

Ferd's segment reporting complies with IFRS 8. Ferd is an investment company, and the Company's management makes decisions, monitors and evaluates these decisions based on the development in value and fair value of the Company's investments. The operating segments are identified on the basis of investment type/mandate, capital and resource allocation and risk assessment. Ferd is operating the following four business areas:

**Ferd Capital** is a long-term investor working actively with the companies during the period of ownership to secure the development in value to be the best possible. Ferd Capital comprises three mandates: Non-listed companies, listed companies and Special Investment. Special Investments is a mandate in the initial phase. Those companies where Ferd Capital has control, are consolidated into the group accounts, and the segment reporting in the consolidated financial statements consequently comprises the consolidated results from these companies, in addition to value changes and management costs on non-consolidated companies and other investments. The value of the investments and the value changes are included in Ferd AS' company accounts, where Ferd Capital reports MNOK 286 in operating profit. The value of Ferd Capital's portfolio constitutes MNOK 10 616 at 31 December 2015 and MNOK 10 317 at 31 December 2014 measured at fair value.

Ferd Capital's largest investments as of 31 December 2015 are:

- Elopak (100 percent stake) is one of the world's leading manufacturers of packaging systems for fluid food articles. With an organisation and cooperating partners in more than 40 countries, the company's products are sold and marketed in more than 100 countries.
- Aibel (49 percent stake) is a leading supplier to the international upstream oil and gas industry concentrating on the Norwegian shelf. The company is engaged in operating, maintaining and modifying offshore and land based plants, and is also supplying complete production and processing installations.
- TeleComputing (96 percent stake) is a leading supplier of IT services to small and medium-sized enterprises in Norway and Sweden. The company supplies netbased applications and customised operating and outsourcing services.
- Interwell (58 percent stake) is a preeminent Norwegian supplier of high-tech well tools to the international oil and gas industry. The company's most important market is the Norwegian shelf, but it has in recent years also gained access to several significant markets internationally.
- Swix Sport (100 percent stake) is developing, manufacturing and marketing ski wax, ski sticks, accessories and textiles for sporting and active leisure time use. The company has extensive operations in Norway and abroad.
- Mestergruppen (95 percent stake) is a prominent actor in the Norwegian building materials market concentrating on the professional part of the market. The company's operations include the sale of building materials and developing land and projects, housing and cottage chains.
- Servi (100 percent stake). Servi develops and manufactures customer specific hydraulics systems, cylinders and vents to the offshore, maritime and land based industries.
- Petroleum Geo-Services (10,1 percent stake). Petroleum Geo-Services (PGS) supplies seismology, electro-magnetic services and reservoir analyses to oil companies engaged in offshore operations all over the world.
- Fjord Line (38,5 percent stake). Fjord Line is a modern shipping company offering safe and comfortable sea transport between Norway, Denmark and Sweden. In addition to passenger traffic, Fjord Line has adequate capacity for freight of all types of utility vehicles handled by the shipping company's cargo departments in Norway and Denmark.

\*) The TeleComputing business was sold in 2016, and operations are not included in the segment information of Ferd Capital for 2015. The income statement items for 2014 have been correspondingly restated for presentation purposes. [Note 33](#) has more information.

**Ferd Invest** mainly invests in listed Nordic limited companies. The ambition is to beat a Nordic share index (the MSCI Nordic Mid Cap Index). The investment team is not focusing on the reference index in the management of the portfolio, but concentrates on the companies in which they invest and their development.

**Ferd Hedge Fund** comprises two mandates: Hedge funds investing in various types of hedge funds managed by hedge fund environments abroad. The aim is to achieve an attractive risk-adjusted return, both in absolute terms and relatively to the hedge fund index (HFRI FoF: Conservative Index). In the Global Fund Opportunities mandate (GFO), Ferd Hedgefund can invest in externally managed opportunities not suitable for the hedge funds portfolio, but are attractive in view of Ferd's total portfolio and contribute to spread risk in the Group.

**Ferd Real Estate** is an active property investor responsible for the Group's efforts concerning property. Developments mainly take place within housing projects, new office buildings and warehouse/combined buildings. The projects are partly carried out in-house, partly together with selected external cooperating partners. Investments concerning financial property only are also made.

**Other areas** mainly comprises investments in externally managed private equity funds and hedge funds acquired in the second-hand market. These investments do not require much daily follow-up and are therefore monitored by management. Other areas also comprise some financial instruments to be utilised by management to adjust the total risk exposure. Costs to the company's management, staff and in-house bank are also included.

NOK 1 000	Ferd AS Group	Ferd Capital	Ferd Invest	Ferd Hedge Fund	Ferd Real Estate	Other areas
<b>Result 2015</b>						
Sales income	12 912 698	12 910 948			1 750	
Income from financial investments	1 985 920	- 177 017	1 419 511	144 773	119 783	478 870
Other income	315 246	34 665	60	- 143	278 272	2 392
<b>Operating income</b>	<b>15 213 863</b>	<b>12 768 596</b>	<b>1 419 571</b>	<b>144 630</b>	<b>399 805</b>	<b>481 262</b>
Operating expenses excl. depreciation and impairment	12 132 630	11 996 794	9 181	11 503	46 843	68 310
<b>EBITDA</b>	<b>3 081 233</b>	<b>771 801</b>	<b>1 410 391</b>	<b>133 127</b>	<b>352 962</b>	<b>412 952</b>
Depreciation and impairment	773 269	770 004		68	2 153	1 045
<b>Operating profit</b>	<b>2 307 964</b>	<b>1 797</b>	<b>1 410 391</b>	<b>133 060</b>	<b>350 809</b>	<b>411 908</b>
Income on investments accounted for by the equity method	34 548	37 442			- 2 894	
<b>Result before finance items and income tax expense</b>	<b>2 342 512</b>	<b>39 239</b>	<b>1 410 391</b>	<b>133 060</b>	<b>347 915</b>	<b>411 908</b>

**Balance sheet as at 31 December  
2015**

Intangible assets	3 153 719	3 153 719				
Tangible assets and investment properties	4 411 260	2 057 210			2 346 947	7 102
Investments accounted for by the equity method	494 635	338 967			155 668	
Investments classified as current asset	15 652 095	2 031 641	6 218 513	3 887 561	460 530	3 053 850
Bank deposits 1)	1 852 737	1 175 613	53 061	41 352	173 494	409 217
Other assets	6 674 348	5 963 617	27 259	19 947	326 031	337 495
<b>Total assets</b>	<b>32 238 793</b>	<b>14 720 767</b>	<b>6 298 833</b>	<b>3 948 859</b>	<b>3 462 670</b>	<b>3 807 664</b>

1) The business area's net withdrawals from the bank accounts are included here.

NOK 1 000	Ferd AS Group	Ferd Capital	Ferd Invest	Ferd Hedge Fund	Ferd Real Estate	Other areas
<b>Result 2014</b>						
Sales income	11 852 804	11 851 557			1 247	
Income from financial investments	599 704	-1 291 897	665 319	96 164	78 267	1 051 850
Other income	277 624	32 206		48	244 962	407
<b>Operating income</b>	<b>12 730 131</b>	<b>10 591 866</b>	<b>665 319</b>	<b>96 213</b>	<b>324 476</b>	<b>1 052 258</b>
Operating expenses excl. depreciation and impairment	10 872 651	10 741 804	8 694	8 248	36 779	77 126
<b>EBITDA</b>	<b>1 857 480</b>	<b>- 149 938</b>	<b>656 625</b>	<b>87 965</b>	<b>287 697</b>	<b>975 132</b>
Depreciation and impairment	540 968	535 748	40	45	3 989	1 146
<b>Operating profit</b>	<b>1 316 513</b>	<b>- 685 685</b>	<b>656 585</b>	<b>87 919</b>	<b>283 707</b>	<b>973 986</b>
Income on investments accounted for by the equity method	30 367	33 211			- 2 843	
<b>Result before finance items and</b>		<b>- 652</b>				

<b>income tax expense</b>	<b>1 346 880</b>	<b>475 656 585</b>	<b>87 919</b>	<b>280 864 973 986</b>
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**Balance sheet at 31 December 2015**

Intangible assets	4 117 955	4 116 955			1 000	
Tangible assets and investment properties	4 823 075	2 166 416			2 649 138	7 521
Investments accounted for by the equity method	442 250	312 318			129 932	
Investments classified as current asset			5 645			
	14 361 391	1 438 482	279	2 869 671	348 035	4 059 924
Bank deposits 1)	1 320 725	1 520 642	11 390	- 157 173	- 178 796	124 662
Other assets	5 819 699	4 607 573	3 769	146 700	408 314	653 343
<b>Total assets</b>	<b>30 885 095</b>	<b>14 162 386</b>	<b>5 660 439</b>	<b>2 859 197</b>	<b>3 357 622</b>	<b>4 845 450</b>

1) The business area's net withdrawals from the bank accounts are included here.