

29 November 2016

DigiPlex Rosenholm AS (the Company)  
Management Commentary  
For the nine months ended 30 September 2016

Organisation no. 994 817 477

## BACKGROUND

The Company is the DigiPlex Group of Companies' second fully operational data centre in Oslo. It was founded in 2009 and is based in the Rosenholm Business Centre Campus.

The current data halls, rebuilt by the Company with new mechanical and electrical infrastructures, provide 1,500 m<sup>2</sup> of white technical space, fitted out according to customers' current and future requirements with state of the art security, functionality and sustainability.

This report should be read in conjunction with the Company's following financial statements:

- 2015 audited financial statements dated 28 April 2016;
- Condensed interim Q1 2016 financial statements dated 27 May 2016; and
- Condensed interim H1 2016 financial statements dated 26 August 2016.

All of the above have been prepared in accordance with the Norwegian Generally Accepted Accounting Principles [NGAAP].

The enclosed financial statements are the condensed interim results for the nine months ended 30 September 2016. These statements have been prepared in accordance with NGAAP, are not a full set of accounts, and have not been audited.

## UPDATE FOR THE FIRST NINE MONTHS OF 2016

During the course of the nine months ended 30 September 2016, the Company continued to provide IT housing solutions to its existing customer base.

For the nine months ended 30 September 2016, the Company's operating revenues totalled NOK 36.4 million, a 10% increase over the same period last year. Operating expenses totalled NOK 30.0 million, a 6% increase over the same period last year which comprised of NOK 17.6 million of operational, management and accounting support costs, NOK 3.7 million of personnel costs, and a charge of NOK 8.7 million to reflect depreciation of the building.

Operating income for the nine months ended 30 September 2016 was NOK 6.4 million, a 28% increase over the same period last year.

The Company incurred net finance costs of circa NOK 4.3 million, compared to NOK 4.7 million in the first nine months of 2015.

In light of the above, the earnings before taxes for the nine months ended 30 September 2016 came in at NOK 2.1 million, an increase of NOK 1.8 million as the result of an increase in operating income.

Cash generated from operations was NOK 8.7 million in the first nine months of 2016, compared to NOK 7.8 million in the same period in 2015.

## DigiPlex Rosenholm AS

## Profit &amp; Loss statement

(amounts in NOK)

	Notes	Quarter ended 30 September		Nine months ended 30 September		Year ended
		2016	2015	2016	2015	31 December
		Un-audited	Un-audited	Un-audited	Un-audited	Audited
		NOK	NOK	NOK	NOK	NOK
<b>OPERATING REVENUE AND EXPENSES</b>						
Sales revenue		11,963,363	10,285,058	33,886,221	30,972,725	42,221,763
Other revenue		25,501	663,740	2,605,501	2,298,541	3,744,860
Personnel expenses		-1,197,583	-1,295,264	-3,744,618	-4,410,441	-6,051,669
Depreciation	2	-2,995,881	-2,722,920	-8,761,637	-8,074,761	-10,805,017
Other operating expenses		-5,765,502	-5,858,584	-17,610,959	-15,824,726	-23,072,460
<b>OPERATING INCOME/(LOSS)</b>		<b>2,029,898</b>	<b>1,072,030</b>	<b>6,374,508</b>	<b>4,961,338</b>	<b>6,037,477</b>
Interest income		16,526	37,438	240,498	92,462	116,400
Other financial income		1,676	48,859	40,881	58,740	60,794
Interest expense		-1,577,189	-1,696,494	-4,598,627	-4,811,871	-6,543,347
Other financial expense		-174	-33,505	-174	-59,469	-61,915
<b>EARNINGS/(LOSS) BEFORE TAXES</b>		<b>470,737</b>	<b>-571,672</b>	<b>2,057,086</b>	<b>241,200</b>	<b>-390,591</b>
Taxes		-117,684	154,351	-514,272	-65,124	433,695
<b>ORDINARY PROFIT/(LOSS)</b>		<b>353,053</b>	<b>-417,321</b>	<b>1,542,814</b>	<b>176,076</b>	<b>-824,286</b>
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>		<b>353,053</b>	<b>-417,321</b>	<b>1,542,814</b>	<b>176,076</b>	<b>-824,286</b>
<b>TRANSFERS AND ALLOCATIONS</b>						
Transfer to equity gain/(loss)		353,053	-417,321	1,542,814	176,076	-824,286
<b>TOTAL TRANSFERS AND ALLOCATIONS</b>		<b>353,053</b>	<b>-417,321</b>	<b>1,542,814</b>	<b>176,076</b>	<b>-824,286</b>

## DigiPlex Rosenholm AS

## Balance Sheet

(amounts in NOK)

	Notes	As at 30 September 2016 Un-audited NOK	As at 31 December 2015 Audited NOK	As at 30 September 2015 Un-audited NOK
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
<b>Intangible assets</b>				
Deferred tax advantage		6,225,155	6,739,427	7,107,998
<b>Total intangible assets</b>		<b>6,225,155</b>	<b>6,739,427</b>	<b>7,107,998</b>
<b>Tangible assets</b>				
Property, plant and equipment	2	223,968,394	230,068,256	229,079,931
Furniture, fittings and office equipment	2	26,126	32,004	35,988
<b>Total tangible assets</b>		<b>223,994,520</b>	<b>230,100,260</b>	<b>229,115,919</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>230,219,675</b>	<b>236,839,687</b>	<b>236,223,917</b>
<b>CURRENT ASSETS</b>				
Goods on stock		410,813	416,705	59,450
Trade receivables		6,241,431	9,837,456	15,003,942
Other current assets		2,223,718	1,801,333	2,680,283
Bank deposits	3	11,239,058	15,144,984	6,469,540
<b>TOTAL CURRENT ASSETS</b>		<b>20,115,020</b>	<b>27,200,458</b>	<b>24,213,215</b>
<b>TOTAL ASSETS</b>		<b>250,334,695</b>	<b>264,040,145</b>	<b>260,437,132</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Paid in equity</b>				
Share capital		2,950,000	2,950,000	2,950,000
<b>Total paid in equity</b>		<b>2,950,000</b>	<b>2,950,000</b>	<b>2,950,000</b>
<b>Earned equity</b>				
Other equity		-16,530,017	-18,072,831	-17,072,469
<b>Total earned equity</b>		<b>-16,530,017</b>	<b>-18,072,831</b>	<b>-17,072,469</b>
<b>Total equity</b>		<b>-13,580,017</b>	<b>-15,122,831</b>	<b>-14,122,469</b>
<b>LIABILITIES</b>				
<b>Long term liabilities</b>				
Debt to financial institutions		-	-	-
Liabilities to parent/related companies		249,277,148	259,277,148	259,277,148
Other long term liabilities		682,422	372,840	372,840
<b>Total long term liabilities</b>		<b>249,959,570</b>	<b>259,649,988</b>	<b>259,649,988</b>
<b>Short term liabilities</b>				
Trade liabilities		1,219,451	6,198,337	3,233,392
Liabilities to the public		1,962,890	1,256,369	2,023,895
Other short term liabilities		10,772,801	12,058,282	9,652,326
<b>Total short term liabilities</b>		<b>13,955,142</b>	<b>19,512,988</b>	<b>14,909,613</b>
<b>Total liabilities</b>		<b>263,914,712</b>	<b>279,162,976</b>	<b>274,559,601</b>
<b>Total equity and liabilities</b>		<b>250,334,695</b>	<b>264,040,145</b>	<b>260,437,132</b>

**DigiPlex Rosenholm AS**  
**Cash Flow statement**  
 (amounts in NOK)

	Quarter ended 30 September		Nine months ended 30 September		Year ended 31 December
	2016 Un-audited NOK	2015 Un-audited NOK	2016 Un-audited NOK	2015 Un-audited NOK	2015 Audited NOK
<b>Profit/(loss) before income tax</b>	470,737	-571,672	2,057,086	241,200	-390,591
<i>Adjustments for:</i>					
Depreciation and amortisation charges	2,995,881	2,722,920	8,761,637	8,074,761	10,805,017
<i>Changes in working capital:</i>					
Trade and other receivables	7,788,354	-1,965,606	3,596,025	1,789,168	6,638,293
Trade and other payables	-8,933,727	4,447,900	-5,557,671	-1,100,032	3,503,343
Inventories	5,892	-	5,892	-	-357,254
Change in other assets	579,761	264,581	-112,975	-1,196,307	-
Income tax paid	-	-	-	-	-
<b>Net cash flow from operating activities</b>	<b>2,906,898</b>	<b>4,898,123</b>	<b>8,749,994</b>	<b>7,808,790</b>	<b>20,198,808</b>
<b>Cash flows from investing activities</b>					
Investments in land, buildings and equipment	-613,586	-394,947	-2,655,898	-4,186,443	-7,901,040
<b>Net cash flow from investing activities</b>	<b>-613,586</b>	<b>-394,947</b>	<b>-2,655,898</b>	<b>-4,186,443</b>	<b>-7,901,040</b>
<b>Cash flows from financing activities</b>					
Loans from related companies	-10,000,000	123,750,000	-10,000,000	123,750,000	123,750,000
Repayment of loan to parent company	-	-23,405,681	-	-23,405,681	-23,405,681
Repayment of loan	-	-101,264,336	-	-101,264,336	-101,264,336
<b>Net cash flow from financing activities</b>	<b>-10,000,000</b>	<b>-920,017</b>	<b>-10,000,000</b>	<b>-920,017</b>	<b>-920,017</b>
Increase/(decrease) in cash during the period	-7,706,688	3,583,159	-3,905,904	2,702,330	11,377,751
<b>Cash balance at the beginning of the period</b>	<b>18,945,746</b>	<b>2,886,382</b>	<b>15,144,962</b>	<b>3,767,211</b>	<b>3,767,211</b>
<b>Cash balance at the end of the period</b>	<b>11,239,058</b>	<b>6,469,541</b>	<b>11,239,058</b>	<b>6,469,541</b>	<b>15,144,962</b>

**Note 1 - Statement of compliance, basis of preparation, and significant accounting policies**

Digiplex Rosenholm AS is a Norwegian private limited liability company incorporated on 24 November 2009 and regulated by the Norwegian Private Limited Liability Companies Act and supplementing Norwegian laws and regulations. The Company is registered in the Norwegian Companies Registry with company registration number 994 817 477 and its registered business address is Ulvenveien 89B, 0581 Oslo, Norway.

Digiplex Rosenholm AS provides highly secure, high-powered, energy-efficient and carrier-neutral data centre space at Rosenholmveien 25 outside Oslo, Norway, for its customers' information and communication technology equipment.

These condensed interim financial statements for the third quarter ended 30 September 2016 do not include all of the information required for a full set of annual financial statements and they have not been audited.

They have been prepared in accordance with the Accounting Act and Norwegian Generally Accepted Accounting Principles for small enterprises. They should be read in conjunction with the audited annual financial statements for the year ended 31 December 2015, issued on 28 April 2016, and the condensed interim Q1 2016 and Q2 2016 financial statements issued on 27 May 2016 and 26 August 2016 respectively.

The accounting principles applied in the audited 2015 annual financial statements have also been applied to these statements. For further information regarding the accounting principles applied, please refer to the abovementioned reports.

**Note 2 Fixed assets**

Fixed assets	Investment in building	Office machines	Total
Acquisition cost as at 1.1.2016	272,547,607	75,559	272,623,166
Additions	2,655,898	-	2,655,898
Disposals	-	-	-
Acquisition cost as at 30.09.2016	275,203,505	75,559	275,279,064
Accumulated depreciation	51,235,110	49,434	51,284,544
<b>Net book value as at 30.09.2016</b>	<b>223,968,395</b>	<b>26,125</b>	<b>223,994,520</b>
Depreciation for the period	8,755,759	5,878	8,761,637
Expected useful life	7-25 years	3-5 years	
Depreciation plan	Straight line	Straight line	

**Note 3 Bank deposits**

Bank deposits	30 Sep 2016	31 Dec 2015
Short term cash deposits, cash equivalents	10,965,104	14,776,151
Restricted cash employee tax deductions	273,954	368,811
<b>Bank deposits</b>	<b>11,239,058</b>	<b>15,144,962</b>