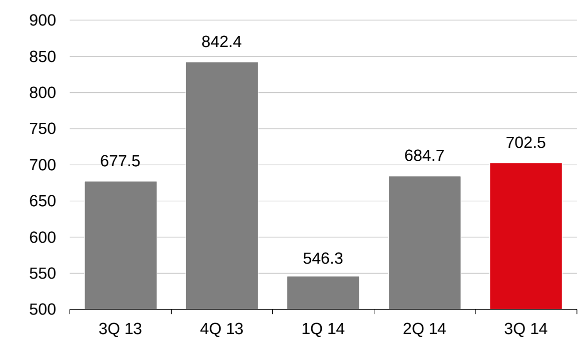
INFRATEK GROUP AS – Third quarter 2014

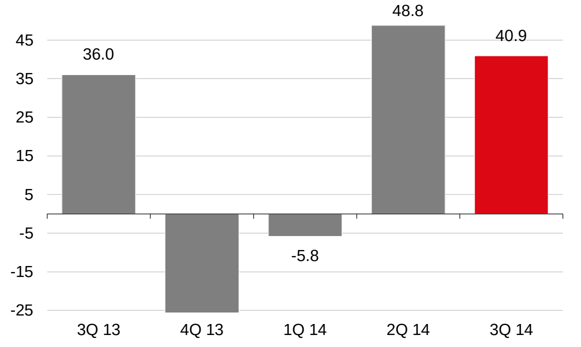
Highlights third quarter

- Operating revenues of NOK 702.5 million
(NOK 677.5 million)
- Third-quarter operating profit of NOK 40.9 million
(NOK 36.0 million)
- Operating profit margin 5.8 percent (5.3 percent)
- Result impacted by specific project write-downs NOK 12.6 million
- Cash flow from operations NOK -25.9 million (NOK -42.8 million)
- Cash Balance NOK 104.8 million (NOK 34.9 million)
- Satisfactory order book for rest of the year and into next year

OPERATING REVENUES
NOK million



OPERATING PROFIT
NOK million



KEY FIGURES

Third quarter			First nine months		Year
2013*	**2014**	**PROFIT AND LOSS** (NOK million)	**2014**	**2013***	**2013***
677.5	**702.5**	Operating revenue	**1 933.5**	1 869.7	**2 712.1**
46.2	**50.5**	Operating profit before depreciation	**111.0**	65.2	**56.4**
36.0	**40.9**	Operating profit	**83.9**	35.3	**9.4**
(17.0)	**(18.9)**	Net financial expenses	**(54.9)**	(20.7)	**(38.4)**
19.0	**22.0**	Profit before tax	**29.0**	14.6	**(29.0)**
5.3	**-**	Gain and profit from discontinued operation	**38.3**	5.5	**1.7**
19.7	**16.8**	Profit for the period	**61.6**	14.9	**(34.1)**
		CAPITAL MATTERS			
1 689.6	**1 582.5**	Total assets	**1 582.5**	1 689.6	**1 744.5**
13 %	**16 %**	Equity ratio	**16 %**	13 %	**21 %**
668.8	**614.1**	Net interest-bearing debt (cash)	**614.1**	668.8	**363.3**
(42.8)	**(25.9)**	Cash flow from operations	**(22.3)**	(42.8)	**94.1**
		KEY FIGURES			
5.3 %	**5.8 %**	Operating profit margin	**4.3 %**	1.9 %	**0.3 %**

Note: * Pro forma profit and loss figures for all periods in 2013, figures from the operational group as it is organised per 30 September 2014 are included. Pre-tax profit amounts are excluding Security – Technical Solutions.

THIRD QUARTER 2014

The Infratek Group posted a post-tax profit for the third quarter of NOK 16.8 million, compared to a post-tax profit of NOK 19.7 million for the comparable prior-year period. The third quarter result last year includes NOK 5.3 million in profit from discontinued operations.

Consolidated revenues came in at NOK 702.5 million, an increase of NOK 25 million (3.7 percent) compared to same period last year. There are relatively large differences between countries and product areas. The revenues in Norway are down 10.2 percent mainly due to reduced activity within large national grid projects, while the revenues in Sweden are up 14.6 as a result of increased activity within fiber projects.

The Group posted a third-quarter operating profit of NOK 40.9 million, compared to NOK 36.0 million for the corresponding prior-year period. The operating margin rose by 0.5 percentage points, to 5.8 percent. Write-down of projects has a negative impact of NOK 12.6 million in the period, adjusted for write-downs the margin rose by 2.3 percent point compared to same period last year. The operating profit for the period is negatively impacted by non-recurring items of NOK 2.8 million, year to date figures are impacted by NOK 5.7 million. Non-recurring items are mainly related to consultancy cost in connection with divestment of Security, refinancing and operational adjustements. Net financial expenses in the quarter amounted to NOK 18.9 million, compared to NOK 17.0 million in the comparable prior-year period. The main part of net financial expenses in the third-quarter this year is interest charged on bond issued, while the expenses for the same period last year is interest on loans from Triton Funds.

The tax expense for the quarter was NOK 5.2 million, based on the positive profit before tax for the period.

As of 30 September, the total order book was NOK 2,160 million, of which NOK 649 million relates to 2014, NOK 1,167 million to 2015 and NOK 344 million to 2016 and later. The Group's order book was NOK 543 million lower than at the end of the second quarter of last year, and decreased by NOK 314 million during the quarter. The decrease in the order reserve is primarily a result of the already produced volumes related to multi-year framework contracts with major customers.

BALANCE SHEET

The Infratek Group's total assets were reduced from NOK 1 689.6 million as of 30 September 2013 to NOK 1 582.5 million at the end of the reporting period. The decrease is primarily attributable to the divestment of *Security - Technical Solutions* with total assets of NOK 149 million. In addition, there are normal fluctuations in working capital elements and cash.

As of 30 September 2014, equity amounted to NOK 248.2 million, representing an increase of NOK 36.4 million compared to 30 September 2013. This corresponds to an equity ratio of 15.7 percent as of 30 September 2014, which is a reduction of 4.3 percentage points from year-end 2013 and an increase of 3.2 percentage points compared to the same period last year. The main reasons for the increase in equity compared to 30 September 2013 are equity increases and a positive profit contribution, offset by a reduction in equity due to transactions with minority interests.

At the end of the third quarter, year-to-date equity was down by NOK -13.1 million (net of disposal) as a result of exchange differences from SEK, EUR and DKK to NOK, due to the depreciation of the former currencies against NOK in the first nine months of 2014.

As of 30 September 2014, the Group's cash and cash equivalents totalled NOK 104.8 million, compared to NOK 170.3 million at the end of 2013 - and NOK 34.9 million as of 30 September 2013.

Net debt is NOK 614.1 million (NOK 668.8 million) and consist of:

Net debt	**30.09.14**	**30.09.13**
Cash and cash equivalents	-104.8	-34.9
Bond – principal (net of trans. costs)	633.2	-
Accrual interest - bond	4.9	-
Other interest bearing liabilities	20.0	8.6
Net debt pre loans from Triton Funds	**553.3**	**-26.3**
Loans from Triton Funds - principal	57.6	682.2
Accrual interest – loans Triton Funds	3.2	12.9
Net debt	**614.1**	**668.8**

CASH FLOW AND FINANCING

Net negative cash flow from operations in the third quarter of 2014 amounted to NOK -25.9 million. The increase in net working capital, which is attributable to higher activity levels, decreased the cash flow from operations by NOK -72.8 million. However, the positive results for the period boosted the cash flow by NOK 22.0 million. The change in non-liquid items made a positive contribution of NOK 24.9 million.

Net negative cash flow from investments in operations and expansion during the third quarter amounted to NOK -5.6 million, mainly as a result of investments in operating assets during the period.

Net positive cash flow from financing activities in the third quarter of NOK 8.6 million was mainly attributable to NOK 20 million drawn on the revolving credit facility and payment of interest expenses of NOK 11.3 million on the bond issue.

The Group has a NOK 100 million revolving credit facility and a guarantee facility of NOK 300 million with Swedbank – both with a duration of 57 months from May 2014. At the reporting date, the Group had bank guarantees of total NOK 154 million.

SEGMENT INFORMATION

Infratek reports its business activities in three geographical segments – Norway, Sweden and Finland.

NORWAY

The operation in Norway is organised in the following four main divisions:

- ✓ Electrical Grids is aimed at the product areas distribution grids, transmission grids, transformer stations, power cables, and district heating.
- ✓ Electrical Safety which on behalf of grid companies is providing inspection and monitoring services (so-called DLE services,) on behalf of grid companies.

- ✓ Projects operate as end-to-end supplier of projects within high voltage electrical infrastructure.
- ✓ Infra Solutions offers services within street lighting services, metering and fiber.

	Third quarter		First nine months	
NOK million	**2014**	2013	**2014**	2013
Operating revenues	**265.6**	295.8	**748.3**	823.8
Operating profit before depreciation	**36.5**	31.1	**79.7**	82.2
Operating profit	**32.8**	26.8	**68.6**	68.8
Operating margin	**12.3%**	9.0%	**9.2%**	8.4%

The business in Norway posted total operating revenues of NOK 30.2 million (10.2 per cent) below the corresponding previous year period. The reduction is mainly attributable to reduced activity within Projects, due to smaller and fewer new contracts awarded. Other areas are slightly above the third quarter of the previous year.

The operating profit came in at NOK 32.8 million (NOK 26.8 million). The rise in profit is mainly due to increased profitability primarily within the Electrical Grid area.

As of the reporting date, the segment had a total order book of NOK 487 million, of which NOK 222 million relates to 2014, NOK 239 million to 2015 and NOK 26 million to 2016 and later. The segment has an overall healthy order book, and it is considered as good for the rest of 2014. Compared to the end of September last year, the order book was reduced by NOK 385 million, primarily a result of the already produced volumes related to multi-year framework contracts with major customers.

SWEDEN

The operation in Sweden is organised in the following five divisions:

- ✓ Both Electrical Grids Svea and Electrical Grids Göta are aimed at the product areas distribution grids, transmission grids, transformer stations, (Göta is also for the time being handling the products street lighting and fiber in the western and southern parts of Sweden in cooperation with Infra Solutions in Stockholm). Projects operate as end-to-end supplier of projects within electrical infrastructure.
- ✓ Projects operate as end-to-end supplier of projects within high voltage electrical infrastructure.
- ✓ Railway delivers services to constructors and owners of infrastructure for railways.
- ✓ Infra Solutions offers services within street lighting services, metering and fiber.

	Third quarter		First nine months	
NOK million	**2014**	2013	**2014**	2013
Operating revenues	**378.6**	330.3	**1 025.8**	938.6
Operating profit before depreciation	**9.6**	16.2	**26.4**	(3.0)
Operating profit	**7.0**	13.1	**18.7**	(11.8)
Operating margin	**1.9%**	4.0%	**1.8%**	(1.3%)

The business in Sweden posted total operating revenues of NOK 48.3 million (14.6 per cent) above the corresponding previous year period. The rise is mainly attributable to a large increase in activity within the Infra Solution Sweden.

The operating profit came in at NOK 7.0 million (NOK 13.1 million). Write-down of specific projects had a negative impact on the result by NOK 12.6 million.

As of the reporting date, the segment had a total order book of NOK 1,410 million, of which NOK 373 million relates to 2014, NOK 789 million to 2015 and NOK 248 million to 2016 and later. Contracts entered into for the quarter were lower than production for the period, and the total order book decreased by NOK 211 million during the second quarter. Compared to end of September last year, orders on hand were down by NOK 300 million, primarily a result of the already produced volumes related to multi-year framework contracts with major customers.

FINLAND

The operation in Finland includes products and services within the central transmission grid, especially related to transformer stations.

	Third quarter		First nine months	
NOK million	**2014**	2013	**2014**	2013
Operating revenues	**58.9**	64.1	**170.1**	134.1
Operating profit before depreciation	**9.0**	3.5	**18.0**	1.2
Operating profit	**8.2**	2.9	**15.9**	(0.7)
Operating margin	**13.9%**	4.5%	**9.3%**	(0.5%)

Revenues in the Finnish market declined by 5.2 million compared to same period last year. However, adjusted for internal sales, the revenues have increased by NOK 2.5 million. The market in Finland is growing both within projects and service.

Finland posted a third-quarter profit of NOK 8.2 million (NOK 2.9 million). The huge increase is attributable to a higher productivity and higher margins on new contracts compared to the corresponding prior-year period.

As of the reporting date, the segment had a total order book of NOK 264 million, of which NOK 55 million relates to 2014, NOK 139 million to 2015 and NOK 70 million to later periods. Contracts entered into in the quarter were higher than the production for the quarter and total orders on hand were up NOK 94 million. Compared to the end of September last year, orders on hand were up by NOK 133 million.

OTHER

The Other business segment comprises Group administration expenses and expenses relating to Group-level functions.

	Third quarter		First nine months	
NOK million	**2014**	2013	**2014**	2013
Operating profit	**(7.2)**	(7.1)	**(19.6)**	(22.2)

Group expenses of NOK 7.2 million were incurred in the quarter, compared to NOK 7.1 million in the previous year. Year to date costs have decreased by NOK 2.6 million. The decrease in net expenses is primarily attributable to reduction in location cost at the group's Headquarters.

EMPLOYEES

As of 30 September 2014, the Group had 1 356 employees.

Countries	Number of employees	Number of man-years	Sick-leave rate 3Q14
Norway	597	590	5.2 %
Sweden	641	641	2.8 %
Finland	118	118	4.9 %
Total	**1 356**	**1 349**	**4.0 %**

As of the reporting date, the number of employees was down by 145 compared to the end of September 2013, mainly attributable to the increased use of subcontractors and expiration of one contingency agreement in Sweden.

Sickness absence has increased from 3.3 per cent in the third quarter last year to 4.0 per cent this year - and is due to an increase in long-term absence. We are working on different measures to reduce the sickness absence - both actively within the company - and in cooperation with public authorities.

OUTLOOK

The overriding aim is to strengthen Infratek's position in the market for critical infrastructure - through profitability and growth. The board of directors believes that Infratek is well equipped to develop the Group further in this direction.

An increased efficiency in operations has boosted Infratek's competitiveness, while the award of several strategically important and long-term contracts has reinforced the Group's market position.

Infratek's Nordic market position and strong financial position, makes Infratek is well positioned to meet the challenges facing the Group in the future.

Oslo, 22 October 2014

Infratek Group AS

Board of Directors

CONSOLIDATED INCOME STATEMENT

Third quarter			First nine months		Year *)
2013	**2014**	NOK million	**2014**	2013	**2013**
677.5	**702.5**	Operating revenues	**1 933.5**	677.5	**1 520.0**
677.5	**702.5**	**Total revenues**	**1 933.5**	677.5	**1 520.0**
(320.6)	**(374.2)**	Purchased materials	**(920.0)**	(320.6)	**(742.8)**
(226.6)	**(204.2)**	Salaries and other personnel expenses	**(679.6)**	(226.6)	**(508.2)**
(10.2)	**(9.6)**	Depreciation	**(27.1)**	(10.2)	**(27.2)**
(84.1)	**(73.6)**	Other operating expenses	**(222.9)**	(84.1)	**(231.5)**
36.0	**40.9**	**Operating profit**	**83.9**	36.0	**10.3**
(16.9)	**(18.9)**	Financial revenues/expenses	**(54.9)**	(16.9)	**(34.7)**
19.0	**22.0**	**Profit before tax and discontinued operations**	**29.0**	19.0	**(24.4)**
(4.7)	**(5.2)**	Tax expense	**(5.7)**	(4.7)	**(6.4)**
5.3	-	Profit for the period from discontinued operations	38.3	5.3	1.6
19.7	**16.8**	**Profit for the period**	**61.6**	19.7	**(29.2)**
13.2	**16.8**	Majority's share of profit for the period	**62.1**	13.2	**(36.9)**
6.5	**-**	Minority's share of profit for the period	**(0.5)**	6.5	**7.7**

Other comprehensive income

Third quarter			First nine months		Year *)
2013	**2014**	NOK million	**2014**	2013	**2013**
		Items that will be recycled subsequently to profit or loss			
8.5	**(7.0)**	Exchange differences on translating foreign operations	**(13.1)**	8.5	**11.5**
		Items that will not be recycled subsequently to profit or loss			
-	**-**	Change in estimate pensions	**(0.8)**	-	**20.6**
-	**-**	Tax expense on other comprehensive income	**0.2**	-	**(5.8)**
8.5	**(7.0)**	**Other comprehensive income for the period**	**(13.7)**	8.5	**26.3**
28.2	**9.8**	**Total comprehensive income for the period**	**47.9**	28.2	**(2.9)**
20.3	**9.8**	Majority's share of total comprehensive income	**49.0**	20.3	**(16.4)**
7.9	**-**	Minority's share of total comprehensive income	**(1.1)**	7.9	**13.5**

CONSOLIDATED BALANCE SHEET

NOK million	**30.09.2014**	30.09.2013	31.12.2013 *)
Intangible assets	**657.2**	657.9	657.9
Fixed assets	**111.8**	124.4	125.2
Accounts receivable and other receivables	**708.7**	872.4	791.1
Cash and cash equivalents	**104.8**	34.9	170.3
Assets	**1 582.5**	1 689.6	1 744.5
Equity	**248.2**	211.8	365.6
Pension	**179.8**	220.3	202.2
Other liabilities	**16.2**	20.2	20.1
Bond	**633.2**	-	-
Other long-term debt	**61.4**	704.4	534.2
Current liabilities	**443.7**	532.9	622.4
Equity and liabilities	**1 582.5**	1 689.6	1 744.5

CONSOLIDATED CASH FLOW STATEMENT

	Third quarter		First nine months		Year *)
NOK million	**2014**	2013	**2014**	2013	**2013**
Profit before tax and discontinued operations	**22.0**	19.0	**29.0**	19.0	**(24.4)**
Items without cash flow effect	24.9	32.1	49.0	32.1	57.4
Change in net working capital	(72.8)	(93.9)	(100.3)	(93.9)	61.1
Net cash flow from operations	**(25.9)**	(42.8)	**(22.3)**	(42.8)	**94.1**
Investments - fixed assets	(6.1)	(6.5)	(20.8)	(6.5)	(18.7)
Investments – operations (net of cash acquired)	-	(710.6)	(233.7)	(639.3)	(641.6)
Sales amount - fixed assets	0.5	0.4	4.2	0.4	5.1
Sales amount – operations (net of cash disposed)	-	(2.9)	(17.2)	(2.9)	(2.9)
Cash flow to investing activities	**(5.6)**	(719.6)	**(267.5)**	(648.3)	**(658.1)**
Change interest-bearing liabilities	20.0	716.9	262.2	716.9	713.9
Net received/paid interest rates	(11.4)	(2.7)	(60.5)	(2.7)	0.4
Dividend, equity issues and other equity changes	-	0.3	-	0.3	0.3
Cash flow used for financial activities	**8.6**	714.5	**201.7**	714.5	**714.6**
Cash flow from discontinued operations	**-**	9.2	**25.2**	9.2	**15.6**
Change in cash and cash equivalents	**(22.9)**	(38.7)	**(62.9)**	32.6	**166.2**
Cash at beginning of period	129.8	71.3	170.3	-	-
Effects on exchange rates changes on the balance of cash held in foreign operations	(2.1)	2.3	(2.6)	2.3	4.1
Cash at end of period	**104.8**	34.9	**104.8**	34.9	**170.3**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Third quarter		First nine months		Year *)
NOK million	**2014**	2013	**2014**	2013	**2013**
Equity at beginning of reporting period	**238.4**	**211.6**	**365.6**	**-**	**-**
Profit for the period	16.8	19.7	61.6	19.7	(29.2)
Other comprehensive income for the period	(7.0)	8.5	(13.7)	8.5	26.3
Total comprehensive income for the period	**9.8**	**28.2**	**47.9**	**28.2**	**(2.9)**
Transactions with owners					
Transactions with minority interests	-	(28.0)	(233.7)	183.6	183.6
Equity increase from majority shareholder	-	-	68.4	-	184.9
Total transactions with owners	**-**	**(28.0)**	**(165.3)**	**183.6**	**368.5**
Equity at end of reporting period	**248.2**	**211.8**	**248.2**	**211.8**	**365.6**

*) The figures for the year 2013 have been restated compared to the Annual Report for 2013, due to the business area Security – Technical Solutions being recognised as a discontinued operation in addition to adjustments to the June 2013 business combination. See notes 6 and 7 for additional information.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1) FRAMEWORK AND KEY ACCOUNTING PRINCIPLES

Infratek (the Group) consists of Infratek Group AS and its subsidiaries. The consolidated financial statements for the year ending 31 December 2013, and the interim consolidated financial statements for the nine months ending 30 September 2014, have been prepared and presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The interim figures are unaudited.

Infratek prepares and presents its interim consolidated financial statements according to IAS 34, Interim Financial Reporting. The information provided by interim financial statements is not as comprehensive as that provided in the annual consolidated financial statements; thus, the interim financial statements should be viewed in conjunction with the annual consolidated financial statements for 2013. The accounting principles applied in the interim financial statements are the same as those described in Note 2 to the annual consolidated financial statements for 2013 of the Infratek Group.

2) SEGMENT REPORTING – Income statement

From the second quarter of 2014, the Group has changed the segment structure and now reports business activities based on the geographical segments *Norway*, *Sweden* and *Finland*, in addition to *Other* and *Group eliminations*.

Norway consists of the Infrastructure business in Norway and Electrical Security. *Sweden* consists of the Infrastructure business in Sweden. *Finland* consists of the Infrastructure business in Finland. *Other* consists of the parent company Infratek Group AS in addition to Infratek AS.

Group eliminations for the 2013 interim periods mainly consist of adjustments made in the business combination for profit or loss in the period prior to the acquisition date. In addition, excess values from the purchase price allocation were recognised in the income statement for the year 2013.

Third quarter			First nine months		Year *)
2013	**2014**	NOK million	**2014**	2013	**2013**
295.8	**265.6**	Norway	**748.3**	823.8	**1 165.5**
330.3	**378.6**	Sweden	**1 025.8**	938.6	**1 397.6**
64.1	**58.9**	Finland	**170.1**	134.1	**192.2**
3.3	**8.0**	Other	**24.3**	9.7	**13.3**
(16.0)	**(8.6)**	Group eliminations	**(35.0)**	(1 228.7)	**(1 248.6)**
677.5	**702.5**	**Total operating revenues**	**1 933.5**	677.5	**1 520.0**
26.8	**32.8**	Norway	**68.6**	68.8	**87.9**
13.1	**7.0**	Sweden	**18.7**	(11.8)	**(12.3)**
2.9	**8.2**	Finland	**15.9**	(0.7)	**1.7**
(7.1)	**(7.2)**	Other	**(19.6)**	(22.2)	**(120.7)**
0.3	**0.1**	Group eliminations	**0.3**	1.9	**53.7**
36.0	**40.9**	**Total operating profit**	**83.9**	36.0	**10.3**

*) The figures for 2013 have been restated, see note 6.

3) GEOGRAPHIC SEGMENT REPORTING – Balance sheet

NOK million	Norway	Sweden	Finland	Group/ eliminations	Group total
Intangible assets	80.4	104.2	11.6	461.0	657.2
Fixed assets	46.0	40.0	17.1	8.7	111.8
Accounts receivable and other receivables	383.3	355.4	42.7	(72.7)	708.7
Cash and cash equivalents	348.7	(23.7)	65.6	(285.8)	104.8
Assets	**858.4**	**475.9**	**137.0**	**111.2**	**1 582.5**
Equity	468.0	219.7	109.2	(548.7)	248.2
Pension and other liabilities	185.2	6.3	0.2	4.3	196.0
Bond	-	-	-	633.2	633.2
Other long-term debt	-	75.0	-	(13.6)	61.4
Current liabilities	205.2	174.9	27.6	36.0	443.7
Equity and liabilities	**858.4**	**475.9**	**137.0**	**111.2**	**1 582.5**
Equity share	55 %	46 %	80 %	na	16 %

4) COMMENTS ON THE SEASONALITY AND CYCLICALITY OF INTERIM OPERATIONS

Infratek's operations are seasonal in nature. However, all segments have historically tended to post improved revenues and profitability throughout the year, with these figures being strongest in the second half of the year. This seasonality is driven by a number of factors including lower activity levels and higher operating costs at the start of the year as a result of colder weather and high voltage levels. The company's customers have historically used the start of the year to plan their investment activities for the year.

5) RELATED PARTY TRANSACTIONS

During the first half year of 2014, the Group made total loan repayments to Triton Funds of NOK 444.5 million, of which NOK 395.9 million in net repayment of principal and NOK 48.6 million in payment of accrued interest.

On 30 June 2014, the Group disposed of the business area *Security – Technical Solutions* for a consideration of NOK 58.2 million. The business area was sold to a company controlled by Triton Fund III, the ultimate owners of Infratek Group AS. See note 6 for more information about the disposal.

6) DISCONTINUED OPERATIONS

On 30 June 2014, the Group disposed of the business area *Security – Technical Solutions* for a consideration of NOK 58.2 million. The business area is recognized as a discontinued operation from this date, and comparable income and cash flow figures for 2013 have been restated accordingly. Profit or loss from and gain on disposal of the business area are recognized on the line "Profit for the period from discontinued operations" in the consolidated income statement.

The business area's transactions with other Group companies are eliminated as usual at Group level, and only income and expenses from external transactions have been reclassified to discontinued operations. As a consequence, the line "profit for the period from discontinued operations" will not represent the business area as a stand-alone entity.

The table below shows profit or loss from discontinued operations for the 2013 and 2014 interim periods and for the year 2013. The 2013 figures include Eiendomssikring, which was divested in September 2013. See disclosures in note 26 to the consolidated financial statements for 2013 for more information on this disposal.

Profit or loss from discontinued operations

Third quarter			First nine months		Year
2013	**2014**	NOK million	**2014**	2013	**2013**
64.8	**-**	Operating revenues	**122.1**	64.8	**130.7**
(26.5)	**-**	Purchased materials	**(52.4)**	(26.5)	**(55.9)**
(24.2)	**-**	Salaries and other personnel expenses	**(46.0)**	(24.2)	**(50.3)**
(0.4)	**-**	Depreciation	**(0.7)**	(0.4)	**(0.7)**
(12.8)	**-**	Other operating expenses	**(22.4)**	(12.8)	**(26.5)**
0.9	**-**	**Operating profit**	**0.6**	0.9	**(2.7)**
-	**-**	Financial revenues/expenses	**-**	-	**0.1**
0.9	**-**	**Profit before tax**	**0.6**	0.9	**(2.6)**
(0.3)	**-**	Tax expense	**(0.2)**	(0.3)	**(0.5)**
0.6	**-**	**Profit for the period**	**0.4**	0.6	**(3.1)**
4.7	-	Gain on disposal of discontinued operations	37.9	4.7	4.7
5.3	**-**	**Profit for the period from discontinued operations**	**38.3**	5.3	**1.6**

Carrying amount of assets and liabilities in Security – Technical Solutions at date of disposal

NOK million	30 June 2014
Non-current assets	6.5
Inventory	18.0
Accounts receivable and other receivables	65.1
Cash and cash equivalents	17.2
Pension and other liabilities	(4.5)
Long-term debt	(26.6)
Accounts payable and other current liabilities	(52.2)
Accumulated change in estimate pensions not reclassified to profit or loss on disposal	(0.6)
Carrying amount of disposed assets and liabilities	**22.9**
Total consideration	**58.2**
Accumulated exchange differences reclassified to profit or loss on disposal	2.6
Gain on disposal of discontinued operations	**37.9**

7) BUSINESS COMBINATIONS

On 25 June 2013, Infratek Group AS acquired Infratek AS and a provisional purchase price allocation (PPA) was performed. See note 25 to the consolidated financial statements for the year 2013 for more information on the provisional PPA.

As of the second quarter of 2014, the PPA is final and only the following minor adjustments have been made compared to the provisional PPA:

Net acquired assets increased by NOK 6 million to NOK 325 million. As a consequence of this adjustment, goodwill at the acquisition date has been reduced by NOK 6 million to NOK 568 million. In addition, due to an adjustment of currency effects regarding elimination of recognized goodwill in foreign entities at the acquisition date, the line “exchange differences on translating foreign operations” in other comprehensive income has been reduced by NOK 6 million for the year 2013.

The consolidated balance sheet as of 31 December 2013, the consolidated statement of changes in equity for the year 2013 and other comprehensive income for the year 2013 have been restated compared to the Annual Report for 2013 based on the adjustments above.

8) BOND ISSUE

In May 2014, Infratek Group AS issued a bond of NOK 650 million, with the duration of 5 years and coupon of 3 months' NIBOR + 5 per cent. Initial transaction fees of NOK 18.4 million related to the bond issue have been recognised as part of the carrying amount in the balance sheet.

Investors have a share pledge in the operating company Infratek AS.

Financial covenants in the form of leverage ratio (net interest bearing debt to EBITDA < 3.0x) and interest coverage ratio (interest coverage ratio > 3.0x) apply on an incurrence basis, while there are no maintenance covenants in the bond issue.

The bond will be listed on the Oslo Stock Exchange before end of 2014.