



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2016 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 976 647 602
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: LINDE AG NORSK AVDELING AV
UTENLANDSK FORETAK
Forretningsadresse: c/o Brækhus Advokatfirma DA
Roald Amundsens gate 6
0161 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2016 - 31.12.2016

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Øystein Sverre
Dato for fastsettelse av årsregnskapet: 20.06.2017

Grunnlag for avgivelse

År 2016: Årsregnskapet er elektronisk innlevert
År 2015: Tall er hentet fra elektronisk innlevert årsregnskap fra 2016

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 20.11.2020



Resultatregnskap

Beløp i: NOK	Note	2016	2015
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2-5 ENG	4 959 411	17 334 342
Annen driftsinntekt		0	0
Sum inntekter		4 959 411	17 334 342
Kostnader			
Lønnskostnad	2-5 ENG	0	0
Annen driftskostnad	2-5 ENG	601 975	189 099
Sum kostnader		601 975	189 099
Driftsresultat		4 357 436	17 145 243
Netto finans			
Ordinært resultat før skattekostnad		4 357 436	17 145 243
Skattekostnad på ordinært resultat	7	1 162 230	4 639 282
Ordinært resultat etter skattekostnad		3 195 206	12 505 961
Årsresultat		3 195 206	12 505 961
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	8	3 195 206	12 505 961
Sum overføringer og disponeringer		3 195 206	12 505 961



Balanse

Beløp i: NOK	Note	2016	2015
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	98 683	21 060
Sum immaterielle eiendeler		98 683	21 060
Varige driftsmidler			
Sum varige driftsmidler		0	0
Sum anleggsmidler		98 683	21 060
Omløpsmidler			
Varer			
Sum varer		0	0
Fordringer			
Kundefordringer	2-5 ENG	312 026 559	513 641 808
Andre fordringer	2-5 ENG	22 303	0
Sum fordringer		312 048 862	513 641 808
Sum omløpsmidler		312 048 862	513 641 808
SUM EIENDELER		312 147 545	513 662 868
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Sum innskutt egenkapital		0	0
Opptjent egenkapital			
Annen egenkapital	7	310 205 414	307 010 208
Sum opptjent egenkapital		310 205 414	307 010 208



Balanse

Beløp i: NOK	Note	2016	2015
Sum egenkapital		310 205 414	307 010 208
Gjeld			
Langsiktig gjeld			
Andre avsetninger for forpliktelser	2-5 ENG	411 180	78 000
Sum avsetninger for forpliktelser		411 180	78 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		411 180	78 000
Kortsiktig gjeld			
Leverandørgjeld	2-5 ENG	291 098	103 908 750
Betalbar skatt	2-5 ENG	1 239 853	4 660 342
Annen kortsiktig gjeld	2-5 ENG	0	98 005 567
Sum kortsiktig gjeld		1 530 951	206 574 659
Sum gjeld		1 942 131	206 652 659
SUM EGENKAPITAL OG GJELD		312 147 545	513 662 867



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK

Board of Directors' report 2016

1. Nature of the business

LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK (Linde NUF) is a Branch of LINDE AG, Munich, Germany. The Branch cooperates with Linde AG, Linde Engineering Division, Pullach / Germany. The Branch was registered on April 10, 2002 to carry out long-term projects in Norway. One project was built in Kollsnes and was finished in 2005. The project in Hammerfest and the project in Stavanger were completed in 2011. Another project in Hammerfest was Hammerfest SIP 2 which was finished in 2016.

2. The going concern assumption

The Board of Directors confirms that the annual accounts are prepared on the basis of continuous operation of the branch and in the opinion of the Board there are no conditions indicating anything else.

3. Working environment

In 2016, there were 0 employees working for the Norwegian projects.

4. Gender equality

We are operating according to a policy of equal gender rights.

5. Conditions which may affect the external environment

The Board of Directors is of the opinion that the activities of the Branch have no significant adverse effect on the external environment.

6. Financial risk

The Branch belongs to Linde AG, Germany. The branch is exposed to credit, interest and exchange rate risk in the ordinary course of business. The exchange rate risk is reduced through the fact that shares of both, revenues and estimated total costs are in EUR. The credit risk is managed through contractual payments on account allowing a balanced cash flow until project completion.



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK

7. Comments on the annual accounts

The Branch shows an after tax profit for the year 2016 of NOK 3,195,206 which has been carried forward onto new account.

Total revenue amounted to NOK 4,959,411 and operating expenses amounted to NOK 601,975. The profit before taxes is NOK 4,357,436. Tax on ordinary result is NOK 1,162,230.

There have not been any significant events subsequent to the balance sheet date.

8. Future development

The Projects Hammerfest and Stavanger were finalized in 2011. Only some minor final activities without major impact are performed in 2016 and the future in respect to these two projects. Currently, future projects are only in the pre-bidding phase.

9. Allocation of profit

The Board of Directors proposes the after tax profit for 2016 of NOK 3,195,206 to be carried forward onto new account.

Pullach, June 20th, 2017

Jürgen Nowicki
Chairman of the Board

Øystein Sverre
General Manager



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK

Financial Statements 2016



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK

Financial Statements 2016

Profit and Loss Account

		01.01. - 31.12.	01.01. - 31.12.
	Note	31.12.2016	31.12.2015
Revenue	2-5 ENG	4.959.411	17.334.342
Other Income		0	0
Total operating income		4.959.411	17.334.342
Payroll and related expenses	2-5 ENG	0	0
Other operating expenses	2-5 ENG	601.975	189.099
Total expenses		601.975	189.099
Operating profit/-loss		4.357.436	17.145.243
Tax on ordinary profit	7	1.162.230	4.639.282
Profit +/-Loss for the year		3.195.206	12.505.961
Profit for the year is distributed as follows:			
Other equity	8	3.195.206	12.505.961



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK
Financial Statements 2016

Balance sheet

	Note	31.12.2016	31.12.2015
Assets			
Deferred tax asset	7	98.683	21.060
Accounts receivable			
Trade accounts receivable	2-5 ENG	312.026.559	513.641.807
Other receivables	2-5 ENG	22.304	0
Total accounts receivable		312.048.862	513.641.808
Total current assets		312.048.862	513.641.808
Total assets		312.147.545	513.662.868



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK Financial Statements 2016

Balance sheet

	Note	31.12.2016	31.12.2015
Equity and liabilities			
Equity			
Retained earnings			
Other equity	7	307.010.208	294.504.247
Profit /-Loss for the year	7	3.195.206	12.505.961
Total retained earnings		310.205.414	307.010.208
Total equity		310.205.414	307.010.208
Liabilities			
Provisions			
Other provisions	2-5 ENG	411.180	78.000
Total provisions		411.180	78.000
Current liabilities			
Accounts payable	2-5 ENG	291.098	103.908.750
Tax payable	2-5 ENG	1.239.853	4.660.342
Other short-term liabilities	2-5 ENG	0	98.005.567
Total current liabilities		1.530.951	206.574.659
Total liabilities		1.942.132	206.652.659
Total equity and liabilities		312.147.545	513.662.867

Pullach, June 20th, 2017

Jürgen Nowicki
Chairman of the Board

Oystein Sverre
General Manager



Note 1 Accounting principles

The financial statements are prepared by the Board and management and must be read in conjunction with the directors' report and the audit opinion.

Basic principles - assessment and classification - other issues

LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK was established on April 10, 2002.

The financial statements, which have been presented in compliance with the Norwegian Companies Act, the Norwegian Accounting Act and Norwegian generally accepted accounting principles in effect as of 31 December 2016, consist of the profit and loss account, balance sheet and notes to the accounts. In order to simplify the understanding of the balance sheet and the profit & loss account, they have been compressed. The necessary specification has been provided in notes to the accounts, thus making the notes an integrated part of the financial statements.

The financial statements have been prepared based on the fundamental principles governing historical cost accounting, comparability, continued operations, congruence and prudence. Transactions are recorded at their value at the time of the transaction. Income is recognised at the time of delivery of goods or services. Costs are expensed in the same period as the income to which they relate. Costs that cannot be directly related to income are expensed as incurred. Hedging and portfolio management are taken into account. The different accounting principles are further commented on below.

In cases where actual figures are not available at the time of the closing of the accounts, generally accepted accounting principles require management to make estimates and assumptions regarding the effect of these items on the profit and loss account as well as the balance sheet. Actual results could differ from these estimates.

Assets/liabilities related to current business activities and items which fall due within one year are classified as current assets/liabilities. Current assets/short-term debts are recorded at the lowest/highest of acquisition cost and fair value. The definition of fair value is the estimated future sales price reduced by expected sales costs. Other assets are classified as fixed assets. Fixed assets are entered in the accounts at historical cost, with deductions for depreciation. In the event of a decline in value which is not temporary, the fixed asset will be subject to a write-down. The same principle applies to liabilities.

According to generally accepted accounting standards there are some exemptions to the basic assessment and valuation principles. Comments on these exemptions can be found in the respective notes to the accounts. When applying the basic accounting principles and disclosure of transactions and other items, the "substance over form" rule is adopted. Contingent losses which are probable and quantifiable are charged to the profit and loss account.

Accounting principles for material items

Revenue recognition

Revenue is normally recognised at the time of delivery of goods or services. In the case of long-term construction contracts, the percentage of completion method is applied. When it is determined that a loss will be incurred on a project, an accrual for the total estimated loss will be made. Operating revenues have been reduced for VAT, discounts, bonuses and invoiced shipping costs.

**Accounting principles applied for currency conversion**

Transactions in foreign currency are translated to the functional currency of the Company at the annual average FX rate as published by the Norwegian Central Bank (Norges Bank)

Cost recognition/matching

Costs are expensed in the same period as the income to which they relate is recognized. Costs that can not be directly related to income are expensed as incurred.

Other income (costs)

Material income and cost which are not related to day to day operations are classified as other operating income (costs). Items that are unusual, irregular and material are classified as extraordinary items.

Stocks and cost of goods sold

Stocks are recorded at the lower of estimated sales price and purchase price according to the "first in - first out" method. The cost of produced goods includes direct materials, direct labour and a share of the indirect manufacturing costs. Net cost of goods sold for the year comprise gross cost of goods sold and provisions for obsolete goods in accordance with generally accepted accounting principles at year end.

Long term contracts

The business of the entity is mainly related to civil engineering projects with a duration from a few months up to several years. Monthly billing with payment within 30 days is the standard, and normally the billing is in line with the progress of the project. Exceptions from the standard billing procedure occur.

Revenue recognition on long-term construction contracts is based on the percentage of completion method. This means that the revenue is recognised as the work progresses, and that part of the profit related to work carried out is recognised. The percentage completion is calculated based on completed work in relation to the total estimated production for the project.

If a loss is expected to be incurred on a project, the total estimated loss is expensed. The warranty period is normally three years. Revenues from disputed claims are not taken into account before the claim has been settled.

Accounts Receivables

Trade receivables are accounted for at face value with deductions for expected loss.

Deferred tax and tax expense

Deferred tax is calculated based on temporary differences between book values and values according to the tax basis for assets and liabilities at year end. For the purposes of calculating deferred tax, nominal tax rates are used. Positive and negative differences are offset to the extent they reverse within the same time-frame. Temporary differences that will constitute a future tax deduction give rise to a deferred tax asset. Change in deferred tax liability and deferred tax asset, together with taxes payable for the fiscal year adjusted for errors in previous years tax calculations constitutes taxes for the year.



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK Financial Statements 2016

Notes

Note 2 Other operating expenses

Other operating costs consist primarily construction and supervision expenses amounting to NOK 523.974

Note 3 Long term contracts

Prior long term contracts, project Hammerfest and Stavanger, has been finished in 2011

Project Hammerfest_SIP 2 is an improvement project of the LNG-Plant in Hammerfest
It was awarded in January 2013 and the Financial Completion was 30.September 2016.

Note 4 Revenue

In the beginning of 2016, most of the work was done and a detailed assessment resulted in that the services carried out in Norway should belong to the Branch.
The costs for this services incurred in Norway and are included in the Branch and the related revenue.

Note 5 Receivables and Liabilities

Receivables		2016	2015
Intercompany receivables non current	> 1 year	312.026.559	513.641.807
Intercompany receivables current	≤ 1 year	22.304	0
Receivables from deferred taxes non current	> 1 year	98.683	
Liabilities			
Advance payments received Intercompany nc	> 1 year	0	98.005.567
Taxes from income current	≤ 1 year	1.239.853	4.660.342
Provisions current	≤ 1 year	411.180	78.000
Intercompany payables current	≤ 1 year	291.098	201.914.317

The Company has no bank account therefore the retained earnings are shown in Intercompany receivables.



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK
Financial Statements 2016

Note 6 Salaries / Number of employees

Payroll and related cost	31.12.2016	31.12.2015
Payroll	0	0
Other employee related costs	0	0
Payroll and related cost	0	0

There were in average no employees in 2016

The remuneration for the General Manager was 0 in 2016.

Audit

Audit fees included in the branch accounts in 2016 amount to NOK 78.000,00 excl. VAT



LINDE AG NORSK AVDELING AV UTENLANDS FORETAK
Financial Statements 2016

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Note 7 Taxation

	31.12.2016	31.12.2015
Current tax:		
Profit / -Loss before tax and extraordinary items	4.357.436	17.145.243
Changes in temporary differences	333.180	78.000
Permanent differences	268.795	37.280
Basis for current tax	4.959.411	17.260.524
Current taxes 25%	1.239.853	4.660.342
The tax charge for the year can be analysed as follows:		
Current taxes	1.239.853	4.660.342
Deferred taxes	-77.623	-21.060
Tax expense for the year	1.162.230	4.639.282
Tax expense for prior years	0	0
Tax expense total	1.162.230	4.639.282
Specification of the basis for deferred tax liability:		
Waranty accrual	0	0
Other provisions	-411.180	-78.000
	-411.180	-78.000
Net temporary differences	-411.180	-78.000
Deferred tax liability (asset)	-98.683	-21.060



LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK
Financial Statements 2016



Note 8 Equity

	<u>Other equity</u>
Equity as at 01.01.2016	307.010.208
Profit for the year	3.195.206
Equity as at 31.12.2016	<u>310.205.414</u>

LINDE AG NORSK AVDELING AV UTENLANDSK FORETAK is a Branch of LINDE AG, Germany .

Note 9 Related parties

All companies in the Linde group.



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 12.06.2017	Vår dato 15.06.2017
Telefon 22078139	Deres referanse Knut Ove Østrem	Vår referanse 2017/652502

KPMG AS
Postboks 57
4064 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Linde AG NUF, org.nr. 976 647 602

Vi viser til deres brev av 12. juni 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Linde AG NUF.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Linde AG NUF dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Linde AG NUF er en filial av det tyske selskapet Linde AG. All intern regnskapsrapportering foregår på engelsk. Styret i hovedselskapet er ikke norskspråklige og årsregnskap og årsberetning må derfor oversettes til engelsk i forbindelse med styrebehandlingen. Det er vanlig i bransjen Linde AG NUF driver i, både blant kunder, leverandører og andre forretningspartnere, at forretningsspråket er engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,

Postadresse Postboks 9200 Grønland 0134 Oslo	Besøksadresse: Se www.skatteetaten.no Org.nr: 996250318 E-post: skatteetaten.no/sendepost	Sentralbord 800 80 000 Telefaks 22 17 08 60
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f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er en filial av et utenlandsk selskap. Eierkretsen er begrenset. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette M. Skovholt
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



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To the General Meeting of Linde AG Norsk avdeling av utenlandsk foretak

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Linde AG Norsk avdeling av utenlandsk foretak showing a profit of NOK 3 195 206. The financial statements comprise the balance sheet as at 31 December 2016, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2016, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Statsskifte revisorer medlemmer av Den norske Revisorforsening

Offices in

Oslo	Fleisrud	Mo i Rana	Sjørd
Ålesund	Fosnes	Moide	Stranda
Arendal	Humar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Tromsø
Bodo	Kaasva	Sandnessjøen	Ålesund
Trondheim	Kviteseid	Stavanger	



Responsibilities of The Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit



Report on Other Legal and Regulatory Requirements


Opinion on the Board of Directors' report

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

Opinion on 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.

Stavanger, 20 June 2017
KPMG AS


Kurt Ove Østrem
State Authorized Public Accountant