Multiconsult

ANNUAL REPORT 2013

CHIEF EXECUTIVE OFFICER CHRISTIAN NØRGAARD MADSEN

«In Norway we will never be the cheapest, but we can be the best. Expertise is therefore vital to our ability to successfully compete in international markets»

Sundvollen Declaration, 7 October 2013

THE SPIRIT OF THIS STATEMENT by the new Norwegian government is perfectly in line with the fact that Norway has a large number of very highly skilled consultants and planners. Thanks to the speed at which our country has developed, and the strong emphasis on education and training, we are a world leader in technology, planning and project management. And we're not actually even most expensive.

Every day our customers put to the test our expertise and ability to combine technical innovation with safe, green and durable solutions. By doing so they stimulate our creativity, helping both society and Multiconsult to develop. We have been working on sustainable solutions since the early 20th century, which means that we have over a century of experience to draw on.

AT THE START OF 2013 we launched our new strategy for the period leading up to 2017. The strategy, which is known as 3-2-1, has been successfully embedded and implemented at the company. The number 3 refers to greater profitability. We shall continuously strive to improve profitability, which involves creating solutions that are efficient for both our customers and Multiconsult. The number 2 represents growth, and our aim of doubling turnover over the period covered by the strategy. This will provide the basis for constant renewal, and will enable us to recruit new highly-skilled members of staff, whether experienced or newly qualified. The number 1 means that we want to occupy first place. In other words, be the very best. We have also set ourselves a target of being the most high-profile consultancy in Norway, and the one with the best reputation. We shall become better at getting media coverage for our highly competent staff and our projects. Visually we made a lot of changes in 2013, by both changing our logo and introducing a new visual identity. We are also on track in terms of improving profitability. In 2013, Multiconsult AS achieved an operating profit of NOK 144.3 million, up 18 percent over the previous year. However, there is still plenty of room for improvement in terms of efficiency and coordination, so we are continuing to increase our efforts in those areas.

In 2013 the Group's turnover rose by 15 percent to a new record high of NOK 2,119 million. The most important driver of this performance was the fact that we have many excellent partners and customers who want our advice and project documentation prepared by us, for a variety of minor and major projects.

THE THOUSANDS of projects that we carried out in 2013 all contributed in their own ways to build up the expertise of both individuals and Multiconsult as a whole, particularly at the interface with customers and partners. Over the past year we took on almost 300 new members of staff within the Group, 260 of whom joined Multiconsult AS. We recruited over 200 people ourselves, while a good 50 people joined us through the acquisitions of three companies: Infratech in Skien, Vest-Consult on the island of Stord and NTE Energiutvikling in Steinkjer/Trondheim. These acquisitions support our new strategy, including our aim of achieving strong growth in the oil, gas and energy sector.

We have already positioned ourselves as a strong number one player in energy. Growth has been driven by big contracts – both at home and overseas – in the fields of new hydropower projects, wind power planning and environmental studies and impact assessments. Together with our strategic partners we are planning and developing the projects that will enable us to continue building up our national wealth in a sustainable way, as well as working on new oil and gas projects.

Norway is planning major investments in transportation and infrastructure, and we have won projects in both the highway and rail segments. These include various small and large road and cycle projects, which are currently progressing well. Meanwhile, with the help of excellent partners we were able to win the new Follo Line contract, which is for one of the biggest and most exciting projects in Norway.

Internationally, 2013 was the first year for our new employees in the energy sector at Norplan Hydropower Ltd. in the UK. Our marketing and integration efforts are now bearing fruit, by bringing in additional expertise, encouraging mobility and enabling efficient/cost-effective implementation of energy projects all over the world.

IN 2013 WE ALSO formally established a subsidiary in Singapore in order to build on our longstanding presence in that market, which is related to Norwegian cutting-edge expertise in underground works, oil and gas facilities and renewable energy. Our part-owned subsidiary Norplan AS has for many years held ownership interests in two African companies. Towards the end of 2013, Multiconsult AS bought Norplan's shares in those companies. This will lead to an even greater focus on the energy and oil and gas markets in East Africa.

On a daily basis the media quote experts predicting a variety of future scenarios that contradict one another. As everyone knows, we live in a dynamic world, where the only certainty is uncertainty. At Multiconsult we prepare ourselves thoroughly every single day. That preparation, combined with our financial and organisational strength, puts us in a great position to achieve continued success in the future, however our markets develop. We will never be the cheapest, but we can be the best. Multiconsult will seek to be the very best, each and every day.

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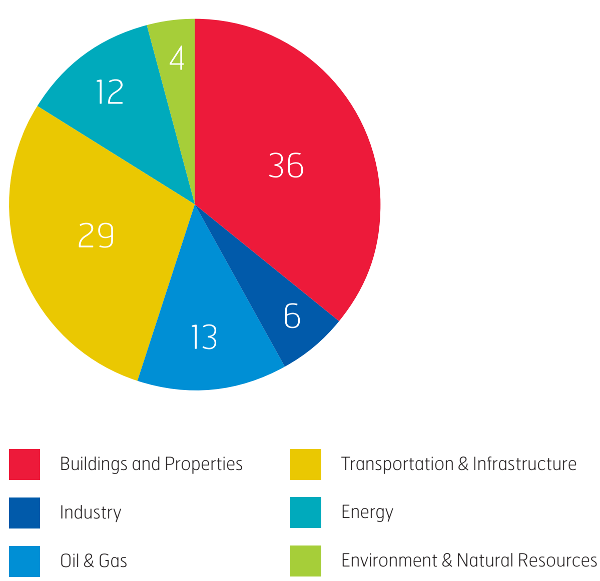
KEY FIGURES

In NOK thousands

KEY FIGURES GROUP

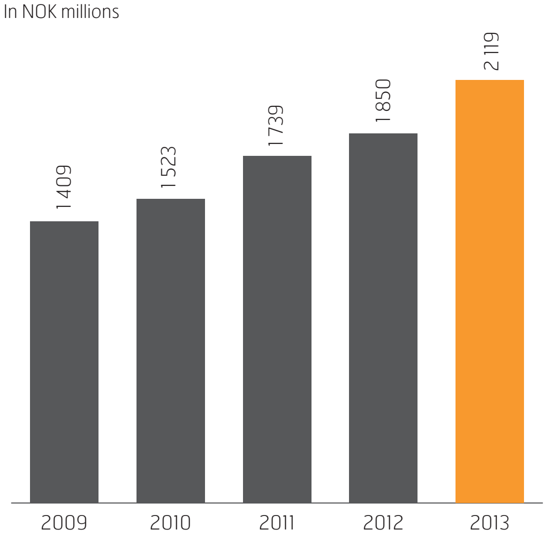
	2013	**2012**
Operating revenue	2 118 663	1 850 271
Operating profit/loss	138 769	123 023
Profit for the year	96 888	94 571
Total assets	1 142 886	971 851
Equity	461 627	409 568
Equity ratio	40 %	42 %

2013 OPERATING REVENUE BY BUSINESS AREA (%)



OPERATING REVENUE 2009-2013

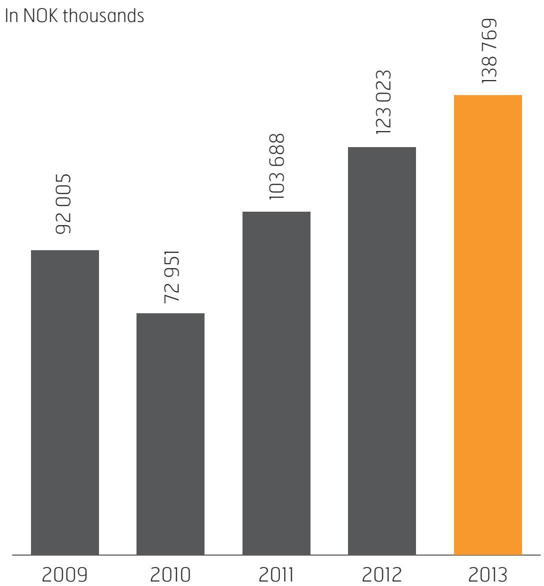
In NOK millions



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

OPERATING PROFIT 2009-2013

In NOK thousands



Operating profit is stated net of distributions under the employee profit share scheme. Multiconsult Group. Employees received NOK 10.5 million in 2009, NOK 6.0 million in 2010, NOK 4.4 million in 2011, NOK 6.6 million in 2012 and NOK 12.2 million in 2013.

The cover picture is taken from the preliminary study for a pedestrian and cycle bridge over the River Alna in the Breivoll area.

DIRECTORS' REPORT

SUMMARY

Multiconsult is a complete supplier of consultancy and design services, with its operations divided into the following business areas: Buildings and Properties; Industry; Oil and Gas; Energy; Transportation & Infrastructure; and Environment & Natural Resources. The parent company has large, multi-disciplinary organisational units with regional offices located in Norway's biggest cities, and at the close of 2013 it had a total of 1,500 employees.

In 2013 the Group's gross operating revenue rose by 15% to NOK 2,119 million. Net operating revenue came to NOK 1,803 million, which was up 12%. Operating profit amounted to NOK 139 million, up 13% from the previous year. International projects represented 7% of turnover.

OUR BUSINESS

Multiconsult's business concept is to supply multidisciplinary 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.

Multiconsult has 27 offices spread across the whole of Norway. The company's head office is in Oslo. Multiconsult owns all of the shares in the strategic consultancy Analyse & Strategi, which does social impact studies, primarily in the fields of Buildings and Properties and Transportation & Infrastructure. Multiconsult also owns a 32% ownership interest in the architectural firm LINK arkitektur AS. LINK arkitektur AS, which has offices in Norway and Sweden, is one of the largest architectural firms in Scandinavia.

Multiconsult has a UK subsidiary called Norplan Hydropower Ltd. This company will play an important role in Multiconsult's push into the renewable energy sector. In 2013 Multiconsult established Multiconsult Asia Pte. Ltd as a subsidiary in Singapore, as well as buying a 49% ownership interest in Norplan Tanzania Ltd. in Dar es Salaam, Tanzania and a 40% interest in Newplan Ltd. in Kampala, Uganda.

HEALTH, SAFETY AND THE ENVIRONMENT

In 2013 there were some major changes to Multiconsult's HSE management system. In April a new HSE Manager and a new Environmental Manager were appointed, and ensuring a systematic approach to HSE has been a priority. All regions are working systematically to improve their HSE performance, and a number of parameters are reported regularly. Our working environment committees have been revitalised, and a new agreement on a joint company health service was signed in 2013. The latter will come into force in 2014. The results of an employee survey carried out in autumn 2013 were good, and all our regions are following up areas for improvement. In April we introduced fPortal, a new system for promoting continuous improvement and reporting non-conformities. This has resulted in greater reporting of adverse events and near misses.

Total sickness absence remained at satisfactory levels, and in 2013 the absence rate was 3.5% (3.7% in 2012).

All of Multiconsult's offices with more than five employees are to be certified as Eco-Lighthouses. Oslo, Drammen, Tromsø, Trondheim, Fredrikstad and Moss had been certified by the end of 2013, and the remaining offices will be certified in 2014. These environmental accounts are included in the annual report.

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 2013, the company maintained its focus on ethics, anti-corruption activities and corporate social responsibility by providing e-learning courses, having a full-time compliance offer and establishing a new position of Environmental and CSR Manager. This has received a high profile amongst employees, as documented through the employee survey.

MARKETS AND EXTERNAL RELATIONS

In 2013 the state of the market varied between the sectors and regions where Multiconsult operates, but in general it was strong.

The markets for Buildings & Properties, Oil & Gas and Energy were very good. Although the Industry and Transportation & Infrastructure markets were also healthy in 2013, they were slightly slower than expected, but Transportation & Infrastructure did finish the year on a strong note.

The strong market for our Transportation & Infrastructure, Buildings & Properties and Oil & Gas business areas is expected to continue, driven by higher investment going into 2014. International projects are also becoming an increasingly important part of our business. At the start of 2014, these projects represented over 14% of our order backlog.

Our biggest new orders in 2013 included Campus Ås, the latest phase of the Nyhavna project, the Follo line, the cultural centres at Bjørvika, the rehabilitation of Prinsensgate 26, EMES Prime Consulting Retail Projects, the Damåsen-Saggrenda stretch of the E134 and detail engineering for the Hebron project in St. John's, Canada.

Meanwhile, some of our biggest projects during the year were the latest phase of Nyhavna, the new Norwegian fighter base, Ski station, Neelum Jhelum in Pakistan, Campus Ås, consulting services for the Mount Coffee Hydropower rehabilitation project, the rehabilitation of Prinsensgate 26, detail engineering for the Hebron project in St. John's, Canada, the construction schedule for the E18 between the Swedish border and Ørje, the Frya-Vinstra stretch of the E6, the cultural centres at Bjørvika, the Follo line and the Skrugard oil field. 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. Within the industry, it is seen as a Norwegian powerhouse with a strong international presence. In Norway, Multiconsult has large, multi-disciplinary offices in the biggest cities.

Multiconsult's strategy is particularly focused on growth in the oil and gas, transportation and energy sectors. These areas have been selected both because the company has strong expertise in them and because they have high demand. In line with this strategy, Multiconsult bought NTE Energiutvikling, a company based in the county of Nord-Trøndelag that operates in the renewable energy sector. Its 30 employees will bring valuable expertise to the whole Multiconsult Group.

In conjunction with revising our 3-2-1 strategy – "Multiconsult 2017" – we decided to further emphasise two main areas: increasing perceived quality and reinforcing our market position as the industry's leading enabler: "Made possible by Multiconsult".

RESEARCH AND DEVELOPMENT

Multiconsult invests heavily in both internal and external R&D. 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. 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

In order to ensure that our work is of a high quality and that our quality control procedures are reliable, in recent years the company has implemented a structured quality management system. This system was further updated in 2013, so as to make it more user friendly for all areas of our project portfolio.

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

EMPLOYEES

At the close of 2013, the parent company had 1,500 permanent employees, which represented a net increase of around 100 over the previous year. We are in a strong position to recruit both new graduates and experienced professionals.

This is reflected by the good results that we achieved in the annual surveys carried out by Universum and Karrierebarometeret looking at how attractive employers are to students. In 2013 we continued to cooperate closely with the higher education institutions where we do most of our recruiting.

Competency development is one of the key factors that will allow Multiconsult to grow and develop. This is reflected in our day-to-day operations. In 2013, we introduced new standards for target and development discussions. We improved the range of courses that we offer, and we also invested in a new system for courses and training, as well as several major e-learning programmes.

EQUAL OPPORTUNITY AND DIVERSITY

We have managed to raise our proportion of female staff to 31%. There are three women and five men on the company's Board of Directors. Our senior management team consists of two women and ten men. 30% of technical staff are women, whilst 38% of administrative staff are men. 18% of middle managers are women.

Both the Board and senior management believe in actively working to increase the recruitment of women and in raising 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

Multiconsult constantly needs to raise the skills and capacity of both line and project managers. Management development is therefore a key priority, which is allocated a lot of resources. In recent years, the company 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.

GENERATING FINANCIAL RESULTS

In recent years, Multiconsult has managed to achieve strong financial results in parallel with the company expanding significantly. In 2013 the Group achieved an operating profit of NOK 139 million, after deducting the NOK 12.2 million 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 parent company's profit margin was higher in 2013 than in 2012, and was roughly in line with the improvements targeted by the company. 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 2013 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 2013, the Group's gross operating revenue totalled NOK 2,119 million, an increase of NOK 268 million over 2012. Operating profit was NOK 139 million, compared with NOK 123 million in 2012. Net financial items came to NOK 3.1 million, while the tax expense was NOK 45.0 million. Profit after tax for the year was thus NOK 96.9 million.

In 2013, the parent company's gross operating revenue totalled NOK 2,069 million, an increase of NOK 236 million over 2012. Operating profit was NOK 144 million, compared with NOK 122 million in 2012. Net financial items came to NOK 9.1 million, while the tax expense was NOK 43.7 million. Profit after tax for the year was thus NOK 109.7 million.

The Group did not have significant unrealised gains or losses associated with securities or any other off-balance sheet items that are not presented in the financial statements.

The Group had NOK 462 million of equity, giving it an equity ratio of 40.4%. The rest of the Group's capital was made up of current liabilities (55.7%) and provisions for liabilities and charges (3.2%). 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 in acquiring companies and in buying equipment to raise efficiency and improve our operations, including a new drillship.

Apart from the matters covered by the financial statements, the Board is not aware of any events that took place in 2013, 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 and fixed income funds. 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. For some of these contracts, hedging instruments have been used to reduce the risk. This currency risk is considered moderate, but not of sufficient magnitude to affect any valuation of the company.

Accounts receivable and work in progress total approx. 40% 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 2013, the parent company had no non-current liabilities, while the Group's UK subsidiary had GBP 0.9 in non-current liabilities.

The company's financial risk is considered moderate.

FUTURE PROSPECTS

Although there is growing international competition in the market, Multiconsult entered 2014 with an order book that was 45% higher than at the start of 2013. While the overall market has improved, we are prepared for fluctuations in demand.

The trends in 2014 are conflicting, with slightly greater uncertainty surrounding the Norwegian economy being offset by prospects of a slight improvement in the global economy. Multiconsult's strategy has allowed it to build up a robust business that is adapted to its markets and should be able to withstand difficult environments in some of the sectors where it operates.

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 109,660,199 be allocated as follows:
Transferred to other reserves NOK 65,058,659
Dividends NOK 44,601,540

The Board has assessed the company's equity and liquidity after the distribution of dividends, and has concluded that they are adequate based on the scope of the company's activities and the risks that it faces.

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, 19 MARCH 2014

Steinar Mejlænder-Larsen
Styreleder

Siv Axelsson

Jarle Roth

Espen Robertsen

Harald Strand

Freddy Holstad

Kari Medby Loland

Gørild Thuen Jensen

Christian Nørgaard Madsen
Chief Executive Officer

BOARD OF DIRECTORS

STEINAR MEJLÆNDER-LARSEN
CHAIRMAN OF THE BOARD

KARI MEDBY LOLAND

HARALD STRAND

SIV AXELSSON

GØRILD THUEN JENSEN

ESPEN ROBERTSEN

FREDDY HOLSTAD

JARLE ROTH

ENVIRONMENTAL REPORTING

MULTICONSULT'S STRATEGY for the period 2013-2017 states that sustainable development shall be one of the defining characteristics of the company. Our actions and our advice shall focus on sustainable solutions, and HSE shall have priority over financial considerations.

Specific environmental goals have been established for the period covered by the strategy, which comprise individual targets for purchasing, travel, energy consumption and waste generation and management. In 2013, all of our offices with more than five employees have worked on becoming Eco-Lighthouse certified. Oslo, Drammen, Tromsø, Trondheim, Fredrikstad and Moss were certified by the end of 2013, and the remaining offices will be certified in 2014.

Multiconsult aims to develop a culture of environmental awareness amongst all of its employees, through its management of the company and project implementation.

The figures reveal that the indicators have been relatively stable in recent years, but we are beginning to see some positive trends. Travel has been reduced, with both the number of flights and kilometres driven being lower than last year. That has resulted in significantly lower CO2 emissions. The proportional allocation of fuel to business travel and machinery may not be entirely accurate, but the figures do undoubtedly show that our fuel use has decreased. The introduction of video conference rooms and Lync have been the keys to the improvement. Paper consumption has also been reduced, partly thanks to the introduction of Secureprint. The increase in energy consumption can be explained by the fact that the 2013 figures are more comprehensive. Procedures for collecting figures have been improved as a result of the Eco-Lighthouse certification of the whole business.

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: CO2 emissions are calculated as the sum of CO2 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.

2013 ENVIRONMENTAL REPORT

ENVIRONMENTAL INDICATOR	Unit[1]	2011	2012	2013
ENERGY				
Area efficiency[1]	m^2/full-time equivalent employee	36	34	30
Energy consumption of buildings[1]	kWh/full-time equivalent employee	4890	5016	5583
Energy consumption of buildings	kWh/m^2	136	145	185
TRANSPORT				
Business travel by car	km/full-time equivalent employee	2685	1949	1876
Domestic flights	number/full-time equivalent employee	3,0	3,4	2,2
International flights	number/full-time equivalent employee	0,5	0,4	0,2
Fuel consumption of machinery	litres/full-time equivalent employee	77	83	47
PURCHASING AND OFFICE SUPPLY CONSUMPTION				
Total paper consumption[1]	kg/full-time equivalent employee	31	32	22
WASTE				
Total waste[1]	kg/full-time equivalent employee	114	165[2]	121
Non-recycled waste	%	52 %	53 %	53 %
Recycled waste	%	48 %	47 %	47 %
EMISSIONS TO AIR				
CO_2 emissions	tonnes of CO_2/full-time equivalent employee	1,7	1,6	1,2

1. All of Multiconsult's FTEs are included in the figures. Offices with fewer than five employees have been excluded from consumption figures, e.g. for office space, energy consumption, paper consumption and waste quantities. The figures presented per FTE are therefore slightly better than the true situation.
2. A major relocation was carried out in Oslo in 2012, which led to unusually high levels of waste that year.

PROFIT AND LOSS ACCOUNT 2013

Figures in thousands of NOK

PARENT COMPANY				GROUP		
2012	**2013**	**Note**		**Note**	**2013**	**2012**
			OPERATING REVENUE AND EXPENSES			
1 832 597	**2 068 504**	3, 4	**Gross operating revenue**	3, 4	**2 118 663**	**1 850 271**
-242 944	-320 526		Cost of sub-consultants and fees passed on to clients		-315 772	-240 113
1 589 653	**1 747 978**	3, 4	**Net operating revenue**	3, 4	**1 802 891**	**1 610 158**
1 163 507	1 277 338	5, 13	Wages, salaries, etc.	5, 13	1 322 172	1 178 813
40 591	49 364	6, 7	Depreciation and impairment losses	6, 7	52 941	41 346
263 834	276 953	5, 7, 17	Other operating expenses	5, 7, 17	289 009	266 976
1 467 931	**1 603 655**		**Total operating expenses**		**1 664 122**	**1 487 135**
121 722	**144 323**		**Operating profit/loss**		**138 769**	**123 023**
			FINANCE INCOME AND COSTS			
-	-		Profit/loss on investments in associates and jointly controlled entities	9	-4 319	2 068
9 206	9 668	20	Finance income	20	8 166	9 150
605	598	20	Finance costs	20	721	610
8 601	**9 070**		**Net finance income**		**3 126**	**10 608**
130 323	**153 393**		**Profit before taxation**		**141 896**	**133 631**
38 541	43 733	14	Tax on profit for the year	14	45 008	39 060
91 782	**109 660**		**Profit/loss for the year**		**96 888**	**94 571**
			TRANSFERS			
56 366	65 058		Transferred to/from other reserves		52 286	59 155
35 416	44 602		Dividends		44 602	35 416
91 782	**109 660**		**Total transfers**		**96 888**	**94 571**

BALANCE SHEET AT 31 DECEMBER 2013

Figures in thousands of NOK

PARENT COMPANY					GROUP	
2012	**2013**	**Note**	**ASSETS**	**Note**	**2013**	**2012**
			FIXED ASSETS			
			Intangible assets			
6 945	6 345	6	Software	6	6 725	6 961
50 401	42 842	6	Goodwill	6	53 442	52 801
57 346	**49 187**		**Total intangible assets**		**60 167**	**59 762**
			Tangible assets			
2 013	1 904	7	Sites, buildings and other real property	7	2 196	2 013
60 680	67 380	7	Fixtures, fittings, plant, etc.	7	68 885	61 094
62 693	**69 284**		**Total tangible assets**		**71 081**	**63 107**
			Financial assets			
9 216	22 791	2, 8	Investments in subsidiaries	2, 8	143	3 938
39 818	42 485	9	Investment in joint ventures and associates	9	35 948	39 200
639	533		Investments in shares and ownership interests		538	639
115 923	121 280	10, 13	Other receivables and pension plan assets	10, 13	121 280	115 923
165 596	**187 089**		**Total financial assets**		**157 909**	**159 700**
285 635	**305 560**		**Total fixed assets**		**289 157**	**282 569**
			CURRENT ASSETS			
			Receivables			
402 436	450 804	4, 9, 18	Accounts receivable	4, 9, 18	463 579	406 202
17 929	32 848	9	Other receivables	9	33 932	16 571
420 365	**483 651**		**Total receivables**		**497 511**	**422 773**
260 119	340 196	19	Cash and cash equivalents	19	356 218	266 509
680 484	**823 847**		**Total current assets**		**853 729**	**689 282**
966 119	**1 129 407**		**TOTAL ASSETS**		**1 142 886**	**971 851**

PARENT COMPANY					GROUP	
2012	**2013**	**Note**	**EQUITY AND LIABILITIES**	**Note**	**2013**	**2012**
			EQUITY			
			Paid-in capital			
13 125	13 125	11	Share capital	11	13 125	13 125
-8	-7	11	Treasury shares	11	-7	-8
13 320	13 320		Share premium account		13 320	13 320
26 437	**26 438**		**Total paid-in capital**		**26 438**	**26 437**
			Retained earnings			
382 192	447 250		Other reserves		435 189	383 131
382 192	**447 250**		**Total retained earnings**		**435 189**	**383 131**
408 629	**473 688**	12	**Total equity**	12	**461 627**	**409 568**
			LIABILITIES			
			Provisions for commitments			
14 361	2 679	13	Pension liabilities	13	2 679	14 947
8 373	7 927	14	Deferred tax	14	7 707	8 204
24 650	22 090	15	Other provisions for liabilities and charges	15	25 696	25 725
47 385	**32 696**		**Total provisions for liabilities and charges**		**36 082**	**48 877**
			Non-current liabilities			
-	-		Liabilities to financial institutions		9 047	-
-	**-**		**Total non-current liabilities**		**9 047**	**-**
			Current liabilities			
66 617	89 682	9	Accounts payable	9	88 836	67 738
43 680	43 739	14	Tax payable	14	44 994	43 961
145 114	165 355		Social sec. cont., VAT and duties payable		169 961	147 553
35 416	44 615		Dividends		45 615	35 416
219 278	279 632	4, 9	Other current liabilities	4, 9	286 724	218 738
510 105	**623 023**		**Total current liabilities**		**636 130**	**513 406**
557 490	**655 719**		**Total liabilities**		**681 259**	**562 283**
966 119	**1 129 407**		**TOTAL LIABILITIES AND EQUITY**		**1 142 886**	**971 851**

SKØYEN, 19 MARCH 2014

Steinar Mejlænder–Larsen
Styreleder

Siv Axelsson

Jarle Roth

Espen Robertsen

Harald Strand

Freddy Holstad

Kari Medby Loland

Gørild Thuen Jensen

Christian Nørgaard Madsen
Chief Executive Officer

NOTES

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 revenu

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.

Hedging
Financial instruments are classified according to the purpose for which they were acquired. When the contract is signed, the instrument is defined either as a hedging instrument or as held for trading. Derivatives designated as hedging instruments are accounted for using the principles for cash-flow hedging under the Norwegian accounting standard NRS 18. Unrealised gains and losses on hedging instruments are not included on the balance sheet, but they are recognised through profit or loss when the underlying hedged item is settled.

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 maturing 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

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.

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

On 29 April 2013, Multiconsult acquired all of the outstanding shares in Infratech AS. As of 1 January 2013, Infratech AS was merged with Multiconsult AS. The merger used the pooling of interest method for accounting purposes.

On 1 September 2013, Multiconsult acquired all of the outstanding shares in Vest Consult AS.

NOTE 3 ORDINARY OPERATING REVENUE

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
Business area:				
Consulting engineering and architecture	1 719 175	1 576 424	1 774 089	1 596 930
Rent and other income	28 802	13 228	28 802	13 228
Total net operating revenue	**1 747 978**	**1 589 653**	**1 802 891**	**1 610 158**
By geographical market:				
Norway	1 620 374	1 484 998	1 660 760	1 505 504
International	127 603	104 654	142 131	104 654
Total net operating revenue	**1 747 978**	**1 589 653**	**1 802 891**	**1 610 158**
Gross operating revenue	**2 068 504**	**1 832 597**	**2 118 663**	**1 850 271**

Gross operating revenue includes sub-consultants working as contractors, etc.

NOTE 4 FIXED-PRICE CONTRACTS

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
Revenue recognised for ongoing fixed-price projects	464 007	222 178	464 007	222 178
Costs linked to accrued revenue	-305 967	-175 996	-305 967	-175 996
Net recognised profit/loss on ongoing fixed-price projects	**158 040**	**46 182**	**158 040**	**46 182**
Accrued revenue, including accounts receivable	139 661	109 270	141 742	109 940
Deferred revenue, included under other current liabilities	88 412	68 749	88 412	68 749

NOTE 5 STAFF COSTS, NUMBER OF EMPLOYEES, REMUNERATION, LOANS TO EMPLOYEES, ETC.

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
Wages, salaries, etc.				
Wages and salaries	988 109	901 611	1 024 846	913 177
Employer's NICs	131 081	112 917	135 944	114 567
Pension expense (see note 13)	86 466	95 457	88 203	96 843
Other benefits	71 682	53 522	73 179	54 226
Total	**1 277 338**	**1 163 507**	**1 322 172**	**1 178 813**
Number of full-time equivalents	1 411	1 296	1 461	1 312

REMUNERATION OF KEY MANAGEMENT PERSONNEL	**CEO**	**Board of Directors**
Wages and salaries	2 649	790
Pension expenses	116	-
Other remuneration	159	-

Like all of the other employees, the CEO benefits from the company's profit-sharing scheme. In 2013 the CEO exercised an option to buy 200 shares in the company, at a 30% discount to the share price when he became a permanent employee. No subscription rights, options or equivalent rights have been issued entitling employees or officers to subscribe to, buy or sell shares in the company.

In the event of being dismissed, the CEO is entitled to his full basic salary until he finds a new position or for a maximum of 12 months. The CEO has a bonus agreement that entitles him to a bonus in the event of budgeted targets being exceeded. A provision is made in the accounts for the bonus.

No loans or guarantees have been provided to employees or shareholders.

	PARENT COMPANY		GROUP	
AUDITOR **Fees paid to Deloitte AS and collaborating companies:**	**Deloitte AS**	**Others**	**Deloitte AS**	**Others**
Statutory audit	837	-	1 158	38
Tax advice	249	-	283	-
Other certification services	97	-	97	-
Other consultancy	829	-	847	-

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

NOTE 6 INTANGIBLE ASSETS

	PARENT COMPANY		GROUP	
	Software	**Goodwill**	**Software**	**Goodwill**
Cost at 1 Jan.	34 950	124 048	34 974	127 048
Acquisitions	4 164	7 913	4 719	18 914
Disposals	2	-	2	-
Cost at 31 Dec.	**39 112**	**131 961**	**39 691**	**145 962**
Accumulated depreciation at 31 Dec.	32 767	85 520	32 966	88 920
Net accumulated impairment losses at 31 Dec.	-	3 600	-	3 600
Accumulated depreciation and impairment losses at 31 Dec.	**32 767**	**89 120**	**32 966**	**92 520**
Carrying amount at 31 Dec.	**6 345**	**42 842**	**6 725**	**53 442**
Depreciation for the year	4 762	11 872	4 953	14 672
Impairment losses for the year	-	3 600	-	3 600
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**		**Year of acquisitions**
Kompas AS	**2009**	Multiconsult Voss AS	**2012**
Industriplan AS	**2010**	Infratech AS	**2013**
Stensrud AS	**2010**	Vest Consult AS	**2013**
Hydpro AS	**2011**	NTE Energiutvikling	**2013**
Barlindhaug Consult AS	**2011**		

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

	PARENT COMPANY		GROUP	
	Buildings and other real property	**Machinery, plant, fixtures and fittings**	**Buildings and other real property**	**Machinery, plant, fixtures and fittings**
Cost at 1 Jan.	5 649	250 143	5 649	252 032
Property, plant and equipment acquired	-	36 034	316	37 414
Disposals	-	315	-	315
Cost at 31 Dec.	**5 649**	**285 862**	**5 965**	**289 131**
Accumulated depreciation at 31 Dec.	3 745	217 038	3 769	218 800
Net acc./rev. impairment losses at 31 Dec.	-	1 446	-	1 446
Accumulated depreciation and impairment losses at 31 Dec.	**3 745**	**218 484**	**3 769**	**220 246**
Carrying amount at 31 Dec.	**1 904**	**67 380**	**2 196**	**68 885**
Depreciation for the year	110	27 853	134	28 415
Impairment losses for the year	-	1 167	-	1 167
Useful life	10-50 years	3-8 years	10-50 years	3-8 years
Depreciation schedule	Linear	Linear	Linear	Linear

		PARENT COMPANY		GROUP	
Description	**Location**	**Lease agree-ment expires**	**Annual lease payments**	**Lease agree-ment expires**	**Annual lease payments**
Offices	Head office, Oslo	2018	40 611	2018	43 198
Offices	Regional offices	2014-2030	46 149	2014-2030	46 149
Lease of other property, plant and equipment			3 493		3 542
Total annual rent for offices and other property, plant and equipment:			**90 253**		**92 889**

NOTE 8 SUBSIDIARIES

	Registered office	**Share of votes and ownership interest**	**Profit/loss for 2013**	**Equity at 31/12/2013**
Multiconsult Voss AS	Voss, Norway	100 %	811	2 759
Vest Consult AS	Stord, Norway	100 %	802	2 301
Norplan Hydropower Ltd.	London, UK	100 %	-7 599	-3 941
Multiconsult Asia Pte. Ltd.	Singapore	100 %	941	1 925
Analyse & Strategi AS	Oslo, Norway	100 %	1 151	3 640

NOTE 9 JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

COMPANY	Classification	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 %
Norplan Tanzania Ltd.	Associate	19.12.2013	Tanzania	49,0 %	49,0 %
Newplan Ltd.	Associate	19.12.2013	Uganda	40,0 %	40,0 %
FPS AS	Associate	07.10.2013	Oslo	36,0 %	36,0 %

COMPANY VALUES	Profit/loss for 2013	Equity at 31/12/2013
LINK arkitektur AS	9 700	51 784
Norplan AS	2 377	6 219
FPS AS	-5	1 009

OWNERSHIP INTERESTS ACCOUNTED FOR USING THE EQUITY METHOD	FPS AS	Newplan Ltd.	Norplan Tanzania Ltd.	Norplan AS	LINK arki-tektur AS	Total
Opening balance 1 Jan.	-	-	-	1 922	37 278	39 200
Investments during the year	367	272	1 079	-	-	1 717
- of which unimpaired goodwill	-	-	-	-	23 838	23 838
Share of profit for the year	-2	-	-	240	3 104	3 342
Goodwill impairment charge	-	-	-	-	-3 405	-3 405
Previous years' dividends	-	-	-	-	-4 256	-4 256
Total profit/loss on investments	**-2**	**-**	**-**	**240**	**-4 557**	**-4 319**
Other items (*)	-	-	-	949	-	949
2013 dividend	-	-	-	-	-1 600	-1 600
Closing balance 31 Dec.	**365**	**272**	**1 079**	**3 111**	**31 121**	**35 948**

(*) Other items comprise the effect of eliminating internal profit on the sale of Newplan Ltd. and Norplan Tanzania Ltd. from Norplan AS to Multiconsult.

INTRA-GROUP BALANCES	ACCOUNTS RECEIVABLE 2013	ACCOUNTS RECEIVABLE 2012	OTHER RECEIVABLES 2013	OTHER RECEIVABLES 2012
Norplan AS	419	549	-	-
Analyse & Strategi AS	104	2 136	165	1 626
LINK arkitektur AS	888	2 712	-	-
Multiconsult Asia Pte. Ltd.	246	-	-	-
Vest Consult AS	38	-	-	-
Multiconsult Voss AS	24	32	-	-
Norplan Hydropower Ltd.	667	-	-	740
TOTAL	**2 386**	**5 430**	**165**	**2 365**

INTRA-GROUP BALANCES	ACCOUNTS PAYABLE 2013	ACCOUNTS PAYABLE 2012	OTHER CURRENT LIABILITIES 2013	OTHER CURRENT LIABILITIES 2012
Norplan AS	873	93	-	-
Analyse & Strategi AS	228	383	-	1 469
LINK arkitektur AS	1 363	3 308	-	-
Multiconsult Asia Pte. Ltd.	2 006	-	-	-
Multiconsult Voss AS	203	742	-	-
Norplan Hydropower Ltd.	20	-	-	-
TOTAL	**4 694**	**4 527**	**-**	**1 469**

SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES	Transaction	Relationship with Multiconsult AS	Amount
Multiconsult Voss AS	Sub-consultant	Subsidiary	1 776
Multiconsult Asia Pte. Ltd.	Sub-consultant	Subsidiary	3 534
Analyse & Strategi	Sub-consultant	Subsidiary	696
Norplan Hydropower Ltd.	Sub-consultant	Subsidiary	1 312
LINK arkitektur AS	Sub-consultant	Associate	13 602
Norplan AS	Purch. of shares	Associate	2 300
TOTAL			**23 220**

NOTE 10 RECEIVABLES FALLING DUE AFTER MORE THAN ONE YEAR

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
Pension funds	115 730	115 993	115 730	115 993
Other non-current receivables	5 549	-70	5 549	-70
TOTAL	**121 280**	**115 923**	**121 280**	**115 923**

NOTE 11 SHARE CAPITAL AND SHAREHOLDER INFORMATION

SHARE CAPITAL OF PARENT COMPANY AT 31/12/2013:	**Number of shares**	**Par value**	**Total share capital**
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 31/12/2013, the biggest shareholders in the company were:	**No. of shares**	**Shareholding**	**Share of voting rights**
WSP Europe AB	649 061	24,7 %	24,7 %
The Multiconsult Foundation	484 112	18,4 %	18,4 %
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 %
Trond Dahle	27 969	1,1 %	1,1 %
Johan H. Bertnes	27 802	1,1 %	1,1 %
Finn Rasmussen	25 770	1,0 %	1,0 %
Total for shareholders owning > 1%	1 414 274	53,9 %	53,9 %
Total for other shareholders	1 210 646	46,1 %	46,1 %
Total number of shares	**2 624 920**	**100 %**	**100 %**

At the close of 2013, the company held 1,300 treasury shares. The cost price of the shares is NOK70.

SHARES OWNED BY BOARD MEMBERS AND CEO:	**Position**	**No. of shares**
Freddy Holstad	Board member	2 110
Harald Strand	Deputy board member	31 586
Kjetil Moen	Deputy board member	4 543
Christian Nørgaard Madsen	CEO	3 000

NOTE 12 EQUITY

	PARENT COMPANY				GROUP			
	Share capital	**Treas. shares**	**Share prem. acc.**	**Other reserves**	**Share capital**	**Treas. shares**	**Share prem. acc.**	**Other reserves**
Equity at 1 January	13 125	-8	13 320	382 192	13 125	-8	13 320	383 131
Change in equity for the year								
Dividends				-44 602				-44 602
Currency translation differences								-227
Sale of treasury shares		1				1		
Profit/loss for the year				109 660				96 888
Equity at 31 December	**13 125**	**-7**	**13 320**	**447 250**	**13 125**	**-7**	**13 320**	**435 189**

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. From 30 June 2013, recipients of insurance benefits under the pension schemes do not continue to earn pension rights.

In 2006 a defined contribution plan was introduced for all new employees hired on or after 1 July 2006, and 1,184 employees and 10 pensioners were members of the plan at the close of 2013. In 2013, the cost of contributions to the defined contribution plan was NOK33.6 million including employer's NICs, excluding the cost of insurance benefits conferring pension rights in the defined contribution plan during the first half of the year, which are included in the below table.

At 31 December 2013, 346 current employees and 159 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. For the defined benefit plan, the premium for insurance covers without pension rights in the second half of the year was NOK782,000, while other costs associated with the plan are included in the below table.

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 table below.

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
Present value of benefits earned in the period	47 791	54 646	47 791	55 162
Interest expenses on the pension liability	29 955	29 767	29 955	29 806
Return on pension plan assets	-25 148	-33 509	-25 148	-33 534
Amortisation of changes in obligations arising from changes to pension plans	6 015	668	6 015	668
Amortisation of actuarial losses	1 784	3 805	1 784	3 816
Net effect of terminating pension rights associated with insurance benefits at 30 June 2013	-4 483	-	-4 483	-
Net pension expense excl. employer's NICs	**55 914**	**55 377**	**55 914**	**55 918**
Employer's national insurance contributions accrued	-1 831	6 914	-1 831	6 990
Net pension expense incl. employer's NICs, but excl. expensed contributions to defined contribution plan.	**54 083**	**62 291**	**54 083**	**62 908**

	PARENT COMPANY 2013		PARENT COMPANY 2012	
	Def. ben. plan	Def. cont. plan	Def. ben. plan	Def. cont. plan
Estimated pension liabilities	-685 922	-834	-688 681	-97 822
Pension plan assets (at market value)	655 465	-	701 600	48 720
Actuarial gains/losses not recognised through profit or loss	159 909	-1 808	110 928	33 092
Changes to pension plans not recognised through profit or loss	-	-	6 015	-
Employer's national insurance contributions accrued	-13 721	291	-13 869	1 649
Net pension liabilities incl. employer's NICs	**115 730**	**-2 351**	**115 993**	**-14 361**
Of which unfunded pension liabilities	-	- 2 679	-	-3 300

	CONSOLIDATED 2013		CONSOLIDATED 2012	
	Def. ben. plan	Def. cont. plan	Def. ben. plan	Def. cont. plan
Estimated pension liabilities	-685 922	-834	-688 681	-98 815
Pension plan assets (at market value)	655 465	-	701 600	49 371
Actuarial gains/losses not recognised through profit or loss	159 909	-1 808	110 928	33 092
Changes to pension plans not recognised through profit or loss	-	-	6 015	-244
Employer's national insurance contributions accrued	-13 721	291	-13 869	1 649
Net pension liabilities incl. employer's NICs	**115 730**	**-2 351**	**115 993**	**-14 947**
Of which unfunded pension liabilities	-	- 2 679	-	-3 300

ACTUARIAL ASSUMPTIONS USED IN THE ABOVE CALCULATIONS:	2013	2012
Expected return on pension funds	4,40 %	3,60 %
Discount rates	4,10 %	4,20 %
Expected salary increases	3,75 %	4,00 %
Expected annual adjustment of basic pension	3,50 %	3,75 %
Expected pension increases	0,70 %	0,70 %

Demographic assumptions have been taken from disability table KU and the new mortality table K2013, which assumes longer life expectancy.

NOTE 14 TAX EXPENSE

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
THE TAX EXPENSE FOR THE YEAR COMPRISES THE FOLLOWING:				
Tax payable	45 769	43 664	47 024	43 945
Tax effect of group contributions	-	1 469	-	-
Adjustments to tax payable for previous years	-1 603	-	-1 603	-
Change in deferred tax	-139	-6 591	-123	-4 884
Impact of changes to tax rules	-294	-	-290	-
Tax on profit for the year	**43 733**	**38 541**	**45 008**	**39 060**
RECONCILIATION OF NOMINAL AND ACTUAL TAX RATES:				
Profit before taxation	153 393	130 323	141 896	112 094
Expected income tax payable based on nominal tax rate (28%)	**42 950**	**36 491**	**39 985**	**31 386**
Tax effect of the following items:				
Non-tax-deductible costs	970	528	994	456
Non-taxable income	-203	-	-205	-751
Share of profit from associates	-	-	1 657	181
Gain on the sale of shares	-47	-	-47	-
Revaluation of shares	-	-	-	392
Dividends	-474	-447	-476	-1 198
Discounting of deferred tax/tax assets	-	-	1 583	-
Impact of changes to tax rules and rates	-294	-	-285	-
Overprovided in previous years	-1 603	-	-1 603	-
Other items	2 434	1 969	3 405	3 189
Tax expense	**43 733**	**38 541**	**45 008**	**33 654**
Effective tax rate	**28,5 %**	**29,5 %**	**31,7 %**	**30,0 %**

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
BREAKDOWN OF TAX EFFECT OF TEMPORARY DIFFERENCES:				
Fixed assets	5 753	3 004	5 586	3 009
Current assets	4 132	2 308	4 308	2 309
Liabilities and obligations	-17 812	-13 686	-17 771	-13 522
Loss carryforwards	-	-	1 753	-
Off-balance-sheet deferred tax assets	-	-	-1 583	-
Carrying amount of deferred tax assets/tax	**– 7 927**	**-8 373**	**-7 707**	**-8 204**

Deferred tax assets have been recognised on the assumption of future profits.
Deferred tax assets at one company in the group are not included on balance sheet.

	PARENT COMPANY 2013	PARENT COMPANY 2012	GROUP 2013	GROUP 2012
RECONCILIATION OF DEFERRED TAX ON THE BALANCE SHEET				
Deferred tax at 1 Jan.	-8 373	-15 851	-8 135	-17 407
Change in deferred tax	139	6 591	123	4 884
Deferred tax arising from mergers and acquisitions	13	885	13	4 319
Impact of changes to tax rules and rates	294	-	292	-
Carrying amount of deferred tax (net) at 31 Dec.	**-7 927**	**-8 373**	**-7 707**	**-8 204**
RECONCILIATION OF TAX PAYABLE ON THE BALANCE SHEET				
Expensed tax payable	-45 769	-45 132	-47 024	-45 413
Tax on group contributions paid	-	1 469	-	1 469
Other tax provisions	-	-516	-	-516
Excess tax paid in previous years	1 568	-	1568	-
SkatteFunn scheme	461	500	461	500
Carrying amount of tax payable	**-43 739**	**-43 680**	**-44 994**	**-43 961**

NOTE 15 OTHER PROVISIONS FOR LIABILITIES AND CHARGES

	Parent company	Group
Provisions for project liability at 31/12/2012	**24 650**	**24 650**
Writeback of provisions made in 2012, resolved	-4 350	-4 350
Paid out in 2013	-5 000	-5 000
New provisions in 2013	6 790	6 790
Provisions for project liability at 31/12/2013	**22 090**	**22 090**
Other liabilities and charges	-	3 606
Provisions for liabilities and charges	**22 090**	**25 696**

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.

In some cases, the company has chosen to use forward currency contracts to secure its cash flows. In such cases, the maturity dates of the forward contracts are designed to reflect the due dates for contractual cash flows (the hedged item), and the contracts are never allowed to exceed the contractual cash flows in value.

The company uses hedge accounting for forward currency contracts that form part of a documented hedging strategy. Unrealised gains and losses on currency contracts are recognised on maturity, in parallel with the cash flows from the hedged items. At 31 December 2013, there was an unrealised fair value loss of NOK 548,000 on the company's forward currency contracts, which was not recognised in the accounts. The fair value of the forward contracts was obtained from the company's bank, and was based on market assumptions. The forward contracts have maturity dates until 2018. Hedging instruments did not have a material impact on profit for the year.

As the company historically has suffered few losses on 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 2013, approximately NOK 26 million (NOK 24 million in 2012) was expensed in total for research and development, including specialist training and Group events.

NOTE 18 GUARANTEES AND OTHER SURETIES

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
Guarantees given to customers	23 482	23 194	23 482	23 194
Guarantees for other obligations	27 635	27 568	27 635	27 568
Guarantees to subsidiaries	11 058	-	11 058	-
Total guarantees and other sureties	**62 175**	**50 762**	**62 175**	**50 762**

NOTE 19 RESTRICTED CASH

Of the Group's liquid assets, NOK 60.888 million constitute tax deductions or restricted cash for projects, of which NOK 59.941 million (49.828 million in 2012) related to the parent company.

NOTE 20 FINANCIAL ITEMS

	PARENT COMPANY		GROUP	
	2013	**2012**	**2013**	**2012**
FINANCE INCOME				
Interest received from Group companies	58	77	-	-
Other interest income	7 302	7 456	7 362	7 465
Other financial income	562	29	658	41
Dividends	1 746	1 644	146	1 644
Finance income	**9 668**	**9 206**	**8 166**	**9 150**
FINANCE COSTS				
Other interest expenses	23	128	145	133
Other finance costs	575	476	576	477
Finance costs	**598**	**605**	**721**	**610**
Net finance income	**9 070**	**8 601**	**7 445**	**8 540**

CASH FLOW STATEMENT

Figures in thousands of NOK

PARENT COMPANY			GROUP	
2012	**2013**		**2013**	**2012**
		CASH FLOW FROM OPERATING ACTIVITIES:		
130 323	153 393	Profit before taxation	141 896	133 631
-43 096	-43 990	Tax paid	-44 777	-43 560
40 591	44 598	Depreciation and impairment losses	48 175	41 346
-	1 167	Impairment losses on property, plant and equipment	1 167	-
-	3 600	Impairment losses on intangible assets	3 600	-
-1 719	-74	Profit/loss on the sale of fixed assets	-74	-1 719
-	-166	Profit/loss on the sale of financial fixed assets	-166	-
-8 159	-14 053	Non-cash pension expense	-14 053	-8 159
-437	-2 560	Change in provisions for liabilities and charges	-2 890	2 832
-62 546	-45 685	Change in accounts receivable	-53 199	-65 972
7 413	21 047	Change in accounts payable	22 813	9 967
41 130	60 890	Change in other current assets and other liabilities	71 227	39 716
103 502	**178 166**	**Net cash flow from operating activities**	**173 719**	**108 082**
		CASH FLOW FROM INVESTING ACTIVITIES:		
2 035	390	Proceeds from the sale of property, plant and equipment	390	2 035
-28 638	-39 477	Purchase of prop., plant and equip. and acquisition of intangible assets	-41 727	-29 074
-	272	Proceeds from the sale of quoted shares	272	-
-8 962	-16 242	Purchase of financial assets	1 542	-8 962
-	-3 818	Cash impact of merger	-3 818	-
-	-2 800	Cash impact of purchase of assets and liabilities	-2 800	-
-	-	Cash impact of other acquisitions	-5 024	-
-35 564	**-61 675**	**Net cash flow from investment activities**	**-51 165**	**-36 000**
		CASH FLOW FROM FINANCING ACTIVITIES:		
- 25 000	-	Repayment of current liabilities	-	-25 000
74	-	Cash impact of merger	-	74
-31 481	-36 414	Dividends	-41 893	-31 481
-	-	Issue of non-current liabilities	9 048	-
-56 407	**-36 414**	**Net cash flow from financing activities**	**-32 845**	**- 56 407**
11 530	80 076	Net change in cash and cash equivalents	89 708	15 673
248 589	260 119	Cash and cash equivalents at 1 Jan.	266 509	250 836
260 119	**340 196**	**Cash and cash equivalents at 31 Dec.**	**356 218**	**266 509**

+ refers to cash inflows and - refers to cash outflows

AUDITOR'S REPORT

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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 109.660.000, and the financial statements of the group, showing a profit of NOK 96.888.000. The financial statements of the parent company and the financial statements of the group comprise the balance sheet as of 31 December 2013, 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 of 31 December 2013, 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, 19 March 2014
Deloitte AS

Aase Aa. Lundgaard (signed)
State Authorised Public Accountant (Norway)

[Translation has been made for information purposes only]

PROJECT: Bergen Light Rail, phase 2 – nominated for engineering project of the year (awarded by the trade journal Byggeindustrien)

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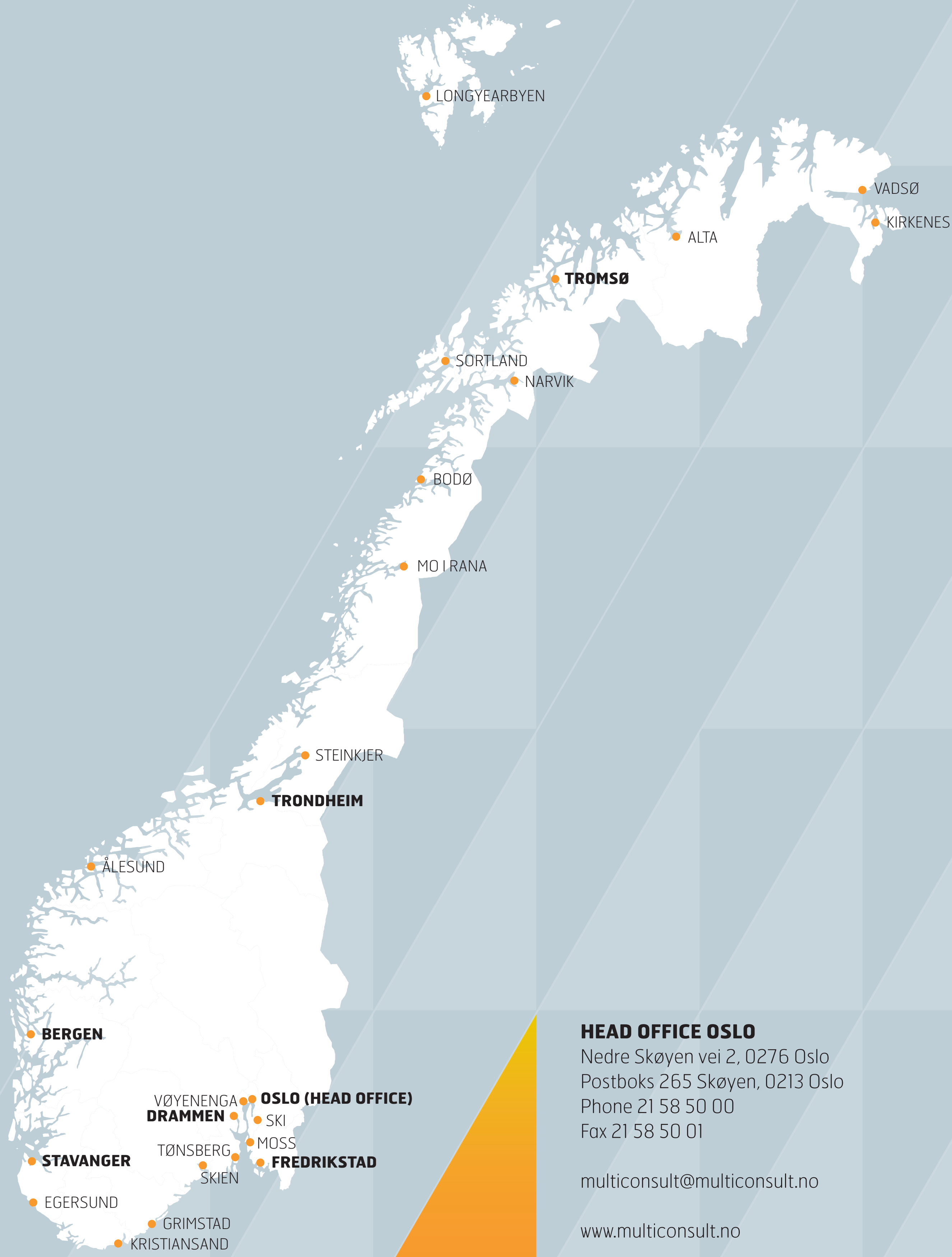

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