

Stock Exchange Notification (Oslo + Dublin) consolidated Annual Reports 2014 for EWOS Group AS and EWOS Holding AS

EWOS Group and EWOS Holding publish Annual Reports for 2014

On April 22, 2015, the Board of Directors of EWOS Group and EWOS Holding approved the financial statements for 2014.

Attached are the Annual Reports 2014 for EWOS Group and EWOS Holding.

The financial statements are adjusted compared to the preliminary and unaudited 2014 results reported by EWOS Group and EWOS Holding on February 25, 2015. The adjustments relate to:

1. Correction of 2013 financial statements:

On September 11, 2013, prior to the closing of the acquisition of the EWOS Business on October 31 2013, EWOS Holding AS entered into deal contingent currency forward contracts with Albain Finco S.À R.L. The currency forward contracts were closed on October 31, 2013 with a gain of NOK 173.6 million, but not settled by cash, and EWOS Holding AS earned a receivable on Albain Finco S.À R.L. These contracts were put in place to hedge NOK-EUR currency fluctuations between signing and closing of the transaction, as is customary for Euro denominated funds entering into NOK transactions. The gain and the receivable were not recognised in the 2013 financial statements. However, this has now been corrected by restating the prior period by recognising the gain and the receivable including accrued interest and the corresponding tax effect. Net income for 2013 has been increased by NOK 129.3 million affecting EWOS Group and EWOS Holding on a consolidated basis and EWOS Holding AS on a stand-alone basis. The Board does not believe that this correction has any materially adverse impact on the noteholders.

2. Adjustment of 2014 financial statements:

- a. NOK 21.3 million increase in interest income related to loan to Albain Finco S.À R.L. arising from the conversion of the above receivable to a long term loan:
Net income has been increased by NOK 15.5 million (net of tax) affecting EWOS Group and EWOS Holding on a consolidated basis and EWOS Holding on a stand-alone basis.
- b. NOK 14.6 million increase in the provision related to the special tax compliance issue:
In August 2013 it was discovered through an audit by the Norwegian Customs that EWOS wrongfully had claimed refund for special taxes related to mineral oil. The matter is now under investigation by the Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime (Økokrim). After the audit in 2013, EWOS has in cooperation with the Customs authority implemented new routines for handling of the special taxes. The provision of NOK 18.5 million that was recognised in 2013 has been increased to NOK 33.1 million as of December 31, 2014 to reflect management's best estimate, which is based on an estimated payment including unpaid taxes going ten years back, plus interest and estimated penalties. The final payment amount will not be known until the issue is resolved with the relevant authorities.



Net income for 2014 has decreased by NOK 12.9 million (net of tax) affecting EWOS Group and EWOS Holding on a consolidated basis.

These adjustments resulted in increased equity for EWOS Group and EWOS Holding by NOK 131.9 million as of December 31, 2014 and by NOK 129.3 million as of December 31, 2013 on a consolidated basis, and by NOK 144.8 million as of December 31, 2014 and by NOK 129.3 as of December 2013 for EWOS Holding AS on a stand-alone basis.

There are no other changes in the financial statements.

Further details can be found in the Annual Reports 2014, available on www.reporting.ewos.com

The next conference call will be held in connection with presentation of results for the 1st quarter 2015, on May 27th. Conference call details will be announced one week prior to the presentation.