

**NOTE 3****SEGMENT REPORTING**

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.

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 and goods handled by the shipping company's cargo departments in Norway and Denmark.

**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 Hedge Fund 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	<b>Ferd AS</b>	<b>Ferd Capital</b>	<b>Ferd Invest</b>	<b>Ferd Hedge Fund</b>	<b>Ferd Real Estate</b>	<b>Other areas</b>
<b>Result 2015</b>						
Sales income	2 684 932	319 149	1 419 496	144 630	336 008	465 648
Operating expenses	- 120 681	- 33 006	- 9 181	- 11 570	- 20 298	- 46 626
<b>Operating result</b>	<b>2 564 250</b>	<b>286 143</b>	<b>1 410 316</b>	<b>133 060</b>	<b>315 710</b>	<b>419 022</b>

**Balance sheet 31 December 2015**

Investments in subsidiaries	11 440 623	8 919 426			2 423 020	98 177
Investments classified as current assets	14 740 904	1 573 941	6 218 513	3 887 561	130	3 060 759
Bank deposits/drawings on group account						
	3 285	18 240	53 061	41 352	- 439 971	330 603
Other assets	515 464	104 811	27 132	95 173	63 399	224 950
<b>Total assets</b>	<b>26 700 277</b>	<b>10 616 418 6 298 707</b>		<b>4 024 085</b>	<b>2 046 577</b>	<b>3 714 489</b>

NOK 1 000	Ferd AS	Ferd Capital	Ferd Invest	Ferd Hedge Fund	Ferd Real Estate	Other areas
<b>Result 2014</b>						
Sales income	736 789	-1 265 018	665 319	96 213	274 100	966 175
Operating expenses	- 153 015	- 49 929	- 8 734	- 8 293	- 20 323	- 65 736
<b>Operating result</b>	<b>583 775</b>	<b>-1 314 946</b>	<b>656 585</b>	<b>87 920</b>	<b>253 777</b>	<b>900 439</b>

**Balance sheet 31 December 2014**

Investments in subsidiaries	10 824 395	8 614 104			2 130 528	117 345
Investments classified as current assets	13 466 817	931 482	5 645 278	2 869 671	130	5 895 784
Bank deposits/drawings on group account						
	371 542	769 191	11 390	- 157 173	248 456	- 554 033
Other assets	1 536 480	2 334	3 903	146 557	138 795	1 628 101
<b>Total assets</b>	<b>26 199 234</b>	<b>10 317 111 5 660 572</b>		<b>2 859 054</b>	<b>2 517 909</b>	<b>4 844 589</b>