

**DigiPlex Fet AS  
Board of Directors' report  
For the quarter ended 30 September 2014**

**Register no. 912189287**

**Background**

DigiPlex Fet AS was founded in July 2013 when it signed one of the largest data centre deals in Europe for its facility at Heiaveien 9 in the municipality of Fet, near Oslo.

The 21.5 years contract with Evry AS (one of the two largest IT service companies in Scandinavia) secures revenue for its 4,200 m<sup>2</sup> of IT space, served by 12 megawatts of power. The high security facility will benefit from DigiPlex's industry leading Air-to-Air cooling technology delivering a power usage efficiency which will place it in the top 3 per cent of data centres worldwide and ensuring a sustainable performance with minimum environmental footprint.

**Update for the quarter**

The company currently remains on target to deliver the first of its six scheduled phases of 700 m<sup>2</sup> each to Evry AS in Q4 2014 whilst acknowledging the very tight schedule to completion. The last phase is scheduled to be delivered at the beginning of Q2 2016.

The company initiated its draw down from the proceeds of the NOK500million bonds issued on 11 June 2014 in this quarter; to finance the construction of the facility as well as to repay the bridging loan of NOK30million to its sole shareholder, DigiPlex Fet LLC.

There is no operational revenue in this quarter but operational expenses such as fees for management and accounting support have been incurred in preparing the business for the handover of the first phase in Q4 2014.

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**Digiplex Fet AS****Profit and Loss Statement (Unaudited)**

|  |   | Quarter Ended<br>30-Sep-14<br>NOK | Quarter Ended<br>30-Jun-14<br>NOK | Quarter Ended<br>31-Mar-14<br>NOK |
|--|---|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>OPERATING REVENUE AND EXPENSES</b>  |   |                                   |                                   |                                   |
| Revenue                                |   | 0                                 | 0                                 | 0                                 |
| Other Operating Expenses               | 4 | 1,119,516                         | 431,213                           | 27,903                            |
| <b>OPERATING INCOME / (LOSS)</b>       |   | <b>(1,119,516)</b>                | <b>(431,213)</b>                  | <b>(27,903)</b>                   |
| Interest Income                        | 9 | (263,640)                         | 128,696                           | 134,944                           |
| Other Financial Income                 |   | 6,819                             |                                   |                                   |
| Interest Expense                       | 9 | 77,560                            | (77,500)                          | (60)                              |
| Other Financial Expense                | 9 | 253,035                           | (321,328)                         | (28,731)                          |
| <b>EARNINGS/(LOSS) BEFORE TAXES</b>    |   | <b>(1,045,742)</b>                | <b>(701,345)</b>                  | <b>78,250</b>                     |
| Taxes                                  | 8 | (2,532,472)                       | (189,363)                         | 21,128                            |
| <b>ORDINARY PROFIT/(LOSS)</b>          |   | <b>1,486,730</b>                  | <b>(511,982)</b>                  | <b>57,123</b>                     |
| <b>NET PROFIT/(LOSS) FOR THE YEAR</b>  |   | <b>1,486,730</b>                  | <b>(511,982)</b>                  | <b>57,123</b>                     |
| <b>TRANSFERS AND ALLOCATIONS</b>       |   |                                   |                                   |                                   |
| Transfer to equity (Gain/Loss)         | 6 | 1,486,730                         | (511,982)                         | 57,123                            |
| <b>TOTAL TRANSFERS AND ALLOCATIONS</b> |   | <b>1,486,730</b>                  | <b>(511,982)</b>                  | <b>57,123</b>                     |

**Digiplex Fet AS****Balance Sheet (Unaudited)**

|  | Notes | 30-Sep-14<br>NOK   | 30-Jun-14<br>NOK   | 31-Mar-14<br>NOK   |
|--|-------|--------------------|--------------------|--------------------|
| <b>ASSETS</b>                                    |       |                    |                    |                    |
| <b>NON-CURRENT ASSETS</b>                        |       |                    |                    |                    |
| <b>Intangible assets</b>                         |       |                    |                    |                    |
| Deferred tax asset                               | 8     | 2,700,708          | 168,236            | 0                  |
| Capitalized expenses                             | 9     | 8,333,784          |                    |                    |
| <b>Total intangible assets</b>                   |       | <b>11,034,492</b>  | <b>168,236</b>     | <b>0</b>           |
| <b>Tangible Assets</b>                           |       |                    |                    |                    |
| Land   | 2     | 38,520,577         | 38,520,577         | 38,520,577         |
| Buildings Under Construction                     | 2     | 327,381,925        | 159,029,908        | 84,901,176         |
| <b>Total Tangible Assets</b>                     |       | <b>365,902,502</b> | <b>197,550,485</b> | <b>123,421,753</b> |
| <b>Financial Fixed Assets</b>                    |       |                    |                    |                    |
| Guarantee Deposit                                | 5     | 2,814,897          | 4,000,000          | 0                  |
| <b>TOTAL FIXED ASSETS</b>                        |       | <b>379,751,891</b> | <b>201,718,721</b> | <b>123,421,753</b> |
| <b>CURRENT ASSETS</b>                            |       |                    |                    |                    |
| Other Financial Assets (Restricted Cash Deposit) | 5     | 299,736,990        | 465,350,000        | 0                  |
| Other Current Assets                             |       | 14,660,802         | 25,752,970         | 15,763,185         |
| Bank Deposits                                    |       | 112,296,752        | 53,092,650         | 48,923,625         |
| <b>TOTAL CURRENT ASSETS</b>                      |       | <b>426,694,544</b> | <b>544,195,620</b> | <b>64,686,810</b>  |
| <b>TOTAL ASSETS</b>                              |       | <b>806,446,435</b> | <b>745,914,341</b> | <b>188,108,563</b> |
| <b>EQUITY AND LIABILITIES</b>                    |       |                    |                    |                    |
| <b>EQUITY</b>                                    |       |                    |                    |                    |
| <b>Paid in Equity</b>                            |       |                    |                    |                    |
| Share Capital                                    | 6     | 30,000             | 30,000             | 30,000             |
| <b>Total Paid in Equity</b>                      |       | <b>30,000</b>      | <b>30,000</b>      | <b>30,000</b>      |
| <b>Earned Equity</b>                             |       |                    |                    |                    |
| Other Equity                                     | 6     | 1,099,367          | (387,363)          | 124,614            |
| <b>Total Earned Equity</b>                       |       | <b>1,099,367</b>   | <b>(387,363)</b>   | <b>124,614</b>     |
| <b>Total Equity</b>                              |       | <b>1,129,367</b>   | <b>(357,363)</b>   | <b>154,614</b>     |
| <b>LIABILITIES</b>                               |       |                    |                    |                    |
| <b>Long Term Liabilities</b>                     |       |                    |                    |                    |
| Bond   | 3     | 498,936,250        | 500,000,000        |                    |
| Liabilities towards Group Companies              | 3     | 174,082,470        | 204,081,525        | 174,082,470        |
| <b>Total Long Term Liabilities</b>               |       | <b>673,018,720</b> | <b>704,081,525</b> | <b>174,082,470</b> |

**Short Term Liabilities**

|                                     |                    |                   |                   |
|-------------------------------------|--------------------|-------------------|-------------------|
| Trade and Other Payables            | 49,040,699         | 42,190,179        | 13,871,478        |
| Other Short Term Liabilities        | 83,257,649         | 0                 |                   |
| <b>Total Short Term Liabilities</b> | <b>132,298,348</b> | <b>42,190,179</b> | <b>13,871,478</b> |

|                          |                    |                    |                    |
|--------------------------|--------------------|--------------------|--------------------|
| <b>Total Liabilities</b> | <b>805,317,068</b> | <b>746,271,704</b> | <b>187,953,948</b> |
|--------------------------|--------------------|--------------------|--------------------|

|                                     |                    |                    |                    |
|-------------------------------------|--------------------|--------------------|--------------------|
| <b>Total Equity and Liabilities</b> | <b>806,446,435</b> | <b>745,914,341</b> | <b>188,108,563</b> |
|-------------------------------------|--------------------|--------------------|--------------------|

Quarterly Report Digiplex Fet AS

Reg. No: 912189287

**Digiplex Fet AS****Cash Flow Statement (Unaudited)**

|   | Quarter Ended<br>30-Sep-14<br>NOK | Quarter Ended<br>30-Jun-14<br>NOK | Quarter Ended<br>31-Mar-14<br>NOK |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Cash flows from operating activities</b>             |                                   |                                   |                                   |
| Cash received from customers                            | 0                                 | 0                                 | 0                                 |
| Cash paid for wages and other operating expenses        | (1,119,516)                       | (431,213)                         | (27,903)                          |
| Cash received from interest                             | (256,821)                         | 128,696                           | 134,944                           |
| Cash paid for foreign exchange losses                   | 330,595                           |                                   |                                   |
| Change in short term assets and liabilities             | 101,200,337                       |                                   |                                   |
| <b>Net cash provided (used) by operating activities</b> | <b>100,154,595</b>                | <b>(302,517)</b>                  | <b>107,041</b>                    |
| <b>Cash flows from investing activities</b>             |                                   |                                   |                                   |
| Investments machinery                                   | 0                                 | (39,500)                          | 0                                 |
| Investments in buildings and equipment                  | (177,749,551)                     | (51,488,013)                      | (35,313,814)                      |
| Guarantee provided for the general contractor           | 1,185,103                         | (4,000,000)                       |                                   |
| <b>Net cash provided (used) by investing activities</b> | <b>(176,564,448)</b>              | <b>(55,527,513)</b>               | <b>(35,313,814)</b>               |
| <b>Cash flows from financing activities</b>             |                                   |                                   |                                   |
| Cash received from Bond Issue (net of fees)             | 0                                 | 495,350,000                       |                                   |
| Cash received from shareholder loans                    | 0                                 | 29,999,055                        | 40,630,000                        |
| Repayment to shareholders                               | (29,999,055)                      |                                   |                                   |
| <b>Net cash provided (used) in financing activities</b> | <b>(29,999,055)</b>               | <b>525,349,055</b>                | <b>40,630,000</b>                 |
| Increase (decrease) in cash during the period           | (106,408,908)                     | 469,519,025                       | 5,423,227                         |
| <b>Cash balance at the beginning of the period</b>      | <b>518,442,650</b>                | <b>48,923,625</b>                 | <b>43,500,398</b>                 |
| <b>Cash balance at the end of the period</b>            | <b>412,033,742</b>                | <b>518,442,650</b>                | <b>48,923,625</b>                 |

**DigiPlex Fet AS**  
**Notes to the Financial Statements (Unaudited)**

**Accounting principles**

The financial statements for the quarter ended 30 September 2014 have been prepared in accordance with NGAAP.

**Accounting policies**

**Sales Revenues**

IT housing service revenues will be recognised and expensed over the designated term of each respective contract.

**Classification and valuation of balance sheet items**

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. Current assets are valued at the lower of cost price and net realizable value. Short term liabilities are reflected in the balance sheet at nominal value on the establishment date.

Fixed assets are valued at purchase cost. Fixed assets whose value will deteriorate are depreciated on a straight line basis over the asset's estimated useful life. The fixed assets are written down to net realizable value if a value reduction occurs which is not believed to be temporary.

**Fixed assets**

Fixed assets are reflected in the balance sheet and depreciated over the asset's expected useful life on a straight-line basis. Direct maintenance of an asset is expensed under operating expenses as and when it is incurred. Additions or improvements are added to the asset's cost price and depreciated together with the asset. The split between maintenance and additions/improvements is calculated in proportion to the asset's condition at the purchase date.

**Debtors**

Trade debtors and other debtors are reflected in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

**Foreign currencies**

Monetary items in foreign currencies are translated at the exchange rate on the balance sheet date.

**Tax**

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 27% on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. Deferred tax and tax benefits which may be shown in the balance sheet are presented net. The company chose to capitalize the deferred tax advantage.

**Note 1 Revenue**

The company has not had any revenue in the period

**Note 2 Fixed Assets**

| <b>Fixed assets</b>             | <b>Land</b>       | <b>Capitalized interest</b> | <b>Project under construction</b> | <b>Total</b>       |
|---------------------------------|-------------------|-----------------------------|-----------------------------------|--------------------|
| Cost 1.7.2014                   | 38,520,577        | 0                           | 159,029,908                       | 197,550,485        |
| Additions                       | 0                 | 8,333,784                   | 168,352,017                       | 176,685,801        |
| Disposals                       | 0                 | 0                           | 0                                 | 0                  |
| Cost 30.9.2014                  | 38,520,577        | 8,333,784                   | 327,381,925                       | 374,236,286        |
| Accumulated depreciation        | 0                 | 0                           | 0                                 | 0                  |
| <b>Net book value 30.9.2014</b> | <b>38,520,577</b> | <b>8,333,784</b>            | <b>327,381,925</b>                | <b>374,236,286</b> |
| Depreciation in the year        | 0                 | 0                           | 0                                 | 0                  |
| Write-down in the year          | 0                 | 0                           | 0                                 | 0                  |
| Expected useful life            | N/A               |                             |                                   |                    |

Depreciation plan None  
 The building is under construction. The operations are expected to commence at the end of 2014.  
 The split in different categories will be done when the project is completed

**Note 3 Long term debt**

| Debt to parent company: | Q3 2014            | Q2 2014            |
|-------------------------|--------------------|--------------------|
| Digiplex Fet LLC        | 174,082,470        | 204,081,525        |
| <b>Total</b>            | <b>174,082,470</b> | <b>204,081,525</b> |

No interest is calculated on the loan from the parent company in the period

**FRN Digiplex Fet AS Senior Secured Bond Issue 2014/2019**

|                                  |            |                 |
|----------------------------------|------------|-----------------|
| ISIN NO 001 071 2870             | Issue date | 11/06/2014      |
| Bond trustee: Nordic Trustee ASA | Amount     | 500,000,000 NOK |
|                                  | Duration   | 5 Years         |

Fees related to the bond issue are deducted from the bond amount and amortized over the period of the bond agreement.

**Note 4 Transactions with related parties**

| Purchase of services  | Q3 2014        | Q2 2014        |
|---|----------------|----------------|
| - Companies controlled by members of the management or Board of DigiPlex Fet AS | 140,605        | 140,605        |
|   | -              |                |
| <b>Total</b>  | <b>140,605</b> | <b>140,605</b> |

**Note 5 Restricted bank deposits, overdraft facilities**

The company has 2 separate restricted cash items

*FRN Digiplex Fet AS Senior Secured Bond Issue 2014/2019*

The amount of NOK 299 736 990, from the bond issue (net of manager and legal fees and repayment to shareholder) , is held in an Escrow Account in the name of the company which is pledged and blocked on first priority as security for the company's obligations under the Bond Agreement; the drawdown of which is applied through the Bond Trustee, Nordic Trustee ASA

*Deposit for bank guarantee made out to AS Miljøbygg, NOK 2 814 897*

**Note 6 Shareholder's equity, share capital and shareholder information**

**Equity change in the year**

|   | Share capital | Other equity     | Total            |
|---|---------------|------------------|------------------|
| Opening Balance 01.07.2014              | 30,000        | (387,364)        | (357,364)        |
| Profit /(loss) for the quarter          |               | 1,486,730        | 1,486,730        |
| Transfer from reserve to uncovered loss |               |                  | 0                |
| <b>Shareholder's equity 30.09.2014</b>  | <b>30,000</b> | <b>1,099,371</b> | <b>1,129,366</b> |

The share capital of NOK 30.000 consists of 30.000 shares of NOK 1 each. All shares have equal rights.

| Shareholder as of 30.09.2014                             | Shares | Total  | Ownership |
|--|--------|--------|-----------|
| DigiPlex Fet LLC, New Castle County, Delaware 19801, USA | 30,000 | 30,000 | 100%      |

**Note 7 Payroll expenses, number of employees, remunerations, loans to employees, etc**

The company did not have employees in the period

The company fulfills the regulations regarding obligatory pension fund

There has not been paid any remuneration to the managing director.

Neither the managing director, nor the chairman of the board or any other related parties have received loans during the period

#### Note 8 Income Tax

| Calculation of deferred tax and change in deferred tax | Changes            | 30/09/2014          | 30/06/2014       |
|--|--------------------|---------------------|------------------|
| <i>Temporary differences</i>                           |                    |                     |                  |
| Fixed assets   | (8,333,784)        | (8,333,784)         | 0                |
| Goods  | 0                  | 0                   | 0                |
| Receivables  | 0                  | 0                   | 0                |
| <b>Net temporary differences</b>                       | <b>(8,333,784)</b> | <b>(8,333,784)</b>  | <b>0</b>         |
| Carryforward losses                                    | (1,045,742)        | (1,668,837)         | (623,095)        |
| <b>Basis for deferred tax in the balance sheet</b>     | <b>(9,379,526)</b> | <b>(10,002,621)</b> | <b>(623,095)</b> |
| <i>Deferred tax and change in deferred taxes</i>       |                    |                     |                  |
| 27% deferred tax benefit                               | (2,532,472)        | (2,700,708)         | (168,236)        |
| Not shown in the balance sheet                         | 0                  | 0                   | 0                |
| <b>Deferred tax/tax benefit in the balance sheet</b>   | <b>(2,532,472)</b> | <b>(2,700,708)</b>  | <b>(168,236)</b> |
| <b>Payable taxes (Calculated)</b>                      |                    |                     |                  |
|  |                    | <b>Q3 2014</b>      | <b>Q2 2014</b>   |
| <i>Basis for payable taxes</i>                         |                    |                     |                  |
| Result before tax charges                              |                    | (1,045,742)         | (701,345)        |
| Permanent differences                                  |                    | 0                   | 0                |
| Basis for payable taxes (*)                            |                    | (1,045,742)         | (701,345)        |
| Change in temporary differences                        |                    | (9,379,526)         | 0                |
| <b>Taxable income</b>                                  |                    | <b>(10,425,268)</b> | <b>(701,345)</b> |
| Utilisation of carryforward losses                     |                    | 0                   | 0                |
| <b>Basis for payable taxes (in the tax charge)</b>     |                    | <b>(10,425,268)</b> | <b>(701,345)</b> |

#### Note 9 Interest and Other Financial Expenses

Interest expenses related to the financing of the construction of the property are capitalized and will be amortized over the lifetime of the property.

Other financial expenses are related to foreign exchange losses.