

**NOTE 19****CHANGE OF PRINCIPLE**

Ferd AS is an investment company, where measurement at fair value is key. Hence, Ferd presents financial statements with all investments at fair value. Ferd applies fair value in the daily management of the Company, in allocation of the Company's capital and when monitoring the Company's results. Pursuant to IAS 27.38, Ferd has decided to change the measurement of the subsidiaries to fair value in the statement of financial position.

The change of principle implies that the subsidiaries are converted to fair value at 1 January 2011, i.e., by the beginning of the first comparable period. In numbers, the consequences for 2011 of the change of principle are as follows (NOK000):

Shares in subsidiaries and equity increase by NOK 4 283 651 at 1 January 2011

Operating income and result for 2011 are reduced by NOK 243 023

Shares in subsidiaries and equity have increased by NOK 4 040 628 at 31 December 2011