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o.n.sunde as

ANNUAL REPORT

2010

Key figures O.N. Sunde AS, consolidated

(Amounts in NOK million)

	2010	2009	2008	2007	2006	2010 [1](in EUR mill.)
Sales revenues	10 176	9 382	8 950	8 118	8 398	1 303
EBITDA	1 423	1 516	1 139	1 056	1 252	182
Operating profit (EBIT)	785	855	629	433	496	101
Profit before tax and discontinued business	583	1 015	-320	159	276	75
Discontinued business		-99	-134	-23		
Net profit	411	615	-421	92	195	53
Total assets	13 482	12 173	12 743	10 919	8 846	1 726
Liquidity available	[2]2 120	1 424	982	1 600	1 710	271
Number of man-years in the Group	3 932	3 988	4 104	4 250	4 283	

[1] Translated into Euro, exchange rate as at 31 December 2010

[2] Including non-utilized drawing rights

Color Group AS

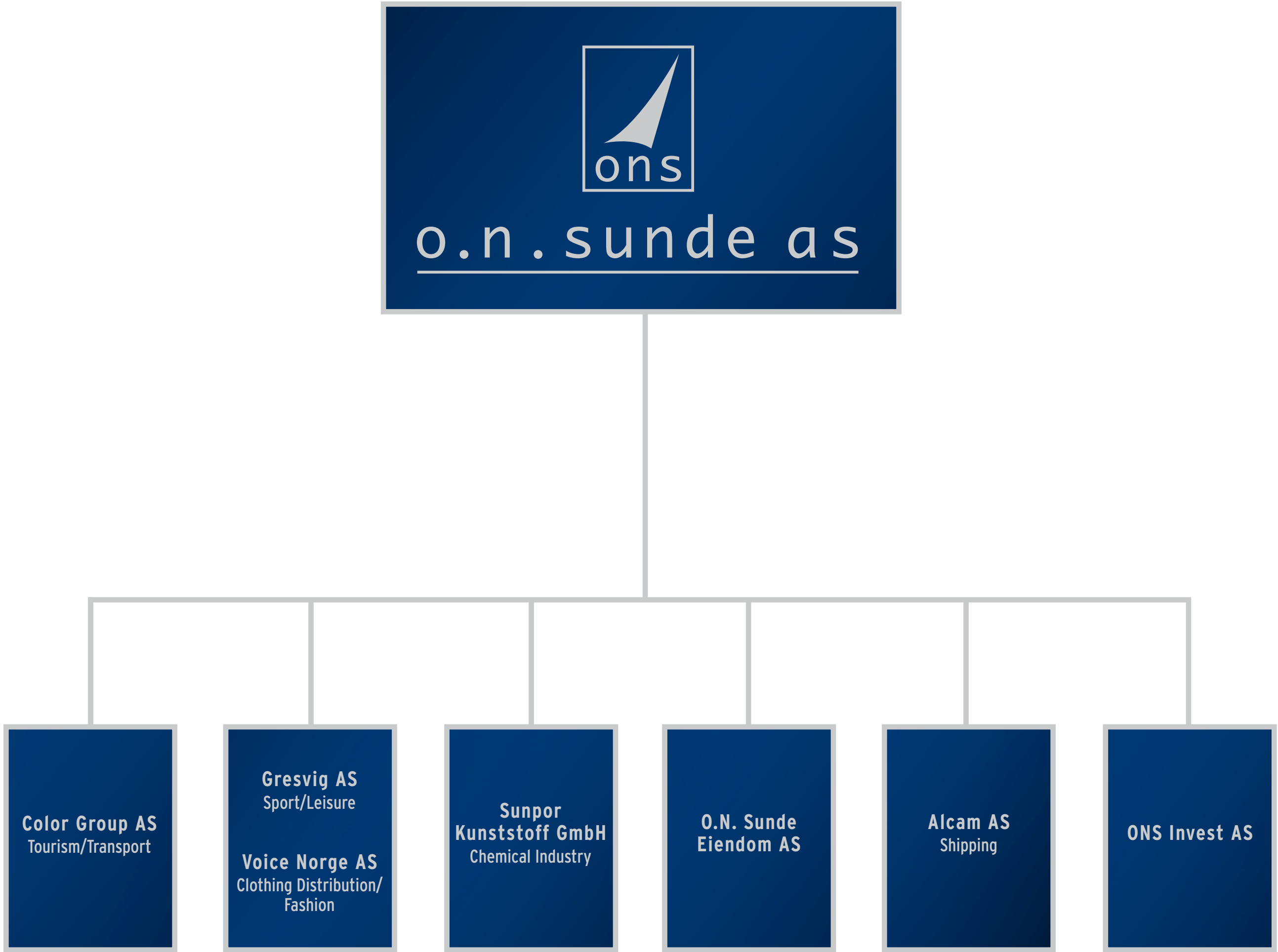
Gresvig AS

Voice Norge AS

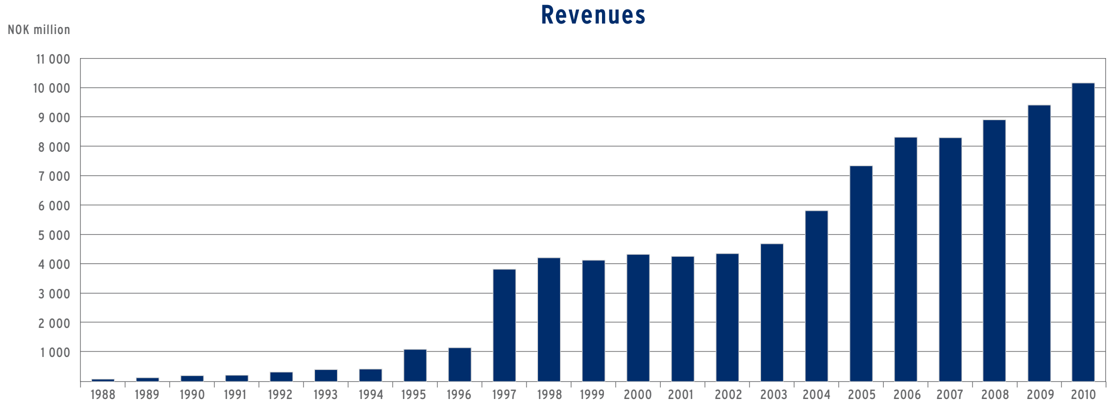
Sunpor Kunststoff GmbH

O.N. Sunde Eiendom AS

Alcam AS

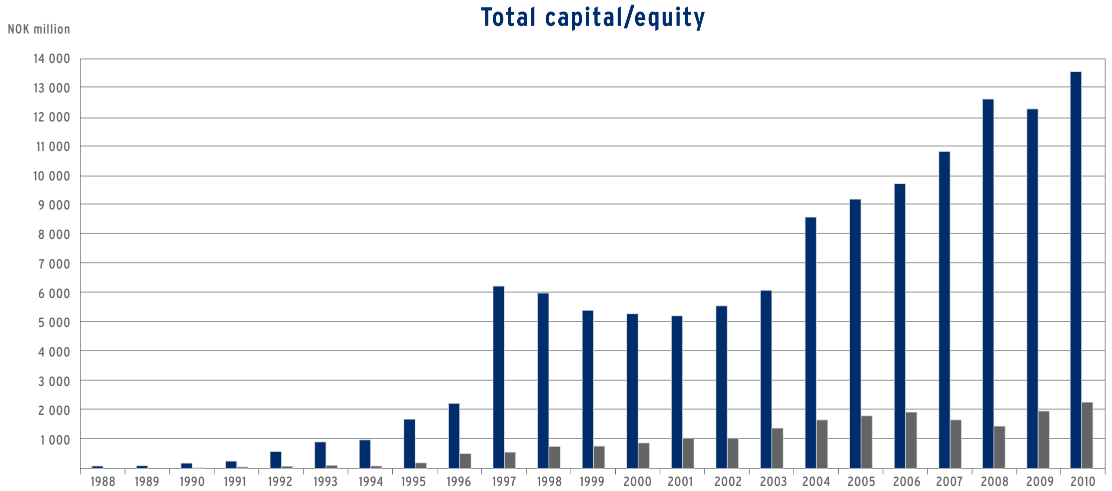


Revenues



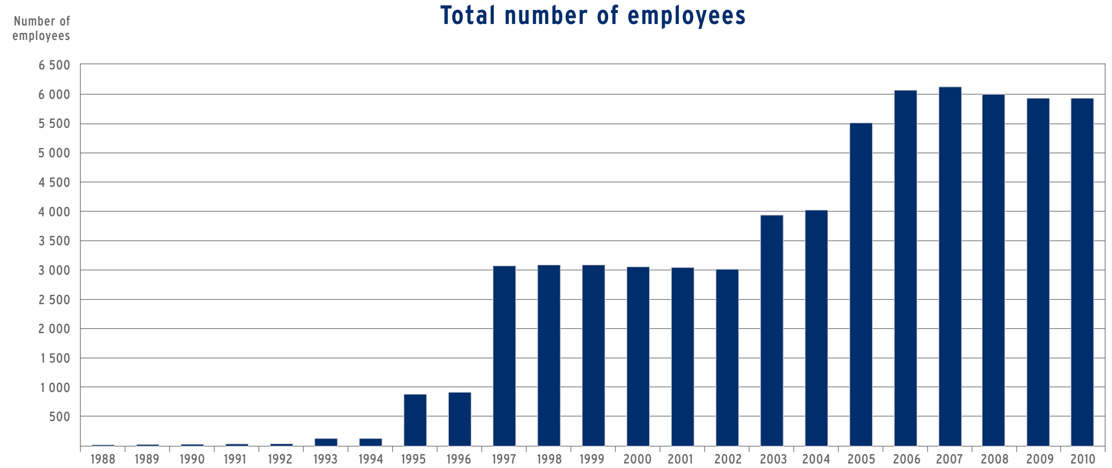
O.N. Sunde AS is a company with the will and ability to expand.

Total capital/equity



The company's long-term investment policy has resulted in continuous positive development of equity and total capital.

Total number of employees



The total number of employees has increased from 28 in 1988 to approx. 6 000 in 2010.

THE COMPANY AND ITS SHAREHOLDERS

O.N. Sunde AS was founded on 7 January 1988. O.N. Sunde AS is an industrial investment company with its headquarters in Oslo, Norway. As at 31 December 2010, the company share capital was NOK 500 million. All shares in the company are owned indirectly by Olav Nils Sunde and his family.

THE OPERATIONS AND PRIMARY AREAS OF BUSINESS FOR THE GROUP

Since the outset, the Group has grown consistently and has delivered stable and good returns.

The main focus of the Group is in development and value creation of its key areas of business. These comprise Cruise and Transport, Sports and Clothing, Chemical Industry, Property, Shipping and Financial Investments. This business is conducted through the wholly owned sub-groups Color Group AS, Gresvig Holding AS, Sunpor Kunststoff GmbH, O.N. Sunde Eiendom AS, Alcam AS and ONS Invest AS. For a more detailed presentation of these business areas, please visit our website www.onsunde.no.

THE EXTERNAL ENVIRONMENT, THE WORKING ENVIRONMENT AND EQUAL OPPORTUNITIES

Certain sections of the Group's operations have an impact on the external environment.
This includes Color Group, Sunpor Kunststoff, Alcam and Gresvig. The individual business areas prepare plans and strategies and implement measures for control and management. No incidents of serious damage to the external environment or pollution were reported in 2010.

In 2010, the parent company employed a total of 8 man-years. Absence due to sickness in the parent company is insignificant. The average number of man-years employed by the Group was 3 932. The Directors consider the working environment in the Group to be good. It is the individual business areas that prepare measures to ensure that there is a satisfactory working environment and they make every effort to ensure that the provisions of the Anti-discrimination Act and the Discrimination and Equal Opportunities Act are complied with. During 2010 there were no reports of incidents involving serious personal injury. Irrespective of sex, the Group' policy in the various business areas is equal pay for equal work. Both women and men must have equal opportunities for development and employment in all job categories within the Group.

PROFIT FOR THE YEAR, INVESTMENT ACTIVITIES/FINANCIAL MATTERS

The parent company, O.N. Sunde AS, and the Group present their accounts in accordance with the provisions of NRS (Norsk Regnskapsstandard – The Norwegian Accounting Standard) and generally accepted accounting practice.

PROFIT FOR THE YEAR

Comments to the Groups income statement are based on continued operation as a going concern, unless otherwise specified.

Operating revenues

Total operating revenues of the Group in 2010 totalled NOK 10 176 million, compared with NOK 9 581 million including sales income of discontinued business in 2009. The Group's operating revenues for continued operation in 2009 totalled NOK 9 382 million. The increase is partly related to the increase in production and sales in Sunpor Kunststoff GmbH and partly to an increase in sales in the Gresvig Group. 2010 was the first year in which sales and profit were recorded on a full year's basis following the completion of the new production facility for Sunpor in 2009. The overall market in Europe increased by approx. 10 percent compared with 2009, bringing the total market back to the levels recorded in the years 2007-2008, prior to the financial crisis.
Gresvig increased its sales due to good growth in the sports market in general and through the acquisition of retail outlets. Demand for sports equipment in Norway increased by approx. 7 percent in 2010. In order to strengthen its position, Gresvig established the new super market concept, G-MAX, and opened the first outlet in November 2010.

Color Group consolidated it's position on the market despite increased competition in 2010.

The other businesses in the Group showed a relatively stable development in sales.

Operating profit

The Group's operating result before depreciation, charter hire and leasing costs (EBITDA) was NOK 1 423 million, the equivalent figure for 2009 being NOK 1 516 million.
This is a decrease of NOK 93 million. The Group's operating profit (EBIT) totalled NOK 785 million in 2010, compared with NOK 855 million in 2009. This is a reduction of NOK 70 million compared with 2009.
The downturn is mainly related to a reduction in operating profits in Color Group and in the Gresvig Group. Sunpor Kunststoff recorded a good increase in operating profit in 2010. The phasing in of new and modern production capacity combined with sucsessfull product development has contributed to this development.

In recent years, the shipping business in the Alcam Group has been downsized through the sales of ships, due to general decrease in the shipping market.

Financial items

For 2010, the Group's net financial items show a deficit of -NOK 202 million compared with +NOK 159 million in 2009. This is a negative change of -369 million. In 2009, the Group was able to take to income considerable foreign exchange gains linked to foreign currency loans and positive result elements linked to currency, interest and bunker derivates, resulting from major movements in the capital markets. This tendency was weaker in 2010. The effects on profit are now normalized.

In 2010, the Group's financial investments in shares and securities showed a net realized gain of NOK 70 million compared with NOK 120 million in 2009.

Profit for the year
The Group's result for the year was positive in the amount of NOK 411 million, compared with NOK 714 million in 2009.

The parent company, O.N. Sunde AS recorded an operating profit of –NOK 3 million compared with NOK 14 million in 2009. Profit for the year is NOK 271 million, compared with 294 million in 2009. The Directors propose that the profit be transferred to other equity.

INVESTMENT ACTIVITIES

Net cash flow from investment activities in the Group totalled -NOK 455 million, compared with -NOK 362 million in 2009. This is mainly connected with the following areas in the Group.

Color Group Investments totalled NOK 219 million and concern maintenance and upgrading investments in property, plant and equipment, in addition to the development of a new booking and Internet platform. In addition the amount includes advance payments to the shipyard related to the capacity-increasing rebuilding work carried out onboard M/S SuperSpeed1, which was completed in January 2011.

In the Gresvig Group, investments in property plant and equipment and in the acquisitions of companies total NOK 142 million.

In 2010, O.N. Sunde Eiendom aquired the property company Breivikgården AS.

O.N. Sunde AS aquired shares in subsidiary and associated companies for a total of NOK 55 million.

The Group's active financial management policy continues. At year-end 2010, exposure on the share market was reduced by NOK 111 million compared with the figure at 31 December 2009. Book value of securities totalled NOK 185 million at year-end. Capitalized net gain in 2010 totalled NOK 70 million.

FINANCIAL MATTERS

Net cash flow from the Group's financing activities totalled +NOK 303 million. Parts of the Group's financing have been changed in 2010 – the bond debt has been increased and sections of the current bond debt have been converted to non-current liabilities. There have been no major changes in the company's external debt in 2010, apart from planned repayment instalments.

The book equity of the Group stands at NOK 2 162 million, compared with NOK 1 923 million in 2009. The book equity of the company is NOK 2 904 million, compared with NOK 2 806 million in 2009. NOK 2 281 million of this figure represents distributable equity.

The liquidity of the Group, including granted drawing rights and liquid securities, totalled NOK 2 120 million at year-end.

In its business activities, the Group is exposed to various forms of financial risk, including fluctuations in foreign exchange rates, interest rate risk and price risk on bunkers. The O.N. Sunde Group utilizes financial instruments to reduce the risk of fluctuations in the Group's cash flow. The Group is exposed to credit risk and liquidity risk. The market risk exposure of the Group is limited, as the Group has no dominant customers but looks to a large customer base for its business.

In the view of the Directors, the business and financial position of the company and the Group are sound.
The Directors are of the opinion that the annual financial statement provides a true picture of O.N. Sunde AS' assets and liabilities, financial position and profit. The going concern assumption has been applied when preparing the accounts.

Notice has been received concerning a change in tax assessment in one of the Group's subsidiary companies. Based on appraisals by external advisors and the factual situation, the Directors find that there is no basis for changing the tax assessment of this company.

OTHER MATTERS

In December 2009, ESA, the EFTA supervision authority, decided to carry out an inspection of Color Line and the company's port agreements in connection with the Sandefjord-Strømstad service on the basis of the provisions of competition law. In the opinion of the company, Color Line has at all times acted in line with the ruling provisions of competition law.

OCCURENCES AFTER BALANCE SHEET DATE, PROSPECTS

In January 2011, O.N. Sunde Eiendom aquired the property company Åsane Senter 51 AS. The entire building is on lease.

The Group is diversified and is engaged in different industries and geographical areas. The Group can look back on a period of several years characterized by heavy investments. As a result, it now owns modern and efficient production facilities and operating concepts. This provides a good competitive edge and earning ability with which to face the challenge of increased competition in the different business areas.

In Color Group the efficiency of the SuperSpeed operating concepts has been further improved through increased capacity and an improvement in onboard concepts.

In the field of Sports and Clothing, an increase in the rate of establishment for the chain concepts G-MAX and Match (House of Fashion) has been planned in order to meet keener competition and to cover the requirements and expectations of consumers.

Sunpor's efficient production and successful product development means that it is well positioned with regard to capacity.

The Directors are of the opinion that the Group is well equipped to meet the challenges and opportunities of 2011. The Directors anticipate continued positive development for the Group and an operating profit in 2011 in line with 2010.

Oslo, 3rd May 2011

Morten Garman	Olav Nils Sunde	Alexander Sunde	Bjørn Paulsen
Chairman of the Board	CEO and Director	Director	Director

(Amounts in TNOK)

O.N. SUNDE AS				GROUP	
2010	2009		Note	2010	2009
47 956	34 348	Sales revenues	16	10 175 828	9 382 282
47 956	34 348	Total sales revenues		10 175 828	9 382 282
		OPERATING EXPENSES			
0	0	Cost of sales		5 110 892	4 518 386
28 336	12 590	Wage costs	11, 14	2 006 452	1 865 930
22 563	7 006	Other operating expenses	5, 13, 14	1 635 818	1 481 499
50 899	19 596	Total operating expenses		8 753 162	7 865 815
–2 943	14 752	**OPERATING PROFIT BEFORE DEPRECIATION, CHARTER HIRE AND LEASING EXPENSES (EBITDA)**		1 422 666	1 516 467
385	430	Ordinary depreciation	7	624 167	607 309
0	0	Charter hire, leasing expenses	13	14 034	17 167
–3 328	14 322	**OPERATING PROFIT AFTER DEPRECIATION AND CHARTER HIRE**		784 465	891 991
0	0	Gains and losses on sales of property, plant and equipment, write–downs etc.	7	228	–36 668
–3 328	14 322	OPERATING PROFIT (EBIT)		784 693	855 323
		FINANCIAL INCOME/FINANCIAL EXPENSES			
15 671	8 847	Interest received from companies in the same group		0	0
315 712	323 276	Income on investments in subsidiaries		0	0
582	0	Income on investments in associated companies	15	3 246	0
59 166	41 865	Other interest income		43 168	41 675
10 401	16 935	Other financial income	10	148 417	384 858
0	0	Change in market value of current financial assets	1, 10	–11 678	200 929
–65 823	–42 576	Interest paid to companies in the same group	10	0	0
–31 017	–20 707	Other interest expenses	10	–358 812	–383 349
–18 706	–11 783	Other financial expenses		–26 333	–84 806
285 986	315 857	NET FINANCIAL ITEMS		–201 992	159 307
282 658	330 179	**PRE-TAX PROFIT**		582 701	1 014 630
–11 790	–36 064	Tax	12	–172 050	–300 729
270 868	294 115	Profit for the year before discontinued business		410 651	713 901
		Discontinued business	18	0	–99 249
		Profit for year		410 651	614 652

BALANCE SHEET

(Amounts in TNOK)

O.N. SUNDE AS 2010	O.N. SUNDE AS 2009		Note	GROUP 2010	GROUP 2009
		ASSETS			
		NON-CURRENT ASSETS			
		Intangible assets			
0	0	Goodwill	7	994 705	1 027 889
2 522	0	Other intangible assets, deferred tax liability	7	35 720	42 873
2 522	0	TOTAL INTANGIBLE NON-CURRENT ASSETS		1 030 425	1 070 762
		Tangible non-current assets			
7 702	8 088	Machines and equipment	7, 17	515 683	493 896
0	0	Plants under construction	7, 17	406 439	275 286
0	0	Buildings, land, non-depreciable property, plant and equipment	7	1 286 212	1 153 307
0	0	Ships etc.	7	6 606 485	6 854 640
7 702	8 088	TOTAL TANGIBLE NON-CURRENT ASSETS		8 814 819	8 777 129
		NON-CURRENT FINANCIAL ASSETS			
316 720	300 158	Other non-current receivables/receivables from subsidiaries	11	150 839	169 124
6 741	267	Investments in associated companies and other shares	15	92 935	87 384
3 185 927	3 086 738	Investments in subsidiaries	2	0	0
3 509 388	3 387 163			243 774	256 508
3 519 613	3 395 251	TOTAL NON-CURRENT ASSETS		10 089 018	10 104 399
		CURRENT ASSETS			
0	0	Inventories	4	1 124 504	812 628
0	0	Trade receivables	5	509 223	528 942
0	0	Market based shares, other shares and securities	15	169 569	297 148
1 334 124	1 383 301	Other receivables/Group companies	5	324 651	201 473
3 578	4 579	Bank deposits, cash in hand etc.		1 264 568	228 339
1 337 702	1 387 880	TOTAL CURRENT ASSETS		3 392 515	2 068 530
4 857 315	4 783 131	TOTAL ASSETS		13 481 533	12 172 929
		EQUITY AND LIABILITIES			
		EQUITY			
500 077	500 077	Share capital (18 304 425 shares of NOK 27.32 each)	3	500 077	500 077
120 904	120 904	Share premium account		120 904	120 904
620 981	620 981	Total contributed equity		620 981	620 981
2 283 188	2 185 025	Other equity		1 541 019	1 301 927
2 283 188	2 185 025	Retained earnings			1 301 927
2 904 169	2 806 006	TOTAL EQUITY	3, 9	2 162 000	1 922 908
		Provisions and commitments			
0	5 419	Deferred tax	12	911 996	786 460
10 745	0	Other provisions for commitments	10	10 994	4 047
10 745	5 419	TOTAL PROVISIONS AND COMMITMENTS		922 990	790 507
		NON-CURRENT LIABILITIES			
375 167	408 035	Debt to credit institutions	8	6 410 595	7 019 747
0	0	Bond loans	8	1 927 733	1 062 500
837 725	938 303	Other non-current liabilities/debt to Group companies	3, 8	59 468	55 137
1 212 892	1 346 338	TOTAL NON-CURRENT LIABILITIES		8 397 796	8 137 384
		CURRENT LIABILITIES			
403	440	Accounts payable		668 609	451 600
0	0	Tax payable	12	19 086	6 365
0	0	Debt to credit institutions	8	256 412	0
729 106	624 928	Other current liabilities/debt Group companies	3, 6	1 054 640	864 165
729 509	625 368	TOTAL CURRENT LIABILITIES		1 998 747	1 322 130
4 857 315	4 783 131	TOTAL EQUITY AND LIABILITIES		13 481 533	12 172 929

Oslo, 3rd May 2011

Morten Garman	Olav Nils Sunde	Alexander Sunde	Bjørn Paulsen
Chairman of the Board	CEO and Director	Director	Director

STATEMENT OF CASH FLOWS

(Amounts in TNOK)

O.N. SUNDE AS 2010	O.N. SUNDE AS 2009		GROUP 2010	GROUP 2009
		OPERATIONAL ACTIVITIES (including Discontinued business)		
282 658	330 179	Pre-tax profit	582 701	889 253
0	0	Gain/loss on sale of property, plant and equipment, write-downs	-228	91 890
0	0	Pension costs/income without cash effect	14 489	2 716
34 452	0	Other provisions without cash effect	28 019	
55	-14 817	Other financial items without cash effect including foreign exchange gain/loss	-24 129	-440 057
385	430	Ordinary depreciation	624 167	607 309
-58 283	-94 780	Changes in inventories, debtors, creditors and other accruals and debt items	-37 140	-30 737
259 267	221 012	Net cash flow from operations	1 187 879	1 120 374
		INVESTMENTS		
0	-54	Payments for purchases of non-current assets and intangible assets	-434 846	-355 919
0	65	Proceeds from sale of non-current assets	181	65
-51 748	-135 000	Net receipts, payments, other investments	-20 091	-6 762
-51 748	-134 989	Net cash flow from investments	-454 756	-362 616
		FINANCING		
0	0	Received from raising of new long-term debt	1 693 663	326 583
-33 871	-82 165	Repayments of long-term debt	-1 219 766	-1 128 675
-170 791	0	Dividend paid	-170 791	0
-204 662	-82 165	Net cash flow from financing	303 106	-802 092
2 857	3 858	Net change in liquidity	1 036 229	-44 334
721	721	Liquidity holdings at 1 January	228 339	272 673
3 578	4 579	Liquidity holdings at 31 December	1 264 568	228 339

NOTE 1. ACCOUNTING PRINCIPLES

The annual financial statement has been prepared in accordance with the Accounting Act (Norway) of 1998 and generally accepted accounting principles. O.N. Sunde AS is a Norwegian private limited company with its head office in Oslo, Norway.

Principles of consolidation

The consolidated financial statement comprises the parent company O.N. Sunde AS and all subsidiary companies in which the company has voting control. Shares in subsidiary companies are eliminated according to the purchase method. Payment at time of acquisition in excess of book equity is allocated to identifiable assets. Added values that cannot directly be attributed to identifiable assets are capitalized as goodwill. The accounts have been prepared in accordance with uniform accounting principles for the entire Group. Internal transactions, intercompany balances and internal gains are eliminated in the consolidated accounts. In the case of consolidated accounts in foreign currency, the income statement is translated using average exchange rates for the year. For foreign business the balance sheet day exchange rate is used for the translation of the balance sheet. Translation differences are charged directly to equity.

The main principle for evaluation and classification of assets and liabilities

Assets that are long-term in nature or use are classified as non-current assets. Other assets are classified as current assets. Receivables scheduled to be repaid within one year are classified as current assets. Current and non-current liabilities are classified according to the same principle. Non-current assets are valued at procurement cost, but are written down to fair value when the drop in value is not expected to be temporary. Non-current assets with a limited economic life are subject to planned depreciation. Long-term loans are recorded in the balance sheet at the nominal amount received on date of issuance. Current assets are recorded at procurement cost or fair value, whichever is the lower. Short-term shareholdings are recorded at fair value on balance sheet date. Current liabilities are recorded in the balance sheet at nominal amount on date of issuance.

Certain items are recorded according to other principles and these are detailed below.

Operating income

The Group generates income from a range of business areas. Operating income is recognised when services are provided or when goods are delivered.

Operating expenses

Costs are expensed during the same period as the appurtenant income.

Foreign currency

Monetary items in foreign currency are translated at the exchange rate on balance sheet date. Items on the income statement are translated at the exchange rate ruling on the date of the transaction.

Receivables

Receivables are entered at nominal value with a deduction for anticipated loss.

Inventories

Stocks of raw materials, finished goods, goods for resale and bunkers are valued at cost price or market value with the deduction of sales costs, whichever is the lowest. Procurement costs are classified according to the FIFO method.

Hired property, plant and equipment

In the case of operational leasing agreements, costs relating to the leasing agreement are charged as they arise. Operating assets leased on terms that to a significant extent transfer economic risk and control to the company (financial leasing) are recognised in the balance sheet as tangible non-current assets and the associated liabilities are included as liabilities under interest-bearing long-term debt at amortized value on the termination date. Operating assets are depreciated according to a depreciation plan and the liability is reduced by the amount of paid rental less estimated interest expense.

Principles of depreciation

Ordinary depreciation comprises commercial depreciation on a straight line basis.
Depreciable assets are capitalized at cost price and depreciated according to anticipated remaining useful life with a deduction for any remaining value at the end of useful life. Replacement and renewals that materially increase the capacity or life of the asset are capitalized. Terminal buildings owned by the Group on leased ground are depreciated over the remaining life of the lease. Investments in leased property plant and equipment are accrued over the remaining contract period. Write-downs take place if the fair value is lower than book value and the drop in value is not considered to be temporary in nature.

Classification expenses and maintenance

Ships are subject to regular classification and maintenance programmes. Maintenance expenses resulting from classification are charged to income on an ongoing basis.

Pension commitments and pension costs

The Group has defined benefit and defined contribution pension schemes. Generally, the pension schemes are financed by means of payments to life assurance companies.

The defined benefit schemes grant employees the right to an agreed future pension benefit. These benefits are based on a number

of pension-earning years and the pay level of the individual employee. In addition, the company has a number of direct pension liabilities. These are recorded in the balance sheet under estimated net pension fund assets.

Net pension costs are classified in their entirety under wage costs in the income statement and comprise pension earnings during the period, including calculated future growth in wages and interest costs with the deduction of estimated return on pension funds. In the balance sheet, net pension funds are presented as a non-current receivable or as other provisions for liabilities. The figure also includes employer's National Insurance contributions which will be charged at applicable rates. The effect of changes in estimates and difference between estimate and actual return is entered in the income statement over the average remaining earning period when the accumulated effect exceeds 10% of pension funds or pension commitments, whichever is the highest. In the case of defined contribution pension schemes the cost will be in accordance with paid-up premium for the period to which the contribution relates. During 2008 the parent company and parts of the Group switched from defined benefit to defined contribution schemes.

Goodwill/other intangible assets

Goodwill in the Group has been established in connection with the acquisition of various business operations. Goodwill is depreciated over the estimated economic life. A depreciation period of 15 – 20 years is in line with the premises that form the basis for the values in connection with the acquisition of the ferry business. The depreciation period for goodwill established through acquisitions in the chemical industry sector has been fixed at 10 years. Goodwill established through acquisitions in the Sports, Clothing and Fashion business is depreciated over a period of 10 – 20 years. Other intangible assets are entered in the accounts at procurement cost with the deduction of accumulated depreciation and write-downs. Depreciation of accrued intangible assets is calculated and recognised in the income statement according to the straight line method over the estimated useful life of the intangible assets. The depreciation period is 5 – 15 years. Other non-accrued intangible assets are not depreciated.

Tax

Tax costs for the year in the income statement comprise changes in deferred tax and tax payable. Changes in deferred tax express future payable taxes based on business during the year. Deferred tax refers to tax for payment in future periods based on accumulated profit. Deferred tax is calculated on the basis of net temporary differences between accounting and tax related values after deduction of carry-forward loss. The ruling tax rate at year-end is applied in the calculation. Deferred tax and deferred tax benefit are presented as net amounts in the balance sheet. Tax linked to capital transactions is charged to equity.

Shares in subsidiaries

Investments in subsidiary companies are valued according to the cost method. Group contributions after tax from the parent company to subsidiary companies are entered in the accounts as an increase in investments in subsidiary companies. Dividend and Group contribution of profits during the ownership period are recorded in the income statement as proceeds from investments in subsidiaries.

Associated companies

Associated companies are enterprises in which the Group has considerable influence, but does not control the financial and operational management. Stakes in associated companies where the Group is a participant (stake 20-50%) are entered in the income statement according to the equity method and the investment is evaluated at equity ratio and the share of the profit is taken to income/charged from the time considerable influence is reached and until such influence ceases. When the Group's share of a loss exceeds the investment in an associated company, the Group value in the balance sheet is reduced to nil and further loss is not recognized unless the Group has incurred legal or financial commitments on behalf of the associated company. Unrealized gains connected to transactions with associated companies are eliminated in the consolidated accounts in relation to the Group's holding.

Financial risk

The Group makes use of financial instruments in line with its financial policy in order to control the risk of fluctuations in the Group's cash flows.

Interest rate hedging

Financial derivates earmarked as financial instruments are used in connection with probable cash flows connected with the buying of sections of the bunkers requirements for the Group's ships as at 31 December 2010. The Group has hedging contracts covering the price for bunkers for approx. 45% of estimated consumption in 2011, more or less equally distributed throughout the year. There has been no effect on profits due to valid hedging contracts in 2010.

Exchange rate hedging

In order to decrease exchange rate risk, financial instruments are applied. Hedging means items where the financial effect of fluctuations in exchange rates are for the most part limited. Hedging is linked to budgeted receipts and payments and not to contractual cash flows. Such hedging contracts are not therefore entered as hedges. Unrealised loss on such instruments is entered in the income statement under financial items. Gains that are a result of reversing of unrealised loss in earlier periods are entered in the income statement.

Changes in accounting principles

There are no changes in accounting principles.

Changes in figures for comparison
There are no changes in figures for comparison.

The use of estimates
When preparing the annual financial statement and in accordance with generally accepted accounting practice, estimates and conditions have been applied that affect the income statement and the valuation of assets and liabilities. Information on uncertain assets and liabilities on balance sheet date are specified. Probable and quantifiable conditional losses are expensed on a continuing basis.

Statement of cash flows
The cash flow statement is prepared according to the indirect method. Cash and cash equivalents comprise cash, bank deposits and other short-term placement of liquidity.

Occurrences after balance sheet date
Provision is made in the annual financial statement in respect of new information on the company's financial position after balance sheet date. Occurrences after balance sheet date that do not affect the company's financial position, but that will affect the company's financial position in the future are stated whenever the occurrences are of material importance.

NOTE 2. SHARES IN SUBSIDIARIES
The Group comprises the parent company O.N. Sunde AS and its subsidiaries:

(Amounts in TNOK)

Name of subsidiary company	Registered-office	Share capital	Stake in percent	Book equity value	Book value	Profit after tax
O.N. Sunde Eiendom AS	Oslo	30 519	100 %	120 776	133 402	2 650
Sunpor Holding Østerrike AS	Oslo	12 350	100 %	12 360	21 643	-2 317
ONS Invest II AS	Oslo	1 900	100 %	2 135 092	2 013 686	4 143
Alcam AS	Oslo	160 000	100 %	241 682	240 015	-16 836
Oslo Line AS	Oslo	135 100	99 %	381 121	175 809	39 331
ONS Invest AS	Oslo	100 000	100 %	599 496	543 080	176 918
Larvik Line AS	Oslo	100	100 %	111	108	-844
Sunpor Technology AS	Oslo	100	100 %	104	4 205	-4 101
Regatta AS	Ålesund	2 000	100 %	19 118	50 000	557

In addition, the Group includes the companies Tuen Eiendom DA and St. Olavsgaarden ANS, which are wholly owned by O.N. Sunde AS and O.N. Sunde Eiendom AS. Book value in O.N. Sunde AS is TNOK 3 979. Book value in the Group is TNOK 38 727. O.N. Sunde Eiendom AS owns all the shares in Breivikgården AS, book value TNOK 56 529.

The sub-Group Sunpor Holding Østerrike AS encompasses Sunpor Kunststoff GmbH, St. Pölten, Austria, including wholly owned subsidiaries connected with operations. ONS Invest II AS owns all the shares in the sub-Group Color Group AS. Color Group AS includes Color Line AS including wholly owned subsidiaries connected with operations. The sub-Group Alcam AS includes wholly owned subsidiaries conducting shipowning business. The sub-Group ONS Invest AS encompasses the subsidiary Gresvig Holding AS and subsidiaries connected with operations. In addition, the investment companies ONS Finans AS and ONS Finans II AS are included.

NOTE 3. CLOSE ASSOCIATES / SHAREHOLDER INFORMATION
The share capital of the company comprises 18 304 425 shares of NOK 27.32 each, of which 8 265 836 are A shares, 24 228 are B shares, 7 010 091 are C shares and 3 004 270 are D shares. Shares in share class A carry voting rights. The rest of the share classes do not carry voting rights. The company's Articles stipulate limitations on dividend per share in respect of share classes B, C and D. All shares are indirectly owned by Olav Nils Sunde and his family. On balance sheet date the shareholders have, directly and indirectly, a net interest-bearing claim on O.N. Sunde AS equivalent to NOK 131 million (NOK 77 million in 2009). In 2010, dividend has been paid to shareholders in the amount of NOK 171 million (NOK 0 in 2009).

NOTE 4. INVENTORIES
The Group's inventories comprise the following. Non-current inventories have been depreciated:

(Amounts in TNOK)

	2010	2009
Goods for resale	1 021 513	709 110
Raw and semi-finished materials	46 212	41 369
Consumables/Bunkers	56 779	62 149
Total	1 124 504	812 628

NOTE 5. CURRENT RECEIVABLES
It has not been found necessary to make any provisions for bad debts in the parent company. For the Group the provision is NOK 25.4 million (NOK 26.8 million in 2009). Loss on realisation in the Group in 2010 is TNOK 11 005 (TNOK 13 462 in 2009).

The parent company has other current receivables from companies in the Group amounting to NOK 39 million (NOK 126 million in 2009). Drawing rights in Sunpor Kunststoff GmbH in the amount of EUR 6 million have been granted. EUR 4 million had been drawn down at year-end.

O.N. Sunde AS is the Group account-holder. The Group companies' bank accounts that are included thus represent an intercompany account. For the parent company this represents a net receivable of NOK 1 294 million (NOK 1 255 million in 2009). All represented companies stand surety for all outstanding accounts in respect of the legal Group account.

NOTE 6. CURRENT LIABILITIES
Current liabilities are as follows:

(Amounts in TNOK)

	PARENT COMPANY		GROUP	
Current liabilities	2010	2009	2010	2009
To companies in same Group	611 731	581 333	0	0
Public taxes payable	344	4 139	114 584	120 344
Other current liabilities	117 031	39 456	940 056	743 821
Total	729 106	624 928	1 054 640	864 165

Of the current debt in the parent company, NOK 100.5 million (NOK 38 million in 2009) relates to shareholders.

NOTE 7. NON-CURRENT ASSETS
Specification of tangible non-current assets:

(Amounts in TNOK)

Group	Other intangible assets	Goodwill	Ships, etc.	Machines and equipment	Buildings, land, plant under construction	Total
Cost price as at 1 January	99 019	2 024 675	7 989 607	1 234 239	2 006 296	13 353 836
Additions for the year	6 709	109 014	34 167	164 413	364 905	679 208
Translation difference	0	0	0	-19 732	-34 809	-54 541
Reclassification	0	0	0	9 433	-12 261	-2 828
Disposals for the year	7 987	10 107	0	35 194	432	53 720
Acc. depreciation/write-downs	62 021	1 128 878	1 417 289	837 476	631 049	4 076 713
Book value as at 31 December	35 720	994 704	6 606 485	515 683	1 692 650	9 845 242
Ord. depreciation for the year	5 875	142 850	283 689	132 736	59 017	624 167
Depreciation rate	5 %	5 - 10%	5 - 11%	5 - 20%	3 -4%	
Parent Company						
Cost price as at 1 January	0	0	0	7 468	6 830	14 298
Additions for the year	0	0	0	0	0	0
Translation difference	0	0	0	0	0	0
Disposals for the year	0	0	0	0	0	0
Acc. depreciation/write-downs	0	0	0	6 594	0	6 594
Book value as at 31 December	0	0	0	874	6 830	7 705
Ord. depreciation for the year	0	0	0	384	0	384

All property, plant and equipment are depreciated according to the straight line method over estimated useful life with the deduction of calculated residual value. The depreciation period is reappraised in the event of major rebuilding/improvement work on the Group's ships. Investments made post-handover of ships that have a shorter useful life than the ship itself, e.g. retail outlets, restaurants, safety equipment etc. are depreciated over periods of 5 or 10 years.

Goodwill is related to acquisitions of businesses, and is linked to the business areas Cruise and Transport in the amount of NOK 54 million (NOK 93 million in 2009), Sports and Clothing in the amount of NOK 938 million (NOK 931 million in 2009) and the business area Chemical Industry in the amount of NOK 2 million (NOK 4 million in 2009). Other intangible assets are mainly linked to the Gresvig Group and relate to development and operation of chain concepts.
Goodwill is depreciated in line with the conditions that form the basis for evaluation at time of acquisition.

NOTE 8. NON-CURRENT LIABILITIES / CONTRACT COMMITMENTS

Non-current interest-bearing liabilities are as follows:

(Amounts in TNOK)

	PARENT COMPANY		GROUP	
Non–current liabilities	2010	2009	2010	2009
Debt to credit institutions	375	408	6 411	7 020
Bond loans	0	0	1 927	1 062
Other non–current liabilities	837	938	59	55
Total	1 212	1 346	8 397	8 137

The parent company's non-current liabilities total NOK 1 212 million, of which NOK 375 million relates to credit institutions and is secured by mortgage. The parent company has liabilities linked to loan agreements, all of which were fulfilled as at 31 December 2010. NOK 31 million of the parent company's other non-current liabilities concern the shareholder (NOK 31 million in 2009) and NOK 806 million is intercompany debt (NOK 907 million in 2009). The book value of mortgaged assets is NOK 650 million. This includes a charge of NOK 120 million related to unutilized drawing rights.
O.N. Sunde AS has furnished guarantees in connection with borrowing by subsidiaries for a total USD 3.5 million.

Interest conditions on all loans and credits are fixed in accordance with NIBOR/LIBOR – interest with the addition of an agreed margin. At yearend 2010, the average interest rate on the company's mortgages was 3.78%.

The Group's non-current liabililties is NOK 8 397 million, of which NOK 6 411 million relates to credit institutions and is secured by mortgage. The book value of assets placed as security is NOK 9 547 million. This includes a lien on unutilized drawing rights in the amount of NOK 2 010 million. Mortgages are levied on the leases for the terminal areas and there is negative lien on the Group's ships. As at 31 December 2010, the Group had outstanding bond loans in the amount of NOK 1 927 million. The bond loans are listed on the Oslo Stock Exchange.

Interest terms on all loans and credits are fixed in accordance with NIBOR/LIBOR/EURIBOR basic interest plus an agreed margin. The interest rate at yearend 2010 was on average 3.26% for mortgages and 6.39% for bond loans.

Instalment structure on long-term bank loans and bond loans:

(Amounts in TNOK)

	PARENT COMPANY	GROUP	
	Mortgages	Mortgages	Bond loans
Less than 1 year	211 555	918 902	76 000
1 – 2 years	21 947	609 714	471 000
2 – 3 years	22 603	1 156 338	0
3 – 4 years	83 064	548 896	500 000
5 years and more	35 998	3 176 745	880 733
Total	375 167	6 410 595	1 927 733

The currency distribution of non-current interest bearing debt:

(Amounts in TNOK)

	PARENT COMPANY		GROUP	
	Currency	NOK	Currency	NOK
NOK	0	1 147 725	0	6 629 045
USD	11 139	65 167	19 210	112 376
EUR	0	0	197 495	1 542 439
DKK	0	0	101 729	113 936
Total		1 212 892		8 397 796

Contract liabilities

Cruise and Transport

A contract was concluded in 2007 for the development/delivery of a new booking system and a new Internet platform for Color Line AS. Start-up is delayed and it is planned that the system will be operative in 2011. It was decided to rebuild M/S Superspeed1 for approx. EUR 15 million and this rebuilding work was completed in January 2011.

The business area Property

An agreement was concluded on 3 January 2011 concerning the acquisition of all shares in Åsane Senter 51 AS.

NOTES

NOTE 9. EQUITY

Changes in equity during the year

(Amounts in TNOK)

Parent Company	Share capital	Premium account	Other equity	Total
Equity as at 1 January	500 077	120 904	2 185 025	2 806 006
Profit for the year			270 868	270 868
Dividend			–170 791	–170 791
Group contribution received/paid			–1 914	–1 914
Equity as at 31 December	500 077	120 904	2 283 188	2 904 169

Group	
Equity as at 1 January	1 922 908
Profit for the year	410 651
Dividend	–170 791
Translation differences	–768
Equity as at 31 December	2 162 000

NOTE 10. FINANCIAL RISK – NET FINANCIAL ITEMS

Capital management

An important aim is to ensure that the Group has financial freedom of action, both in the short and the long term in addition to maintaining a good credit rating, thereby achieving favourable loan conditions which bear a reasonable relationship to the different business areas. The Group manages its capital structure and financial investments, making whatever amendments are necessary on the basis of current evaluations of economic conditions. Parts of the Group's liquid profits have been invested in shares listed on Oslo Stock Exchange and this investment can be exposed to financial risk.

Financial risk

The Group is exposed to different forms of financial risk, market risk (including changes in exchange rates, interest rate risk and price risk), credit risk and liquidity risk. The Group's policy does not include active speculation in financial risk, and includes the use of financial derivates in order to reduce risk connected with financial exposure resulting from the Group's operations and financing.

In a normal operative situation, it is the Group's objective to cover a large section of current exchange rate risk for periods of 6 – 12 months by concluding forward contracts, options and swaps. Changes in exchange rates will affect the result.

The Group's primary exposure to interest rate risk is through its loan portfolio. Interest rate risk is kept under control in order to limit fluctuations in the interest rate over longer periods. Interest swap agreements have been concluded in order to achieve a favourable ratio between fixed and floating interest rates. At year-end 2010, the Group had interest swap agreements in the amount of NOK 1 540, with an average duration of nearly 4 years, at an average rate of interest of approx. 4.3%.

In addition, a CIRR fixed interest agreement has been concluded with Finnish Export Credit in connection with the delivery of M/S Color Magic in 2007 in the amount of NOK 1 756 million, of which 50% is on a fixed rate of 4.2% + margin. 50% of this amount is swapped to a floating rate of interest, six months NIBOR less 1.315% per year for 11 years. A CIRR fixed interest agreement was concluded with Finnish Export Credit in connection with the delivery of M/S SuperSpeed1 and 2 in the amount of NOK 546 million at 3.91% and EUR 30.4 million at 3.55% for each vessel. NOK 546 million and EUR 30.4 million relating to M/S SuperSpeed1 is also swapped to floating interest, six months' NIBOR less 1.115% and EURIBOR less 0.49% per year for 12 years, respectively. The principals in the CIRR fixed interest agreements are adjusted in accordance with the contractual instalments.

Fixed interest rate contracts are equivalent to approx. 20% of the Group's total interest-bearing debt on balance sheet date.

NOTE 11. GROUP PENSION SCHEMES

The Group has defined benefit and defined contribution pension schemes.
Estimated values are applied in the evaluation of pension funds and commitments incurred. These estimates are adjusted annually in accordance with a statement of the transfer value of the pension funds and an actuarial calculation of the commitments.

In the business area Cruise and Transport, the pension scheme was changed in 2008 from a defined benefit scheme to a defined contribution scheme for all-shore based employees. In this scheme the company pays an annual premium to a life insurance company which invests the contributions on behalf of the employees.

The defined benefit pension scheme covers 1 484 seagoing employees. In addition, the Group pays the shipowner's share of the pension scheme for seamen in the amount of NOK 25.7 million (NOK 25.5 million in 2009). A number of shore-based employees are covered by an early retirement scheme (AFP). This scheme is included in the calculation of pension costs and commitments.

In the business area Sport and Clothing, the Group has a defined benefit pension scheme covering 348 persons. In addition there are pension commitments charged to operations for 7 persons. For Group companies in Norway which did not previously operate pension schemes, an OTP scheme has been adopted (statutory service pension), applicable from July 2007.

Pension costs for 2010 related to defined benefits pension schemes in the Group are as follows:

(Amounts in TNOK)

	2010	2009
Pension costs		
Pension earnings for the year	23 175	24 889
Interest costs on pension commitments	9 394	8 920
Anticipated yield on pension funds	-9 393	-9 436
Management costs	-1 885	1 432
Employer's tax	3 303	3 469
Book estimate change/estimate variance	5 120	6 549
Pension costs	29 714	35 823
Pension commitments and pension funds		
Present value of accrued pension commitments	234 702	223 484
Value of pension funds	-172 950	-164 425
Estimated net pension commitments	61 752	59 059
Employer's tax	6 732	6 023
Unstated estimate variance	-70 947	-80 022
Pension commitments in balance sheet	-2 463	-14 940
Financial conditions		
Discount factor	4,30 %	4,40 %
Anticipated yield	5,70 %	5,60 %
Anticipated wage adjustment	4,00 %	4,25 %
Anticipated increase in pensions	1,75 %	1,30 %
Anticipated annual G-adjustment	3,75 %	4,00 %

Payment for the year to the defined contribution pension scheme totalled TNOK 47 for the parent company and NOK 13.7 million for the Group. In addition, the Group pays the shipowner's share of the seamen's' pension scheme in the amount of NOK 25.7 million.

NOTE 12. TAXES

Specification of differences between the pre-tax profit in the accounts for the parent company and the tax base for the year:

(Amounts in TNOK)

	PARENT COMPANY		GROUP	
	2010	2009	2010	2009
Tax costs for the year are as follows				
Tax payable	0	0	19 066	6 365
Tax effect of group contribution	19 731	32 410	0	0
Change in deferred tax	-7 941	4 056	132 653	294 364
Effect of change in tax regulations	0	0	20 007	0
Adjustment of earlier year's taxes	0	0	324	0
Tax costs on ordinary profit	11 790	36 466	172 050	300 729
Reconciliation from nominal to actual taxation rate				
Pre-tax profit including extraordinary result	282 658	330 179	582 701	1 014 630
Estimated income tax at nominal rate (28%)	79 144	92 450	163 156	284 096
Taxation effect on the following items				
Non-deductible expenses	0	0	3 265	49 072
Non-taxable income	-67 354	-55 984	-2 621	-33 023
Change in unstated deferred tax	0	0	-5 494	0
Tax free gains from sale of shares	0	0	-483	-1 304
Reimbursement of tax	0	0	450	0
Tax effect of dividend with payment of deduction	0	0	-870	93
Correction of previous years tax costs	0	0	324	1 254
Other items	0	0	14 323	542
Tax costs	11 790	36 466	172 050	300 729
Effective taxation rate	4,0 %	11,0 %	30,0 %	30,0 %

(Amounts in TNOK)

	PARENT COMPANY		GROUP	
	2010	2009	2010	2009
Specification of tax effect of temporary differences and carry-forward loss				
Non-current assets	-513	-495	2 661 932	2 472 789
Profit and loss account	26	34	506 626	630 694
Current assets	582	0	-21 751	-123 514
Non-current financial assets and other temporary differences	0	-270	145 768	21 757
Debt	-9 104	20 082	-12 421	31 613
Carry-forward loss and remuneration	0	0	-23 027	-374 434
Unstated deferred tax benefit	0	0	0	149 880
Total	-9 009	19 351	3 257 127	2 808 785
Deferred tax benefit/tax commitment in balance sheet	-2 522	5 419	911 996	786 460

The tax rate in Norway is 28% and in Denmark 30%.

Deferred tax benefit is recorded on the basis of future income.

NOTE 13. LEASES / OPTIONS TO PURCHASE / OTHER COMMITMENTS

Cruise and Transport

The group has established current leases with the local port authorities at all ports of call. These apply to rent of land, buildings, areas and berths for the vessels. These terms are partially fixed and partially variable based on number of calls, passengers and vehicles. In Oslo, Larvik, Hirtshals and Strømstad, the Group owns the terminal buildings. Rent paid for terminal buildings and vehicle embarkation areas totalled NOK 17 million in 2010 (NOK 19 million in 2009).

An operational framework agreement has been concluded for the lease of IT equipment, vehicles and other movables. Leasing expenses for 2010 were NOK 14 million (NOK 17 million in 2009).

Future minimum lease commitments:

(Amounts in TNOK)

	Within 1 year	1 - 5 years	After 5 years	Total
Future minimum rental	8 142	5 133	0	13 275

Color Group AS has concluded a framework agreement guaranteeing the Group's tax withholdings in the amount of NOK 60 million. In addition the Group has issued a guarantee in the amount of NOK 80 million relating to the travel guarantee fund, in addition to other guarantees for subsidiaries amounting to approximately NOK 52 million.

Sports and Clothing

The Group has furnished guarantees in connection with loans and hire commitments in relation to parties other than companies in the Group in the amount of NOK 150 million (NOK 131 million in 2009). These concern leases on members' retail premises.

Estimated lease expenses for 2011 in connection with operational leases in this business area total NOK 335 million. Operational leases relate to offices, storerooms and retail outlets for Group-owned stores, premises sublet to members of the Group's chains and leasing of vehicles, IT, office machines etc. with a duration up to 11 years.

Future minimum lease commitments:

(Amounts in TNOK)

	Within 1 year	1 - 5 years	After 5 years	Total
Future minimum lease commitments	335 501	939 113	432 990	1 707 604
Of which subletting represents	44 588	125 804	39 071	209 463

Other commitments

In connection with the establishment of the Color Line Stadium in Ålesund, the parent company and O.N. Sunde Eiendom AS have jointly issued guarantees with a maximum limit of NOK 30 million.

NOTE 14. FEES / SALARIES

The company's chief executive officer received a salary of TNOK 884 including additional benefits. No directors' fees were paid. As at 31 December 2010, the parent company employed 8 man-years. The Group employed an average of 3 932 man-years.

Auditors fees – Deloitte:

(Amounts in TNOK)

	PARENT COMPANY 2010	2009	GROUP 2010	2009
Statutory audit services	300	260	4 283	3 845
Fees for other certification services	15	0	48	91
Fees for tax advice	159	238	552	796
Fees for other non-audit services	129	93	989	645
Total audit and advisory services Deloitte	603	591	5 872	5 377

Remuneration to other audit companies in respect of statutory audits amounts to TNOK 363 for the Group, and for other audit-related services TNOK 570.

Wage costs:

(Amounts in TNOK)

	PARENT COMPANY 2010	2009	GROUP 2010	2009
Wages	1 713	10 492	1 485 607	1 383 164
Employer's tax	368	1 611	245 549	232 605
Pension costs	40	47	78 486	83 264
Other benefits	26 215	441	196 811	166 897
Total	28 336	12 591	2 006 453	1 865 930

In 2010, the Group took NOK 203 million (NOK 203 million in 2009) to income in respect of refunds of income tax, National Insurance contributions and employer's tax for seamen, which the Group records as a reduction of wages for seamen. Of this amount, the Group has contributed NOK 9.0 million (NOK 9.5 million in 2009) to the Foundation for Norwegian Maritime Competence in accordance with the regulations passed by the Storting. Loans to employees in the Group total TNOK 37 032 (TNOK 32 673 in 2009). Interest is paid according to the rates stipulated by the Tax Directorate for loans to employees.

NOTE 15. STAKES IN ASSOCIATED COMPANIES, OTHER COMPANIES AND CURRENT SHARE INVESTMENTS

The Group has the following stakes in associated companies:

(Amounts in TNOK)

	Registered office	Stake percentage	Number	Nom. value	Book value 31 Dec.
Sport Invest AS	Trondheim	35,0 %	81	1 000	12 605
Intersport Gigant Lade AS	Trondheim	20,0 %	2 000	1 000	2 000
Intersport Lillehammer AS	Lillehammer	30,0 %	120 001	1	735
Super G Sørlandsparken AS	Birkenes	49,0 %	490	1 000	406
Telesport AS	Seljord	40,0 %	260	1 000	800
Intersport Morenen AS	Eidsberg	34,0 %	532	361	193
Agder Mote AS	Arendal	40,0 %	350	1 000	4 010
VIC Harstad AS	Harstad	49,0 %	387	1 000	0
Ålesund Stadion KS	Ålesund	39,0 %		0	25 429
Victoria Seeds Ltd		50,0 %			6 474
Nor Aviation Eiendom AS	Oslo	31,3 %	5 270	1 000	9 000
Total associated companies			129 371	7 362	61 652
Acc. results from associated companies					3 246
Total associated companies					64 898

The Group holds minor stakes (1- 20%) which are defined as strategic long-term shareholdings. These are mainly companies conducting retail sales in the Gresvig Group.

(Amounts in TNOK)

	Registered office	Stake percentage	Number	Nom. value	Book value 31 Dec.
G-Sport Sørlandet Holding AS	Kristiansand	19,0 %	19	1 000	527
Intersport Kvadrat AS	Sandnes	11,0 %	27	1 000	893
G-Sport Nord	Bodø	7,0 %	33	1 000	1 611
Sporty Internasjonal AS	Stavanger	10,0 %	64	4 500	1 271
Sportshuset Sunnmøre AS	Ulstein	7,8 %	110	100	719
Intersport Trekanten AS	Bodø	10,0 %	33	1 000	900
3 S Holding AS	Kristiansand	19,9 %	624	1 000	1 300
Veslum Holding AS	Asker	19,9 %	199	1 000	323
G-Sport Narvik AS	Narvik	19,9 %	130	1 000	1 749
Grenland Sport AS	Skien	11,1 %	3 933 962	0,00	3 325
VITO AS	Sarpsborg	10,0 %	50	1 000	50
Kola Tekstil AS	Tromsø	19,0 %	70	1 000	567
Rigby Holding AS	Nesbru	19,9 %	35	1 000	35
Varnaveien Tekstil AS	Moss	10,0 %	353	1 000	67
Retail Holding AS	Oslo	10,0 %	100	1 000	356
Sunnmørshallen AS	Ålesund	12,1 %	1 272	1 000	1 275
Other shares					13 069
Total shares in other companies					28 037

On balance sheet date, the group held current share investments in listed and non-listed securities in the amount of NOK 169 million (NOK 297 million in 2009). Write-downs and/or market adjustments of shareholdings are charged to the accounts for 2010 in the amount of NOK 16 million.

NOTE 16. BUSINESS AREAS

The Group's operating income less inter-group sales and discontinued business is divided into the following business areas:

(Amounts in NOK million)

	2010	2009
Cruise and Transport	4 509	4 599
Industry	1 611	1 260
Property	20	18
Sports and Clothing	4 032	3 751
Shipping/Other	182	130
Internal turnover	-179	-177
Total	10 175	9 581
Discontinued business	0	-199
Total operating income	10 175	9 382

NOTE 17. MAJOR INDIVIDUAL TRANSACTIONS

In 2007, an agreement was concluded for the development and delivery of a new booking system and a new Internet platform in Color Line AS. It is planned that the system will be operational during the course of 2011.

NOTE 18. DISCONTINUED BUSINESS

The figures for 2009 include discontinued business within the Gresvig Group (the chain concept and retail operations of Voice of Europe):

(Amounts in TNOK)

	2010	2009
Income	0	199 112
Operating costs	0	−268 481
Operating result	0	−69 369
Depreciation and write−downs	0	−55 222
Losses on sales	0	0
Financial items	0	−786
Pre−tax loss	0	−125 377
Estimated tax	0	25 490
Result for the year for discontinued business	0	−99 887

NOTE 19. OCCURRENCES AFTER BALANCE SHEET CLOSING DATE

ESA, the supervisory body of EFTA decided in December 2009 to instigate competition law investigations in Color Line, relating to the company's port agreements in connection with the Sandefjord – Strømstad service. Color Line's competitors brought the case before the Norwegian Competition Authority in 2006. As the case also includes Sweden, it was transferred to ESA. It is the company's considered opinion that Color Line has at all times acted in accordance with ruling competition law.

In 2009, notice was received concerning amendment of tax assessment in one of the Group's shipowning subsidiary companies. The notice implies that the company concerned will receive a substantial tax claim. In its reply, the company has rejected the notice of amendment. Based on the opinions of external advisors and the factual situation, the Directors do not consider that there is any basis for amending tax assessment.

O.N. Sunde Eiendom AS has concluded an agreement concerning the acquisition of all the shares in Åsane Senter 51 AS.

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Translation from the original Norwegian version

To the Annual Shareholders' Meeting of O.N. Sunde AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of O.N. Sunde AS, which comprise the financial statements for the parent company, showing a profit of NOK 270.868.000, and the financial statements for the group, showing a profit of NOK 410.651.000. The financial statements comprise the balance sheets as at December 31, 2010, income statements and cash flows statements 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 give a true and fair view of the financial position of

O.N. Sunde AS and of the group as at December 31, 2010, 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 and the the allocation of the profit

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 and the going concern assumption, and the proposal for the the allocation of the profit complies with the law and regulations and that the information is consistent with the financial statements.

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 the company's 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, May 3, 2011
Deloitte AS

Bernhard Lyngstad (signed)
State Authorised Public Accountant (Norway)

[Translation has been made for information purposes only]

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