

NOTE 18

NET INTEREST-BEARING DEBT AND MORTGAGES

June 2015, the Company's bank credit was expanded by MNOK 500 to provide financing upon redemption of bond loans of MNOK 400. Simultaneously, Danske Bank left the bank syndicate and DNB and Nordea currently provide 50% each. The financing agreement consists of a total frame of MNOK 1 910 including a long-term credit facility of MNOK 700. The Group fully redeemed the bond loan of MNOK 400 in December 2015, through utilising MNOK 400 of the bank credit. At year-end a total of MNOK 450 was drawn down of the total credit line of MNOK 700.

The corporate finance agreement includes covenants related to consolidated accounts of 35%, a revolving NIBD/EBITDA ratio of 5.0 if the book equity ratio is higher than 40% and 4.5 if the book equity ratio is between 35% and 40%. As at 31.12.2015 there has been granted an extension for the NIBD/EBITDA requirements. Hence, the Group as at 31.12.2014 was in compliance with all covenants. The extension applies for Q1 2016.

NON-CURRENT LIABILITIES	2015	2014
Mortgage loan	1 075 000	765 000
Long-term credit facility *)	450 000	200 000
Amortised cost	-6 739	-7 637
Total interest-bearing non-current liabilities	1 518 261	957 363

*) In accordance with a new financing agreement entered into in June 2015 the current revolving facility is replaced by a total long-term credit. As at 31.12.2015 this is utilised with MNOK 450.

SHORT-TERM DEBT		
Bond loan	0	396 050
Share of current part of mortgage loan	90 000	90 000
Total interest-bearing current liabilities	90 000	486 050

Gross interest-bearing liabilities	1 608 261	1 443 413
Bank deposits	215 057	95 969
Loans to group companies	864 945	1 527 854
Net interest-bearing liabilities	528 259	-180 410

MATURITY PROFILE - NON-CURRENT LIABILITIES	2015	2016	2017	2018	SUBSE- QUENTLY	TOTAL
Mortgage loan	90 000	90 000	90 000	90 000	798 261	1 068 261
Long-term credit facility *)					450 000	450 000
Total	90 000	90 000	90 000	90 000	1 248 261	1 518 261

*) In accordance with a new financing agreement entered into in June 2015 the current revolving facility is replaced by a total long-term credit. As at 31.12.2015 this is utilised with MNOK 450.

LIABILITIES SECURED BY MORTGAGE	2015	2014
Liabilities to credit institutions	1 608 261	1 055
Total liabilities	1 608 261	1 055

BOOK VALUE OF ASSETS PLEDGED AS SECURITY

Shares in subsidiaries	1 226 980	1 220 980
Shares in joint ventures	-	6 000
Fixed assets	4 814	3 908
Accounts receivable	4 827	2 344
Loans to group companies	864 945	1 527 854
Total assets pledged as security	2 101 566	2 761 086

In addition, pledges to banks include fixed assets, licences, inventories and accounts receivables from subsidiaries.

TYPE OF DEBT	Currency	Interest rate	Maturity	2015		2014	
				Current portion	Non-current portion	Current portion	Non-current portion
Syndicated long-term loan	NOK	Floating	06/2019	90 000	1 518 261	90 000	757 363
Syndicated loan revolving credit	NOK	Floating	06/2019				200 000
Bond loan	NOK	Floating	12/2015			396 050	
Total				90 000	1 518 261	486 050	957 363

AVERAGE INTEREST RATE ON SYNDICATED LOANS, 2015

	31.12.15	NOK	CAD	GBP	USD
Syndicated long-term loan	1 158 261	1 158 261			
Syndicated loan revolving credit	450 000	450 000			
Total loans	1 608 261	1 608 261	0	0	0

	2015	2014
Average rate of interest (adjusted with effect of interest swap)	4,70 %	5,18 %