32 897	-16 703

Tax expense on ordinary profit for the year:

	2013	2012 Restated
Analysis of tax charge:		
Taxes payable	-32 897	-16 703
Change in deferred tax	81 418	-128 346
Change in tax rate (from 28% to 27 %)	11 293	0
Change in deferred taxes due to demerger	0	73 446
Other changes	0	173
Effect of group contribution	0	0
The tax effects recognized in equity	-27 037	11 149
Income tax expense, income	32 778	-60 281
Basis for tax payable	2013	2012 (restated)
Profit before tax	1 025 528	-195 853
Write-downs on shares	0	7 350
Change in pension plan	453	0
Income from partnerships	47 055	110 335
Difference from the sale of shares	-953 853	142
Revenue from the company within the exemption method	-350	-2
Unrealized foreign exchange gains	0	-28 631
Other permanent differences	333	38 087
Basis for this year's tax	119 166	-68 572
Change in temporary differences	-236 654	13 543
Received group adopted this year	0	0
Taxable income	-117 488	-55 029
Use of tax loss carryforwards	0	0
Basis for tax payable	-117 488	-55 029

Note 15
Pensions

The Group has a defined benefit plan for certain groups of employees. The scheme carries rights to defined benefit contributions. The terms are 30 years of saving. The scheme provides 60% pension in relation to the pensionable salary on 01.01 of the year of the recipient's 67th birthday, as well as benefits for spouse and children. All pension benefits are coordinated with expected contributions from the national insurance. As of 31.12.2013, the scheme had 15 (14) members.

The company also has an additional plan, this scheme is funded from operations. This gives employees full entitlement beyond the limit of 12G described in the above scheme. Both schemes are managed by Storebrand and the obligation is calculated using the same principles and assumptions.

The valuation of pension funds and measurement of accrued liabilities are measured in estimated values. These estimates are adjusted annually in accordance with the statement of the pension fund actual value and the calculated value of the obligation.

Financial assumptions

	2013	2012
Discount rate	4,10 %	2,20 %
Expected wage adjustment	3,75 %	2,20 %
Expected return on plan assets	4,10 %	3,25 %
Expected pension increase	0,60 %	0,00 %
Expected adjustment of pension benefits	3,50 %	3,00 %
Expected turnover	2,50 %	2,50 %

The actuarial assumptions are based on common assumptions in the insurance industry with respect to demographic factors.

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows

	2013	2012 (restated)
Service cost:		
Current service cost	2 380	2 859
Past service cost and gain (loss) from settlements	-	-
Net interest expense	321	397
Components of pension costs recognised in profit or loss	2 700	3 256

Remeasurement of net defined benefit liability:

Return on plan assets (excl. amounts included in net interest expense)	796	612
Actuarial gains and losses arising from changes in demographic assumptions:	1 842	-
Actuarial gains and losses arising from changes in financial assumptions	(7 128)	-
Actuarial gains and losses arising from experience adjustments	(751)	539
Other	166	121
Components of pension costs recognised in other comprehensive income	(5 075)	1 273

Total	(2 375)	4 529
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	2013	2012 (restated)
Net pension liability		
Present value of funded defined benefit obligation	22 127	24 400
Fair value of plan assets	(13 263)	(11 886)
Social security taxes	1 184	2 055
Net pension liability	10 049	14 569

Reconciliation of pension obligation

Opening pension liability	14 569	8 851
Effect of transition to IAS 19R to be booked 1.1.2013	3 352	3 352
Pension costs recognised in profit or loss	2 700	3 256
Remeasurement gains and losses	(5 075)	1 273
Premium Payments etc	(2 145)	(2 163)
Net recognised pension liability as of 31/12	10 049	14 569

Note 16

Financial instruments - financial market risk

For a comprehensive description of the Group's strategy, see Note 23 of the financial statements for the Group.

The company has, as of 31.12.2013 recorded a debt of NOK 175.741 (244 414) related to financial instruments.

Summary of receivables and debts in foreign currency:

	2013	2012
Long-term receivables		
TSEK	3 777 715	3 256 335
TDKK	-	-
Long-term debt		
TSEK	809 600	763 419
TDKK	209 522	129 893
Exchange rate on the balance sheet date		
SEK	93,26	83,91
DKK	111,26	97,86
Figures in Norwegian Kroner		
Long-term receivables	3 523 097	2 732 391
Long-term debt	988 147	767 698

Assets and liabilities are recorded at exchange rates per. 31.12.2013. This means that changes in exchange rates compared with last year's exchange rates. 31.12.2012 appear in the accounts as a loss / gain.

Steen & Strøm AS has in 2013 had a net gain on foreign currency of TNOK 258.673 (41.388). Of this amount 17 568,- (11.065) is realized

Remaining lines of credit are TNOK 710.236

Note 17

Related parties

See note 24 of the consolidated financial statements.

Note 18

Litigation and claims

See note 25 of the consolidated financial statements.

Note 19

Subsequent events

See note 26 of the consolidated financial statements.