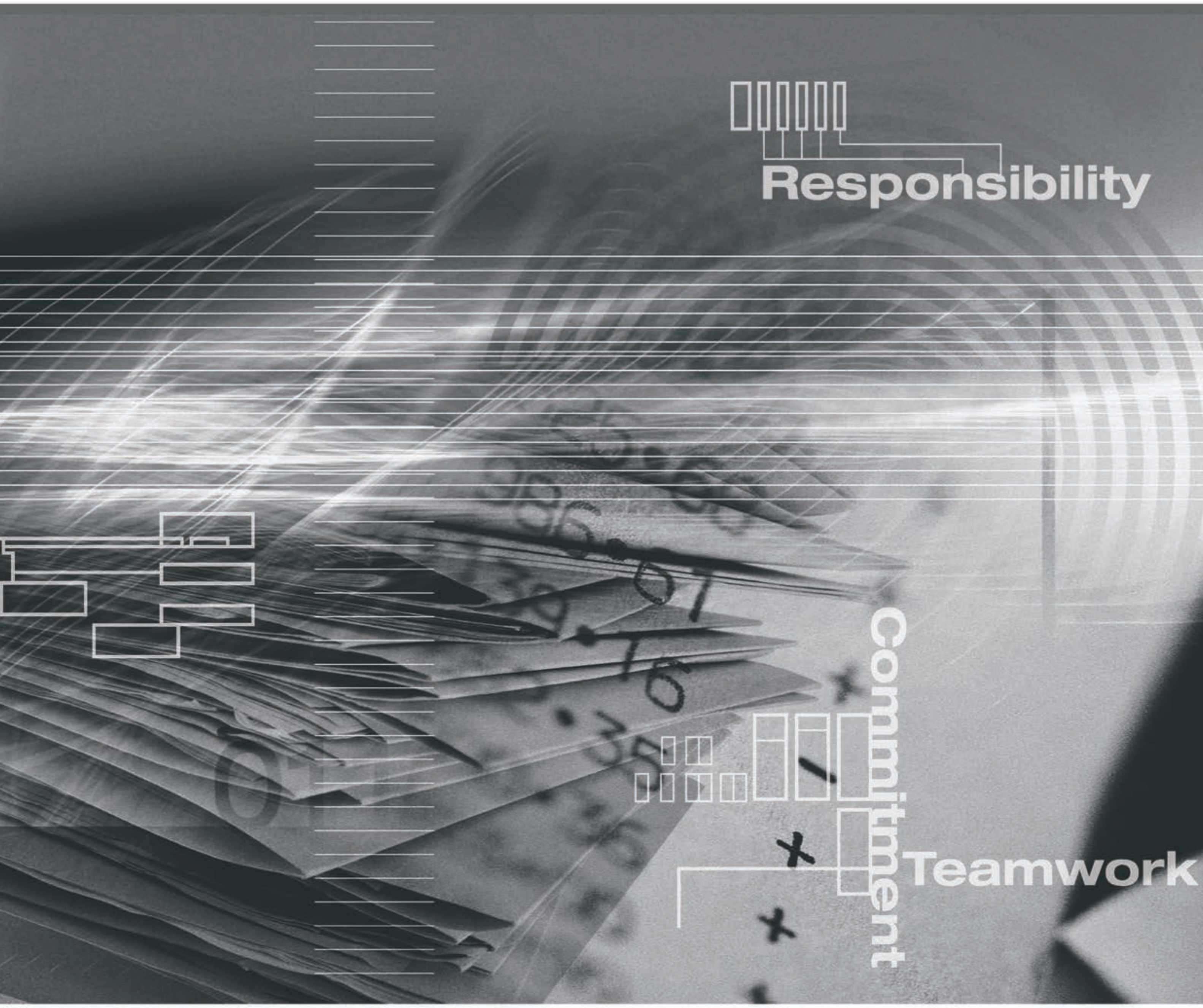
MULTICONSULT



Annual report 2012

Made possible by Multiconsult

2012 was a good year for Multiconsult's Norwegian and international customers – at least, if demand for our services and positive feedback from our customers are anything to go by.

Over the course of the year, we were involved in thousands of unique projects throughout Norway, as well as various international projects in our areas of specialist expertise. In our home market we have a strong local and regional presence, and we believe strongly in the importance of having local knowledge about the needs of our customers and partners. Cutting across that regional structure, we have strong business areas, which coordinate capacity, expertise and development requirements: Buildings and Properties, Industry, Transportation and Infrastructure, Oil and Gas, Energy and Environment and Natural Resources.

Within the company, we did a lot of strategic thinking last year, looking at how we want to position ourselves with our customers in the future. After a very thorough and systematic review, we have unearthed some new and exciting opportunities where the key success factors will be perceived quality and our ability to further hone our specialist expertise. Our 3-2-1 strategy involves becoming the market leader. By acting as an enabler we will be able to build on our 105-year history, so that we can enjoy at least another century of success.

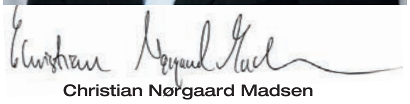
Meanwhile, we and our partners have been successful in winning contracts, including one of Norway's biggest onshore projects in recent years: the new fighter base at Ørland. After Multiconsult successfully screened potential locations for an onshore terminal for oil from Skrugard and Havis, Statoil decided to locate the facility at Veidneset near North Cape.

We are also proud to have the young consulting engineer of the year on our staff. The vote and award ceremony took place at the autumn meeting of the Norwegian Association of Consulting Engineers (RIF).

Following the acquisition of Barlindhaug Consult in spring 2011, Multiconsult started integrating its operations in northern Norway during the first half of 2012. This was a closely coordinated and successful process. Our strong presence in northern Norway is giving us world-leading and cutting-edge expertise on Arctic conditions, and will allow us to expand our activities in the far north.

Our wholly-owned subsidiary Analyse & Strategi had a profitable year, providing analysis and consultancy in the fields of community development and economic development, amongst other things in conjunction with Oslo's planned application to hold the 2022 Winter Olympics. Internationally, our decision to specialise in areas such as renewable energy led to the establishment of Norplan Hydropower Ltd. in the UK. Staff at the company have given us new expertise and have helped to make us more competitive, which has already benefited our hydropower customers.

The Multiconsult Group achieved net turnover of NOK 1,610 million in 2012, an increase of nine percent over the previous year. Our operating profit of NOK 123 million was a record, up nineteen percent from the year before. Multiconsult's equity and profitability provide the foundations for future investment,



Christian Nørgaard Madsen
Chief Executive Officer

and will enable us to drive development throughout the value chain.

We are proud of our long history, and of the fact that for more than 100 years we have participated in Norway's development as a modern and wealthy nation. In the history of our company, there are many parallels with Norwegian fairy tales. Fairy tales always have a hero. In our fairy tale, our customers and members of staff are the heroes.

Multiconsult forms a part of recent Norwegian history. We also want to help define the future. By tirelessly focusing on new opportunities, we want to develop alongside our customers – moving with the times, or even ahead of them. Society faces many challenges that will need to be solved in the future. Each day, strong competition motivates us and our customers to make a renewed effort.

We are ready – as the enablers!

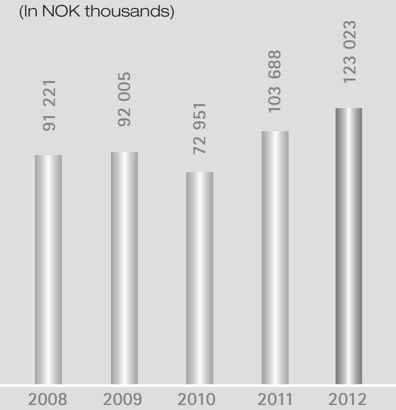
Key figures
(In NOK thousands)

	2012 (*)	2011 (*)
Operating revenue	1 850 271	1 739 457
Operating profit/loss	123 023	103 688
Profit for the year	94 571	78 440
Total assets	971 851	904 717
Equity	409 568	350 415
Equity ratio	42 %	39 %

(*) Multiconsult Group

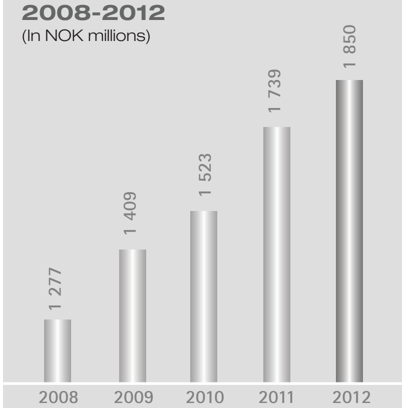
Shareholders at 31.12.2012	
The Multiconsult Foundation	17,9 %
Employees	33,8 %
WSP Europe AB	24,7 %
Retired workers, etc.	23,6 %

Operating profit 2008-2012
(In NOK thousands)



Operating profit is stated net of distributions under the employee profit share scheme. Multiconsult Group from 2009.
Employees received NOK 18.5 million in 2008, 10.5 million in 2009, 6.0 million in 2010, 4.4 million in 2011 and 6.6 million in 2012.

Operating revenue 2008-2012
(In NOK millions)



Operating revenue is stated as gross operating revenue. Multiconsult Group from 2009.

Contents

Directors report

Summary

Multiconsult is a complete supplier of consultancy and design services, operating in the following business areas: buildings and properties; industry; oil and gas; energy; transportation and infrastructure; and environment and natural resources. The company has large, multi-disciplinary organisational units with regional offices located in Norway's biggest cities, and at the close of 2012 it had a total of 1,407 employees.

In 2012 the Group's gross operating revenue rose by 6% to NOK 1,850 million. Net operating revenue came to NOK 1,610 million, which was up 9%. Operating profit amounted to NOK 123 million, up 19% from the previous year. International projects represented 6% of turnover.

In parallel with working on projects for customers, Multiconsult has been focusing on a number of internal development projects. The Research Council of Norway has provided support for several of those projects.

Our business

Multiconsult's business concept is to supply multi-disciplinary consultancy and design services that add value for customers, society, shareholders, employees and the company. Multiconsult also offers ground surveys to map the condition of the soil and assess how to deal with potential pollution problems. The company's revenues from international projects mainly come from Norplan, a company in which Multiconsult and Asplan Viak each hold a 50% ownership interest.

Multiconsult has 27 offices spread across the whole of Norway. The company's head office is in Oslo. Our ownership interest in Norplan gives us indirect stakes in offices in Dar es Salaam (Tanzania) and Kampala (Uganda).

Multiconsult owns all of the shares in the strategic consultancy Analyse & Strategi, as well as having a 32% interest in the architectural firm LINK arkitektur. Analyse & Strategi does social impact studies, primarily in the fields of Buildings and Properties and Transportation and Infrastructure. LINK arkitektur, which has offices in Norway and Sweden, is one of the largest architectural firms in Scandinavia. In 2012 Multiconsult established a UK subsidiary called Norplan Hydropower Ltd. This company will play an important role in Multiconsult's push into the renewable energy sector.

Health, safety and the environment

All of Multiconsult's organisational units take a systematic approach to HSE. Each region has a working environment committee, and each region also has an AKAN contact (who deals with issues relating to alcohol and drug abuse). A company health service is available in each region, and most regions carried out a survey in conjunction with the health check. The results bear witness to a good working environment and high levels of job satisfaction, but there are some challenges with respect to ergonomics and stress.

Total sickness absence remained at satisfactory levels. In 2012, sickness absence totalled 3.7% of overall working hours (4.0% in 2011). There were six injuries reported for people working for the company. The lost time injuries have been carefully reviewed in order to prevent further injuries from occurring. Non-conformances are logged, and the recorded injuries mainly related to on-site work.

Multiconsult keeps environmental accounts to monitor the most important ways in which its activities impact the environment. These environmental accounts are included in the annual report. Three of our offices are certified under the Eco-Lighthouse scheme: Oslo, Tromsø and Drammen. There are also plans to get further offices certified.

Ethics and corporate social responsibility

Ethics and corporate social responsibility are important priorities. In recent years, Multiconsult has invested significant resources in drawing up strict corporate ethical guidelines. In 2012 we led an industry-wide initiative through the business and ethics committee of the Association of Consulting Engineers (RIF), which involved preparing and publishing new recommendations on ethical guidelines, anti-corruption work and corporate social responsibility.

Markets and external relations

In 2012 the state of the market varied between the sectors and regions where Multiconsult operates, but in general it was strong.

The markets for Buildings and Properties, Energy and Natural Resources were good, while Transportation and Infrastructure started off hesitantly in the first half of 2012, but then improved. Meanwhile, Oil and Gas and certain sectors of Industry picked up considerably over the course of the year.

The strong market for our Transportation and Infrastructure, Buildings and Properties, Oil and Gas, Energy and Environment and Natural Resources business areas is expected to continue, driven by higher investment going into 2013. At the start of 2013, international projects represented over 20% of our order backlog.

The biggest new contracts that we won in 2012 were the new air base at Ørlandet, the expansion of the onshore processing plant at Aukra, the next phase of Campus Ås, the planning of the Skrugard/Havis onshore processing plant, a new transmission line in Ofoten, a road tunnel under Oslofjorden, and additional work on several major transport projects.

The biggest projects that we have worked on during 2012 include Campus Ås, Ullersmo prison, new buildings at Bjørvika in Oslo, a number of large transport projects in Norway (including the Gran-Jaren stretch of the Rv4, the Frya-Vinstra stretch of the E6, the Gulli-Langåker stretch of the E18, the E18 between the Swedish border and Ørje, Ski train station and Bergen Light Rail), Skrugard onshore processing plant, concrete platforms in Russia and Canada, Skarg power station, hydroelectric projects in Pakistan and Malawi, and several energy projects in Norway. On a number of the projects, Multiconsult collaborated with WSP Europe AB, which is part of one of the largest engineering consultancies in Europe. WSP Europe AB owns a 24.7% ownership interest in Multiconsult.

Strategy

In line with its company strategy, Multiconsult has developed into a complete supplier of multi-disciplinary consultancy and design services. The company has large, multi-disciplinary offices in the biggest cities in Norway.

In 2012, Multiconsult absorbed the engineering consultancy Barlindhaug Consult in Tromsø, which was previously a wholly-owned subsidiary with 88 members of staff. This integration will help us to further build up our expertise in Arctic technology and our capacity in northern Norway.

The company drew up a new strategy in 2012 – "Multiconsult 2017". The key elements of this strategy are improving perceived quality, and a carefully devised

Steinar Mejlænder-Larsen
(Chairman of the Board)

Siv Axelsson

Jarle Roth

Espen Robertsen

plan to become the industry's leading enabler: "Made possible by Multiconsult".

Research and development

Multiconsult invests in a range of internal and external R&D activities. Internally, R&D activities are normally organised through conferences and projects within the 24 competence networks that draw together staff from across the whole company. Activities generally last for between one and two years. External R&D activities are mainly carried out in collaboration with Norwegian and international research institutions, strategic business partners and customers, normally with 3-5 years' financial support from the Research Council of Norway. In addition we collaborate closely with NTNU on PhDs, with each doctorate normally taking three years.

Organisation – structural capital

Over recent years, the company has incorporated a structured quality management system. In 2012 we continued to update the system, in order to make it even more user-friendly for the whole of Multiconsult's varied portfolio of projects.

Multiconsult has modern and efficient premises throughout Norway. Office capacity is being expanded in stages in order to cope with growth.

Employees

At the close of 2012, the parent company had 1,407 employees, which represented an increase of 170 over the previous year. 96 members of staff left the company in 2012. We are in a strong position to recruit both new graduates and experienced professionals.

In 2012 we continued to cooperate closely with the higher education institutions where we do most of our recruiting. In the annual student survey carried out by Universum, Multiconsult was ranked sixth on the list of the most attractive technology companies to work for in Norway. We are also the only consulting firm in the "Top ten" of the most attractive employers for experienced employees.

Staff training was once again an important area of focus for us in 2012. As part of this, we have worked on further raising awareness of the existing training opportunities that exist at Multiconsult.

Equal opportunity and diversity

There are four women and four men on the company's Board of Directors. Our senior management team consists of two women and ten men. 29% of technical staff are women, whilst 38% of administrative staff are men. 20% of middle managers are women. Overall, 30% of our employees are women.

Both the Board and senior management wish to increase recruitment of women to the company and to increase the proportion of women working at all levels of the company.

At Multiconsult we do not discriminate on the basis of gender, physical disability, ethnicity, religion, etc. The Board and senior management implement this through their recruitment, hiring and pay decisions, as well as by adapting the workplace where necessary and through work on awareness-raising.

Management development

Sverre Quale was the acting CEO of Multiconsult from 1 January 2012 until 31 May 2012. Then Grethe Bergly was acting CEO from 1 June 2012 until 31 August 2012. Christian Nørgaard Madsen took up the position of CEO on 1 September 2012.

Multiconsult constantly needs to raise the skills and capacity of both line and project managers. Management development is therefore a key priority. In recent years Multiconsult has established its own management development programme, which is aimed at both line managers and project managers. A large number of people have attended these training programmes. Multiconsult's new strategy continues to place a strong emphasis on management development.

Generating financial results

In recent years, Multiconsult has managed to achieve strong financial results in parallel with the company expanding significantly. In 2012 the Group achieved an operating profit of NOK 123 million, after deducting the NOK 6.6 million that was allocated to our employees through our profit-share scheme, and after significant investments in projects that will enable Multiconsult to continue developing in the future. The profit margin in 2012 was slightly higher than in 2011, and around the same level as in previous years. We maintained a strong liquidity position throughout the year.

For certain disciplines, and in certain regions, the market was challenging. This meant that in some areas the company's capacity utilisation was too low. The company also had significant impairment charges relating to a few projects.

Report on the annual financial statements

The company is a going concern, and the 2012 financial statements have been prepared on that basis. The Board bases its view on the company's budgets and long-term, strategic forecasts for the coming years.

In 2012, the Group's gross operating revenue totalled NOK 1,850 million, an increase of NOK 111 million over 2011. Operating profit was NOK 123 million, compared with NOK 104 million in 2011. Net financial items totalled NOK 10.6 million. The Group's tax expense was NOK 39.1 million. Profit after tax for the year was thus NOK 94.6 million.

In 2012, the parent company's gross operating revenue totalled NOK 1,833 million, an increase of NOK 203 million over 2011. Operating profit was NOK 122 million, compared with NOK 103 million in 2011. Net financial items totalled NOK 8.6 million. The parent company's tax expense was NOK 38.5 million. Profit after tax for the year was thus NOK 91.8 million.

The Group did not have significant unrealised gains or losses associated with securities or other balance sheet items that are not shown on the financial statements.

The Group had NOK 410 million of equity, giving it an equity ratio of 42.2%. The rest of the Group's total capital was made up of


Gørild Thuen Jensen


Kari Sveva Dowsett


Hans Ole Haugen


Ingelise Arntsen

current liabilities (52.8%) and provisions for liabilities and charges (5.0%). The Group enjoys a strong liquidity position, and has no borrowing requirements. The financial investments of the Group are relatively low-risk.

The parent company and Group generated positive cash flow from operating activities. Over the year, the company made significant investments.

Apart from the matters covered by the financial statements, the Board is not aware of any events that took place in 2012, or after the end of the financial year, that are of material significance to an assessment of the financial statements. The Board believes that the annual financial statements provide an accurate picture of the assets, liabilities, financial position and financial results of Multiconsult AS and the Group.

Financial risk

Most of the company's long-term financial assets are pension plan assets, whilst the short-term assets are mainly bank deposits. The company's interest rate risk mainly relates to the pension plan assets. The company is exposed to currency risk through ongoing international projects, which have fees fixed in foreign currencies. The currency risk is considered moderate, but not sufficient to affect any valuation of the company.

Accounts receivable and work in progress total approx. 42% of the company's assets. The company has established procedures for assessing the creditworthiness of customers, and the potential need for bank guarantees or other risk-mitigating measures.

Operating cash flow was positive. It is important for the company to be able to finance future growth through its own financial resources. At 31 December 2012, the company had no long-term debt.

The company's financial risk is considered moderate.

Future prospects

In 2012, sales were affected by increasing international competition. The company entered 2013 with an order book that was 11% lower than at the start of 2012. Although the market is improving, we are conscious that there is also a great deal of uncertainty about the future.

There are some promising signs for 2013, but there is uncertainty surrounding the state of the global economy. The company's strategy has been to build up a diversified business, and this has proved successful as a way of protecting it against market downturns in individual sectors.

Multiconsult will continue to focus on achieving strong profitability, and we want to combine that goal with the long-term development of the company.

The Board believes that the company is in a good position to deal with whatever challenges the future holds.

Appropriation of profit for the year

The Board proposes that the parent company's profit for the year of NOK 91,782,327 be allocated as follows:

Transferred to other reserves: NOK 56,366,157

Dividends: NOK 35,416,170

After the above appropriations, the company's distributable reserves, i.e. the portion of its equity that can legally be distributed through dividends, total NOK 312 million.

Final thoughts

We are highly competitive, and are in a good position to serve the market that we operate in.

Our employees work very hard to ensure that Multiconsult is successful. The Board would like to thank the company's employees and managers for all of the hard work that they put in to ensure that Multiconsult achieves the goals that it has set for itself.

Skøyen, 18 March 2013

Steinar Mejlænder-Larsen
Chair of the Board

Siv Axelsson

Jarle Roth

Espen Robertsen

Ingelise Arntsen

Hans Ole Haugen

Kari Sveva Dowsett

Gørild T. Jensen

Christian Nørgaard Madsen
Chief Executive Officer

Environmental reporting

Multiconsult aims to develop a culture of environmental awareness amongst all of its employees, through its management of the company and implementation of projects. In 2007, in order to improve our understanding of the challenges and opportunities involved in reducing Multiconsult's impacts on resources, the environment and the climate, the company decided to prepare its first set of environmental accounts. Our Tromsø office was certified under the Eco-Lighthouse scheme as long ago as 2005, and the Drammen and Oslo offices followed in 2011. In 2013, Multiconsult aims to certify its remaining offices under the Eco-Lighthouse model for corporate groups. This follows naturally from the company's strategy for the period leading up to 2017.

The quality of environmental reporting, and of the of data collected, have gradually improved since 2007, when most of the environmental impacts of our business were under-reported. Due to the inaccuracy of the data, and adjustments to indicators, we have not yet set specific environmental targets. However, we are working continuously to improve the data that we collect, and in conjunction with the Eco-Lighthouse certification we prepare annual plans setting out specific measures that need to be implemented in order to reduce the environmental impacts of our business.

Figures show that the environmental indicators have been relatively stable in recent years. Changes in energy consumption can be explained by variations in ambient temperatures from one year to another. The figures suggest that the fuel consumption of machinery has increased in recent years. This is partly due to an increase in our volume of business, but it is also because we have improved the allocation of fuel consumption between pool cars and machinery in recent years. The volume of waste rose significantly in 2012, largely due to the moving process at the Oslo office.

The following environmental parameters are included in Multiconsult's environmental reporting

Energy

The energy consumption of buildings is based on electricity consumption and district heating at the company's offices.

Transport and machinery

Business travel by car includes use of a private car, company car or hire car for business purposes. Flights includes the number of return flights reported by the company travel agency, and is calculated using average flight distances for domestic flights in Norway, short-haul flights (Europe) and long-haul flights. The fuel consumption of machinery includes fuel used by drilling rigs, HGVs and boats.

Purchasing and office supply consumption

Paper consumption is based on use of A3 and A4 sheets, as well as graph paper.

Waste

Waste from our office activities is sorted into waste for recycling, general waste, hazardous waste and electronic waste.

Emissions to air

CO_2 emissions are calculated as the sum of CO_2 equivalents from the energy consumption of buildings (electricity and district heating), and from operational activities, including transport (such as business travel by car and flights) and the use of drilling machinery and equipment.

2012 Environmental Report

Environmental indicator	Unit[1]	2010	2011	2012
Energy				
Area efficiency[2]	m^2/full-time equivalent employee	36	36	34
Energy consumption of buildings	kWh/full-time equivalent employee	5576	4890	5016
Energy consumption of buildings	kWh/m^2	156	136	145
Transport				
Business travel by car	km/full-time equivalent employee	2611	2685	1949
Domestic flights	number/full-time equivalent employee	3,0	3,0	3,4
International flights	number/full-time equivalent employee	0,5	0,5	0,4
Fuel consumption of machinery[2]	litres/full-time equivalent employee	57	77	83
Purchasing and office supply consumption				
Total paper consumption	kg/full-time equivalent employee	33	31	32
Waste[3]				
Total waste	kg/full-time equivalent employee	128	114	165
Non-recycled waste	%	55 %	52 %	53 %
Recycled waste	%	43 %	44 %	45 %
Emissions to air				
CO_2-emissions	tonnes of CO_2/full-time equivalent employee	1,66	1,73	1,56

1 Staff and offices that were formerly part of Barlindhaug Consult have not been included in the environmental accounts for 2012.
2 Office premises that we started using during 2012 have not been included in the 2012 environmental accounts.
3 Several offices use estimated figures for waste. Real figures for waste have been used for the biggest offices, such as Oslo, Bergen and Trondheim.

Profit and loss account 2012

Figures in thousands of NOK

PARENT COMPANY					GROUP	
2011	2012	Note		Note	2012	2011
			OPERATING REVENUE AND EXPENSES			
1 629 860	1 832 597	3, 4	Gross operating revenue	3, 4	1 850 271	1 739 457
-254 510	-242 944		Cost of sub-consultants/fees passed on to clients		-240 113	-268 931
1 375 350	1 589 653	3, 4	Net operating revenue	3, 4	1 610 158	1 470 526
1 021 385	1 163 507	5, 13	Wages, salaries, etc.	5, 13	1 178 813	1 092 161
34 702	40 591	6, 7	Depreciation and impairment losses	6, 7	41 346	42 883
216 130	263 834	5, 7, 17	Other operating expenses	5, 7, 17	266 976	231 794
1 272 217	1 467 931		Total operating expenses		1 487 135	1 366 838
103 133	121 722		Operating profit/loss		123 023	103 688
			FINANCE INCOME AND COSTS			
-1 400	-		Profit/loss on investments in associates and jointly controlled entities	9	2 068	-646
9 702	9 206	20	Finance income	20	9 150	10 412
1 129	605	20	Finance costs	20	610	1 360
7 173	8 601		Net finance income		10 608	8 406
110 306	130 323		Profit before taxation		133 631	112 094
32 486	38 541	14	Tax on profit for the year	14	39 060	33 654
77 820	91 782		Profit for the year		94 571	78 440
			TRANSFERS			
46 339	56 366		Transferred to/from other reserves		59 155	46 959
31 481	35 416		Dividends		35 416	31 481
77 820	91 782		Total transfers		94 571	78 440

Balance Sheet at 31 December 2012

Figures in thousands of NOK

PARENT COMPANY					GROUP	
2011	2012	Note	Assets	Note	2012	2011
			FIXED ASSETS			
			Intangible assets			
8 144	6 945	6	Software	6	6 961	8 144
16 811	50 401	6	Goodwill	6	52 801	61 486
24 955	57 346		Total intangible assets		59 762	69 630
			Property, plant and equipment			
2 051	2 013	7	Sites, buildings and other real property	7	2 013	2 051
56 362	60 680	7	Fixtures, fittings, plant, etc.	7	61 094	60 202
58 413	62 693		Total tangible assets		63 107	62 253
			Financial assets			
60 496	9 216	2, 8	Investments in subsidiaries	2, 8	3 938	2
39 818	39 818	9	Investment in joint ventures and associates	9	39 200	37 132
36	639		Investments in shares and ownership interests		639	324
111 447	115 923	10,13	Other receivables and pension plan assets	10,13	115 923	111 447
211 797	165 596		Total financial assets		159 700	148 905
295 165	285 635		Total fixed assets		282 569	280 788
			CURRENT ASSETS			
			Receivables			
316 683	402 436	4, 9,18	Accounts receivable	4, 9,18	406 202	342 280
16 889	17 929	9	Other receivables	9	16 571	17 006
333 572	420 365		Total receivables		422 773	359 286
248 589	260 119	19	Cash and cash equivalents	19	266 509	264 643
582 161	680 484		Total current assets		689 282	623 929
877 326	966 119		TOTAL ASSETS		971 851	904 717

PARENT COMPANY					GROUP	
2011	2012	Note	EQUITY AND LIABILITIES	Note	2012	2011
			EQUITY			
			Paid-in capita			
13 125	13 125	11	Share capital	11	13 125	13 125
-8	-8	11	Treasury shares	11	-8	-8
13 320	13 320		Share premium account		13 320	13 320
26 437	26 437		Total paid-in capital		26 437	26 437
			Retained earnings			
325 752	382 192		Other reserves		383 131	323 978
325 752	382 192		Total retained earnings		383 131	323 978
352 189	408 629	12	Total equity	12	409 568	350 415
			LIABILITIES			
			Provisions for commitments			
17 973	14 361	13	Pension liabilities	13	14 947	18 110
15 851	8 373	14	Deferred tax	14	8 204	13 090
25 087	24 650	15	Other provisions for liabilities and charges	15	25 725	25 087
58 911	47 385		Total provisions for liabilities and charges		48 877	56 287
			Non-current liabilities			
25 000	-		Liabilities to financial institutions		-	25 000
25 000	-		Total non-current liabilities		-	25 000
			Current liabilities			
57 686	66 617	9	Accounts payable	9	67 738	60 967
43 612	43 680	14	Tax payable	14	43 961	44 562
131 336	145 114		Social security contributions, VAT and duties payable		147 553	140 820
31 494	35 416		Dividends		35 416	31 494
177 098	219 278	4, 9	Other current liabilities	4, 9	218 738	195 172
441 226	510 105		Total current liabilities		513 406	473 015
525 137	557 490		Total liabilities		562 283	554 302
877 326	966 119		TOTAL LIABILITIES AND EQUITY		971 851	904 717

Skøyen, 18 March 2013

Steinar Mejlænder-Larsen
Chair of the Board

Ingelise Arntsen

Siv Axelsson

Espen Robertsen

Kari Sveva Dowsett

Hans Ole Haugen

Christian Nørgaard Madsen
Chief Executive Officer

Jarle Roth

Gørild Thuen Jensen

Notes to the 2012 financial statements

Figures in thousands of NOK

Note 1 Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998. The accounting policies are described below.

Consolidated financial statements
The consolidated financial statements include Multiconsult AS and all subsidiaries in which Multiconsult has a direct or indirect ownership interest of more than 50%. All significant intra-group transactions and balances have been eliminated. Uniform accounting policies have been used in the financial statements of all of the Group's companies.

Shares in subsidiaries have been eliminated in the consolidated financial statements using the acquisition method. This means that the assets and liabilities of acquisitions are measured at fair value on the transaction date, and any difference between the purchase price and the value of the net assets is classified as goodwill, which is amortised over its useful life.

Investments in jointly controlled entities and associates where the Group has an ownership interest of between 20% and 50% and exercises significant influence are accounted for using the equity method. The difference between the cost of the shares and the value of the Group's share of equity is initially attributed to the company's tangible assets and any excess is classified as goodwill.

Ordinary operating revenue
Operating revenue is stated net of sub-consultants' expenses and fees that are invoiced on to the client by Multiconsult, provided that Multiconsult's profit on the operation is negligible.

Revenue is recognised when it accrues, in other words when entitlement to payment arises. This occurs when the service is provided, over the course of the work being performed. Revenue is recognised at the value of the payment on the transaction date.

Expenses
As a general rule, expenses are recognised in the same period as the related revenue. Where an expense is not clearly linked to a specific stream of revenue, best judgement is used to allocate the expense. Other deviations from the matching principle are specified where relevant.

General principles for the measurement and classification of assets and liabilities
Assets intended for long-term ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables that are due for payment within a year are classified as current assets. Equivalent criteria have been used for classifying current and non-current liabilities.

Non-current assets are valued at cost, but are written down to fair value in the event of an other-than-temporary impairment. Non-current assets with a limited useful life are depreciated according to a schedule. Non-current loans are carried at their nominal value on the initial date.

Current assets are valued as the lower of the acquisition cost and their fair value. Current liabilities are carried at their nominal value on the initial date.
Certain items have been measured using different principles, as set out below.

Use of estimates
The preparation of the financial statements in accordance with generally accepted accounting principles requires the company's senior management to make certain estimates and assumptions that affect the value of assets and liabilities on the balance sheet and reported revenue and expenses in the profit and loss account. Actual values may deviate from those estimates.

Foreign currency
Foreign currency items are translated at the exchange rate on the balance sheet date. Discrepancies arising from exchange rate fluctuations are recognised under financial items.

Intangible assets
Expenses involved in generating intangible assets, including the cost of research and development, are capitalised if it is probable that the future economic benefits associated with the assets will flow to the company, and if their cost can be measured reliably. Intangible assets that have been bought individually are carried at cost. Intangible assets that have been obtained through an acquisition are carried at cost if they are eligible for capitalisation. Intangible assets with a limited useful life are depreciated according to a schedule. Intangible assets are written down to their recoverable amount if the expected economic benefits do not justify the carrying amount, taking into account any remaining production costs.

Government grants
Operating grants are recognised in the same period as the revenue they are designed to supplement or the expense they are designed to help cover.

Parent company's shares in subsidiaries
Shares in subsidiaries are carried at cost in the parent company's accounts. Investments are written down to fair value in the event of other-than-temporary impairment. Dividends from subsidiaries are recognised as financial income. Dividends from subsidiaries in excess of the subsidiary's retained earnings over the period of ownership are considered repayment of the purchase price, and are recognised as a reduction in the cost of the shares.

Investments in jointly controlled entities and associates
In the parent company's accounts, investments in jointly controlled entities and associates are measured using the historical cost method. Investments are written down to fair value in the event of other-than-temporary impairment and when necessary under generally accepted accounting principles. Dividends received are recognised as financial income.

Marketable financial instruments and securities
Financial instruments that form part of the trading portfolio are measured at fair value on the balance sheet date. Other securities are measured at the lower of average cost and fair value on the balance sheet date. Valuation gains and losses are reported under financial income and expenses.

Fixed-price contracts
Work on long-term, fixed-price manufacturing contracts is measured using accrual accounting. The percentage-of-

completion is calculated by estimating the percentage of the expected total cost that has been accrued. The total cost is continuously reviewed. For projects that are expected to result in a loss, the whole estimated loss is recognised immediately. Time-based contracts where the company is not responsible for financial results are recognised in the period when the work is done.

Receivables
Accounts receivable and other receivables are shown at the nominal value after provision for anticipated bad debts.

Cash and cash equivalents
Cash and cash equivalents includes cash, bank deposits and other assets with due dates less than three months after their acquisition.

Guarantees, servicing and complaints
Accrued liabilities associated with completed projects are measured at the estimated cost of the work, or at the net cost if the company is insured against losses. Estimates are based on the actual circumstances in each individual case. These liabilities are recognised under other provisions for liabilities and charges and are expensed when it is probable that a loss will be incurred.

Pensions
Pension liabilities (for funded pension plans) are measured at the present value of the future pension benefits accrued on the balance sheet date. A linear accumulation model and anticipated final salary are used as the basis for recognising pensions in the accounts. Pension plan assets are measured at market value on the balance sheet date. Net pension liabilities (pension liabilities less pension plan assets) are classified as a non-current liability. The surplus of overfunded pension plans is classified as a non-current receivable.

The net pension expense for the period (gross pension expense less estimated return on pension plan assets) is included under Wages, salaries, etc. The gross pension expense is the present value of pension benefits accrued over the accounting period and the interest expense on pension liabilities. Changes to pension plans are spread over the remaining contribution period. The matching principle is used for the purposes of expensing defined contribution plans. Employer's NICs are included in the figures.

Taxation
The tax expense is based on the taxable pre-tax profit. Tax arising from equity transactions is recognised in equity.

Tax consists of tax payable and net changes in deferred tax. The proportion of the tax expense attributed to profit on ordinary activities and to exceptional items reflects the taxable profit in each category. Deferred tax and deferred tax assets are shown net on the balance sheet.

Cash flow statement
The cash flow statement has been prepared using the indirect method. Liquid assets includes cash, postal giros and bank deposits.

Note 2 Creation of a corporate group

On 1 January 2012, Multiconsult acquired all of the outstanding shares in Prosjekt Sørvis AS.

As of 1 January 2012, the wholly-owned subsidiary Barlindhaug Consult was absorbed by Multiconsult AS. The merger used the pooling of interest method for accounting purposes.

In December 2012, Norplan Hydropower Ltd. was established as a wholly-owned subsidiary, with its business office in Ashford (UK). The company will only be included in the consolidated financial statements from 2013 onwards, as its activities in 2012 were an insignificant part of the Group's business.

In 2009 the wholly-owned subsidiary Multiconsult RUS LLC was set up with its registered office in St. Petersburg.
The level of business and financial position of Multiconsult RUS LLC is negligible, and it is not included in the consolidated financial statements.

Note 3 Ordinary operating revenue

	PARENT COMPANY		CONSOLIDATED	
	2012	2011	2012	2011
Business area:				
Consulting engineering and architecture	1 576 424	1 369 083	1 596 930	1 464 260
Rent and other income	13 228	6 266	13 228	6 266
Total net operating revenue	1 589 653	1 375 350	1 610 158	1 470 526
By geographical market:				
Norway	1 484 998	1 246 236	1 505 504	1 341 413
International	104 654	129 113	104 654	129 113
Total net operating revenue	1 589 653	1 375 350	1 610 158	1 470 526
Gross operating revenue	1 832 597	1 629 860	1 850 271	1 739 457

Gross op. rev. includes sub-consultants working as contractors, etc.

Note 4 Fixed-price contracts

	PARENT COMPANY 2012	PARENT COMPANY 2011	CONSOLIDATED 2012	CONSOLIDATED 2011
Revenue recognised for ongoing fixed-price projects	222 178	260 258	222 178	260 258
Costs linked to accrued revenue	-175 996	-201 978	-175 996	-201 978
Net recognised profit/loss on ongoing fixed-price projects	46 182	58 280	46 182	58 280
Accrued revenue, including accounts receivable	109 270	84 838	109 940	85 941
Deferred revenue, included under other current liabilities	68 749	49 785	68 749	56 616

Note 5 Staff costs, number of employees, remuneration, loans to employees, etc.

	PARENT COMPANY 2012	PARENT COMPANY 2011	CONSOLIDATED 2012	CONSOLIDATED 2011
Wages, salaries, etc.				
Wages and salaries	901 611	768 666	913 177	830 029
Employer's NICs	112 917	106 732	114 567	111 517
Pension expense (see note 13)	95 457	98 967	96 843	101 641
Other benefits	53 522	47 020	54 226	48 974
Total	1 163 507	1 021 385	1 178 813	1 092 161
Number of full-time equivalents	1 296	1 177	1 312	1 273

Remuneration of key management personnel	CEO	Board
CEO's salary for period 01/01/2012-31/05/2012	1 190	803
Pension expenses	43	
Other remuneration	59	
CEO's salary for period 01/06/2012-31/08/2012	316	
Pension expenses	39	
Other remuneration	0	
CEO's salary for period 01/09/2012-31/12/2012	917	
Pension expenses	30	
Other remuneration	57	

Like all of the other employees, the CEO benefits from the company's profit-sharing scheme. The CEO has an option to buy 1,500 shares in the company at a 30% discount to the price on the date he took up the position. The option can be exercised until 31 December 2014, after which it expires.
No other subscription rights, options or equivalent rights have been issued entitling employees or officers to subscribe to, buy or sell shares in the company.

Loans and guarantees of obligations for employees and shareholders	PARENT COMPANY		CONSOLIDATED	
Loans and guarantees of obligations for:	Loans	Guarantees of obligations	Loans	Guarantees of obligations
Employees, shareholders and Board members	12	-	12	-
Chief Executive Officer	-	-	-	-

Auditor	PARENT COMPANY		CONSOLIDATED	
Fees paid to Deloitte AS and collaborating companies:	Deloitte	Others	Deloitte	Others
Statutory audit	843	-	876	17
Tax advice	382	-	382	-
Other certification services	48	-	48	-
Other consultancy	2 815	-	2 831	-

All of the above figures are stated excl. VAT.
Other consultancy includes services in relation to establishing and enforcing our anti-corruption programme, IT security and financial due diligence.

Note 6 Intangible assets

	PARENT COMPANY		CONSOLIDATED	
	Software	Goodwill	Software	Goodwill
Cost at 1 Jan.	30 887	79 373	30 911	129 012
Acquisitions	4 063	44 675	4 063	47 675
Disposals	-	-	-	49 639
Cost at 31 Dec.	34 950	124 048	34 974	127 048
Accumulated depreciation at 31 Dec.	28 005	73 647	28 005	74 247
Net accumulated impairment losses at 31 Dec.	-	-	8	-
Accumulated depreciation and impairment losses at at 31 Dec.	28 005	73 647	28 013	74 247
Carrying amount at 31 Dec.	6 945	50 401	6 961	52 801
Depreciation for the year	5 262	11 085	5 270	11 685
Impairment losses for the year	-	-	-	-
Useful life	3 years	5 -10 years	3 years	5 -10 years
Depreciation schedule	Linear	Linear	Linear	Linear

Goodwill arising from the acquisition of Barlindhaug Consult AS will be amortised over 10 years, given the size and market position of the company.

Goodwill allocated by acquisition:	Year of acquisition
Kompas AS	2009
Industriplan AS	2010
Stensrud AS	2010
Hydpro AS	2011

Goodwill allocated by acquisition:	Year of acquisition
Barlindhaug Consult AS	2011
Multiconsult Voss AS	2012

Note 7 Property, plant and equipment

	PARENT COMPANY		CONSOLIDATED	
	Buildings and other real property	Machinery, plant, fixtures and fittings	Buildings and other real property	Machinery, plant, fixtures and fittings
Cost at 1 Jan.	5 582	221 686	5 582	221 984
Property, plant and equipment acquired	67	28 627	67	29 063
Disposals	-	170	-	170
Cost at 31 Dec.	5 649	250 143	5 649	250 877
Accumulated depreciation at 31 Dec.	3 635	189 185	3 635	189 504
Net acc./rev. impairment losses at 31 Dec.	-	279	-	279
Accumulated depreciation and impairment losses at 31 Dec.	3 635	189 464	3 635	189 783
Carrying amount at 31 Dec.	2 013	60 680	2 013	61 094
Depreciation for the year	104	24 140	104	24 287
Useful life	10 - 50 years	3 - 8 years	10 - 50 years	3 - 8 years
Depreciation schedule	Linear	Linear	Linear	Linear

		PARENT COMPANY		CONSOLIDATED	
Description	Location	Lease agreement expires	Annual lease payments	Lease agreement expires	Annual lease payments
Offices	Head office, Oslo	2018	37 131	2018	38 171
Offices	Regional offices	2013-2022	41 984	2013-2022	41 984
Lease of other property, plant and equipment			3 156		3 156
Total annual rent for offices and other property, plant and equipment:			82 270		83 310

Note 8 Subsidiaries

	Registered office	Share of votes/ shareholding	Profit/loss for 2012	Equity at 31/12/2012
Multiconsult Voss AS	Voss, Norway	100 %	525	1 948
Analyse & Strategi AS	Oslo, Norway	100 %	796	2 489

Note 9 Jointly controlled entities and associates

Company	Classifi-cation	Date of acquisition	Registered office	Share of votes	Shareholding
LINK arkitektur AS	Associate	01.06.2008	Oslo	33,4 %	32,0 %
Norplan AS	Jointly controlled entity	01.01.2003	Oslo	50,0 %	50,0 %

Company values	Equity at 31/12/2012	Profit/loss for 2012
LINK arkitektur AS	40 974	16 609
Norplan AS	3 842	317

Ownership interests accounted for using the equity method	Norplan AS	LINK arkitektur AS	Total
Opening balance 1 Jan.	1 763	35 369	37 132
Investments during the year			
- of which unimpaired goodwill	-	23 838	23 838
Share of profit for the year	159	5 315	5 474
Goodwill impairment charge	-	-3 405	-3 405
Total profit/loss on investments	159	1 909	2 067
Closing balance 31 Dec.	1 922	37 278	39 200

	Accounts receivable		Other receivables	
Intra-group balances	2012	2011	2012	2011
Norplan AS	549	304	-	35
Analyse & Strategi AS	2 136	78	1 626	1 616
LINK arkitektur AS	2 712	1 587	-	-
Barlindhaug Consult AS	-	742	-	-
Multiconsult Voss AS	32	-	-	-
Norplan Hydropower Ltd.	-	-	740	-
TOTAL	5 430	2 711	2 365	1 651

	Accounts receivable		Other receivables	
Intra-group balances	2012	2011	2012	2011
Norplan AS	93	677	-	
Analyse & Strategi AS	383	447	1 469	-
LINK arkitektur AS	3 308	5 085	-	-
Barlindhaug Consult AS	-	798	-	-
Multiconsult Voss AS	742	-	-	-
TOTAL	4 527	7 007	1 469	-

All transactions with related parties take place on a commercial basis.
During the 2012 financial year, Multiconsult bought architectural services from LINK arkitektur AS worth approximately NOK 27 million.
There were no other significant transactions with related parties.

Note 10 Receivables falling due after more than one year

	PARENT COMPANY		CONSOLIDATED	
	2012	2011	2012	2011
Pension funds	115 993	111 447	115 993	111 447
Other non-current receivables	-70	-	-70	-
TOTAL	115 923	111 447	115 923	111 447

Note 11 Share capital and shareholder information

Share capital of parent company at 31/12/2012:

	Number of shares	Par value	Tot. share cap.
Shares	2 624 920	NOK 5	13 125

There is only one class of shares in the parent company.
The negotiability of the shares is limited, in that they can only be sold or transferred to employees at Multiconsult companies and to the Multiconsult Foundation.
When shares are transferred, the Multiconsult Foundation has pre-emptive rights at the price that a genuine buyer is willing to pay.

Ownership structure

At 31/12/2012, the biggest shareholders in the company were:

	No. of shares	Share-holding	Share of voting rights
WSP Europe AB	649 061	24,7 %	24,7 %
The Multiconsult Foundation	469 759	17,9 %	17,9 %
Brian Glover	52 059	2,0 %	2,0 %
Jan Reidar H. Lindemark	52 059	2,0 %	2,0 %
Ivar Eng	32 856	1,3 %	1,3 %
Harald Strand	31 586	1,2 %	1,2 %
Kjell E. Larsen	31 000	1,2 %	1,2 %
Johan H. Bertnes	28 802	1,1 %	1,1 %
Trond Dahle	27 969	1,1 %	1,1 %
Finn Rasmussen	25 770	1,0 %	1,0 %
Total for shareholders owning > 1 %	1 400 921	53,4 %	53,4 %
Total for other shareholders	1 223 999	46,6 %	46,6 %
Total number of shares	2 624 920	100,0 %	100,0 %

At the close of 2012, the company held 1,500 of its own shares. The average price that it had paid for the shares was NOK 70.

Shares owned by Board members and CEO:

Name	Position	No. of shares
Hans Ole Haugen	Board member	10 240
Kari Sveva Dowsett	Board member	200
Kjetil Moen	Deputy board member	3 340
Christian Nørgaard Madsen	CEO	2 800

Note 12 Equity

	PARENT COMPANY				CONSOLIDATED			
	Share capital	Treasury shares	Share premium account	Other equityl	Share capital	Treasury shares	Share premium account	Other equity
Equity at 1 January	13 125	-8	13 320	325 752	13 125	-8	13 320	323 978
Change in equity for the year								
Dividends				-35 416				-35 416
Merger difference				74				
Profit for the year				91 782				94 571
Equity at 31 December	13 125	-8	13 320	382 192	13 125	-8	13 320	383 131

Note 13 Pension expense, pension plan assets and pension liabilities

The company has set up pension plans that meet the statutory requirements. Multiconsult AS has two occupational pension plans: one defined contribution plan, and one defined benefit plan. Insurance benefits are the same under both plans.

In 2006 a defined contribution plan was introduced for all new employees hired on or after 1 July 2006, and 1,062 employees and 7 pensioners were members of the plan at the close of 2012. In 2012, the cost of contributions to the retirement pension provided by the defined contribution plan was NOK 33.166 million including employer's NICs. The cost of the premiums for the insurance benefits and paid-up policy provided by the defined contribution plan are included in the table below.

At 31 December 2012, 377 current employees and 162 pensioners were members of the defined benefit plan. The plan entitles members to defined future benefits. These benefits are mainly dependent on number of years of contributions, salary level on reaching retirement age and the level of benefits from the National Insurance Scheme.

The company also pays pension benefits to one pensioner out of operating expenses. The company also has an agreement with one current employee to provide pension benefits until the age of 67 should he choose to take retirement or partial retirement before reaching the age of 67. Those benefits and the abovementioned benefits paid out of operating expenses are unfunded, but the cost of the liabilities is included in the following table.

	PARENT COMPANY		CONSOLIDATED	
	2012	2011	2012	2011
Present value of benefits earned in the period	54 646	53 419	55 162	53 708
Interest expenses on the pension liability	29 767	28 469	29 806	28 487
Return on pension plan assets	-33 509	-28 718	-33 534	-28 733
Amortisation of changes in obligations arising from changes to pension plans	668	668	668	668
Amortisation of actuarial losses	3 805	13 705	3 816	13 709
Net pension expense excl. employer's NICs	55 377	67 543	55 918	67 840
Employer's national insurance contributions accrued	6 914	7 375	6 990	7 417
Net pension expense incl. employer's NICs, but excl. pension contributions within defined contribution plan	62 291	74 918	62 908	75 257

	PARENT COMPANY 2012		PARENT COMPANY 2011	
	Defined benefit plan	Def. cont. plan/ unfunded pensions	Defined benefit plan	Def. cont. plan/ unfunded pensions
Estimated pension liabilities	-688 681	-97 822	-702 788	-69 804
Pension plan assets (at market value)	701 600	48 720	641 859	33 985
Actuarial gains/losses not recognised through profit or loss	110 928	33 092	179 267	15 724
Changes to pension plans not recognised through profit or loss	6 015	-	6 683	-
Employer's national insurance contributions accrued	-13 869	1 649	-13 574	2 122
Net pension liabilities incl. employer's NICs	115 993	-14 361	111 447	-17 973
Of which unfunded pension liabilities	-	-3 300	-	-8 294

	CONSOLIDATED 2012		CONSOLIDATED 2011	
	Defined benefit plan	Def. cont. plan/ unfunded pensions	Defined benefit plan	Def. cont. plan/ unfunded pensions
Estimated pension liabilities	-688 681	-98 815	-702 788	-70 725
Pension plan assets (at market value)	701 600	49 371	641 859	34 423
Actuarial gains/losses not recognised through profit or loss	110 928	33 092	179 267	15 724
Changes to pension plans not recognised through profit or loss	6 015	-244	6 683	345
Employer's national insurance contributions accrued	-13 869	1 649	-13 574	2 122
Net pension liabilities incl. employer's NICs	115 993	-14 947	111 447	-18 110
Of which unfunded pension liabilities	-	-3 300	-	-8 294

Actuarial assumptions used in the above calculations:

	2012	2011
Expected return on pension funds	3,60 %	4,80 %
Discount rates	4,20 %	3,90 %
Expected salary increases	4,00 %	4,00 %
Expected annual adjustment of basic pension	3,75 %	3,75 %
Expected pension increases	0,70 %	0,70 %

Demographic assumptions have been taken from disability table KU and mortality table K2005.

Note 14 Tax expense

	PARENT COMPANY		CONSOLIDATED	
The tax expense for the year comprises the following:	2012	2011	2012	2011
Tax payable	43 664	40 163	43 945	41 113
Tax effect of group contribution	1 469	-	-	-
Adjustments to tax payable for previous years	-	175	-	175
Adjustments to tax payable for previous years	-6 591	-7 852	-4 884	-7 633
Tax on profit for the year	38 541	32 486	39 060	33 654

	PARENT COMPANY		CONSOLIDATED	
Reconciliation of nominal and actual tax rates:	2012	2011	2012	2011
Profit before taxation	130 323	110 307	133 632	112 094
Expected income tax payable based on nominal tax rate (28%)	36 491	30 886	37 417	31 386
Tax effect of the following items:				
Non-tax-deductible costs	528	410	533	456
Non-taxable income	-	-9	-	-751
Share of profit from associates	-	-	-579	181
Revaluation of shares	-	392	-	392
Dividends	-447	-1 157	-447	-1 198
Other items	1 969	1 965	2 137	3 189
Tax expense	38 541	32 486	39 060	33 654
Effective tax rate	29,6 %	29,5 %	29,2 %	30,0 %

Breakdown of tax effect of temporary differences:	PARENT COMPANY 2012	2011	CONSOLIDATED 2012	2011
Fixed assets	3 004	724	3 009	1 874
Current assets	2 308	1 202	2 309	1 427
Liabilities and obligations	-13 686	-17 776	-13 522	-18 228
Loss carryforwardsLoss carryforwards	-	-	-	1 838
Carrying amount of deferred tax assets/tax	-8 373	-15 851	-8 204	-13 090

Deferred tax assets have been recognised on the assumption of future profits.

Reconciliation of deferred tax on the balance sheet	PARENT COMPANY 2012	2011	CONSOLIDATED 2012	2011
Deferred tax at 1 Jan.	-15 851	-21 453	-17 407	-21 906
Change in deferred tax	6 591	7 852	4 884	7 633
Deferred tax arising from mergers and acquisitions	885	-2 249	4 319	1 184
Carrying amount of deferred tax (net) at 31 Dec.	-8 373	-15 851	-8 204	-13 090

Reconciliation of tax payable on the balance sheet	PARENT COMPANY 2012	2011	CONSOLIDATED 2012	2011
Expensed tax payable	-45 132	-40 163	-45 413	-41 113
Tax on group contributions paid	1 469	-	1 469	-
Other tax provisions	-516	-3 449	-516	-3 449
SkatteFunn scheme	500	-	500	-
Carrying amount of tax payable	-43 680	-43 612	-43 961	-44 562

Note 15 Other provisions for liabilities and charges

	PARENT COMPANY AND CONSOLIDATED
Provisions for project liability at 31/12/2011	25 087
Writeback of provisions made in 2011, resolved	-4 690
Paid out in 2012	-10 597
New provisions in 2012	14 850
Provisions for project liability at 31/12/2012	24 650

The Multiconsult Group completes a significant number of projects over the course of a year. Normally the company signs an agreement with the client limiting its liability. During the course of projects, shortcomings in the company's services or damage as a result of its work may be uncovered, resulting in compensation claims being made against the Group. When it is overwhelmingly likely that a compensation claim will lead to Multiconsult having to pay compensation, the amount is estimated and an accounting provision is made. Several years can pass between a claim being made and compensation being paid.

The amount of compensation payable can vary significantly. The provision made is calculated on the basis of the estimated cost including legal fees, excesses on insurance policies, compensation and interest. When it is overwhelmingly likely that right of recourse will apply, this is taken into account in the estimates. When a compensation claim extends into a new year it is reassessed. Provisions are not discounted to present value.

Note 16 Financial market risk

Most of the company's non-current financial assets are pension plan assets, and the majority of the company's interest rate risk is associated with them.

The company is exposed to currency risk through revenue from overseas projects. The risk is associated with supplying engineering services from Norway to other countries. Several ongoing international projects have agreed rates in currencies other than NOK. Changes in the exchange rate between Norwegian kroner and foreign currencies can affect the company's profit and loss account and equity.

As the company has historically suffered few losses from bad debt, the risk of partners and clients being financially unable to fulfil their obligations is considered to be low. The company has a joint credit policy, and external assessments of creditworthiness are obtained for large customers who will have credit with the company.

Liquidity risk is the risk that you will be unable to pay your financial obligations when they are due. To manage liquidity risk, a strategy for liquidity management has been drawn up, which is implemented through liquidity budgets that are continuously reviewed. In order to provide the company with financial flexibility, and thereby limit liquidity risk, a NOK 40 million credit facility has been arranged with the company's bank. The credit facility had not been drawn on at the close of the year.

Note 17 Research and development

The company's business involves providing engineering and architectural consultancy services, and developing new relevant products. The development costs are mainly salaries and other personnel costs. In 2012, NOK 24,000,000 (NOK 24,803,000 in 2011) was expensed in total for research and development, including specialist training and Group events.

In addition, NOK 1,500,000 (400,000 in 2011) was given towards collaborative research projects with total funding of NOK 50,000,000 (4,000,000 in 2011).

Note 18 Guarantees and other sureties

	PARENT COMPAN		CONSOLIDATED	
	2012	2011	2012	2011
Guarantees given to customers	23 194	26 420	23 194	26 420
Guarantees for other obligationsr	27 568	22 904	27 568	22 904
Total guarantees and other sureties	50 762	49 324	50 762	49 324

Note 19 Restricted cash

Of the Group's liquid assets, NOK 50,285,000 constitute cash held in a tax withholding account or restricted cash for projects, of which NOK 49,828,000 (45,428,000 in 2011) related to the parent company.

Note 20 Financial items

PARENT COMPANY			CONSOLIDATED	
2012	2011		2012	2011
		FINANCE INCOME		
77	66	Interest received from Group companies	-	-
7 456	4 632	Other interest income	7 465	5 250
29	745	Other financial income	41	902
1 644	4 260	Dividends	1 644	4 260
9 206	9 702	Dividends	9 150	10 412
		FINANCE COSTS		
128	827	Other interest expenses	133	833
476	302	Other finance costs	477	527
605	1 129	Finance costs	610	1 360
8 601	8 573	Net finance income	8 540	9 052

Cash flow statement

Figures in thousands of NOK

PARENT COMPANY 2011	PARENT COMPANY 2012		GROUP 2012	GROUP 2011
		CASH FLOW FROM OPERATING ACTIVITIES:		
110 307	130 323	Profit before taxation	133 631	112 094
-29 156	-43 096	Tax paid	-43 560	-29 349
34 702	40 591	Ordinary depreciation	41 346	37 918
74 918	62 291	Non-cash pension expense	62 291	74 918
9 737	-437	Change in provisions for liabilities and charges	2 832	9 771
-261	-1 719	Profit/loss on the sale of fixed assets	-1 719	-261
1 400	-	Income from investments in subsidiaries	-	-
-22 755	-62 546	Change in accounts receivable	-65 972	-29 915
-1 204	7 413	Change in accounts payable	9 967	5 188
16 948	41 130	Change in other current assets and other liabilities	39 716	16 196
194 635	173 952	Net cash flow from operating activities	178 532	196 559
167	2 035	Sale of fixed assets	2 035	2 521
-31 240	-28 638	Purchase of prop., plant and equip. and acquisition of intangible assets	-29 074	-34 188
-	-	Repayments on loan to Group	-	8 021
-59 639	-8 962	Purchase of financial assets	-8 962	-59 639
-63 375	-70 450	Investments in financial assets and pensions	-70 450	-63 485
-154 088	-106 014	Net cash flow from investment activities	-106 450	-146 771
-	-25 000	Repayment of current liabilities	-25 000	-11 501
-6 128	74	Cash impact of merger	74	-6 128
-23 611	-31 481	Dividends	-31 481	-23 611
60 000	-	Issue of non-current liabilities	-	60 000
-	-	Shareholder contribution	-	151
-35 000	-	Repayment of non-current liabilities	-	-35 000
-4 739	-56 407	Net cash flow from financing activities	-56 407	-16 090
35 808	11 530	Net change in cash and cash equivalents	15 673	33 699
212 781	248 589	Cash and cash equivalents at 1 Jan.	250 836	230 943
248 589	260 119	Cash and cash equivalents at 31 Dec.	266 509	264 643

Auditor's report

Deloitte.

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Translation from the original Norwegian version

To the Annual Shareholders' Meeting of Multiconsult AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Multiconsult AS, which comprise the financial statements of the parent company, showing a profit of NOK 91.782.000, and the financial statements of the group, showing a profit of NOK 94.571.000. The financial statements of the parent company and the financial statements of the group comprise the balance sheet as at December 31, 2012, and the income statement 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 the Norwegian accounting act and accounting standards and practices generally accepted in Norway, 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 Multiconsult AS and of the group as at
December 31, 2012, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian accounting act and accounting standards and practices generally accepted in Norway.

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.

Oslo, March 18, 2013
Deloitte AS
Aase Aa. Lundgaard
Aase Aa. Lundgaard (signed)
State Authorised Public Accountant (Norway)

[Translation has been made for information purposes only]

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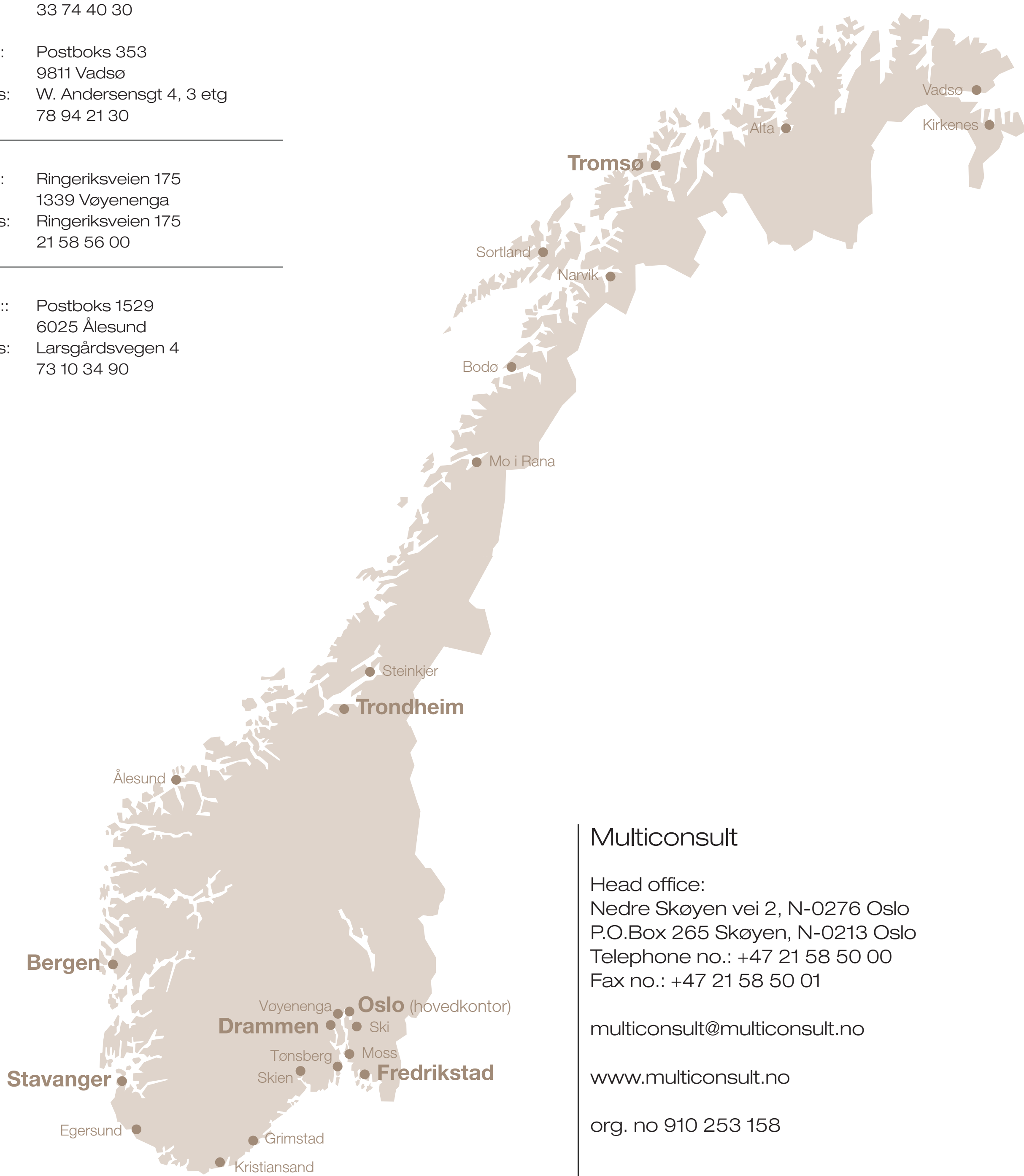

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