

# Q2

Storm Real Estate ASA  
Interim report  
January – June 2018



Storm Real Estate ASA's business strategy is to acquire and manage real estate. The strategy includes equities and high yield investments.

## Highlights

All numbers in mill. USD

	6M 2018	6M 2017
Total Comprehensive Income	-5.7	-2.3

Summary of the largest major items:

NOI from investment property	+0.1	+2.1
Value change investment property	-5.4	-3.3
Other operating expenses	-0.7	-0.5
Borrowing costs	-0.9	-1.0
Currency gain / loss	-0.0	-0.0
Value change on contract- and interest derivatives	+0.1	+0.2
Taxes	+0.7	+0.5

## Return ratios

	Return on Equity <sup>(1)</sup>	Total Shareholder Return <sup>(2)</sup>
Last 1 year	-63.9%	-9.1%
Last 3 years (annualised)	-38.2%	-42.2%
Last 5 years (annualised)	-29.6%	-24.0%

<sup>(1)</sup> Return on Equity = Total Comprehensive Income (IFRS) for the period / brought forward equity (IFRS) for start of the period, annualised.

<sup>(2)</sup> Total Shareholder Return = Movement in share price, dividend adjusted, annualised using XIRR formula.

Calculated using historical share prices as adjusted by Oslo Stock Exchange post rights offering in June 2017.

These return ratios are Alternative Performance Measures, and are presented in accordance with ESMA's "Guidelines on Alternative Performance Measures" from 2015. These are reliably measured and the company considers these relevant, because different stakeholders might consider different NAV per share in NOK and Total Shareholder Return relevant alternative performance measures.

## Financial information

(all following numbers are in USD)

### Summary

- The current occupancy rate of the Gasfield building is 52%.
- The previous anchor tenant, Gazprom Tsentrremont, vacated the building 1 June 2017. The tenant occupied 8,756 sq.m. (79% of the building). Since then Storm Real Estate ASA has re-let >4,200 sq.m., across 34 new tenants, of that same office space. The company has thus re-let 48% of the vacant area to date.
- Due to the rental situation and the current market situation, the future liquidity situation of the company is uncertain.
- The bank loan has no amortisations and major covenants are waived until Q4 2018.

### Income statement

- The group had a total comprehensive income in Q2 2018 of -5.1 million, compared with -5.0 million for Q2 2017.
- The carrying value of the investment property Gasfield reduced by 5.2 million in Q2 2018 (Q2 2017: -5.4 million), according to valuation by independent appraiser, Cushman & Wakefield.
- Revenues from the investment property Gasfield were 0.3 million in Q2 2018. This compares with 0.8 million for the same period last year.
- Borrowing costs were 0.5 million in the quarter (Q2 2017: 0.5 million), including net interest on interest rate swaps.

#### Accounting for value change on investment property:

In accordance with international accounting standards (IFRS) the movement in value of investment property are split over two separate posts, explained by the following: Our Russian subsidiary which owns the building uses Russian roubles as functional currency. According to IFRS, only the part of the fair value adjustment which can be attributed to RUB is presented over the Income Statement. The effect of currency exchange movements between RUB and USD is presented as Other Comprehensive Income and is included in term Total Comprehensive Income. We see Total Comprehensive Income as the most relevant profit measure for the group. In every quarter we present an explanatory statement of the fair value adjustment:

Change in value, million USD	6M 2018	6M 2017
Over income statement	-3.5	-4.1
Translation difference over Other Comprehensive Income	-1.9	+0.3
Sum value adjustments properties	-5.4	-3.8

### Balance sheet

- The investment property Gasfield is recorded at 21.2 million. The building's valuation in accordance with valuation obtained from an independent valuer is 21.2 million. In addition, values of land leases are recognised with 0.2 million.
- On the closing date, the group had a cash balance of 0.8 million.
- The group's equity ratio is 18.5% as at 30 June 2018.
- The loan-to-value of the Gasfield bank loan is currently 85.5%.
- The Company's NAV per share in NOK is NOK 0.40 per 30 June 2018.

The company's risk is considered very high. The situation in Russia is demanding. High vacancy in the market combined with the company's current vacancy situation has led to a shortfall of cash flow. Given the current 48% vacancy in the building, the group is currently loss-making, and the company is likely to breach its loan covenants by the end of Q3. There is currently a dialogue with all relevant stakeholders in order to reconstruct the company. Nevertheless, the company is still operating under the assumption of going concern, on the basis that no concrete decision to liquidate the company has been made.

For further business risks than described above, please refer to the company's annual report for 2017.

Oslo, 9 August 2018,

The Board of Directors,  
Storm Real Estate ASA

## The company's investment areas

### Real Estate in Russia (Gasfield, Moscow)

#### Macro snapshot

- Despite lower business activity many noticeable events occurred during the spring and summer 2018.
  - FIFA World Cup 2018 was a strong driver for retail in general.
  - VAT will probably be raised from 18% up to 20%. This will not lead to immediate effect, but may counteract effects of the economy growth stimulating.
  - Potential increase of the retirement age
  - Putin and Trump meeting
- Oxford Economics predicts GDP growth of 1.8% in the upcoming year.
- Unemployment is unchanged at 5.1%.
- The Central Bank has kept the key rate at 7.25%. The key rate is down 5.25 percentage points in 3 years.

#### Real Estate Market

- All indicators of the office market show positive dynamics despite the overall negative background.
- A low 0.5 billion EUR was invested in commercial properties in H1 2018 (compared to 4.0 billion EUR for the year 2017 and 1 billion EUR in 2016).
- Prime yields have compressed from 10.5% in 2016 to 9.5% per date for offices, responding to the stabilization of the inflation and the significant reduction in the central bank key rate.
- The Russian market continues to be dominated by domestic investors. The share of foreign investments in H1 is 24 % (72 % in The Central and Eastern Europe in the same period)
- In Q2 2018 only one business center was delivered to the market -MFC NikolinPark, which is located in the New Moscow area (2,310 sq. m). By the end of 2018 new construction will reach only 250,000 sq. m, which is 40% lower than last year.
- Due to a consistently low rate of new construction and high take-up, the vacancy rate continued the decline and stood at 11.6 % at the end of H1 2018, nevertheless, it is still considered high.

Sources market information Russia: Cushman & Wakefield, Trading Economics, Ministry of Economic Development, Oxford Economics

## Consolidated Statement of Comprehensive Income

	Note	Unaudited Q2 2018	Unaudited Q2 2017	Unaudited 6m 2018	Unaudited 6m 2017	Audited 2017
All numbers in 000 USD						
Rental income	3	348	818	680	2,640	3,034
<b>Total Income</b>		<b>348</b>	<b>818</b>	<b>680</b>	<b>2,640</b>	<b>3,034</b>
Property related Expenses	3	-155	-282	-626	-546	-1,242
Personnel Expenses		-65	-57	-152	-121	-251
Other Operational Expenses		-266	-209	-502	-379	-749
<b>Total Operational Expenses</b>		<b>-486</b>	<b>-548</b>	<b>-1,280</b>	<b>-1,046</b>	<b>-2,242</b>
<b>Operating Profit (Loss) Before Fair Value Adjustments</b>		<b>-138</b>	<b>270</b>	<b>-600</b>	<b>1,594</b>	<b>792</b>
Fair Value Adjustments on Investment Property	3	-3,134	-3,940	-3,471	-4,146	-5,398
<b>Total Operating Profit (Loss)</b>		<b>-3,272</b>	<b>-3,670</b>	<b>-4,071</b>	<b>-2,552</b>	<b>-4,606</b>
Finance Revenues	5	120	47	563	104	575
Finance Expenses	5	-485	-626	-945	-1,056	-1,999
Currency Exchange Gains (Losses)	5	-43	-19	-8	-9	29
<b>Net Financial Gains (Losses)</b>		<b>-408</b>	<b>-598</b>	<b>-391</b>	<b>-960</b>	<b>-1,395</b>
<b>Earnings before Tax (EBT)</b>		<b>-3,680</b>	<b>-4,268</b>	<b>-4,462</b>	<b>-3,512</b>	<b>-6,001</b>
Income Tax Expenses	7	-667	-739	-699	-524	-477
<b>Profit (loss), attributable to owners of parent</b>		<b>-3,013</b>	<b>-3,529</b>	<b>-3,763</b>	<b>-2,988</b>	<b>-5,524</b>
<b>Profit (loss), attributable to non-controlling interests</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Comprehensive Income:</b>						
<i>Items that are reclassified from Equity to earnings in subsequent periods:</i>						
Translation differences		-2,128	-1,511	-1,943	726	1,370
<b>Sum other income and expenses after tax</b>		<b>-2,128</b>	<b>-1,511</b>	<b>-1,943</b>	<b>726</b>	<b>1,370</b>
<b>Comprehensive income, attributable to owners of parent</b>		<b>-5,142</b>	<b>-5,040</b>	<b>-5,706</b>	<b>-2,262</b>	<b>-4,154</b>
<b>Comprehensive income, attributable to non-controlling interests</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Earnings per share (EPS), attributable to owners of parent</b>						
Weighted average number of shares		88,345,623	20,653,315	88,345,623	19,505,844	54,208,637
Basic and Diluted earnings per share (USD)		-0.03	-0.17	-0.04	-0.15	-0.10
Basic and Diluted Total Comprehensive Income per share (USD)		-0.06	-0.24	-0.06	-0.12	-0.08

## Consolidated Statement of Financial Position

All numbers in 000 USD	Note	Unaudited 30.06.2018	Audited 31.12.2017
Investment Property	3	21,366	26,760
PP&E		7	10
<b>Sum Fixed Assets</b>		<b>21,793</b>	<b>26,770</b>
Pre-paid income tax		326	352
Other Receivables	10	352	265
Cash and Cash Equivalents	4	761	2,247
<b>Total Current Assets</b>		<b>1,438</b>	<b>2,865</b>
<b>Total Assets</b>		<b>23,231</b>	<b>29,634</b>
Share Capital	11	4,575	4,575
Share Premium		21,036	21,036
Other Paid-in Equity	11	56,605	56,605
<b>Total Paid-in Equity</b>		<b>82,216</b>	<b>82,216</b>
Other equity		-77,928	-72,222
<b>Total other equity</b>		<b>-77,928</b>	<b>-72,222</b>
<b>Total Equity</b>		<b>4,288</b>	<b>9,994</b>
Loans From Credit Institutions	4	17,236	17,836
Deferred Tax Liabilities		35	284
Financial Derivative Liabilities	4	30	528
Other Long-term Liabilities		220	287
<b>Total non-current liabilities</b>		<b>17,521</b>	<b>18,936</b>
Trade Payables		19	37
Loans from Credit Institutions	4	900	300
Other Current liabilities	9	502	367
<b>Total Current liabilities</b>		<b>1,421</b>	<b>705</b>
<b>Total Liabilities</b>		<b>18,943</b>	<b>19,640</b>
<b>Total Equity and Liabilities</b>		<b>23,230</b>	<b>29,634</b>

## Consolidated Statement of Cash Flow

	Unaudited 6M 2018	Unaudited 6M 2017	Audited 2017
All numbers in 000 USD			
<b>Cash Flow from Operational Activities</b>			
Earnings before Tax	-4,462	-3,512	-6,001
<i>Adjusted for:</i>			
Depreciations	2	3	4
Value Adjustments on Investment Property	3,471	4,146	5,398
Financial Income	-25	-65	-97
Financial Expenses	407	1,016	1,522
Net Currency Gains	25	-2	-7
<b>Cash Flow Before Changes in Working Capital</b>	<b>-582</b>	<b>1586</b>	<b>818</b>
<i>Changes in Working Capital:</i>			
Trade Receivables and Other Receivables	-86	-110	208
Trade Payables and Other Payables	53	-932	-1,005
Paid Taxes	0	-294	-461
<b>Net Cash Flow From Operating Activities</b>	<b>-615</b>	<b>-1,336</b>	<b>-440</b>
<b>Cash Flow From Investment Activities</b>			
Interest Received	5	55	79
<b>Net Cash Flow From Investment Activities</b>	<b>5</b>	<b>55</b>	<b>79</b>
<b>Cash Flow From Financing Activities</b>			
Share issue, payments/costs	0	-158	3,181
Repayments of Loans	0	-1,183	-3,000
Interest Paid	-877	-1,041	-1,932
<b>Net Cash flow From Financing Activities</b>	<b>-877</b>	<b>-2,381</b>	<b>-1,751</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>-1,487</b>	<b>-2,077</b>	<b>-2,111</b>
Carried Forward Cash and Cash Equivalents	2,247	4,371	4,371
FX movements on opening balance	1	76	-12
<b>Cash and Cash Equivalents on Closing Date</b>	<b>760</b>	<b>2,370</b>	<b>2,247</b>
Of which restricted Cash and Cash Equivalents	238	238	237



## Consolidated Statement of Changes in Equity

All numbers in 000 USD	Paid-in Equity			Other Equity		Total Equity
	Share Capital	Share Premium	Other Paid-in Equity	Retained Earnings	Translation Differences on Foreign Operations	
<b>1 January 2017</b>	<b>1,236</b>	<b>21,036</b>	<b>56,763</b>	<b>5,220</b>	<b>-73,288</b>	<b>10,966</b>
Profit (Loss) for the Period				-5,524		-5,524
Other Comprehensive Income					1,370	1,370
Sum	0	0	0	-5,524	1,370	-4,154
Share issue	3,339		-158			3,181
Sum other capital changes	3,339	0	-158	0	0	3,181
<b>31 December 2017 (unaudited)</b>	<b>4,575</b>	<b>21,036</b>	<b>56,605</b>	<b>-304</b>	<b>-71,918</b>	<b>9,994</b>

	Paid-in Equity			Other Equity		Total Equity
	Share Capital	Share Premium	Other Paid-in Equity	Retained Earnings	Translation Differences on Foreign Operations	
<b>1 January 2018</b>	<b>4,575</b>	<b>21,036</b>	<b>56,605</b>	<b>-304</b>	<b>-71,918</b>	<b>9,994</b>
Profit (Loss) for the Period				-3,763		-3,763
Other Comprehensive Income					-1,943	-1,943
Sum	0	0	0	-3,763	-1,943	-5,706
<b>30 June 2018 (unaudited)</b>	<b>4,575<sup>1</sup></b>	<b>21,036</b>	<b>56,605<sup>1</sup></b>	<b>-4,067</b>	<b>-73,861</b>	<b>4,287</b>

<sup>1</sup>At the shareholders' meeting on 15 May 2018 it was decided to reduce the share capital from USD 4,574,749 to USD 228,737. The amount was to be transferred to "Other Paid-in Equity". Total equity is therefore unchanged. The change in capital was registered on 18 July 2018.

## SELECTED NOTES TO THE INTERIM FINANCIAL STATEMENT

(Unaudited)

### 1. Company Information

Storm Real Estate ASA is a public limited liability company domiciled in Norway. The company is listed on Oslo Stock Exchange. The principal activity of the company is investment in yielding properties in Russia and the EEA, including investments in equities and bonds.

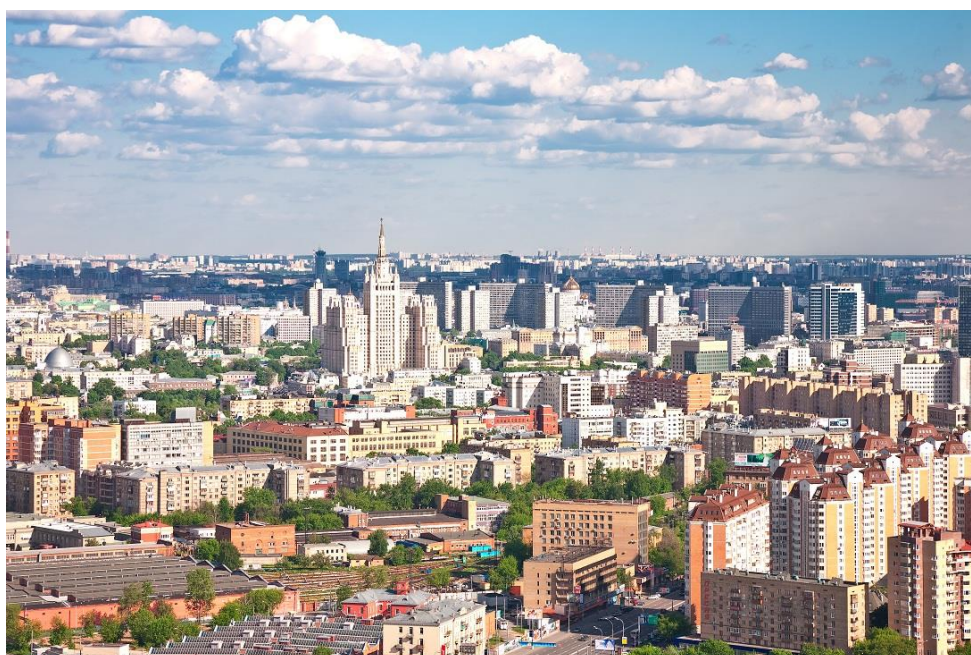
### 2. Basis of Preparation and Accounting Policies

#### Basis of Preparation

The interim financial statements for the period ending 30 June 2018 are prepared in accordance with IAS 34. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statement of 2017. The interim financial statements are unaudited. The interim financial statement was approved by the Board of Directors on 9 August 2018.

#### Accounting principles

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for 2017. Two new IFRS standards have been implemented for periods beginning on or after 1 January 2018: IFRS 15 (Revenue from Contracts with Customers) and IFRS 9 (Financial Instruments). These amendments have not had any material impact on the group's financial statements for 2018. All notes are in '000 USD, except where otherwise indicated.



### 3. Investment property

	30.06.2018	31.12.2017
<b>Value as valued by an independent valuer:</b>		
As at 1 January	26,580	30,500
Value Adjustment Investment *	-5,380	-3,920
Value per Closing	21,200	26,580
<b>Other assets recognised as part of Investment Property:</b>		
As at 1 January	180	715
Changes in carrying value of land plot lease agreements **	-14	-6
Changes in embedded derivatives contract ***	0	-529
Value per Closing	166	180
<b>Carrying value 01.01</b>	<b>26,760</b>	<b>31,215</b>
<b>Carrying value per Closing date</b>	<b>21,366</b>	<b>26,760</b>

\* The functional currency of the Russian subsidiaries including the buildings in Russian Rouble

The fair value changes has two elements:

- Changes in the local functional currency (RUB) are presented in the income statement
- Translation differences in the Group presentation currency (USD) are not allowed in the income statement, and are presented in the statement of comprehensive income.

The two effects are presented separately below:

	6M 2018	6M 2017
Change in RUB over Income Statement	-3,471	-4,146
Translation Differences over Comprehensive Income	-1,923	322
Net Change in Fair Value	-5,394	-3,824

<b>NOI from Properties</b>	<b>6M 2018</b>	<b>6M 2017</b>
Rental Income	680	2,640
Direct Property Related Expenses	-626	-546
NOI from Properties	54	2,094

\*\* The Company has capitalised land plot lease agreements in accordance with IAS 40 *Investment Property* and IAS 17 *Leases*.

\*\*\* In 2015 The Company signed an agreement on a lease reduction with the anchor tenant in Moscow.

Reduction is in practice done by agreeing a ceiling on exchange rate USD/RUB = 45. This arrangement was in accordance with IFRS be treated as a financial derivative. This derivative is related to the investment property. The company has recognised a financial liability when USD/RUB at the reporting date was unfavourable. A recognition of this currency derivative has no effect on the net asset value, when the size of the asset and liability are equal (see liability in note 4). No such agreements have been made in 2018.

<b>Variables for Independent Valuations</b>	<b>30.06.2018</b>	<b>31.12.2017</b>
Discount Rate	14.50%	14.50%
Yield (cap. rate)	10.50%	10.50%
Market rates, RUB/sq.m (net of VAT and op.ex), main office areas	16,000	18,000

The investment property is valued according to Level 3 of the fair value analysis (see note 4).

#### 4. Financial Assets and Liabilities

Other Financial Assets and Liabilities	30.06.2018	31.12.2017
Cash and Cash Equivalents	761	2,247
Interest Rate Swaps	30	-528
Bank Loan	-18,136	-18,136
Land plot lease agreements	-166	-180
Net Financial Assets and Liabilities	-17,511	-16,597

#### Bank loan

The company's lender has in Q2 2017 granted amended terms to the company's loan agreement.

The amended terms include

- postponement of the maturity date to June 2019
- no amortisation up to and including Q3 2018
- waiving of covenants up to and including Q3 2018,
- adjusted covenants for the period Q4 2018 to maturity, adapted to the changed market conditions in Russia.

The covenants from Q4 2018 include an Interest Service Ratio on Russia level of 1.1x, and quarterly amortisations at USD 0.3 million. LTV and equity ratio covenants remain at 70% and 20%, respectively.

These amendments were subject to that the company obtains new capital of at least USD 3 million, to be paid to the bank as an extraordinary amortisation. A rights offering was conducted in Q2 2017. The rights offering was fully subscribed and the company paid an extraordinary amortisation in accordance with the above plan.

#### 4. Financial Assets and Liabilities (continues)

##### Fair value hierarchy

The table below shows an analysis of fair values of financial instruments in the Statement of Financial Position, grouped by level in the fair value hierarchy.

Level 1 - Quoted prices in active markets that the entity can access at the measurement date.

Level 2 – Use of a model with inputs other than level 1 that are directly or indirectly observable market data.

Level 3 - Use of a model with inputs that are not based on observable market data.

Financial liabilities measured at fair value	Level 1	Level 2	Level 3	Sum
Interest rate swaps	30			30
Land plot lease agreements	166			166
<b>Sum financial liabilities measured at fair value</b>	<b>196</b>	<b>0</b>	<b>0</b>	<b>196</b>

##### Comparison per class

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the financial statements.

	Carrying amount		Fair value	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
<b>Financial assets</b>				
Accounts receivable	130	37	130	37
Other receivables	548	228	548	228
Cash and cash equivalents	761	2,247	761	2,247
<b>Sum</b>	<b>1,438</b>	<b>2,512</b>	<b>1,438</b>	<b>2,512</b>
<b>Financial liabilities</b>				
Interest-bearing loans and borrowings	18,136	18,136	18,136	18,136
Trade liabilities	19	37	19	37
Interest rate swaps	30	528	30	528
Land plot lease agreements	166	180	166	180
Other current liabilities	502	367	502	367
<b>Sum</b>	<b>18,853</b>	<b>19,249</b>	<b>18,853</b>	<b>19,249</b>

## 5. Finance income and costs

### Finance income and costs:

	6M 2018	6M 2017
<b>Currency</b>		
Currency Gain	312	10
Currency Loss	-320	-19
Net Currency Gain (Loss)	-8	-9
<b>Finance Revenues</b>		
Interest Revenue	6	57
Fair Value Adjustment, Financial Investments	0	0
Fair Value Adjustment, Derivatives	538	40
Dividend income, Financial Investments	0	0
Other Financial Revenues	18	8
Sum	563	104
<b>Finance Costs</b>		
Interest Costs	-945	-1,047
Fair Value Adjustment, Derivatives	0	0
Fair Value Adjustment, Financial Investments	0	0
Other Finance expenses	0	-8
Sum	-945	-1,056
Net Finance Gains (Losses)	-391	-960

## 6. Shareholder information

### The 20 largest shareholders as at 30.06.2018

The list is as per the shareholders registered in VPS as 30.06.2018:

The company's web site [www.stormrealestate.no](http://www.stormrealestate.no) shows an updated top 20 list.

Shareholder	Type *	Country	Shares	%
ACONCAGUA MANAGEMENT LTD		LUXEMBOURG	23,880,399	27.03%
JPMORGAN CHASE BANK, N.A., LONDON	NOM	UK	22,127,626	25.05%
J.P. MORGAN BANK LUXEMBOURG S.A.	NOM	UK	6,375,172	7.22%
BANAN II AS		NORWAY	2,895,281	3.28%
PACTUM AS		NORWAY	2,791,494	3.16%
AUBERT VEKST AS		NORWAY	2,495,907	2.83%
J.P. MORGAN BANK LUXEMBOURG S.A.	NOM	UK	2,129,779	2.41%
ØSTLANDSKE PENSJONISTBOLIGER AS		NORWAY	1,530,600	1.73%
SAMSØ AS		NORWAY	1,238,559	1.40%
ØRN NORDEN AS		NORWAY	1,082,286	1.23%
HYGGEN THORE		NORWAY	931,250	1.05%
MOTOR-TRADE EIENDOM OG FINANS AS		NORWAY	866,811	0.98%
ALBION HOLDING AS		NORWAY	747,625	0.85%
SVENSKA HANDELSBANKEN AB	NOM	NORWAY	722,343	0.82%
LANGBERG INGRID MARGARETH		NORWAY	700,000	0.79%
TDL AS		NORWAY	476,250	0.54%
FINANSFORBUNDET		NORWAY	416,650	0.47%
IFG HOLDING AS		NORWAY	415,000	0.47%
BLAKSTAD MASKIN AS		NORWAY	338,162	0.38%
EILERTSEN OLE JULIAN		NORWAY	303,911	0.34%
<b>SUM 20 LARGEST</b>			<b>72,465,105</b>	<b>82.02%</b>
OTHER SHAREHOLDERS			15,880,518	17.98%
<b>SUM</b>			<b>88,345,623</b>	<b>100.00%</b>

\* NOM = Nominee Accounts; foreign institutions holding shares on behalf of clients.

Shares controlled by board members:		Shares	%
Morten E. Astrup	via Aconcagua Management Ltd and Ørn Norden AS	24,962,685	28.3 %
Kim Mikkelsen	via Strategic Investments A/S	22,127,626	25.0 %
Stein Aukner	via Banan AS and Aukner Holding AS	3,047,235	3.4 %
<b>Sum</b>		<b>50,137,546</b>	<b>56.8 %</b>



## 7. Tax Expenses

<b>Tax Expense for period</b>	<b>6M 2018</b>	<b>6M 2017</b>
Current Tax	-6	348
Deferred Tax	-693	-872
<b>Total Tax Expense for Period</b>	<b>-699</b>	<b>-524</b>

## 8. Transactions with Related Parties

	<b>6M 2018</b>	<b>6M 2017</b>
Storm Capital Management Ltd.	186	207
<b>Sum</b>	<b>186</b>	<b>207</b>

## 9. Other current liabilities

	<b>30.06.2018</b>	<b>31.12.2017</b>
Taxes and duties due	142	56
Advance rents paid by tenants	288	183
Other	72	128
<b>Sum</b>	<b>502</b>	<b>367</b>

## 10. Other Current Receivables

	<b>30.06.2018</b>	<b>31.12.2017</b>
Taxes and Duties receivable	59	50
Other Current receivables	293	215
<b>Sum</b>	<b>352</b>	<b>265</b>

## 11. Change in Equity

At the shareholders' meeting on 15 May 2018 it was decided to reduce the share capital from USD 4,574,749 to USD 228,737. The amount was to be transferred to "Other Paid-in Equity". Total equity is therefore unchanged. The change in capital was registered on 18 July 2018

	<b>18.07.2018</b>	<b>31.12.2017</b>
Share Capital	229	4,575
Share Premium	21,036	21,036
Other Paid-in Equity	60,951	56,605
<b>Total Paid-in Equity</b>	<b>82,216</b>	<b>82,216</b>
Other equity	-77,928	-72,222
<b>Total other equity</b>	<b>-77,928</b>	<b>-72,222</b>
<b>Total Equity</b>	<b>4,288</b>	<b>9,994</b>



## Statement from the Board and general manager

We confirm that the financial statement for the period 1 January to 30 June 2018 to the best of our knowledge, is prepared in accordance with *IAS 34 Interim Report* and that the accounts give a true and fair view of the Group's and Company's assets, liabilities, financial position and result of operations.

The Interim report gives, to the best of our knowledge, a fair overview of important events during the accounting period and their impact on the financial statements and a summary of significant transactions with related parties.

We confirm that, to the best of our knowledge, the interim report includes a fair review of the information mentioned in the Securities Trading Act section §5-6, fourth paragraph.

Oslo, 9 August 2018

The Board and general manager in Storm Real Estate ASA,

Stein Aukner  
Chairman

Morten E. Astrup  
Board member

Nini H. Nergaard  
Board member

Kim Mikkelsen  
Board member

Anna M Aanensen  
Board member

Kristoffer Holmen  
Interim General Manager

