



NHST annual report | 2006

Highlights 2006



The circulation winner

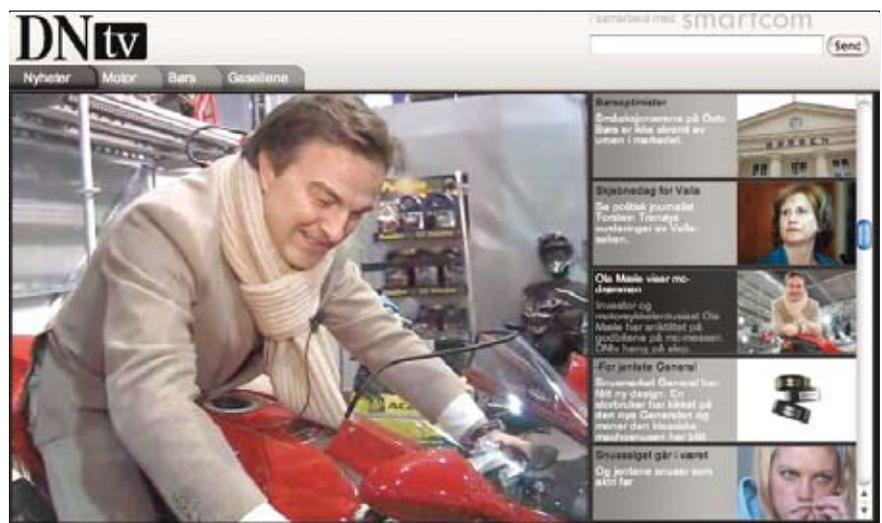
With an increase in circulation of 2 336, Dagens Næringsliv sold 76 584 copies daily in 2006. This makes the newspaper the circulation winner among Norwegian newspapers for the second year running. Its advertising sales increased by MNOK 53.2 to MNOK 260.6 last year.

DAGENS NÆRINGSLIV

UPSTREAM 10 years old

Upstream celebrated its 10th anniversary with events in Oslo, Singapore and Houston. It also increased its circulation by 7 per cent to a record-high 6 430 at the year-end.

UPSTREAM



Established online TV

NHST decided to establish DN TV and the company will produce TV programmes aimed at online distribution. The newly established editorial team primarily produces programmes for dn.no, but will also produce programmes for other Group publications. Most of the Group's publications now have webtv integrated into their online products.

DN TV

Record revenues for the Group

The NHST Media Group achieved record revenues of MNOK 861 last year – and has had a total growth in revenue of 51 per cent over the past three years. Its pre-tax profit came to NOK 65 million, an increase of 50 per cent compared to 2005. Most of its companies are experiencing growth.

NHST MEDIA GROUP

861 MILLION

Increased to 8,000

TradeWinds increased its number of subscribers to 8 000 in December last year. Its average circulation ended up at 7 845 subscribers. The newspaper is now the clearly largest publication in the maritime market.

TRADEWINDS



Features editor Gry Egenes was chosen as «female media manager of the year» by Medienettverket (Media Network), a forum for women in management. This prize was awarded by A-pressens Mai Torill Hoel (right) on 2 November 2006.

Gry Egenes female media manager of the year

Dagens Næringsliv's feature editor Gry Egenes was chosen as the female media manager of the year towards the end of 2006 by the media network «Women in Management Forum». As its reasons, the jury stated that this year's prize winner is special when it comes to news features and went as far as to say she is unique in Norway in this professional area. She has developed her own brand within the brand and is a driving force for investigative journalism.

DAGENS NÆRINGSLIV

Won the Farmand Prize

NHST won the Farmand Prize for the best annual report idea and design in 2006. The jury stated that NHST always impresses with its choices of format and photos, and called it this year's decidedly funniest annual report. «NHST always produces topical and visually strong reports, and this year's report is in a class of its own,» stated the jury.



NHST MEDIA GROUP

TDN is increasing

This company increased its revenue by MNOK 1.3 to MNOK 11.6 last year. It achieved a profit of NOK 2.1 million, equal to an operating margin of 18 per cent.

TDN

Attracting new readers

DN Nye Medier's revenue increased by 34 per cent to MNOK 39.5 last year. The development of its products led to dn.no's readership increasing by 21 per cent to 673 000. There has been a very satisfactory increase in traffic and reader loyalty has increased.

DN NYE MEDIER

Key figures

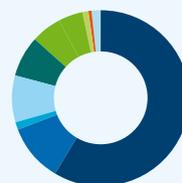
	2006	2005	2004
GROUP (figures in NOK 1000)			
Operating income	860 521	741 026	671 243
Operating profit (loss)	65 666	40 196	40 323
Profit (loss) before tax	65 885	41 962	40 835
Profit (loss) for the year	45 558	28 378	28 358
Net operating margin (%)	7,6	5,4	6,0
Net profit margin (%)	5,3	3,8	4,2
Profit ratio (%)	8,3	6,0	6,6
Total assets	407 238	346 714	333 179
Investments	26 410	19 120	19 977
Equity ratio (%)	24,3	25,1	26,2
Return on total assets (%)	18,9	13,1	14,3
Liquidity ratio	1,0	1,0	1,0
EMPLOYEES			
Number	490	457	433
Man-years	466	441	408

	2006	2005	2004
DAGENS NÆRINGSLIV (figures in NOK 1000)			
Operating income	508 135	438 358	409 144
Operating profit (loss)	83 223	54 343	57 357
Profit (loss) before tax	86 845	57 250	60 653
Profit (loss) for the year	61 940	40 763	43 582
Net operating margin (%)	16,4	12,4	14,0
Net profit margin (%)	12,2	9,3	10,7
Profit ratio (%)	17,2	13,1	15,0
Total assets	263 444	173 248	171 818
Investments	4 272	8 122	6 090
Equity ratio (%)	18,8	27,1	29,6
Return on total assets (%)	40,1	33,4	37,3
Liquidity ratio	1,1	1,1	1,2
VOLUME			
Advertising volume (in 1000 pages)	5,3	4,7	4,4
Circulation (in 1000 papers)	76,6	74,2	70,5
EMPLOYEES			
Number	194	186	183
Man-years	182	180	170

DEFINITIONS

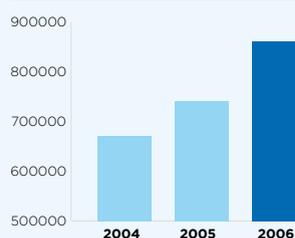
Net operating margin Operating profit x 100/Operating income
 Net profit margin Profit for the year x 100/Operating income
 Profit ratio Profit before tax + financial expenses x 100/Operating income
 Equity ratio Total equity x 100/Total assets
 Return on total assets Operating profit + fin. income x 100/Average total assets at 1.1 and 31.12.
 Liquidity ratio Current assets/Short-term liabilities

GROUP TURNOVER 2006

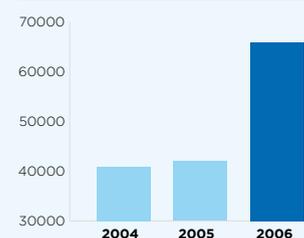


58,6% Dagens Næringsliv	5,7% IntraFish Media
10,6% Nautisk Forlag	4,4% DN Nye Medier
1,3% TDN	1,2% Europower
8,8% TradeWinds	0,5% Dagens it
7,3% Upstream	1,5% Smartcom

OPERATING INCOME GROUP



PROFIT (LOSS) BEFORE TAX GROUP





In the tiger's mouth

16 December | DAGENS NÆRINGS LIV

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THE NHST MEDIA GROUP is one of Norway's leading media houses and its main objective is to carry out investigative, critical journalism and disseminate financial information.

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NORWEGIAN PEACE DIPLOMACY was supposed to save Sri Lanka. It failed. Now there will be a war that no one can win.

As Norway's special envoy for peace, Jon Hanssen-Bauer, is on his way into a meeting at a hotel on Colombia's seafront, the convoy containing Gothaban Rajapaksa, the Sri Lankan president's brother who is a parliamentary secretary in the Ministry of Finance, moves slowly through the traffic just over a kilometre away. It is 10.50 am on the first day of December. The suicide bomber drives up on a red three-wheeler. As he comes alongside the parliamentary secretary's armoured BMW, he presses his mobile phone and detonates the bomb lying in the back seat. The suicide bomber's body flies through the air in an arc and lands

headless on one of the escort's Toyotas. Two soldiers in the motorbike escort are riddled with splinters from the bomb. Before the smoke from the burning cars has settled, two dead and 18 injured can be counted. The president's brother gets away with only a few blood stains on the upper right arm of his white shirt.

The planned meeting between Hanssen-Bauer and Gothaban Rajapaksa is cancelled, for obvious reasons. The prestigious Norwegian peace involvement in Sri Lanka is approaching a breakdown.

"There has to be thunder before the air can clear again," says a military observer in Colombo. He was not thinking about the monsoon ravaging the city.

Art in Moscow

8 February | DAGENS NÆRINGS LIV



THE PEOPLE OF MOSCOW ARE USED TO WINTER, and even strong snowfalls are efficiently cleared from the roads, streets and avenues. The snow and cold inspire artistic expression rather than chaos.

A parade of almost 300 snowmen (snegovik in Russian) has lately decorated the Old Arbat pedestrian area of Moscow's city centre.

These snowmen were created by Nikolay Poliskey, a performance artist, and stand outside the Vakhtangov Theatre in this former parade street. Although Moscow has had temperatures of almost minus 30 degrees Celsius during the past few days, and has had a heavy snowfall, snow cannons had to be used to build this exotic «snow sculpture».



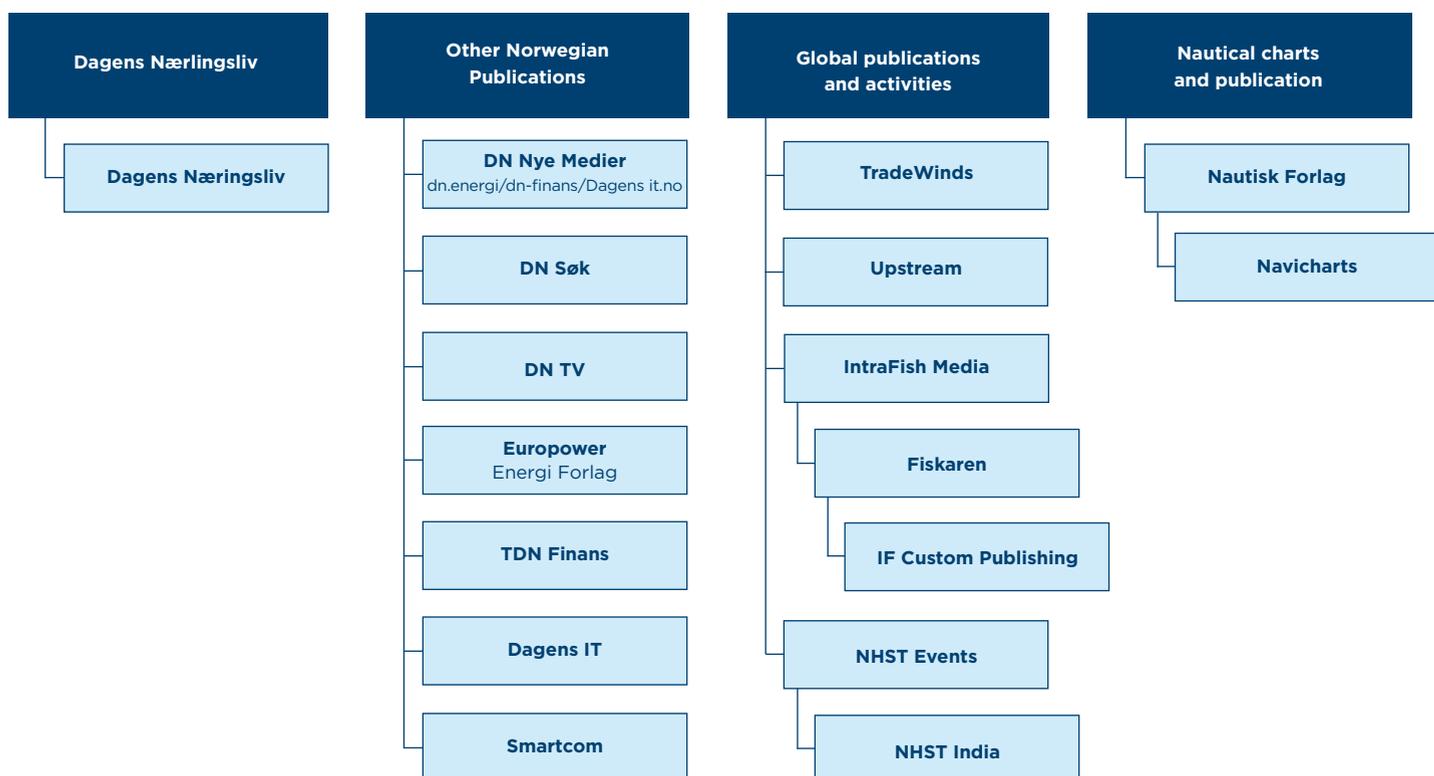
A leading media house

The NHST Media Group aims to be the best and biggest provider of business news in Norway and a world leader in the following three market segments: shipping, seafood, and oil & gas. All our publications are to be characterised by journalistic thoroughness and quality, as well as by an ability to find the exclusive news that will surprise and involve our readers.

One of the basic cornerstones of our operations is that we must provide news to our target groups in all channels. We currently deliver our news on paper, online and using our electronic news service. We are a leader in the newspaper markets in which we operate and are experiencing a high rate of growth in the number of our online readers. We are continuously developing both the contents and presentation of our editorial products. At the same time, we aim to utilise the technological opportunities that are opening up – for example, most of our websites have started to use webtv as part of their offering.

In this way, we can continue to be attractive to our readers and advertisers. Utilising synergies across company boundaries will help us to reach our goals.

NHST MEDIA GROUP





DAGENS NÆRINGSLIV

Dagens Næringsliv is Norway's leading business newspaper. It has a circulation of around 76 000 and is distributed throughout Norway. The newspaper focuses on critical journalism by investigating and writing about its own exclusive issues and by including lifestyle articles on careers, cars and houses, as well as a separate section on culture and media. DN was first published in 1890 under the name Norges Sjøfartstidende.



SMARTCOM

This company is Norway's leading supplier of TV transmissions and videos on the Internet. These broadcasts are sent on the web, mobile phones and podcasts. Smartcom delivers TV contents and web-tv solutions to more than 100 Norwegian enterprises, as well as to organisations and the public sector.



DN NYE MEDIER

The company is the NHST Groups new venture into the publication of news in e-media. DN Nye Medier runs the website **dn.no**, including **dagensit.no** and **dnenergi.no**, which has around 700,000 unique users and 11-14 million page views each month. In addition to financial news, this website also publishes articles on personal finances, cars, engines, work and real estate. Reader loyalty increased in 2006. **DN Søk** and **DN TV** are newly established subsidiaries that are to help develop dn.no and the Group's other websites.



TRADEWINDS

TradeWinds is an English-language weekly newspaper and website, **tradewinds.com**, targeting the international shipping environment. With a circulation of around 8 000, this newspaper is the global market leader. TradeWinds also has considerable conference activities. These activities are now so extensive that a separate company has been established, **NHST Events**, which only arranges conferences. The newspaper has traditionally had a strong position in the western market but is now focusing aggressively on Asia.



EUROPOWER

This consists of a website, monthly newspaper and the monthly magazine called Energi, which provide news to players in the North European power market. Europower aims to be the clearly leading and preferred supplier of quality journalism and company/industry information to the Norwegian and Nordic power industry.



UPSTREAM

Upstream is an English-language weekly newspaper and website, **upstreamonline.no**, targeting the international oil and gas environment. This newspaper has a weekly circulation of just under 6 500. In 2006, Upstream and TradeWinds launched an electronic, specialised newsletter called **Ingunlimited.com**. Due to its focus on critical, quality journalism, this newspaper has a high status in its markets, especially in the USA.



TDN

This company delivers electronic news to the Norwegian finance market and selected Nordic segments. Brokerage houses, banks, management companies and large private investors are its primary target groups. It basically tries to provide competent, critical coverage of news for the professional players in this market. TDN aims to be the leading company as regards quality, precision and speed.



INTRAFISH MEDIA/FISKAREN

IntraFish Media is the website for the Norwegian, **intrafish.no**, and international, **intrafish.com**, fisheries, fish-farming and seafood industries. This company is growing both in Norway and abroad, and Asia in particular is an exciting market with great opportunities. The Fiskaren newspaper and webpage **fiskaren.no** primarily targets players in the Norwegian and Nordic fisheries industry, and has a circulation of just under 9 000. Despite a slight decrease in its circulation, Fiskaren was the clearly leading newspaper in its segment in Norway in 2006.



DAGENS IT

The website **dagensit.no** is a vertical under **dn.no**, while the printed newspaper is published every 14 days. Dagens it targets the whole of industry and particularly covers the interaction between the IT sector and business. It writes about the IT market in Norway: about current solutions for companies and public enterprises, about IT strategies, IT policies and IT projects, as well as about the players in the market. According to MMI's Trade Press Survey, the newspaper's readership grew by all of 21 per cent in 2006.



NAUTISK FORLAG

This company sells maritime charts, electronic maritime charts, GPS and maritime publications to the merchant marine and supply, fishing and pleasure boat fleets from its premises in Oslo. Nautisk Forlag is the official chart and publication agent for the British Admiralty and the hydrographic offices in Norway, Denmark and Sweden, as well as for other publishers of maritime literature. The company has experienced very positive growth since the turn of the century and is one of the world leaders in its segment.

Hang the director

2 September | DAGENS NÆRINGS LIV



NORWAY'S NATIONAL MUSEUM WANTED A DIRECTOR that knew how to hang paintings. It ended up with a group that knew how to hang a director.

«New information relating to the National Museum. Importance: High,» was in the letter received by Minister of Culture Trond Giske in the middle of March this year.

The sender, CEO Mikkel Berg of Silver Pensjonsforsikring, asks that the letter be kept confidential. The letter states that the National Museum's director, Sune Nordgren, has come to Norway after doing a rotten job as the head of the Baltic Centre for Contemporary Art in England, and that he «appears to be a pushy entrepreneur without any formal expertise or relevant expe-

rience for the position he has been given.» Mikkel Berg is the son of the National Gallery's former director. Nordgren is the man in black who is to shed new light on Norway's art life, the star that is to create a new super-museum and carry out the greatest merger ever in the Norwegian museum world.

While the spring of 2006 is at its greenest, Sune Nordgren is being heavily criticised in the press. He is accused of being incompetent, a terrible manager who produces frustrated employees, and an adventurer who is not in touch with real life. At the forefront of his critics are art historian Steinar Gjessing, art professor Magne Malanger, politician Lars Roar Langslet and Aftenposten's art critic Lotte Sandberg.

«It's a strange world with strange alliances. It's interesting that our criticism is now called a campaign,» says Sandberg.

The National Museum's South African curator Gavin Jantjes does not hesitate to call it a campaign.

«Sune Nordgren trampled on Norway's nationalistic pride. If you are a strong nation and know who you are, you should have the strength to accept critical intervention from outside. Neither the Ministry of Culture, board, artists nor historians supported Nordgren. If none of these can see they failed him, the same will happen to Nordgren's successor, whether he comes from Australia, Timbuctoo or Norway,» says Jantjes.

In line with its strategy, the NHST Media Group is developing its paper and electronic publications while also conquering new territories. A growth economy is contributing to the positive trend.

Successful development in growing markets

The world economy is growing like never before – especially as a result of increased trade in goods and services. This has positive effects and provides opportunities to most people in the world and to most industries. These developments particularly affect the three global market segments where NHST has its operations.

More, bigger and more advanced ships are being built now than ever before and the rates are generally good so there is a lot of optimism in shipping. The demand for energy is increasing – and oil and gas prices in particular are at historically high levels. This means that new projects are being developed, that new employees are being recruited to the oil industry and that the oil-service and oil companies' need to market themselves is increasing.

In the seafood sector, globalisation is leading to a wider range of fish dishes, to most people being more willing to try new seafood dishes, and to the entire industry becoming more professional. NHST's classical domestic market is Norway, and we are one of the countries that benefit the most from globalisation through our open, specialised and competitive industrial structure. When evaluating the progress of the NHST Group, it is important to include NHST's current benefits from the world economy, both structural and cyclical.

PROFITABLE GROWTH

We are very pleased to state that, in NHST's 117th year, we have achieved

record revenue of MNOK 861. The fact that our earnings have grown by 50 per cent to MNOK 66 is visible proof that the growth is profitable. Dagens Næringsliv's positive developments are the most obvious ones, but almost all the Group companies' results have improved. At the same time, a lot has been invested in a number of strategic activities from which we expect to reap benefits in the future. In a long-term perspective, I believe that the biggest value lies in how the individual publications are developing and positioning themselves. The Group has played an active role in driving these processes.

The core of NHST's strategy is to be the best and leading provider of business news in Norway and a world leader in the following three market segments: shipping, oil/gas and seafood. This strategy has remained unchanged for a number of years.

The competition situation varies widely from publication to publication. On the whole, NHST's publications are winning market shares in the newspaper area – in part because NHST has a tradition and experience of focusing on and succeeding in the newspaper area, and in part because several of NHST's competitors are pursuing a strategy of contraction in this segment.

EVERYONE IS GOING DIGITAL

The situation is different in the digital media area. Both established and new media are investing, but it is more diversified, with a great variation in editorial strategies. It is clear that the market positions



PHOTO: Ida von Hanno Bast

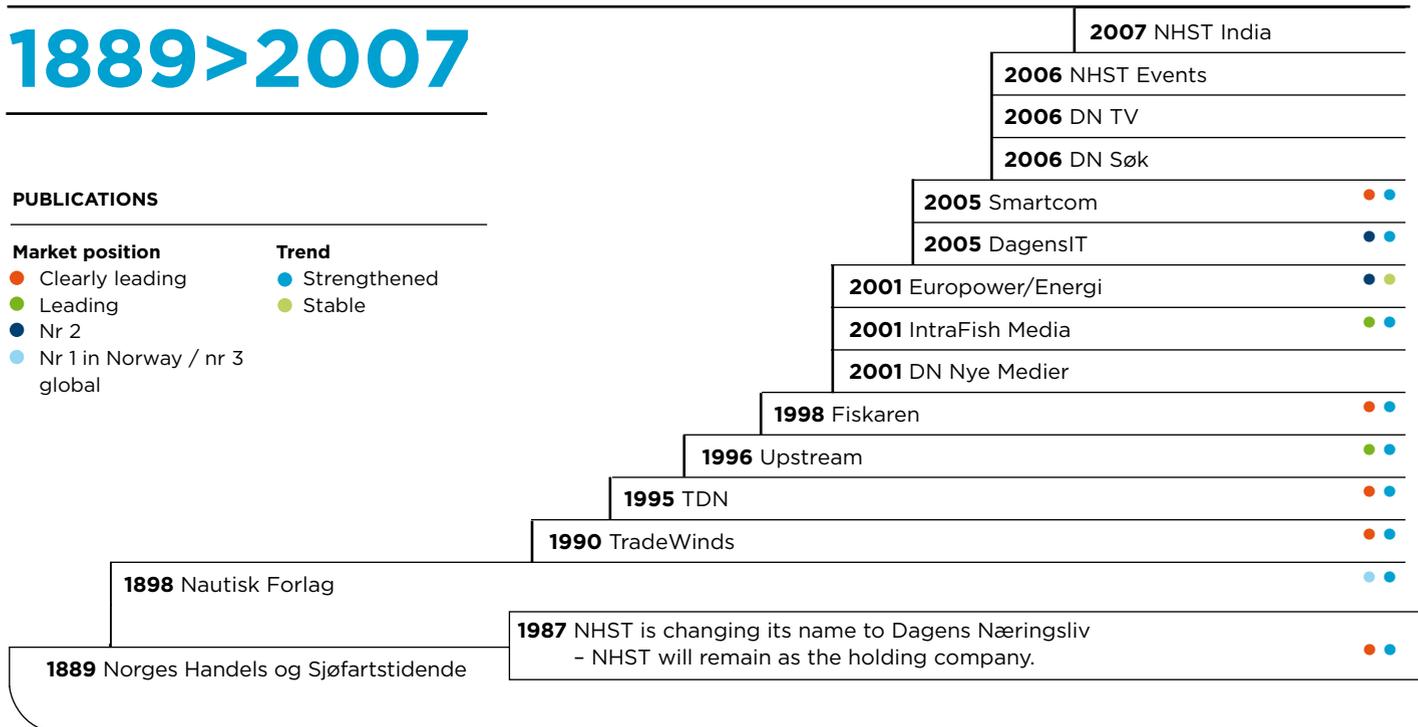
GUNNAR BJØRKAVÅG
CEO NHST

NHST MEDIA GROUP

1889 > 2007

PUBLICATIONS

- | | |
|--------------------------------|----------------|
| Market position | Trend |
| ● Clearly leading | ● Strengthened |
| ● Leading | ● Stable |
| ● Nr 2 | |
| ● Nr 1 in Norway / nr 3 global | |



and concepts are not fixed and are in the process of developing. Technologically, we are now entering what is called Internet version 2.0 – which particularly refers to the Internet’s transition from words to the use of pictures.

We are working hard to increase our number of readers in each market segment. In order to succeed in this, we must continuously try to improve both in the small everyday things and in conceptual factors. The many small daily improvements are what are most important, and key to these are competent, motivated, loyal employees who allow us to improve both editorially and commercially.

From a marketing point of view, NHST’s publications have become more visible through our increased presence at innumerable trade fairs and conferences, and greater use of various telephony and online services as well as the sharp rise in the number of visits we make to customers.

Our publications are also quoted a lot – and they have never been more known and recognised in their markets. Our networks of sources have probably never been greater and we have probably never published more unique articles. In addition, our publications

have never had a higher total number of readers than they did in 2006.

CONTINUOUS DEVELOPMENT

All our newspapers have made efforts to develop both their editorial content and their performance. The greatest visible change in the Group, however, is our work targeting electronic publications. On the whole, the volume of those visiting NHST’s online publications is increasing by 30-50 per cent each year. Webtv is now part of the editorial offerings in all our publications, and the production and journalistic work is mainly gathered in Smartcom and DN TV. DNenergi is the latest website we have launched for the Norwegian market, while we have launched lngunlimited.com for the global market.

DN Søk has been launched to strengthen the Group in the search area, and a number of commercial services are currently being developed to improve the product offered to users. We have also invested heavily in our digital publications, and these are now starting to produce a considerable share of the Group’s revenues. It is particularly important to underline that we have succeeded in this while also strengthening our printed newspapers – which is quite unique. Another area that has significantly improved is NHST’s

global network of journalists and market expertise. Not only are existing publications being strengthened, but this also provides a good basis for future new initiatives. The main strategy continues to be followed as described above. The newspapers’ resources are increasing and a number of measures are being implemented to improve our efficiency and form of presentation. Our global expansion efforts continue – the latest of which is the formation of NHST India. Our digital publications will be further strengthened through functionality, staffing and interaction. The Group is bound together by its sharing of expertise, resources, network and infrastructure.

Although this main strategy is comprehensive and demanding, we believe it is fully possible to realise it. Because we are further developing in publication areas where we already are the best in the world, we are taking slightly greater risks as regards territories and technology. Our new conference company, NHST Events, is an exciting example. The general market outlook is good for 2007. We must expect greater competition – and there will always be some disappointments. NHST is well prepared at the start of 2007, and we expect to achieve further progress.

Eli in the sunset

21 November | DAGENS NÆRINGS LIV





It was a grey November day in Oslo. The weather was rainy and windy. Everything was right for what Americans call «a bad hair day».

On the front cover of her new book, Eli Hagen is standing hugging a birch tree. The cover is in various shades of brown. Her hair is high, as always. The picture reminds you most of all of the cover of a CD that could be on sale at a petrol station in Norway. A cover that any local country music queen would be proud of. But Eli only knows one tune: «Stand by your man».

Ex-prime minister Kjell Magne Bondevik is one of those who really make Eli angry. After all, he destroyed Carl's dream of becoming president of the Norwegian parliament (Storting). «I have the impression that Bondevik has been more concerned about himself than the nation,» said Eli. That was a political analysis that any taxi driver would have envied her for. Perhaps she could have become one of them, if it hadn't been for the incident involving driving down the stairs on the Palace square.

PS! It's not true that the book can be ordered via the tax-free catalogue on the Canary Islands and Costa del Sol.

Commentary by Kjetil B. Alstadheim
21 November, **DAGENS NÆRINGSLIV**

OTHER NEWS

«The key to value creation is adaptation»

Mail-order and health-food company Eurovita received long rounds of applause from the 280 persons who attended DN's gazelle conference when it was presented as this year's gazelle winner yesterday. The company's growth curve from 2002 to 2005 has been impressive. Its revenues rose from just over MNOK 1 to more than MNOK 40 - a growth of more than 3 000 per cent.

Jens Ulltveit-Moe told the conference how he has built up the Umoe Group into a billion-krone company that is involved in several sectors and industries, and that he places emphasis on the fact that the most important thing in business is the ability to adapt. «One must be willing to change. The key to value-creation is adaptation,» said Ulltveit-Moe. «Norway is a good country to do business in as long as you don't listen to the myths about what you should do.»

28 November,
DAGENS NÆRINGSLIV



OTHER NEWS

Fishermen love their jobs

Most fishermen do not want to work on supply boats, they think they will still be in this industry in five years, and they advise young people to become fishermen. A survey Analysehuset has conducted for Fiskaren shows that fishermen love their jobs. Only 13 per cent of fishermen say it is unlikely that they will be fishermen in five years' time. Many of them will be pensioners by that time and will stop work anyway. This may indicate that the great rush away from the fishing industry to the supply industry is in the process of stopping.

10 August, **FISKAREN**

Buy Swedish electricity

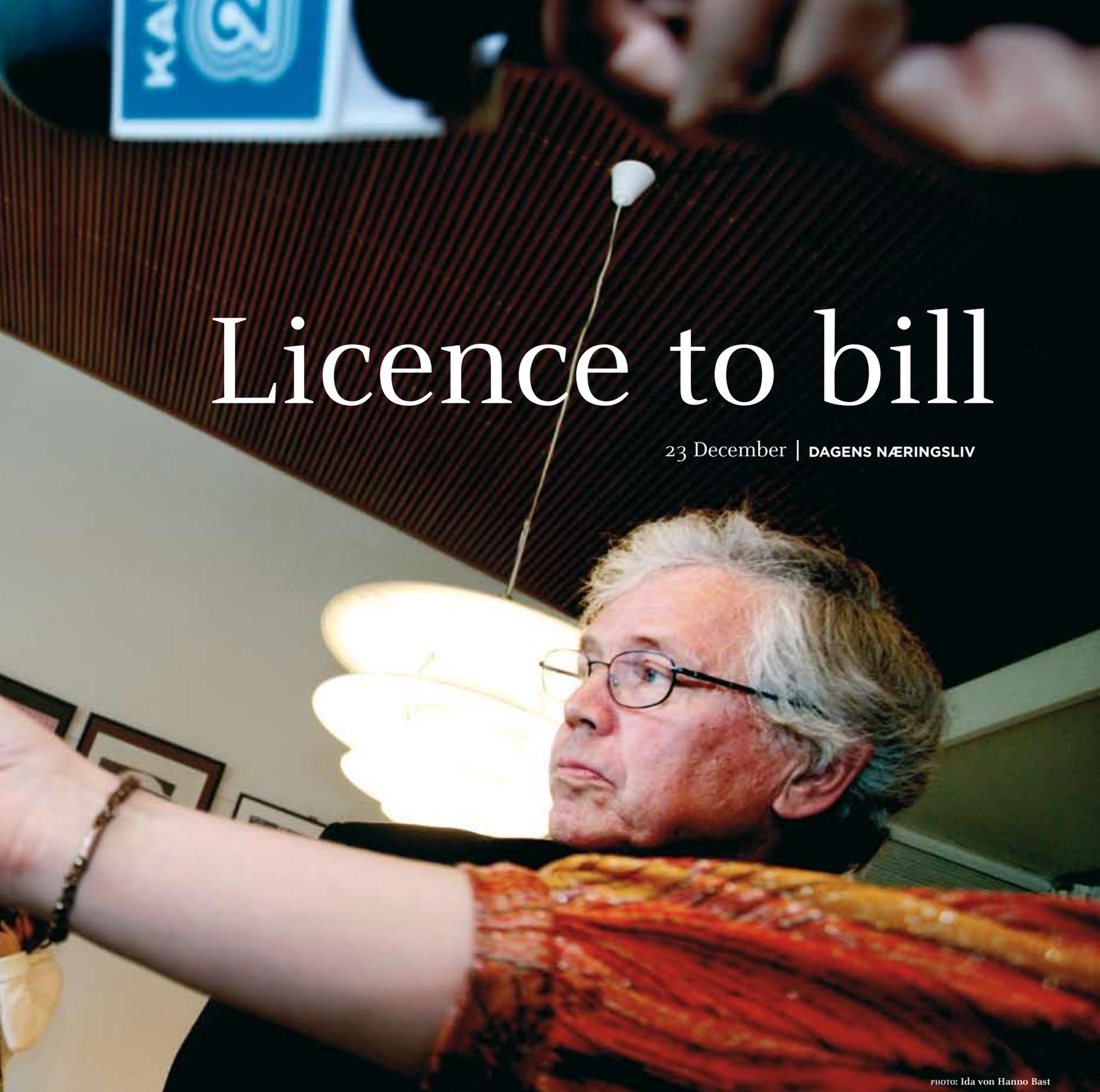
Since the summer, Vattenfall has been cheaper than all the Norwegian suppliers of three-year fixed-price electricity. EuroPower's comparison shows that the Swedish state-owned electricity giant's «Security Agreement» was on average NOK 0.038/kWh cheaper than the cheapest nationwide fixed-price supplier in Norway. The company is also the only one to allow customers the right to swap

Number 8, September, **EUROPOWER**

Dry bulk soars

Dry bulk reached new heights this week as operators jockeyed for position in the hot market. Up and coming Chinese operator Worldlink Shipping launched a massive raid on the capesize market, followed closely behind by Armada. But one big name, Cosco, looks as if it is missing out because of uncertainties over the future restructuring of the company.

11 August, **TRADEWINDS**



Licence to bill

23 December | DAGENS NÆRINGSLIV

PHOTO: Ida von Hanno Bast

NRK's chairman of the board Halvard Bakke has silently carried out a political coup that ensures the Norwegian Broadcast Corporation (NRK) half a billion extra krone in licence revenues next year.

The Norwegian parliament agreed to the increase 10 days ago – without the politicians understanding what they were involved in.

It was on the Wednesday before Christmas that the aquavit bottles started to come out of the office desks. It was one of those long parliamentary meetings at the end of the year, when major issues and enormous budgets were to be decided on during marathon sessions in parliament. That was the evening when

a politician from the Progress Party (FrP) stole all the journalists' attention by coming to the rostrum in Norway's most powerful hall after drinking one glass of beer and three of aquavit. It was a perfect evening for a political coup – about something as boring as TV licence accrual.

However, the cryptic comment in Finance Bill no. 2 hid a wild fight for money, power and control over NRK. Before the evening was over, parliament had agreed to an extra

TV tax of NOK 550 million in 2007 – and the members of parliament did not even know it themselves. Previously, the licence year was from 1 March to 28 February, but now the goal was for it to be a calendar year.

«I felt we could easily arrange that. We could just take 14 months of licence fees to income in 2007 and then we'd be up to date,» says Halvard Bakke, the chairman of NRK's board.

Report of the board of directors 2006

The Norges Handels og Sjøfartstidende (NHST) Group made a profit before tax of MNOK 65.9 in 2006, compared to a corresponding profit of MNOK 42.0 in 2005. The Group's revenue rose from MNOK 741 in 2005 to MNOK 861 in 2006.

This is an increase of 16 per cent, and is the absolutely largest growth in revenue in one single year in NHST's 117-year history. The growth comes from increased advertising sales for both printed and online products, larger circulation revenues and higher sales of maritime charts.

MAIN EVENTS

The economic conditions are still good in the areas and market segments in which NHST operates. The Norwegian economy is strong, with increasing the share prices on the Oslo Stock Exchange by 32 per cent in 2006. Within the three global markets in which NHST operates – shipping, oil/gas and seafood – 2006 was also a very successful year. In the shipping sector, there is good growth in the world's shipping volume, which again is characterised by sound growth in world trade, even though the rates have fluctuated slightly. Due to high demand, oil and gas prices were high throughout 2006 and this led to profitable times for the companies in this industry. Extensive exploration/development projects are ongoing worldwide and more people are being employed by the oil/gas industry. The seafood industry is also experiencing solid growth. This is related to the increased consumption of seafood and generally high prices. NHST's considerable growth in revenue over the past few years is also related with the favourable economic developments. Good economic conditions often lead to more interest in reading and higher advertising volumes.

The media industry continues to be characterised by increased competition both among established media channels and as a result of new ones. The fastest growing media channel is the Internet, and this overlaps with digital TV. The use of traditional TV is more or less stable. 2006 was the year when webtv achieved a breakthrough. On the whole, the circulation figures of the world's traditional news-

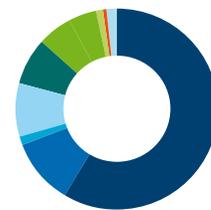
papers are declining, while those of the free newspapers are increasing. Measured in reader figures and reader time, the newspaper markets are stable or have shrunk slightly. The Internet is still experiencing a general growth of between 20% and 40% in revenue and in time spent. The growth in most of NHST's newspaper publications' circulation figures is in this sense unusual. To a large extent, this increase is due to NHST good, competitive concepts combined with continuous efforts to improve. NHST has demonstrated an ability to focus more on its newspapers than its competitors do, through development activities and well run operations.

A relatively considerable amount of new product development and growth is taking place in NHST. The new digital activities launched in 2006 were www.DNtv.no, in which editorial webtv expertise is gathered, www.DNsøk.no, in which company search activities are gathered, and www.lngunlimited.com, a globally oriented specialised website for the gas industry. In January 2007 www.dnenergi.no was launched – a specialised website for the oil and gas industry focusing on Norwegian news, in which DNNM, Upstream and Europower cooperate on delivering contents. Globally oriented conference activities are being strengthened and the conference activities are now gathered in the company, NHST Events.

THE MARKET AND COMPETITION SITUATION

Major changes took place in the Norwegian media market in 2006. British-based Mecom bought Orkla Media. In addition, the largest regional newspapers and Aftenposten started the process of forming Media Norge (Media Norway), in which Aftenposten is trying to get Bergens Tidende, Stavanger Aftenblad and Fædrelandsvennen to form a company that has Schibsted as its majority owner. This process is continuing in 2007 and it will still take some time before Media Norge becomes a reality, if it ever does. In addition, TV2 has

GROUP TURNOVER 2006



58,6%	Dagens Næringsliv
10,6%	Nautisk Forlag
1,3%	TDN
8,8%	TradeWinds
7,3%	Upstream
5,7%	IntraFish Media
4,4%	DN Nye Medier
1,2%	Europower
0,5%	Dagens it
1,5%	Smartcom

acquired all of the Kanal 24 radio channel, while Schibsted has sold its stake in TV2, which is now owned by A-pressen and Egmont.

All the largest newspapers in Norway have now converted to the tabloid format. The last to do so were the four largest regional papers, all of which converted to tabloid format in September 2006. This is due to the steadily declining circulation figures, and the hope is that a more reader friendly format will stop the fall in circulation and preferably reverse the trend. In the single-copy sales market, the circulation figures of both Dagbladet and VG are continuing to fall sharply but these companies' online newspapers are experiencing good growth in traffic.

The general public's need for and interest in business information are growing due to increased levels of education, wealth, trade and globalisation. The rise in general interest in this type of information and better advertising markets have led to an increase in the supply of business material from different media. The NA 24 and E24 websites were established during the year and have, as expected, resulted in stiffer competition. The greater attention being paid to and interest in our type of articles will probably result in more customers for our publications, which are market leaders in their segments. This trend is expected to continue, but will be affected by economic conditions.

In 2006, all the NHST companies captured market shares while the positive economic conditions continued. Their progress was based on strong market positions and increasingly competitive publications, with excellent concepts and a good ability to implement them. Most of the publications are leaders and increasingly well established in their segments.

STRATEGICALLY

NHST is a media company that has relatively considerable intellectual and financial resources. NHST's core strategy is to be the clearly leading company in Norway for business news and the world leader in the field of shipping, oil/gas and seafood news. In order to succeed in this strategy, we are continuing to focus on improving and further developing our established publications, both printed and on-

line, while also developing related services such as webtv and conference activities.

Since proximity and more rapid accessibility in the various markets are important for their further growth, our global publications have developed their activities in Singapore, Shanghai, Dubai and New Delhi. In a couple of years, it will probably be possible to digitally print newspapers in several colours to a satisfactory quality and at an acceptable price.

TRENDS IN 2006

The growth in the established publications' advertising and circulation revenues accounted for most of the increase in both revenues and profits in 2006. Recruitment advertising in particular grew strongly – by between 30 and 60 per cent depending on the publication. In this area, concepts were renewed and new ones were developed in relation to both the printed and online products, and staff numbers were increased in this sector during the year. On the whole, NHST's publications increased their advertising market shares – by quite a lot in some areas. With the exception of the Fiskaren newspaper, whose circulation declined slightly, all the Group's newspapers increased their circulation. This is quite unique compared to developments in the rest of the market, and shows that an aggressive focus on high quality newspapers produces results. Circulation market opportunities and general decline in competitors' circulations are regarded as comparative benefits for NHST in the newspaper market.

GROUP TURNOVER 2006

58,6%	DAGENS NÆRINGSLIV (TNOK 504 484)
10,6%	NAUTISK FORLAG (TNOK 91 188)
8,8%	TRADEWINDS (TNOK 75 900)
7,3%	UPSTREAM (TNOK 62 953)
5,7%	INTRAFISH MEDIA (TNOK 49 465)
4,4%	DN NYE MEDIER (TNOK 37 641)
1,5%	SMARTCOM (TNOK 12 594)
1,3%	TDN (TNOK 10 857)
1,2%	EUROPOWER (TNOK 10 534)
0,5%	DAGENS IT (TNOK 4 665)

”A relatively considerable amount of new development and growth is taking place in NHST”

Parallel to the operational focus on and progress of the publications, the NHST Group went through considerable development in 2006. The majority shareholding of the Smartcom webtv company was bought in the autumn of 2005 and NHST developed and broadcast

a steadily increasing number of webtv programmes in both dn.no and the global niches throughout 2006. A good technical and organisational foundation has been created here, with a sharply rising number of viewers. This investment has been

made because there are high expectations for the webtv advertising market in the next few years. The DN TV company was established on 1 October 2006, and more extensive webtv broadcasts are planned and have in part been implemented. At the same time, Smartcom's webtv production doubled its revenue, from MNOK 7 in 2005 to MNOK 14 in 2006.

Various online search services are another rapidly growing market where the Group is working on its own concepts. NHST's search concepts are now gathered in the DN Søk company, which launched a new service for the Norwegian market in October. This service is planned to be rolled out within the global niches too in 2007. The total revenues within the search area equalled approximately MNOK 2 in 2006. The energy sectors are developing strongly and NHST has strengthened its position in these sectors for several years now. The Norwegian online publication DN-energi.no was launched in 2006. This is being developed in close cooperation with dn.no, upstreamonline.com and europower.com.

Parallel to the development of the new services, established online services were further developed based on the need to modernise and further integrate these. At the beginning of December 2006, the new online service

arranged by NHST Events in Shanghai, Oslo, Mumbai and Athens. These conference activities will be further increased in 2007 and the company will operate in close interaction with TradeWinds, Upstream and IntraFish. The conference market is regarded as being attractive in itself, and as having clear synergies with the global publications. The opportunities in India – both in the conference market and for the other companies – have meant that NHST India will be established during the first half of 2007 as a branch office of NHST Events.

Because of the growth in revenue, number of publications and global activity over the past five years, NHST is now rebranding. Its full, historical name - Aksjeselskapet Norges Handels og Sjøfartstidende - is not very expedient for international use. At the forthcoming Annual General Meeting, the Board will propose that NHST Media Group becomes the formal name of the Group, in which NHST take care of the historical roots while Media Group shows the industry and the independence of the Group. These branding changes are important and linked to the new reality. The Board will also propose at the Annual General Meeting that the Articles of Association are updated with the new name.

and the total circulation rose by a total of 11 per cent during the period. The operating profit increased from MNOK 54.3 to MNOK 83.2, while the operating margin rose from 12.4 per cent to 16.4 per cent. The number of readers is relatively stable, with just over 300 000 on weekdays and 340 000 on Saturdays.

DN's revenue rose from MNOK 438.4 in 2005 to MNOK 508.1 in 2006. This is DN's highest ever revenue. Its advertising revenues increased from MNOK 207.4 to MNOK 260.6, while its circulation revenues rose from MNOK 223.9 to MNOK 241.1 in 2006. Provided economic conditions continue to improve, DN is expected to make further progress. Growth is expected to take place in both the advertising and circulation revenues.

DN Nye Medier (DNNM) is NHST's main digital media publication. It has maintained its position as Norway's leading business/finance website even though its newly established competitor, E24, has the largest volume of traffic. Its revenue increased from MNOK 29.4 in 2005 to MNOK 39.5 in 2006. Its operating profit increased from MNOK 2.1 in 2005 to MNOK 3.6 in 2006, producing an operating margin of 9.2 per cent. Its volume of traffic rose strongly, with an increase of more than 40 per cent in the number of daily readers. Through the acquisition of Dagens it in 2005 and further development of the printed newspaper Dagens it and the website dagensit.no, DNNM has significantly strengthened its coverage of the IT and telecoms sector. Dagens it achieved revenue of MNOK 4.7 in 2006 and made a loss of MNOK 7.3 in its first full year of operation, due to editorial and market-related investments. In order to make our products suitable for our readers and advertisers, several vertical services will be developed in 2007 according to templates taken from dagensit.no and dnenergi.no. Smartcom, a webtv production company purchased in 2005, increased its revenue from MNOK 7.4 in 2005 to MNOK 14.0 in 2006 and achieved an operating profit of MNOK 1.1. The formation of DN TV in the autumn of 2006 puts DNNM in a good position to develop commercial webtv as an integral part of its editorial coverage.

TradeWinds represents NHST in the international shipping markets. TradeWinds'

"In 2006, shipping conferences were arranged by NHST Events in Shanghai, Oslo, Mumbai and Athens"

Ingunlimited.com was launched in connection with a major gas conference in Abu Dhabi. This online publication is a joint venture between Upstream and TradeWinds and demonstrates that increasing integration between the various online publications will be seen in the future. All the online activities achieved strong growth of 30-70% in their revenue and number of users, and the development activities are planned to increase in 2007.

As a result of increasing activity aimed at the conference market, the NHST Events company was formed on 1 July 2006 and is run from London. In 2006, shipping conferences were

Although the revenues increased a lot in 2006 and the profits improved, it is regarded as possible to make further progress provided the economic outlook remains positive.

PUBLICATIONS

Dagens Næringsliv (DN) is NHST's flagship and generates just under 60 per cent of the Group's revenue. DN has a unique position as Norway's leading business newspaper, and was one of the newspapers in Norway that achieved the greatest growth in circulation in 2006. Its circulation rose by 2 336 copies to a record-high 76 584. This is the third year in a row with a good increase in circulation

revenues rose from MNOK 70.9 in 2005 to MNOK 76.2 in 2006. Its operating profit increased to MNOK 4.7, compared to MNOK 3.0 in 2005. TradeWinds has never had more subscribers than in 2006, when its average circulation was 7 845. At the end of the year, paying subscriber number 8 000 signed up for TradeWinds. The company's total circulation revenues rose by six per cent to MNOK 41.1, while its advertising revenues rose by 13 per cent to MNOK 27.8. Its new business area, conferences, is based on a desire to strengthen TradeWinds' brand in geographical areas where the maritime industry is growing. NHST Events has taken over the operational responsibility for the conferences. TradeWinds arranged four conferences in 2006 and is planning eight conferences this year.

Upstream is the leading publication aimed at decisionmakers in the global oil and gas industries. As a result of high oil prices, these industries are booming. This publication's revenue increased from MNOK 54.7 in 2005 to MNOK 63.1 in 2006. It achieved an operating profit of MNOK 2.0, compared to MNOK 1.7 in 2005. Its circulation was the highest ever at more than 6 430 at the year-end, and the average circulation in 2006 was 6 284. Its advertising revenue increased from MNOK 20.4 in 2005 to MNOK 29.1 in 2006. The oil and gas industries are still booming and the order reserve for the year is very good and Upstream expects further growth in 2007.

IntraFish Media has become established as a leading media house for the fisheries and fishfarming industries in Norway and abroad. Its largest publication is the Fiskaren newspaper, which is oriented towards Norway/the Nordic region and is the largest, most widely read fisheries newspaper in the Nordic region. Fiskaren had a circulation of 8 852 in 2006. This is followed by the online newspapers *intrafish.no* in the Norwegian language and *intrafish.com* in the English language, the latter of which has a more global focus. These have just under 5 000 subscribers, 65% of whom are outside Norway. The last publication, IntraFish Newspaper, is an English-language monthly newspaper that is sent to the subscribers of the two online newspapers. The IntraFish Media Group, including Fiskaren, achieved a revenue of MNOK 50.0 in 2006, compared to MNOK 43.9 in 2005. Its operating

loss fell from MNOK 3.6 to MNOK 1.9. Following a few tough years, the seafood and fisheries industries have experienced new growth and optimism over the past few years. IntraFish Media is expected to increase its revenue further this year and to break even for the first time.

TDN is Norway's leading real-time supplier of financial news. New growth in the finance industries led to its revenue increasing by 12 per cent to MNOK 11.6 and its operating profit almost doubling to MNOK 2.1, producing an operating margin of 18 per cent. TDN is

"Nautisk Forlag is the Group's second-largest company and achieved revenues of MNOK 91.2 in 2006"

very well positioned in the financial market and expects further growth this year too.

Europower, including Energi Forlag (publishing house) has a varied product portfolio aimed at the Nordic power market. This company achieved revenue of MNOK 10.8 in 2006, compared to MNOK 9.8 in 2005. It made an operating loss of MNOK 4.3, compared to a loss of MNOK 3.1 in 2005. A process is under way to further develop this company.

Nautisk Forlag is the Group's second-largest company and achieved revenues of MNOK 91.2 in 2006, an increase from MNOK 84.2 in 2005. Tough competition with an increased pressure on the margins, combined with the demanding but necessary work of introducing new computer systems for logistics and ERP, led to the operating profit falling from MNOK 5.9 in 2005 to MNOK 5.5 in 2006. Nautisk Forlag is by far the Nordic region's largest maritime chart distributor and is the third largest such company in the world. The company is focusing on growth in the international market, where it will make use of the Group's global presence. So far, sales representatives have been hired in Singapore and others will be hired in Shanghai and Dubai this year. The market is to a strongly increasing extent demanding electronic services and Nautisk Forlag will in the near future be

further developed into an electronic one-stop shop in addition to the services currently provided.

GOING CONCERN

The accounts have been prepared on the assumption that the Group is a going concern. Forecasts for 2007 and the Group's good equity and liquidity position form the basis for this assumption. The Board believes that the annual accounts provide a correct picture of NHST's assets, liabilities, financial position and results.

EXTERNAL ENVIRONMENT

The Group does not produce goods or services that use environmentally harmful input factors. Dagens Næringsliv, which is the Group newspaper that has a certain volume of singlecopy sales, collects unsold newspapers through the AS Avisretur company. This company arranges for the newspapers to be recycled. Any office machinery taken out of production is dealt with in accordance with regulations. All the newspapers buy printing services from external suppliers. The environmental awareness of the Group's main suppliers has been evaluated and found to be satisfactory.

EMPLOYEES AND THE WORKING ENVIRONMENT

The working environment is considered to be good and the company places emphasis on HES activities arranged by the Working Environment Committee. Cooperation with the employees' organisations has been good. In the spring of 2006, external consultants were used to conduct a working environment survey among all the employees of the holding company, NHST, and of Dagens Næringsliv. Based on the results of this survey, a number of minor precautions were implemented.

In December 2006, it was decided to move the Group to a new building, Akerselva Atrium,

which will be completed in the spring of 2009. This means that the Group's entire operations in Oslo will be gathered in one place, while they are currently spread over four different addresses.

all other factors are equal, women are preferred. NHST's humanresources policy is based on equal pay for equal work, which means that women and men have equal salaries when they are in comparable positions, provided all

gender equality.

"NHST's human-resources policy is based on equal pay for equal work"

The Group's sickness absence rate was 4.4 per cent in 2006, which is a 0.1 percentage point higher than in 2005. The sickness absence rate in the parent company, AS Norges Handels og Sjøfartstidende, was 6.0 per cent, which is the same as in 2005. Continuous efforts are being made to reduce the sickness absence rate. No injuries or accidents were recorded during the year.

GENDER EQUALITY

At the end of 2006, the NHST Group had a total of 504 employees, of whom 195 were women. There were 465 full-time employees. Thirty-nine employees worked part-time, 27 of whom were women. In total, this amounts to 484 man-years.

The Group's Board has five shareholder-elected directors – two women and three men. The Group management consists of one man and four women. All the heads of the subsidiaries are men and there are few women in the management groups. Thirty per cent of the middle management are women, compared to 23 per cent in 2005. When recruiting managers, the best qualified person is sought and, if

other factors and their work performance are the same.

The Group attempts to organize for employees of both genders to be able to combine work and family life. In 2006 28 employees took leaves of absence. Fifteen of these were women.

The company had 39 part-time employees at the end of 2006, 27 of whom were women. Where practically possible, NHST has made conditions suitable for parttime work. More women than men take leaves of absence, have parttime jobs and sick-leaves. This is regarded as mainly being due to the fact that women still have more responsibility for the care of children and the family in society.

When recruiting new staff, the professionally best qualified person is chosen. NHST believes that a relatively equal distribution of the gender contributes to a better working environment, more creativity and adaptability and better results in the long term. All other factors being equal, a person of the under-represented sex will be preferred. The Group will continue to take a proactive attitude to

CORPORATE GOVERNANCE

NHST strives to comply with the Oslo Stock Exchange's recommendations regarding corporate governance and below is an account of central factors and any deviations from these recommendations. All companies are dependent on good relationships to succeed. A solid reputation and positive financial developments are prerequisites for developing and maintaining the confidence of important target groups, such as shareholders, customers, employees, suppliers, business partners and the authorities. This requires the operations to be managed using good control and management mechanisms. Open, honest communication and equal treatment of the company's shareholders are also important for increasing shareholder values and achieving trust.

CORPORATE GOVERNANCE REPORT

The company has annually revolving four-year strategy plans, an annual budget and extensive regulations governing its journalistic activities and it provides full information on other factors relating to corporate governance in the annual report. In addition, the company has instructions for the Board and CEO.

OPERATIONS

The company's objectives are stated in the articles of association, and the goals and strategies are shown in the annual report. Refer otherwise to the Board's proposal to the Annual General Meeting regarding an amendment to the Articles of Association.

NOMINAL SHARE CAPITAL AND DIVIDEND EQUITY

NHST has a share capital of NOK 11 629 250.

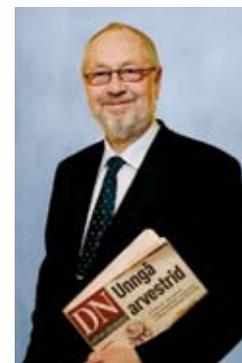
BOARD OF DIRECTORS

Anette S. Olsen
CHAIRMAN

Erik Must

Aase Gudding Gresvig

Kaare Frydenberg



NHST's equity as at 31 December 2006 was NOK 78 696 000, ie, it has an equity ratio of 22 per cent.

DIVIDEND

NHST tries to be financed by its equity and aims to pay dividend each year. When assessing the size of the dividend, the Board places emphasis on the company's dividend capacity and requirements to satisfactory equity and sufficient financial resources for future developments.

SHARE ISSUES

The company has not required equity to be contributed by its owners for many years. Nor does the Board currently have any authorisations from the General Meeting to issue new shares.

OWN SHARES

The Board has been authorised by the General Meeting to buy, on behalf of the company, own shares equivalent to a maximum of 10 per cent of the company's share capital. In 2006, 630 shares were bought and 650 shares were sold. The company's shareholding of own shares is stated in note 13.

EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS INVOLVING RELATED PARTIES

The Company's General Meeting is open to all approved shareholders and all approved shares have the same voting rights. All shareholders may take part personally or via a proxy. Participation and/or voting via the Internet cannot take place. There are no known shareholders' agreements. Notice of a General Meeting is given in accordance with the minimum period of notice allowed by the law.

FREE NEGOTIABILITY

There is only one class of shares and each share has one vote at the general meeting. The shares are freely negotiable, although the Board may refuse to consent to the transfer of shares when there are reasonable grounds for doing so. The opportunity to refuse consent to the acquisition of shares and the limitations on voting rights are due, among other things, to considerations of publishing and business independence.

THE GENERAL MEETING

The documents for the General Meeting, including the Nomination Committee's recommendations, are sent to shareholders at least two weeks before the date of the General Meeting. Emphasis is placed on these documents containing the information necessary for the shareholders to decide on the issues on the agenda.

According to the Articles of Association, the Chairman of the Board is the one to chair the General Meeting.

NOMINATION COMMITTEE

In addition to the Nomination Committee, the Board made use of a subcommittee in 2006 to look into remuneration factors within the Group. The reason for the Nomination Committee being elected by and among the Board's members is expediency.

CORPORATE ASSEMBLY AND THE BOARD-COMPOSITION AND INDEPENDENCE

NHST does not have a Corporate Assembly. NHST aims to have a balanced Board composition that takes into account expertise, experience and a relevant background for the company's operations and which represents

the owner composition. The company's management is not represented on the Board. There are no family ties to the general manager or other senior employees. No profit-dependent board fees are paid. The Board consists of five shareholder-elected directors, all of whom are elected for two years at a time on a rotating basis. Three of the shareholder-elected directors have direct or indirect shareholdings in NHST (refer to note 15). None of the directors has significant business relationships with the company.

THE BOARD'S WORK

The Board receives complete accounts and a balance sheet for each month, along with a management report describing the last month's developments. At an extended board meeting each spring, the company's strategy is reviewed on a broad basis. Otherwise, there is a rotating review of subsidiaries at the individual board meetings. The Board's work is evaluated annually.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group is exposed to various types of risk, in the shortterm mainly linked to fluctuating advertising markets. NHST's equity financing is therefore necessary and is regarded as being sufficient to cope with this. There is also a financial risk relating to technical shut-downs and distribution operations. Comprehensive backup systems are therefore in place to handle such situations. The Group is exposed to risks, primarily related to operations in foreign currencies and investments in bonds. This risk was extremely limited in 2006 and is managed through established routines and internal controls.

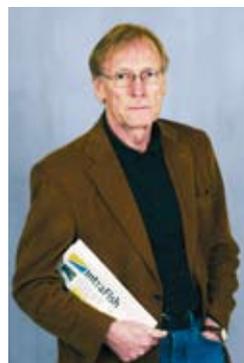
| John M. Lervik

| Gøran Skaalmo

| Leif L. Syversen

| Vibeke Larsen

| Gunnar Bjørkvåg
CEO



REMUNERATION TO THE BOARD

The Annual General Meeting determines the directors' fees each year. For 2006, the total remuneration to the board came to NOK 750 000. NOK 120 000 of this was paid to the Chairman of the Board, while the other directors each received NOK 90 000.

REMUNERATION TO SENIOR EMPLOYEES

NHST places emphasis on being an attractive employer. The company wishes to attract skilled employees with relevant experience and its goal is to have a competitive remuneration system. Remuneration is in the form of both a fixed salary and bonuses linked to quantitative and qualitative goals. The bonus systems are designed to contribute to longterm value creation.

INFORMATION AND COMMUNICATION

NHST strives to provide correct, good information to the outside world each quarter and this is given to the shareholders in an equal manner. Reports and notices can also be viewed on NHST's website, www.nhst.no, where the company's financial calendar is also published. The company does not state specific estimates of future revenues and results. The Chief Executive Officer or Finance Director is responsible for Investor Relations. NHST shares are quoted on the OTC list in Oslo (the stockbrokers' list of unquoted shares) and the share price is

to be found under "Børs og marked" (Stock exchange and market) in Dagens Næringsliv every day.

COMPANY TAKEOVERS

NHST's articles of association do not contain any defence mechanisms to cope with possible takeover bids, but the company has on the other hand not prepared any guidelines for how to act in the event of any takeover bid.

AUDITOR

The Group uses the same firm of auditors for all its subsidiaries in all markets in which the company is active. The total tender for auditing work is discussed and approved by the Board and Chief Executive Officer. The auditor is not used as an advisor on strategic issues. The Chief Finance Officer approves any advisory assignments. The auditor attends the board meeting at which the annual financial statements are discussed. The auditor's remuneration is stated at the Annual General Meeting and in the notes to the accounts.

PROSPECTS FOR 2007

NHST is well positioned for the future. Most of its publications have a leading market position which has been strengthened in 2006. Economic conditions are expected to remain positive, the year has started off well and continued progress is expected in 2007.

RESULTS FOR THE YEAR AND ALLOCATIONS

The parent company is a holding company that had income from Group services of MNOK 52.7 in 2006. This is an increase of MNOK 2.5 compared to the preceding year. It made an operating loss of MNOK 16.1, compared to a loss of MNOK 14.0 in 2005. Its net financial items amounted to MNOK 48.3 (MNOK 38.3). The tax for the year was MNOK 4.7. The profit for the year after tax, MNOK 37, is proposed allocated as follows (figures in NOK 1,000):

Dividend	32 413
Transferred to other equity	4 593
Total allocated	37 006

The company's financial strength is good. AS Norges Handels og Sjøfartstidende has distributable reserves of MNOK 63.5, a total equity of MNOK 78.7 and an equity ratio of 22 per cent.

Oslo, 20 March 2007



Anette S. Olsen
CHAIRMAN



Erik Must



Aase Gudding Gresvig



Kaare Frydenberg



John M. Lervik



Gøran Skaalmo



Leif L. Syversen



Vibeke Larsen



Gunnar Bjørkvåg
CEO

Profit and loss account

Figures in NOK 1000

NHST				GROUP		
2004	2005	2006	Note	2006	2005	2004
Operating income and operating expenses						
0	0	0				
42 874	50 326	52 960	2	854 380	734 671	663 965
42 874	50 326	52 960	2	6 141	6 355	7 278
				860 521	741 026	671 243
Operating income						
299	0	0				
28 611	35 270	36 336		242 921	217 743	200 310
2 848	3 849	4 371	3, 5	369 367	319 444	283 305
21 226	25 191	28 307	6	18 304	19 629	19 041
52 984	64 310	69 015	3, 4	164 263	144 014	128 264
				794 855	700 830	630 920
(10 110)	(13 984)	(16 055)		65 666	40 196	40 323
Operating profit (loss)						
Financial income and financial expenses						
36 268	39 359	49 920	7	0	0	0
(2 284)	(2 776)	(4 005)		0	0	0
978	2 195	3 020		4 735	3 533	3 062
3	4	2		961	656	88
564	(174)	(254)		(696)	(180)	869
0	0	(8)		(14)	(25)	(6)
(46)	(311)	(344)		(4 767)	(2 218)	(3 501)
35 484	38 298	48 330		220	1 766	512
25 373	24 314	32 275		65 885	41 962	40 835
Profit (loss) before tax						
2 985	4 064	4 731	12	(21 022)	(14 853)	(14 454)
28 358	28 378	37 006		44 863	27 109	26 381
Profit (loss) for the year						
				695	1 269	1 977
				45 558	28 378	28 358
Transfers and allocations:						
25 706	28 277	32 413				
2 652	102	4 593				
28 358	28 378	37 006				

Balance sheet

as at 31 December

Figures in NOK 1000

NHST			ASSETS	Note	GROUP		
2004	2005	2006			2006	2005	2004
			Fixed assets				
			Intangible assets:				
0	0	3 059	Other intangible assets	6	15 520	2 261	2 261
439	715	1 000	Deferred tax assets	12	0	0	0
0	0	0	Goodwill	6	13 568	17 757	14 052
439	715	4 059			29 088	20 018	16 313
			Tangible fixed assets:				
8 331	9 646	10 189	Fixtures, fittings, vehicles, office machinery, etc	6	29 878	32 428	26 514
			Fixed asset investments:				
91 133	100 810	101 434	Investments in subsidiaries	7	0	0	0
9 618	11 535	11 535	Investments in other shares	8	11 535	11 535	10 039
0	0	0	Pension assets	5	23 200	20 983	29 238
4 519	5 743	6 194	Other long-term receivables	9	8 004	7 404	6 228
105 270	118 087	119 163			42 739	39 922	45 505
114 040	128 447	133 411	Total fixed assets		101 705	92 368	88 332
			Current assets				
			Inventories:				
0	0	0	Finished goods		15 649	12 280	10 495
			Receivables				
0	0	0	Trade accounts receivable		85 171	63 529	57 480
24 512	28 591	89 005	Inter-company receivables		0	0	0
2 167	2 167	4 251	Other short-term receivables		21 473	19 984	14 493
26 679	30 759	93 256			106 644	83 513	71 973
			Investments:				
40 859	20 685	30 431	Stock market quoted investments	10	40 674	41 370	61 788
			Bank deposits and suchlike:				
70 474	83 878	95 407	Cash in hand and at the bank	11	142 565	117 184	100 591
138 013	135 322	219 094	Total current assets		305 533	254 347	244 847
252 053	263 769	352 505	TOTAL ASSETS		407 238	346 715	333 179

Balance sheet

as at 31 December

Figures in NOK 1000

NHST			EQUITY AND LIABILITIES	Note	GROUP		
2004	2005	2006			2006	2005	2004
			Equity				
			Capital contributed:				
11 629	11 629	11 629	Share capital	13, 15	11 629	11 629	11 629
(453)	(453)	(453)	Own shares	13	(453)	(453)	(453)
2 994	2 994	2 994	Share premium reserve	13	2 994	2 994	2 994
14 170	14 170	14 170			14 170	14 170	14 170
			Retained earnings:				
56 159	60 694	64 526	Other equity	13	81 960	69 612	69 305
			Minority interests	13	2 705	3 400	3 702
70 329	74 864	78 696	Total equity		98 836	87 182	87 177
			Liabilities				
			Provisions for liabilities and charges:				
29	1 268	1 314	Pension liabilities		0	0	0
0	0	0	Deferred tax	12	2 061	982	2 542
29	1 268	1 314			2 061	982	2 542
			Current liabilities:				
2 422	2 123	5 456	Trade accounts payable		38 313	30 246	26 291
0	0	0	Advance payments from customers		132 355	123 467	112 389
132 495	135 534	225 524	Inter-company liabilities		0	0	0
13 442	12 662	31	Tax payable	12	19 803	14 551	13 948
1 678	1 891	2 782	Unpaid govt. charges and special taxes	11	33 653	26 908	24 465
25 706	28 277	32 413	Dividend allocated		32 413	28 277	25 706
5 952	7 150	6 289	Other current liabilities		49 803	35 102	40 661
181 695	187 636	272 495			306 340	258 551	243 460
181 724	188 904	273 809	Total liabilities		308 401	259 533	246 002
252 053	263 769	352 505	TOTAL EQUITY AND LIABILITIES		407 238	346 715	333 179

Oslo, 20 March 2007



Anette S. Olsen
CHAIRMAN



Erik Must



Aase Gudeling Gresvig



Kaare Frydenberg



John M. Lervik



Gøran Skaalmo



Leif L. Syversen



Vibeke Larsen



Gunnar Bjørkvåg
CEO

Cash flow statement

Figures in NOK 1000

NHST			GROUP		
2004	2005	2006	2006	2005	2004
CASH FLOW FROM OPERATIONAL ACTIVITIES					
25 373	24 314	32 275	65 885	41 962	40 835
(8 956)	(13 438)	(12 666)	(14 657)	(14 176)	(10 908)
(227)	0	(109)	(737)	(1 466)	(1 608)
2 848	3 849	4 371	18 304	19 629	19 036
0	0	0	0	0	4
(36 268)	(39 359)	(49 920)	0	0	0
0	0	0	(3 369)	(1 785)	(525)
0	0	0	(21 642)	(6 049)	(10 590)
49	(299)	3 333	8 067	3 955	6 611
0	0	0	8 888	11 078	4 508
(66)	1 239	46	(2 217)	8 255	(2 362)
0	0	0	(14)	201	(113)
2 375	187	(2 506)	19 444	(12 589)	12 082
(14 872)	(23 507)	(25 174)	77 952	49 015	56 969
CASH FLOW FROM INVESTMENT ACTIVITIES					
377	158	380	2 320	2 218	2 601
0	0	0	1	620	346
(5 074)	(5 321)	(8 245)	(26 408)	(20 994)	(18 504)
47 519	(8 291)	23 736	0	0	0
0	(9 676)	(625)	(120)	(7 290)	0
(2 969)	0	0	0	0	0
(2 575)	(1 916)	0	(20)	(3 092)	(2 309)
37 278	(25 047)	15 247	(24 227)	(28 538)	(17 866)
CASH FLOW FROM FINANCING ACTIVITIES					
0	0	650	650	0	0
0	0	(630)	(630)	0	0
(13 412)	(25 706)	(29 059)	(29 059)	(25 706)	(13 412)
0	0	0	0	1 406	2 030
49 748	67 490	60 240	0	0	0
36 336	41 784	31 201	(29 040)	(24 300)	(11 381)
58 742	(6 769)	21 274	24 686	(3 824)	27 722
52 591	111 333	104 563	158 554	162 379	134 657
111 333	104 563	125 838	183 240	158 554	162 379

Notes

NOTE 1 | ACCOUNTING PRINCIPLES

The annual accounts have been prepared in accordance with the Accounting Act of 1998 and generally accepted accounting practices in Norway.

Consolidation principles

AS Norges Handels og Sjøfartstidende is a holding company that provides administrative services to all its subsidiaries.

The consolidated accounts include NHST and subsidiaries in which NHST owns, directly or indirectly, more than a 50-per-cent shareholding. All the Group companies apply the same accounting principles. All significant transactions and inter-company accounts between companies in the Group have been eliminated. Investments in companies in which the Group has a considerable influence (associates) are dealt with in the consolidated accounts according to the equity method. The Group is normally counted as having a considerable influence when it owns from 20-50 per cent of the voting capital.

Shares in subsidiaries are eliminated in the consolidated accounts using the purchase method. This means that the acquired company's assets and liabilities are assessed at their fair value on the acquisition date and any additional price in addition to this is classified as goodwill. For partly owned subsidiaries, only NHST's share of the goodwill is included in the balance sheet.

Operating income

Advertising revenues are entered as income at the time when the advertisements are published. They are reduced to take account of commissions discounts and complaints. Subscription revenues are billed and paid in advance, but are accrued on a straight-line basis over the agreement period.

Costs

Costs are usually recorded during the same period as the revenue associated with them. In those cases where there is no clear link between costs and revenues, these are to be distributed according to discretionary criteria.

Assessment and classification of assets and liabilities

Assets intended for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables falling due within one year are always classified as current assets. Similar criteria apply to the classification of current liabilities.

Fixed assets are valued at their acquisition cost but are written down to their fair value if a decline in value is not considered to be of a temporary nature. Fixed assets

with a limited useful economic life are subject to scheduled depreciation.

Current assets are recorded at the lower of their acquisition cost and fair value. Current liabilities are recorded at the nominal amount received at the time the liability was established.

Certain items are assessed according to other rules, an account of which is given below.

Intangible assets

The costs of creating intangible assets are recorded in the balance sheet when it is probable that the future financial benefits relating to the assets will accrue to the company and the acquisition cost can be measured reliably.

Intangible assets that are bought individually are recorded at their acquisition price. Intangible assets that are acquired when a company is purchased are recorded at their acquisition cost when the criteria for recording in the balance sheet have been met. Intangible assets with a limited useful economic life are subject to scheduled depreciation. Intangible assets are written down to their fair value if the expected financial benefits do not cover the value recorded in the balance sheet plus any remaining production costs.

Tangible fixed assets

Tangible fixed assets are depreciated over the expected useful economic life of the asset in question. Ordinary depreciation is on a straight-line basis over the following periods:

Vehicles	: 5 years
Fixtures/office equipment	: 5 years
Computer equipment	: 3 years
Goodwill	: 5 to 8 years

Shares in subsidiaries and associated companies

Investments in subsidiaries are assessed according to the cost method. The investments are written down to their fair value if the fall in value is not temporary in the company's accounts. Dividends and group contributions received from the subsidiaries are taken to income as other financial income. The same applies to investments in associated companies.

Other shares classified as fixed assets

Long-term shareholdings where the company has no significant influence are recorded in the balance sheet at their acquisition cost. These investments are written down to their fair value if the decline in value is not temporary. Dividends

received from the companies are taken to income like other financial income.

Pensions

When accounting for defined benefit pensions, the liability is charged to expenses over the earnings period in accordance with the plan's accrual formula. The allocation method corresponds to the plan's accrual formula, unless most of the accrual takes place towards the end of the earnings period, in which case straight-line accrual is used.

Deviations in estimates and the effects of changed assumptions are amortised over the expected remaining earnings period to the extent that they exceed 10% of the pension liabilities or the pension assets, whichever is the higher (corridor). The effect of changes to plans with a retroactive effect that are not conditional on future employment is to be included in the profit and loss account immediately. Changes to plans with a retroactive effect that are conditional on future employment are to be divided in a straight line over the period until the benefit is no longer conditional on future employment.

The net pension liability is the difference between the present value of the pension liabilities and the value of the pension assets that have been set aside as payment for the benefits. The pension assets are assessed at their fair value. The pension liabilities and pension assets are measured on the balance sheet date. Employers' national insurance contributions are included in the figures and are calculated on the net actual under-financing.

The company's ordinary pension plan gives all members the right to a future defined benefit. This mainly depends on the number of earnings years, the salary level on the retirement date and an estimated benefit payable under the National Insurance Scheme, based on current regulations. The company also has a pension plan for salaries in excess of 12 times the National Insurance Scheme's basis amount (G), in which the benefit is limited in that it only applies until the member reaches the age of 77 years. The pension benefit depends on the employee's number of earnings years and salary level on the retirement date. In some parts of the Group in Norway, employees can avail themselves of an Agreed Early Retirement (AFP) pension in accordance with the Confederation of Norwegian Enterprise's scheme. Defined contribution plans are to be accrued according to the matching principle.

Inventories

Inventories are recorded at the lower of their acquisition cost according to the FIFO method and their net sales value.

Trade accounts receivable and other receivables

Trade accounts receivable and other receivables are recorded in the annual accounts at their nominal value minus an unspecified provision for future bad debts.

Currency hedging

The company calculates its exposure in various currencies. Large, uncovered foreign-exchange positions are covered by entering into forward exchange contracts. Forward exchange contracts are classified as hedges of future transactions and assets kept outside the balance sheet.

Financial instruments

Financial instruments, including shares and bonds, that - are classified as current assets, - form part of a trading portfolio intended for resale, - are traded on a stock exchange, authorised marketplace or correspondingly regulated market abroad and - have a good spread of ownership and liquidity are recorded at their fair value on the balance sheet date. Other investments are recorded at the lower of their average acquisition cost and their fair value on the balance sheet date.

Foreign currencies

Bank deposits, receivables and liabilities in foreign currencies are translated at the exchange rate on the balance sheet date. Prepaid subscriptions in foreign currencies are, as at 31 December 2006, recorded at a weighted average of the rate on the payment date and the forward exchange rate.

Taxes

The tax charge is shown together with the accounting result before tax. Taxes linked to equity transactions are debited to equity. The tax charge consists of taxes payable (tax on the year's direct taxable income) and changes in net deferred tax. The tax charge is divided between the profit on ordinary operations and the profit on extraordinary items in accordance with the tax base. Deferred tax and deferred tax assets are presented net in the balance sheet.

Changes to accounting principles and comparable figures

The principle governing the recording of investments in subsidiaries in the company accounts has been changed from the equity method to the cost method. Comparable figures have been adjusted to reflect this change in principle.

NOTE 2 | OPERATING INCOME

Figures in NOK 1000

NHST				GROUP		
2004	2005	2006		2006	2005	2004
0	0	0	Advertisements	378 685	298 184	266 588
0	0	0	Subscriptions/single copy sales	358 985	335 673	316 231
0	0	0	Other sales income	116 709	100 814	81 146
0	0	0	Total sales income	854 380	734 671	663 965
227	0	109	Gain on sale of operating assets	730	1 517	1 608
42 445	50 212	52 721	Sales to group companies	0	0	0
0	0	0	Press subsidy to AS Fiskaren	5 049	4 600	4 660
201	114	131	Other operating income	362	238	1 010
42 874	50 326	52 960	Total other operating income	6 141	6 355	7 278

Income by geographic market (figures in NOK 1000)

	Norway	UK	USA	Rest of the world	Total Group
Operating income	729 457	21 566	30 325	79 173	860 521

NOTE 3 | PERSONNEL COSTS AND REMUNERATION, ETC

Figures in NOK 1000

NHST				GROUP		
2004	2005	2006	PERSONNEL COSTS	2006	2005	2004
21 404	25 434	26 971	Salaries	303 231	258 537	232 677
3 515	3 912	4 133	National Insurance contributions	36 768	32 880	30 144
1 004	1 411	1 548	Pension costs - defined benefit	10 703	9 753	6 588
0	0	0	Pension costs - abroad	883	249	249
0	0	0	Pension costs - defined contribution	61	0	0
2 689	4 513	3 684	Other benefits	17 720	18 026	13 647
28 611	35 270	36 336	Total	369 367	319 444	283 305

NHST				GROUP		
2004	2005	2006	REMUNERATION AND FEES	2006	2005	2004
570	570	750	Directors' fees paid	1 510	1 120	900
2 351	2 624	2 746	Remuneration to the CEO	2 746	2 624	2 351
176	354	145	Auditor's fee	1 259	1 000	687
3 097	3 548	3 641	Total	5 515	4 744	3 938

The fee paid to Deloitte AS and collaborating companies was divided as follows:

137	Mandatory audit	1 033
8	Other certification services	25
0	Tax advice	201
145		1 259

The remuneration to the Chief Executive Officer includes a bonus, a company car and a pension premium.

NHST has not granted any loans to or lodged any security on behalf of senior members of the staff or directors in 2006.

In 2006, NHST employed an average of 40 man-years while the Group employed 466.

The remuneration to the Chairman of the Board was NOK 120 000 while the other directors received NOK 90 000 each.

Options

53 senior members of Group staff have been given options for between 150 and 700 shares in AS Norges Handels og Sjøfartstidende. The options can be exercised during a period of 4 years calculated from 2 years after the date of the agreement. The options are waived in the event that employment is terminated.

NOTE 4 | OTHER OPERATING EXPENSES

Figures in NOK 1000

NHST				GROUP		
2004	2005	2006		2006	2005	2004
13 236	16 669	18 486	Office expenses	68 481	56 161	57 826
70	714	1 299	Marketing/commissions	25 581	26 175	28 925
0	0	0	Bad debts	1 837	1 097	1 955
7 920	7 808	8 522	Sundry expenses	68 364	60 582	39 558
21 226	25 191	28 307	Total	164 263	144 014	128 264

NOTE 5 | PENSION COSTS, ASSETS AND LIABILITIES

All of the Group companies have pension plans for their employees. 10 of the companies have defined benefit pension plans. The pension liabilities cover 43 employees of NHST and 373 employees of the Group as at 31.12.06. In addition, the pension plans cover 46 Group pensioners.

The liabilities and costs have been calculated on the basis of the following assumptions:

	2006	2005
Discount rate	4,75 %	6,0 %
Estimated yield	5,5 %	6,0 %
Salary increases	4,0 %	2,5 %
Inflation/G (National Insurance base amount) adjustment	4,0 %	2,5 %
Pension adjustments	1,6 %	2,0 %
Resignations by those under 40 years of age	10,0 %	10,0 %
Resignations by those between 40 and 55 years of age	5,0 %	5,0 %
Resignations by those over 55 years of age	2,0 %	2,0 %

The net pension cost for 2006 is arrived at as follows: (figures in NOK 1000)

	NHST	GROUP
Present value of the year's pension earnings	1 423	10 339
Interest cost on accrued pension liabilities	667	6 575
Employer's National Insurance contributions on the net liabilities	5	(189)
Yield on pension assets	(682)	(7 810)
Year's share of changes in pension plans	206	1 503
Recorded changes in estimates and deviations	(71)	284
Net pension cost	1 548	10 703

Balance sheet as at 31.12.06

	NHST	GROUP
Estimated value of pension assets	11 989	142 751
Employer's National Insurance contributions on net liabilities	(160)	(215)
Estimated accrued pension liabilities	(16 670)	(158 945)
Estimated net pension assets	(4 841)	(16 409)
Unrecognised changes in pension plans	1 455	13 007
Unrecognised changes in calculation parameters	2 875	25 434
Unrecognised changes in estimates and deviations	(803)	1 167
Net pension assets in balance sheet	(1 314)	23 200

	2006	2005	2004
Return on pension assets, market value adjusted	5,9%	5,8%	7,8%

Defined contribution pension plan

For some Group companies, a Compulsory Company Pension contract has been entered into with Storebrand in 2006.

The annual contributions are 2% of salary. In addition, a disability insurance has been taken out, which pays 66% of salary in the case of incapacity for work provided the employee is in a full-time position and has full accrual. The cost of the defined contribution pension plan equalled TNOK 61 in 2006.

NOTE 6 | FIXED ASSETS

Figures in NOK 1000

NHST	Acquisition cost	Additions	Disposals	Acc. ordinary	Book value
	01.01.06	2006	2006	depreciation	31.12.06
Other intangible assets	0	3 059	0	0	3 059
Fixtures, fittings, vehicles, office machinery, etc.	26 110	5 186	710	21 860	8 726
Company cabin	996	0	0	0	996
Art	467	0	0	0	467
Total tangible fixed assets	27 573	5 186	710	21 860	10 189
GROUP					
Other intangible assets	4 762	12 013	0	1 255	15 520
Goodwill subsidiaries	20 117	0	0	15 179	4 937
Goodwill other companies	15 063	16	0	6 448	8 631
Total goodwill	35 180	16	0	21 628	13 568
In 2006, ordinary goodwill amortisation in the Group amounted to TNOK 1,935 for subsidiaries and TNOK 2,269 for other companies.					
Fixtures, fittings, vehicles, office machinery, etc.	107 771	14 191	3 952	88 816	29 194
Art	479	206	0	0	685
Total tangible fixed assets	108 250	14 397	3 952	88 816	29 878

In 2006, ordinary depreciation on tangible fixed assets amounted to TNOK 4,371 in NHST and TNOK 14,100 in the Group.

NOTE 7 | INVESTMENTS IN SUBSIDIARIES

Figures in NOK 1000

Company	Acquisition date	Registered office	% ownership & % votes	Acquisition cost	Profit (loss) for the year	Goodwill 31.12.06
Subsidiary:						
Dagens Næringsliv AS	01-01-91	Oslo	100 %	1 000	61 940	
Nautisk Forlag AS	01-01-64	Oslo	100 %	6 600	3 409	
TDN Nyhetsbyrå AS	01-01-91	Oslo	100 %	926	1 552	
TradeWinds AS	09-01-85	Oslo	100 %	90	2 787	
Upstream AS	20-06-96	Oslo	100 %	10 200	786	
Intrafish Media AS	01-03-01	Bergen	59 %	31 496	(2 650)	117
DN Nye Medier AS	15-05-00	Oslo	100 %	36 010	3 118	
Europower AS	02-01-01	Oslo	100 %	4 808	(3 085)	10
Dagens IT	01-06-05	Oslo	100 %	2 386	(5 320)	
Smartcom AS	01-09-05	Oslo	51 %	7 290	778	4 810
NHST Events	01-06-06	Oslo	100 %	141	(1 439)	
DN Søk	01-06-06	Oslo	100 %	129	(1 170)	
DN TV	01-09-06	Oslo	100 %	112	(1 395)	
NHST Media Group	01-12-06	Oslo	100 %	118	0	
NH&S Asia Pte Ltd	09-09-97	Singapore	100 %	4	409	
DN Privat Økonomi AS	01-06-06	Oslo	100 %	125	(6)	
				101 434		4 937
Subsidiary of Intrafish Media AS:						
AS Fiskaren	01-03-01	Bergen	100 %	13 800		
Subsidiary of Europower AS:						
Energi Forlag AS	01-04-05	Oslo	100 %	1 195		
Goodwill amortisation:						
GROUP	2006		COMPANY	2006		
Intrafish Media AS	593		Intrafish Media AS	301		
Smartcom AS	1 312		Europower AS	286		
Europower AS	30		Nautisk	1 222		
	1 935		Dagens IT	460		
				2 269		

NOTE 8 | INVESTMENTS IN OTHER SHARES

Figures in NOK 1000

Company	Acquisition date	Registered office	% ownership & % votes	Acquisition cost	NHST Book value 31.12.06	Group Book value 31.12.06
Intrafish AS	01-03-01	Bodø	19,9 %	9 368	7 010	7 010
Innholdsutvikling AS	24-03-04	Oslo	17,0 %	4 491	4 491	4 491
Others					34	34
					11 535	11 535

NOTE 9 | OTHER LONG-TERM RECEIVABLES

Figures in NOK 1000

NHST				GROUP		
2004	2005	2006		2006	2005	2004
219	2 743	3 194	Deposits and other long-term receivables	5 004	4 404	1 928
2 700	3 000	3 000	Capital paid into pension fund	3 000	3 000	2 700
1 600	0	0	Subordinated loan pension fund	0	0	1 600
4 519	5 743	6 194		8 004	7 404	6 228

All the receivables fall due more than one year after the year-end.

NOTE 10 | STOCK MARKET QUOTED INVESTMENTS

Figures in NOK 1000

NHST			GROUP	
Acquisition cost	Market value		Acquisition cost	Market value
9 700	10 243	Bonds and Government certificates	19 400	20 486
20 000	20 188	Deposits with financial institutions	20 000	20 188
29 700	30 431		39 400	40 674

The investments are recorded at their market value.

Interest-rate risk: As at 31 December 2006, the investments had an interest-rate sensitivity, which is the percentage change in value in the case of a 1% change in the interest rate, of 1.6%.**Credit risk:** 50% of the investments are in Norwegian Government certificates which have no credit risk. The remainder of the investments are deposited in accounts with SR Bank and have a low credit risk.

NOTE 11 | BANK DEPOSITS

Of NHST's bank deposits, TNOK 1,679 is restricted to cover income tax withheld on behalf of employees and TNOK 5,105 is restricted for deposits. The corresponding figures for the Group are TNOK 14,244 and TNOK 5,159.

NOTE 12 | TAXES

Figures in NOK 1000

Deferred tax as at 31.12.06 is calculated at 28% of the temporary differences between values for accounting purposes and values for tax purposes. Deferred tax assets are offset in their entirety against deferred tax. The temporary differences are as follows:

NHST				GROUP		
31.12.06	31.12.05	CHANGE		31.12.06	31.12.05	CHANGE
624	731	(107)	Net pension assets	25 664	23 843	1 821
1 522	1 903	(381)	Gains and losses account	1 521	1 902	(381)
(6 450)	(6 171)	(279)	Operating assets	(19 432)	(20 821)	1 389
0	0	0	Receivables	(1 305)	(1 384)	79
731	985	(254)	Stock market quoted investments	1 228	1 924	(696)
0	0	0	Other temporary differences	(258)	(258)	0
0	0	0	Loss carried forward	(66)	(1 894)	1 828
(3 572)	(2 552)	(1 020)	Basis for deferred tax	7 352	3 312	4 040
(1 000)	(715)	(286)	Deferred tax (deferred tax asset)	2 058	927	1 131

Deferred tax assets are recorded in the company's balance sheet because the company expects to use these assets in the years to come. Taxes payable in Norway are calculated at 28% of the taxable net income arrived at after the profit before taxes is adjusted for permanent differences and changes in temporary differences as follows:

NHST				GROUP		
2004	2005	2006	TAXES PAYABLE ON THE PROFIT FOR THE YEAR:	2006	2005	2004
25 373	24 314	32 275	Profit from ordinary operations before taxes	65 885	41 962	40 835
(36 268)	(39 359)	(49 920)	Income from investments in subsidiaries	0	0	0
0	0	0	Tax basis abroad	(596)	(553)	319
0	0	0	Goodwill amortisation	1 935	4 103	3 592
406	543	736	Permanent differences	3 513	2 788	988
0	0	0	Deficit Intrafish Media AS	3 557	4 117	5 236
(62)	985	1 020	Change in temporary differences this year	(4 040)	(960)	(1 436)
(10 551)	(13 516)	(15 888)	Basis for tax payable	70 254	51 457	49 533
(2 954)	(3 785)	(4 449)	Tax payable on the profit for the year	19 671	14 408	13 869
NHST				GROUP		
2004	2005	2006	TAX COSTS FOR THE YEAR IN THE PROFIT AND LOSS ACCOUNT:	2006	2005	2004
(2 954)	(3 785)	(4 449)	Tax payable on profit for the year in Norway	19 671	14 408	13 869
0	0	0	Tax payable on profit for the year abroad	318	131	110
(48)	(4)	4	Changes from previous years	(99)	45	72
17	(276)	(286)	Changes in deferred tax	1 131	269	402
(2 985)	(4 064)	(4 731)	Tax charge on profit on ordinary operations	21 022	14 853	14 454
31.12.04	31.12.05	31.12.06	THE TAX PAYABLE IN THE BALANCE SHEET IS ARRIVED AT AS FOLLOWS:	31.12.06	31.12.05	31.12.04
(2 954)	(3 785)	(4 449)	Tax payable in Norway	19 671	14 408	13 869
0	0	0	Tax refund subsidiary	12	12	12
16 396	16 447	4 480	Tax payable on Group contribution	0	0	0
0	0	0	Tax payable abroad	318	131	110
0	0	0	Pre-paid taxes abroad	(199)	0	(43)
13 442	12 662	31	Total tax payable	19 803	14 551	13 948

NOTE 13 | EQUITY

Figures in NOK 1000

NHST	Share capital	Own shares	Share premium reserve	Reserve for variances	Other equity	Total
Equity as at 31.12.05	11 629	(453)	2 994	13 094	60 694	87 958
Change in equity during the year:						
Change in accounting principles				(13 094)		(13 094)
Purchase of own shares		(6)			(624)	(630)
Sale of own shares		7			644	650
Proposed dividend					(32 413)	(32 413)
Too little set aside for dividend last year					(783)	(783)
Profit for the year					37 006	37 006
Equity as at 31.12.06	11 629	(453)	2 994	0	64 524	78 696

cont. note 13

Group	Share capital	Own shares	Share premium reserve	Other equity	Minority interests	Total
Equity as at 31.12.05	11 629	(453)	2 994	69 611	3 400	87 182
Change in equity during the year:						
Proposed dividend				(32 413)		(32 413)
Too little set aside for dividend in previous years				(782)		(782)
Translation differences NH&ST Asia				(14)		(14)
Profit (loss) for the year				45 558	(695)	44 863
Equity as at 31.12.06	11 629	(453)	2 994	81 961	2 705	98 836

Own shares:

In 2001, the company bought 40,994 of its own shares for a total of TNOK 43,044. In 2003, the company bought 200 of its own shares for TNOK 131. In 2006, 20 shares were sold to employees for TNOK 20. The company now owns a total of 45,252 of its own shares.

These shares were purchased so that they can, among other things, be used in a business development context and/or as part of an option programme.

NOTE 14 | RELATED PARTIES

The parent company, AS Norges Handels og Sjøfartstidende, supplies IT and financial services to Group companies, which are invoiced according to the services actually used. In addition, a share of the common costs is debited according to the use of financial and IT services or the number of employees in the companies.

NOTE 15 | SHARE CAPITAL AND SHAREHOLDER INFORMATION

The company's share capital as at 31.12.06 was TNOK 11,629 (1,162,925 shares each with a nominal value of NOK 10). There is only one share class. Each share carries one vote. However, no shareholder acting on his/her own behalf or by proxy may vote for more than one-tenth of the share capital represented at the general meeting. Companies that form part of the same group pursuant to the Norwegian Private Limited Companies Act may together not cast more than the number of votes that follows from the limitation rule in the previous sentence.

Ownership structure:

As at 31 December 2006, the 21 largest shareholders in AS Norges Handels og Sjøfartstidende were:

	NO. OF SHARES	OWNERSHIP SHARE
Dagbladet AS*	238 294	20,49 %
Bonheur ASA	191 506	16,47 %
Ganger Rolf ASA	187 824	16,15 %
Must Invest AS	156 303	13,44 %
Torstein Tvenge	60 854	5,23 %
Skagen Vekst	30 000	2,58 %
MP Pensjonskasse	27 000	2,32 %
Fredrik Olsen AS	25 545	2,20 %
Falck Frås AS	20 974	1,80 %
Aase Gudding Gresvig	18 970	1,63 %
Pershing LLC	15 922	1,37 %
Hans Jacob Røed	15 200	1,31 %
Fram Media AS	13 000	1,12 %
Dagbladets Pensjonskasse*	12 772	1,10 %
Pareto AS	12 464	1,07 %
Straen AS	12 410	1,07 %
Aconcagua AS	6 845	0,59 %
OAK Management AS	5 130	0,44 %
Amble Investment AS	3 020	0,26 %
Trygve R. Sandberg	3 000	0,26 %
Total of the 21 largest shareholders	1 057 033	90,89 %
Total others	60 640	5,21 %
Own shares	45 252	3,89 %
Total no. of shares	1 162 925	100,0 %

* Transfer has not been approved by NHST's Board based on the fact that Article 4 of the Articles of Association authorises the Board to refuse approval in the event that it has reasonable grounds for doing so.

Shares owned by members of the Board and the Chief Executive Officer and their related parties:

Name	Office	No. of shares	Ownership share
Erik Must	Member of the Board	159 113	14,05 %
Aase Gudding Gresvig	Member of the Board	20 665	1,78 %
Gunnar Bjørkavåg	CEO	600	0,05 %
Gøran Skaalmo	Member of the Board	30	0 %

Auditor's report for 2006

Deloitte.

Deloitte AS
Karenslyst allé 20
Postboks 347 Skøyen
0213 Oslo
Telefon: 23 27 90 00
Telefax: 23 27 90 01
www.deloitte.no

Translation from the original Norwegian version

To the Annual Shareholders' Meeting of AS Norges Handels og Sjøfartstidende

AUDITOR'S REPORT FOR 2006

We have audited the annual financial statements of AS Norges Handels og Sjøfartstidende as of 31 December 2006, showing a profit of NOK 37,006,000 for the parent company and a profit of NOK 44,863,000 for the group. We have also audited the information in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit. The annual financial statements comprise the parent company's financial statements and the group accounts. The parent company's financial statements comprise the balance sheet, the statements of income and cash flows, and the accompanying notes. The group accounts comprise the balance sheet, the statements of income and cash flows, and the accompanying notes. The rules of the Norwegian Accounting Act and generally accepted accounting practice in Norway have been applied to prepare the financial statements. These financial statements are the responsibility of the Company's Board of Directors and Managing Director. Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors.

We have conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and generally accepted auditing practice in Norway, including standards on auditing adopted by Den norske Revisorforening. These auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and generally accepted auditing practice an audit also comprises a review of the management of the Company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company and of the Group as of 31 December 2006, and the results of its operations and its cash flows for the year then ended, in accordance with generally accepted accounting practice in Norway
- the Company's management has fulfilled its duty to see to proper and well arranged recording and documentation of accounting information in accordance with law and generally accepted bookkeeping practice in Norway
- the information in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with law and regulations.

Oslo, 20 March 2007
Deloitte AS



Terje Nagell
State Authorised Public Accountant (Norway)

Audit • Tax & Legal • Consulting • Financial Advisory •

Member of
Deloitte Touche Tohmatsu

Org.nr.: 980 211 282

Group summary

PROFIT AND LOSS ACCOUNT 1/1-31/12-2006	NHST	DAGENS NAUTISK FORLAG	TDN BYRÅ	TRADE- WINDS	UP- STREAM	INTRA- FISH MEDIA	DN NYE MEDIER	EURO- POWER	DAGENS IT	SMART- COM	NHST EVENTS	DN TV	DN SK	NHST ASIA	INTERNAL GROUP ITEMS	GROUP 2006	GROUP 2005	% CHANGE	
Advertising revenues		260 609		27 762	29 078	22 453	36 844	2 758	1 938						(2 757)	378 685	298 184	27	
Subscription/single-sale revenues		241 129		10 857	41 105	33 941	21 655	7 905	2 752						(358)	358 985	335 673	7	
Other operating income	52 960	6 398	91 192	712	7 331	81	5 884	2 637	150	13 954		7 676		(66 124)	122 851	107 168	15		
Total operating income	52 960	508 135	91 192	11 569	76 198	63 100	49 992	39 481	10 813	4 690	13 954	0	0	7 676	(69 239)	860 521	741 026	16	
Operating expenses	(69 015)	(424 912)	(85 665)	(9 494)	(71 458)	(61 078)	(51 919)	(35 852)	(15 096)	(12 012)	(12 966)	(1 982)	(1 937)	(1 567)	(6 693)	66 790	(794 855)	(700 830)	13
Operating profit (loss)	(16 055)	83 223	5 527	2 075	4 740	2 022	(1 927)	3 629	(4 283)	(7 323)	988	(1 982)	(1 937)	(1 567)	983	(3 788)	65 666	40 196	63
Financial items	48 330	3 622	(765)	82	(661)	(721)	(369)	773	51	(63)	(63)	(17)	(1)	(59)	(505)	(49 412)	220	1 766	(88)
Profit (loss) before tax	32 275	86 845	4 762	2 157	4 079	1 301	(2 296)	4 402	(4 231)	(7 389)	925	(1 998)	(1 938)	(1 626)	478	(53 200)	65 885	41 962	57
Tax	4 731	(24 906)	(1 353)	(605)	(1 292)	(515)	(354)	(1 284)	1 147	2 069	(147)	559	543	456	(69)	(21 022)	(14 853)	(42)	
Minority interests															695	695	1 269	(45)	
Profit (loss) for the Group	37 006	61 940	3 409	1 552	2 787	786	(2 650)	3 118	(3 085)	(5 320)	778	(1 439)	(1 395)	(1 170)	409	(52 505)	45 558	28 378	61
BALANCE SHEET AS AT 31/12-2006																			
Fixed assets	133 411	32 499	11 307	191	2 234	1 812	5 623	3 775	1 634	2 250	1 420	338	0	5 211	312	(100 312)	101 705	92 368	10
Current assets	219 094	230 945	34 609	6 983	35 876	28 191	11 117	40 872	12 112	7 817	7 040	2 292	2 252	3 065	5 011	(341 743)	305 533	254 347	20
Total assets	352 505	263 444	45 916	7 174	38 110	30 003	16 740	44 647	13 746	10 067	8 460	2 630	2 252	8 276	5 323	(442 055)	407 238	346 715	15
Group share of equity	78 696	49 589	8 897	4 733	6 080	2 937	(7 701)	37 378	6 194	2 519	2 802	184	101	136	2 552	(98 966)	96 131	83 782	15
Minority interests															2 705	2 705	3 400	(20)	
Provisions for liabilities	0	3 509	408	0	0	0	0	0	23	51	20	18	0	2	0	(1 969)	2 061	982	110
Current liabilities	273 809	210 346	36 611	2 441	32 030	27 066	24 441	7 269	7 529	7 497	5 638	2 428	2 151	8 138	2 711	(343 764)	306 341	258 551	18
Total liabilities	273 809	213 855	37 019	2 441	32 030	27 066	24 441	7 269	7 552	7 548	5 658	2 446	2 151	8 140	2 771	(345 735)	308 402	259 533	19
Total equity and liabilities	352 505	263 444	45 916	7 174	38 110	30 003	16 740	44 647	13 746	10 067	8 460	2 630	2 252	8 276	5 323	(441 994)	407 238	346 715	

”Would have performed worse without a good agreement”

JON FREDRIK BAKSAAS, TELENOR CEO



Telenor CEO Jon Fredrik Baksaas does not believe he would have done as good a job if he had not had a good pay agreement.

Baksaas triggered a so-far week-long media storm about managerial pay and options and the Norwegian remuneration culture when he last week took a gain of MNOK 13 by exercising his own options.

«I think it's sad that the Group's and many employees' meticulous work is overshadowed by the fact that I make use of an established agreement,» says Baksaas.

«I can see that the effect will be very visible in 2006. It is the size of the amount that is stated, and if it had been divided over several years it would have looked different. I must also say that the exercise of these options produces quite a lot in taxes – one could be tempted to ask what the public authorities should use the money for,» laughs Baksaas.

«Would you have done a worse job if you had not had an option plan?»

«I would have done a worse job if I had not had this pay package. When you've been in a company for a long time, the opportunities for growth and value creation are very important. It's the sum of all the agreements one has that mean something, and it is recognition and acceptance that motivate employees - so there's a balance to be struck here.»

17 November | DN.NO

OTHER NEWS

All confess to extremely expensive IT adaptations

The largest listed IT companies have spent almost MNOK 600 on growing even bigger. The whole gang debited restructuring costs in the third quarter.

The trend in the IT sector is for large companies to become even larger. This also applies to Norwegian IT giants. In the wake of acquisitions, there have been restructuring operations and adaptations.

Following its merger with Topnordic and acquisition of Atea, Ementor has set aside restructuring provisions of MNOK 230. EDB Business Partner has reduced its staff levels and set aside provisions of MNOK 144. Nera, too, has set aside MNOK 144 and aims to set aside even more. Wounded software company Software Innovation set aside MNOK 62.9.

16 November, DAGENS IT

Breaking its own tendering rules

The Ministry of Government Administration and Reform is contravening the Public Procurement Act and has been criticised by the Office of the Auditor General of Norway. «The entire public administration is characterised by a lack of procurement expertise,» says lawyer Harald Alfsen of Resource Partner.

The Office of the Auditor General investigates the ministries' operations each year. This year, like last, most of the ministries have been heavily criticised for their slack compliance with the procurement rules' tender requirements. The Ministry of Government Administration and Reform, which is responsible for ensuring that the public sector complies with the rules, receives particularly heavy criticism. «It's very unfortunate to have such non-compliance with the procurement rules, especially when this is repeated,» says Thor Kr. Svendsen, deputy secretary with the Office of the Auditor General.

14 December, DAGENS IT

A merger in all channels

07:31 am, the Oslo Stock Exchange received a notice stating that Statoil and the oil division of Norsk Hydro were to merge. On the next few pages, we show how this issue was covered in our media during the first 24-hour period.



TDN 18 DECEMBER:

07:32 NHY/STL: THE BOARDS RECOMMEND A MERGER OF THE OIL/GAS ACTIVITIES

07:33 NHY/STL: HYDRO WILL OWN 32.7%, WHILE STATOIL WILL OWN 67.3%

07:36 NHY/STL: THE MERGER IS EXPECTED TO BE IMPLEMENTED IN THE 3RD QUARTER 2007





PHOTO: Per Thrana

Pushed together

Stiff international competition forced Statoil and Hydro to merge.

Statoil and Hydro are ensuring a sudden start to the week for Norway's business and finance sectors. These companies want to merge their oil and gas operations.

«The new company will be the world's largest offshore operator, with a sound portfolio,» says Hydro boss Eivind Reiten. He also emphasised that the merged company will be a world leader in technology and project execution expertise.

The new company will be one of the world's fifty largest companies irrespective of sector. Statoil and especially Hydro have had problems in beating the international competition to get hold of new oil projects. Hydro in particular has failed to win bidding rounds for new oil.

«The merger is in response to changes in the international competition picture. It's important to be large and able to take risks,» said Reiten.

Updated version. First published 7:33 am.

18 Desember, **DN.NO**



dn.no/dntv/nyheter/article997535.ece
18 desember

07:38

NHY/STL: HYDRO WILL PROPOSE A DIVIDEND OF NOK 5 FOR 2006, WHILE STATOIL WILL PROPOSE A DIVIDEND OF NOK 9.12

07:39

NHY/STL: THE NEW COMPANY AIMS TO PAY AN INCREASING ORDINARY CASH DIVIDEND

07:40

NHT/STL: THE GOAL IS TO PAY CASH DIVIDENDS/REPURCHASES EQUAL TO 45-50% OF THE ANNUAL PROFIT



Yara, - the worldwide
Skaper to ledende, globale s

Et ledende internasjonalt energiselskap g
største offshoreoperatør med
logi og kompetans

Statoil and Hydro to merge energy assets

Norway's Statoil has agreed to acquire the oil and gas activities of Norsk Hydro for about \$30 billion, creating the world's largest offshore operator with an output of about 1.9 million barrels per day.

The new company will also have proven oil and gas reserves of 6.3 billion barrels of oil equivalent. Hydro will continue as a focused aluminum company.

«We are creating a stronger and more competitive company. Combining the best of both organisations, we will significantly improve our competitive position internationally and promote the long-term vitality of the Norwegian continental shelf,» says president of the new company, Helge Lund.

18 December, [UPSTREAMONLINE](#), updated throughout the day

TDN 18 DECEMBER:

07:41

NHY/STL(NY):THE BOARDS RECOMMEND A MERGER OF THE OIL/GAS ACTIVITIES

07:47

NHY/STL: THE GOVERNMENT INTENDS TO INCREASE ITS OWNERSHIP SHARE TO 67%

07:59

STL/NHY: PRESS CONFERENCE AT 8 AM AT THE FELIX CONFERENCE CENTRE



19 December, DN

Think big or capitulate

ANALYSIS BY TERJE ERIKSTAD

In the new oil world, you must be big or you might as well capitulate. Hydro and Statoil chose to think big - perhaps too big for Norway. Globalisation has created the absolutely largest company in Norway, and crowned Helge Lund as the most powerful leader in Norwegian industry ever. While the price of oil just keeps on rising, the western oil companies' reserves have kept on falling. In 1998, the major European companies' reserves rose by 144 per cent of the volume produced. In 2005, new reserves only equalled 51 per cent of the volume produced. If this trend continues, the companies will gradually dry up due to the lack of new reserves to produce. Both Eivind Reiten in Hydro and Helge Lund in Statoil have over time experienced that the challenges this industry is facing are becoming increasingly demanding. On their own, they are little boys going out into the big wide world to fight for new reserves that are difficult to access. At the same time, these two Norwegian companies, both of which have the Norwegian state as their main owner, are finding they have to compete with each other for international assignments.

For Reiten and Lund, a merger is the «perfect combination» to enable the companies to grow in the future. Since assignments in the oil industry are becoming increasingly large, costs keep on rising, the alternatives are becoming fewer and fewer and the competition is becoming increasingly tough, gathering one's forces is a sensible response.

19 December, **DN**

PHOTO: Ida von Hanno Bast

08:01

NHY/STL: THE GOVERNMENT INTENDS TO INCREASE ITS OWNERSHIP SHARE TO 67%

08:04

NHY/STL: HYDRO WILL PROPOSE A DIVIDEND OF NOK 5 FOR 2006, WHILE STATOIL WILL PROPOSE A DIVIDEND OF NOK 9.12

08:28

STL: PRODUCTION STARTED FROM PHASE 1 OF THE SHAH DENIZ FIELD



More choices for discerning readers

At 7.31 am on Monday, 18. December, a stock exchange notice was issued by Norway's two largest oil companies stating that they were going to merge. TDN was the first to pass the news on to its subscribers at only 7.32 am. Just one minute later, dn.no did the same. Upstream Online published its English-language version at 8.02 am Norwegian time.

That's the way the news works today. The story dominated most Norwegian news media during the day, and the online editorial staffs led the way. dn.no had updated its coverage with comments from senior managers and analysts, figures, graphics and video interviews with Eivind Reiten by lunchtime. The next day, articles on the merger took up all of 60 per cent of Dagens Næringsliv's editorial content.

This media coverage has become a matter of course. The Internet leads the way with the news, while the traditional media channels are struggling more and more. The situation is worst for the TV channels, whose evening news broadcasts rarely have anything to say that has not already been presented on the Internet.

This situation will only get worse for the TV news. 2007 seems to be the year when the TV channels' main remaining advantage – TV debates – will disappear. All the major online editorial staffs in Norway are making a full commitment to webtv. The goal is to out compete the TV media's news coverage to an even greater extent. According to Dagens Næringsliv, 19 of Norway's newspapers have already hired a total of 35 purely video journalists. NHST's new focus area started at the beginning of 2007 with five.

Everything is set for the video operations to be successful – this time. Several editorial staffs did spend large amounts of money on webtv around the millennium, when the websites were more characterised by a zest for the future and entrepreneurial operations. Now the basis is quite different. The websites already know that advertisers want to focus on contents. At the same time, the media houses have become better at only launching new services when the online users are ready for them.

BROADBAND IS CHANGING HABITS

Experience shows that Internet maturity can in many ways be directly seen from the overviews of available bandwidth. When the basis for the services exists, the users start to use them. A good example of this is YouTube, the website that offers more than 100 million video clips uploaded by the users themselves. In October, Google paid all of NOK 11 billion for YouTube. The online users have proven that they want to see videos online, and advertisers and websites are rushing to deliver.

Successes such as iTunes and the willingness to pay to download music have already changed parts of the entertainment industry. In April 2006, the artist Gnarles Barkley proved this to the full when his song "Crazy" reached number one on the

British hit singles list simply due to the number of times it had been downloaded on the Internet.

The same trend is also taking place with live pictures. News coverage is the logical place to start, but several websites are also looking into the opportunity to put the most attractive TV entertainment on the Internet. Disney and ABC have already tested the net-streaming of the popular TV series «Lost», and the Norwegian crime series «Hunter» could be watched on the Internet whenever viewers wanted to.

The Norwegian TV channels have two answers to the online challenge – one is to improve their own websites and the other is to invest in their own news channels that can compete with the speed of the online operators. TV2 launched its news channel in January, but its competitor NRK is already starting to doubt whether this is the right thing to do, and whether it should instead focus on the Internet because that is where the users are.

The struggle between traditional media and the increasingly strong online platform will continue – mainly because the users' wishes are changing so radically and quickly. The boundaries for what can be published are being tested. Strong online

TDN 18 DECEMBER:

08:53

COMMENT: STL AND NHY ARE EXPECTED TO RISE FOLLOWING THE MERGER PROPOSAL

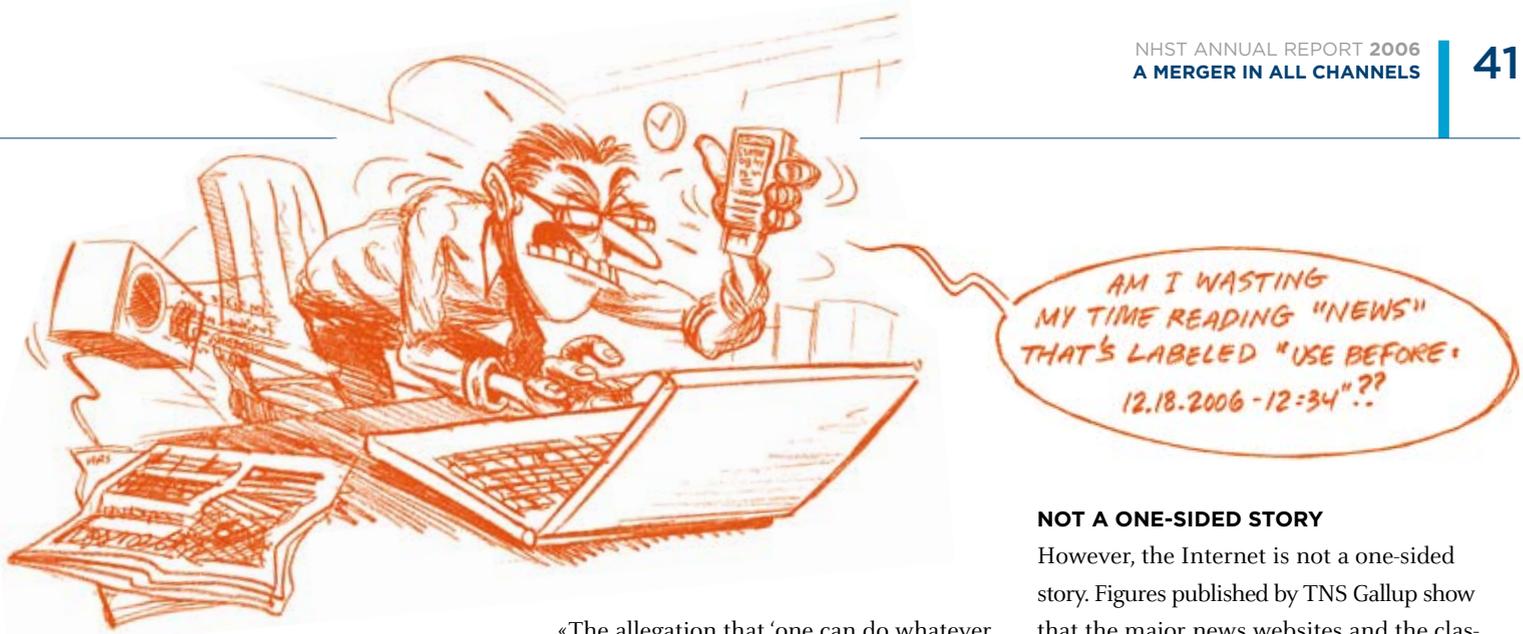
09:41

ESTIMATE: CURRENT ESTIMATES WEEK 51

10:21

STL/NHY: WANT TO STRENGTHEN THE UPSTREAM PROFILE -LUND





searches, such as those fronted by Google and Norway's Fast, not only give online users the chance to find niche contents quickly but also provide opportunities to individuals who want to make their views publicly known.

In 2006, we also saw how users were seriously starting to regard themselves as publicists, more or less in competition with the media houses that are trying to entertain them. When intimate pictures from actor Kåre Conradi's mobile phone started to circulate on the Internet, this resulted in huge headlines in the tabloid newspapers, but it was Norway's most famous blogger Heidi Nordby Lunde, alias VamPus, who revealed most about herself. She was very indignant about this having caused a reaction, and believed it was quite different for her to publish the pictures than for the VG newspaper to do so, since this had far more readers. She stated her reason for publishing the pictures to be as follows:

«Because the situation was simply too funny not to. No superior motive, so ignore the criticism.»

BLOGGERS ARE MATURING

A few days later and after a number of heated comments on her own blog, she removed the picture and published the following newly acquired insight:

«The allegation that 'one can do whatever one wants on the Internet without consequences' is incorrect.

A blogger is just as dependent, if not more so, on her reputation than established media are. A temporary increase in readership is not worth the consequences, unless one wants a profile based on libel, lies and rumours.»

It is also part of the story that VamPus has now been hired as a journalist in a new online newspaper run by the ABC Start-siden portal. The media critic has been annexed. The structures are changing. At the same time, blog developments are just the start of the developments that are often called Web 2.0. More and more people are creating their own pages on the Internet and moving much of their social interaction to virtual channels by, for example, creating their own pages on popular MySpace or a digital representative in the Second Life «world.»

These rapid changes make managing a media house challenging, especially when a lot of its income comes from printed media. The graphs showing the developments in the circulation figures of the widely read printed newspapers VG and Dagbladet are frightening reading – they are continuing to lose readers to the Internet.

NOT A ONE-SIDED STORY

However, the Internet is not a one-sided story. Figures published by TNS Gallup show that the major news websites and the classified ads service Finn.no attracted new users in 2006, while the general portals are losing ground. A trend is appearing in which news and specialised services are succeeding while more general contents are struggling.

This is good news for NHST. Because while the channels are changing, we see that good contents that provide new insight are also succeeding in new forms. This also characterises the Group's new investments. Journalism is to be at the centre and new channels are to be regarded as opportunities to find new, interesting formats, such as webtv, in order to provide better business journalism and a more thorough coverage of the industries on which we cover.

Elin Festøy, editor Dagens it



ILLUSTRATION: Lars Hagen (Cox Oslo)

10:29
10:30
16:46

STL/NHY(NY):INFORMED THE AUTHORITIES A SHORT WHILE AGO -LINDBÆK

STL/NHY: OBTAINS A STRONGER NEGOTIATING POSITION WITH SUBCONTRACTORS -LUND

TDN LIST: UNLISTED SHARES 18.12.06





With a little help from Norad

IF THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION (NORAD) had not paid the airline tickets, hotel accommodation and fees for two of Telenor's consultants, this telecommunications group would probably have missed out on its lucrative investment in Grameenphone. MNOK 0,5 invested in a pre-project has given Telenor assets worth NOK 10 billion.

In 1994, Berit Elden was in Bangladesh on an assignment for Telenor to find new ways of using a new Norad-financed fibre cable. «I remember my first meeting with Yunus very well. He was a visionary and an exciting man to talk to,» says Elden, who reported

home about the possible mobile phone project. Telenor was not very eager to send people to Bangladesh to conduct a pre-survey. However, when Elden offered to obtain part-financing from Norad, the management agreed to send two employees to the country for a couple of weeks to create a business plan. «It was important that Norad paid half the expenses of the team who travelled down,» says Elden. In the autumn of 1995, Norad agreed to provide NOK 248,000 to fund the pre-project. Today, Telenor is sitting on assets worth almost NOK 10 billion.

13 December | DN.NO



OTHER NEWS

Caused market reactions

The head of the Bank of Norway, Svein Gjedrem, sent shockwaves through the market during today's online meeting on dn.no. Gjedrem raised the interest rate to 3.5 per cent yesterday and maintains that it will continue to be raised in small, infrequent stages. His first answer that he would not at all rule out a mortgage rate of eight per cent in 2010 has aroused attention in the market.

In addition, Gjedrem replied as follows to the question of what level the interest rate would stabilise at and when: «We estimate that our interest rate will be up at around 5.5 per cent in 18 months' time. But such estimates are uncertain. To be on the safe side, you must take into account a much higher Bank of Norway interest rate than that.»

This reply was published on Reuters' English edition and led to reactions in the currency and interest rate markets.

13 December, **DN.NO**

Focus on prawn fishing

While John Fredriksen is restructuring the fish-farming industry and fishing wild salmon in Namsen, Kjell Inge Røkke is focusing on prawn fishing in the Oslo Fjord. Soon you can see him on the quay in Oslo as a prawn fisherman – and seller.

At the weekend, he and the rest of the members of the Inner Oslo Fjord Fishermen's Association gathered for the annual meeting in shed no. 28 at the Northern Akershus Quay in Oslo. At the meeting, it was announced that Røkke would soon be seen on the quay.

“Prawn fishing in the Oslo Fjord has been historically good throughout the period,” states the annual report from the Inner Oslo Fjord Fishermen's Association. The 21 types of prawns in the Oslo Fjord love living in the volcanic fjord, which is one of the rivers in Norway with the most abundant supplies of fish.

15 March, **FISKAREN**



Lost half a million due to a keying error

16 September | DAGENS NÆRINGS LIV

PHOTO: Ida von Hanno Basr

One 5-figure too many cost Grete Fossbakk half a million Norwegian kroner. She keyed the wrong account number in her netbank. The DnB Nor customer who received the money immediately withdrew it – and gambled most of it away.

«There's no doubt I made a mistake to start with, but you have to ask whether it's right of the banks to strongly encourage the use of netbanks while also transferring all the risk to the customer when things go wrong,» says Grete Fossbakk. She really intended to transfer the money to her daughter, who was going to renovate her home. Anders Hjort, a lawyer with the

Sparebank1 Nord-Norge bank, says Fossbakk has been as unlucky as she could be with the error she made in the netbank, but that the bank does not accept liability for the loss of the NOK 500 000. He says the reason for this is that when you register a payment in the netbank, a screen pops up asking you to approve the transfer. So customers have an opportunity to check whether they have keyed in the wrong account number.

DAGENS NÆRINGSLIV

Record revenue despite tough competition

Dagens Næringsliv (DN) achieved its best ever revenue – MNOK 508.3 – in 2006. This is an increase of 15.9 per cent compared to 2005.

Its operating profit amounted to MNOK 83.4, resulting in a profit margin of 16.4 per cent. In a generally declining newspaper market and despite increased competition from two new websites, among other things, the newspaper's circulation continued to grow.

Stiffer competition from new media channels has led to greater demands for change and product development in the printed newspapers. In Dagens Næringsliv (DN), most of the editorial product development work is aimed at the newspaper making visible its added value compared to online newspapers.

PRESENTING PROCESSES

DN's strategy is to pursue the newspaper's exclusive stories, including the process leading up to the event and involving critical, investigative journalism. If we succeed, the readers will expect us to tell them something new, useful and exciting.

We see that the innovations we have implemented over the past few years – such as the lifestyle section and gazelle series – help to ensure that the newspaper is clearly different to its competitors.

Competition is expected to become even stiffer in the years to come, so it will still be important to ensure the further development of our journalism so that our readers experience Dagens Næringsliv to be of a higher quality than its competitors.

CIRCULATION WINNER

Dagens Næringsliv had an average circulation of 76 584 in 2006. This is an increase of 2 336 or 3.2 per cent, and led to the newspaper being the circulation winner among Norwegian newspapers for the second year running. Its circulation revenues rose from MNOK 224 to MNOK 241.1.

The growth in circulation comes from an increase in the number of subscriptions, while retailer/single-copy sales remained stable. The figures for the first few months of 2007 show continued growth.

BEST ADVERTISING YEAR EVER

The newspaper's advertising revenue came to MNOK 260.6, compared to MNOK 207 in 2005. The growth in revenue has been considerably higher than the growth in volume.

The growth in revenue has taken place in both the classified ad and brand advertising markets, and Dagens Næringsliv has strengthened its position as a market leader in company targeted advertising. The newspaper has particularly captured market shares in the banking/finance, car and IT advertising sectors.

Advertising sales are expected to continue increasing in 2007.

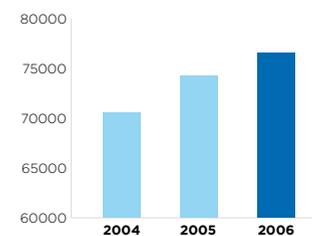
DAGENS NÆRINGSLIV

11% growth in circulation in three years

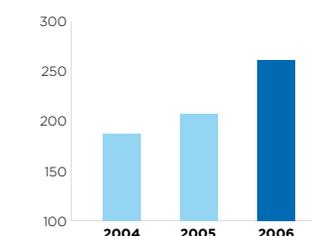
PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Advertising revenues	260 609	207 416
Subscription/ single-sale revenues	241 129	223 867
Other operating income	6 397	7 075
Total operating income	508 135	438 358
Total operating expenses	424 912	384 015
Operating profit (loss)	83 223	54 343
Financial items	3 622	2 907
Profit (loss) before tax	86 845	57 250
Tax	(24 905)	(16 487)
Profit (loss) for the year	61 940	40 763

NET CIRCULATION (No. of copies)



NET ADVERTISING REVENUE



DN NYE MEDIER / DN SØK / DN TV

Product development and increased traffic

Last year was the best, most eventful year for the company since it was formed at the beginning of 2000.

Its revenue rose by 34 per cent to MNOK 39.5 and its operating profit of MNOK 3.6 was almost twice that of the year before. In addition to further editorial developments, we established DN TV and DN Søk (Search).

Early in the year, it became clear that both Schibsted, through VG and Aftenposten, and the TV2 Group, through TV2 Nettavisen, would focus on special online publications in direct competition with dn.no. NA24 and N24 were launched in March and April. A quarrel about the name led to the Schibsted alternative later changing its name to E24. In addition, the competition in the online newspaper market was already hard – with dn.no competing against Hegnar Online, Aftenposten.no's specialist services, dinepenger.no and several IT publications distributed online. DN Nye Medier decided that dn.no was to remain true to its strategy of offering an editorial product that attracts the most attractive readers as well as maintaining and further developing its commercial expertise in order to offer advertisers the best products. This strategy has been upheld and readers are segmented through new special publications and services.

There has been a very satisfactory increase in the volume of traffic to www.dn.no in 2006 and user loyalty has increased. As regards articles apart from the core articles on finance/economy and personal finances, the special sections www.dagensit.no and www.dn.no/vinguiden in particular attracted many new readers and achieved stronger positions in 2006. At the end of January 2007, www.dnenergi.no was launched. The aim of introducing this service is to become a market leader in the

Norwegian energy sector's reader and advertising market. This service has been well received and has rapidly won many readers in the oil and oil service segment.

ESTABLISHED TV

The bandwidth in Norwegian society has increased significantly and there are good opportunities for distributing live pictures and sound. NHST decided to establish DN TV AS in 2006. This company is to produce TV programmes primarily aimed at online distribution. A managing editor and four video journalists have been employed, and these report to the editor in chief of DN Nye Medier. The programme contents, with a focus on business journalism, will also be offered to partners that can provide analogue or digital distribution outside the Internet channel.

BETTER SEARCHES

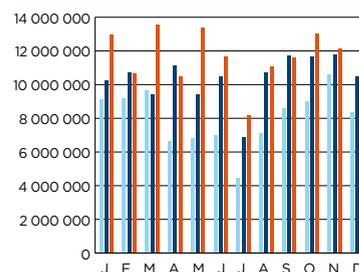
A company called DN Søk AS was also established during the year. DN Søk's main objective is to commercialise the search services on dn.no and other Group publications. The first product to be launched is dn.no500, a service providing extensive information and marketing opportunities for the 500 largest companies in Norway.

This product was launched in November, along with new search functionality on dn.no. DN Søk's commercial products are to be different from traditional online directory entries by, among other things, having far more in-depth contents. These contents are to a large extent to be in-house produced.

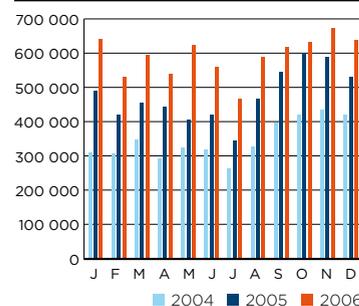
DN NYE MEDIER

34% growth in revenue

NO. OF PAGES VIEWED (MONTH)



NO. OF UNIQUE USERS (MONTH)



PROFIT AND LOSS ACCOUNT

DN NYE MEDIER		
Figures in NOK 1000	2006	2005
Total operating income	39 481	29 407
Total operating expenses	35 852	27 341
Operating profit (loss)	3 629	2 066
Financial items	773	548
Profit (loss) before tax	4 402	2 614
Tax	(1 284)	(804)
Profit (loss) for the year	3 118	1 810

PROFIT AND LOSS ACCOUNT DN SØK

DN SØK	
Figures in NOK 1000	2006
Total operating income	0
Total operating expenses	1 567
Operating profit (loss)	(1 567)
Financial items	(59)
Profit (loss) before tax	(1 626)
Tax	456
Profit (loss) for the year	(1 170)

PROFIT AND LOSS ACCOUNT DN TV

DN TV	
Figures in NOK 1000	2006
Total operating income	0
Total operating expenses	1 937
Operating profit (loss)	(1 937)
Financial items	(1)
Profit (loss) before tax	(1 938)
Tax	543
Profit (loss) for the year	(1 395)

DAGENS IT

CAPTURING IT READERS

NHST's focus on the ICT market is resulting in a sharp increase in the number of readers, including managers.

One year after the Dagens it newspaper was incorporated in NHST and rebranded, MMI's Trade Press Survey 2006 showed it had increased its readership by all of 21 per cent.

This made Dagens it the winner in the growth stakes in this year's survey. A total of 34 000 Norwegian managers now read every edition. This means that the newspaper, which is now in its 16th year, has doubled its readership over the past three years – after changing its target group from just the IT industry to business in general, with a particular focus on the interaction between the IT sector and the rest of industry.

From an editorial point of view, the newspaper has improved and has achieved both a sharper coverage of the news and a better visual profile over the past year, and its advertising revenues and subscription sales have both increased. The revenues for 2006 ended up at MNOK 4.7, producing a operating loss of MNOK 7.3 for the period.

DAGENS IT

21%

growth in readers

PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Total operating income	4 690	2 315
Total operating expenses	12 012	6 571
Operating profit (loss)	(7 323)	(4 256)
Financial items	(67)	(18)
Profit (loss) before tax	(7 389)	(4 274)
Tax	2 069	1 197
Profit (loss) for the year	(5 320)	(3 077)

SMARTCOM

RECORD GROWTH IN WEBTV

Smartcom doubled its revenue from MNOK 7 to MNOK 14 in 2006, and starts 2007 as a dominant Norwegian player with a young and extremely skilled staff. The company has budgeted with a continued sharp rise in its revenue in 2007.

Smartcom is now shifting its product focus from production to all-round video-based communication solutions. Its vision is to be one of Europe's most exciting, innovative companies in the webtv sector. The market is developing at a record pace and, although we expect stiffer competition, we also anticipate a significant annual growth rate of 40-50 per cent.

The company is now Norway's leading online supplier of TV transmissions and videos. It contributes to the entire process, from the idea stage until the message reaches the end-user. The broadcasts are sent via the web, mobile phones and podcasts. Smartcom delivers TV contents and webtv solutions to more than 100 Norwegian companies as well as to organisations and the public sector. At present, conferences, corporate communication, IR/finance and webtv concepts are its most important market areas.

One important challenge will be to recruit and train employees, especially in the field of production. The company will therefore place great emphasis on identifying and employing the right employees.

SMARTCOM

89%

growth in revenue

PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Total operating income	13 954	7 365
Total operating expenses	12 966	6 206
Operating profit (loss)	988	1 159
Financial items	(63)	(1)
Profit (loss) before tax	925	1 158
Tax	(147)	226
Profit (loss) for the year	(778)	931

TDN

GOOD TIMES FOR CRITICAL NEWS

TDN achieved revenue of MNOK 11.6 in 2006, compared to MNOK 10.3 in the previous year. Its operating profit came to MNOK 2.1, almost twice that of 2005.

The company's starting point is to provide competent and critical news coverage for the professional market players in the Norwegian stock and interest rate markets. Its editorial profile will remain unchanged. TDN aims to be Norway's leading news agency in its segment, and to be a leader in the fields of quality, precision and speed.

Last year's news picture was especially characterised by greater competition among finance related websites. These websites are increasingly prioritising well known faces, tabloid issues and competition with each other, and also have a stronger emphasis on personal finance.

This has led to a greater need for news from TDN. The company finds it is increasingly important to exclude irrelevant, unimportant news on behalf of its target groups.

TDN strengthened its market position in the Norwegian primary market in 2006 and its dissemination of news increased via pan-Nordic companies. Combined with greater demand for news from online based distribution and share trading platforms, this resulted in TDN achieving its highest ever revenue.

The working environment was characterised by enthusiasm and the fast pace of the markets, and the sickness absence rate remained unchanged at an extremely low level.

TDN

18%

operating margin

PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Total operating income	11 569	10 343
Total operating expenses	9 494	9 148
Operating profit (loss)	2 075	1 195
Financial items	82	38
Profit (loss) before tax	2 157	1 233
Tax	(605)	(346)
Profit (loss) for the year	1 552	887

EUROPOWER

GROWING INTEREST IN ENERGY NEWS

The newspaper's circulation improved in 2006 and the interest in energy news is growing.

Europower's revenues came to MNOK 10.8 in 2006, compared to MNOK 9.8 in 2005. The company made an operating loss of MNOK 4.3 in 2006, compared to an operating loss of MNOK 3.1 in 2005.

The printed products' circulation figures increased in 2006. We have not been as successful with our advertising sales, and measures have been implemented to improve these. At the same time, we are examining strategic alternatives for the electronic service. Combined with greater sales efforts, this will produce better results in 2007.

STRATEGY

Europower aims to be the clearly leading and preferred provider of high quality news and company and industry information to the Norwegian energy sector and related business areas. With selected products, the company intends to hold leading positions outside Norway too, primarily at a Nordic level. Europower is to set terms and the agenda in and around the energy industry. Its products are to be based on independent, fact-based, relevant journalism.

INTEREST IN ENERGY

The media's huge focus on energy issues is constantly increasing. Europower therefore has great faith that the subject about which it writes and its products are well positioned for further growth. The newspaper's editorial staff are very skilled in monitoring developments and setting the agenda. A book project, Norwegian Dams, has been started and the first volume will be published this autumn.

EUROPOWER

233%

growth in circulation

PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Total operating income	10 813	9 792
Total operating expenses	15 096	12 890
Operating profit (loss)	(4 283)	(3 098)
Financial items	52	2
Profit (loss) before tax	(4 231)	(3 096)
Profit (loss) for the year	(3 085)	(2 511)

”During this time, the organisation lost control and opportunities were taken by people to run the business as they saw fit”

BILL CAMPBELL,
GROUP EDITOR SHELL
INTERNATIONAL



Shell safety scandal

Shell is facing a fresh management scandal after allegations by whistleblower Bill Campbell of how it endangered the lives of North Sea oil workers on its Brent field over a long period through running installations with dangerously high levels of risk.

In an exclusive interview, Campbell tells the story of how Shell Expro ran the four Brent field platforms «flat out», falsified records and sacrificed safety concerns in favour of production.

Campbell was called upon by group management after growing internal concerns over major incidents on the Brent field in the North Sea, Shells flag ship in the UK sector. Campbell alleges that his audit found that technical integrity performance indicators were manipulated. For instance, the audit team discovered that while in August 1999, it was reported a 100 per cent compliance with safety critical preventive maintenance on Brent Alpha, the actual figure was only about 14 per cent.

«During this time, the organisation lost control and opportunities were taken by people to run the business as they saw fit,» alleges Campbell.

16 June | **UPSTREAM**



TRADEWINDS

Champion of marine publishing

For the first time in its history, TradeWinds can be described as the undisputed champion of marine publishing.

The most recent figures from ABC (Audit Bureau of Circulation 2005) showed that TradeWinds sells more copies at full price than our nearest competitor can sell, discount or give away. Attaining market leader status is not an overnight success story, but the result of years of aggressive growth strategies, investments in product development, and based on customer needs.

In 2006 the growth continued. Average circulation rose by 3 per cent from 7 593 to 7 845 and total circulation revenues (including internet products) increased with 6 per cent to MNOK 41.1.

Advertising revenues increased by 13 per cent or MNOK 2.7 to MNOK 27.8 including Internet advertising. Banner advertising had a particularly nice growth, with a 40 per cent increase. Total turnover increased by MNOK 5.3 to MNOK 76.2. Costs increased by MNOK 3.6 to 71.5 and the operating result increased with MNOK 1.7 to MNOK 4.7. The operating margin improved from 4 to 6 per cent in 2006.

CONTINUED GROWTH

Three key areas of our business operations that are central to the achievement of our strategy in cementing our position as market leader and achieving substantial revenue increases are: accelerating growth in Asia, the commercial opportunities associated with greater use of www.tradewinds.no and the development of the conference business.

The dedication remains to continue improving the editorial coverage from Asia. The key targeted markets are Middle East, China, India and Singapore, and we have strengthened our commercial presence in the region. The brand is supported from well established TradeWinds conferences in Shanghai and Mumbai.

Having gained some experience through the joint organisation of Shipping China, Oslo Shipping Forum and the India Shipping Summit, the time was right to set up NHST Events, a dedicated in-house conference organisation. A small team is established in London to run the existing events and work closely with the TradeWinds organisation on new ideas. The team will act as an "event delivery service" for TradeWinds, and eventually other group publications. NHST Events will add two or three new events this year, including the TradeWinds Marine Risk Forum in Bermuda, one of the global capitals of insurance and re-insurance. 2008 will see further expansion into the Indian market through acquisition of an existing oil and gas event, and a another conference focused on deepwater exploration and production.

A steady decline in newspaper consumption can be seen worldwide, although more specialised publications like TradeWinds suffer less. Other international publications in our market has seen a steady circulation decline in the past few years, but the main competitor Lloyd's List turned the trend a bit, and logged a small paid circulation increase last year.

INTERNET DEVELOPMENT

A third goal is to develop new commercial opportunities outside traditional subscription and banner advertising revenue, by adding value to the subscription package through new and improved content.

The development plan includes a recruitment portal for the maritime industry, information on stock prices, a business reports archive and Web-TV. There is subscription and advertising potential on niche products like LNG Unlimited: a new, weekly pdf covering the LNG supply chain.

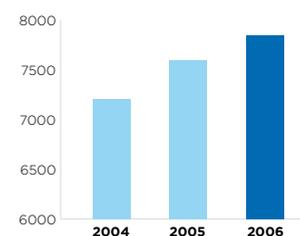
TRADEWINDS

8000 paying subscribers

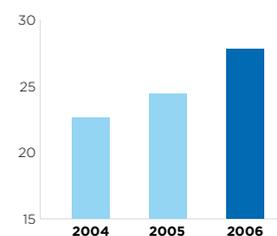
PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Advertising revenues	27 762	24 492
Subscription/ single-sale revenues	41 105	38 690
Other operating income	7 331	7 675
Total operating income	76 198	70 857
Total operating expenses	71 458	67 903
Operating profit (loss)	4 740	2 954
Financial items	(661)	131
Profit (loss) before tax	4 079	3 085
Tax	(1 292)	(1 024)
Profit (loss) for the year	2 787	2 061

NET CIRCULATION (No. of copies)



NET ADVERTISING REVENUE



UPSTREAM

Driving forward

Upstream took a giant leap ahead on advertising and grew average circulation by another seven per cent in 2006.

The recruitment section was properly established and revenues for the section were more than four times the revenues in 2005. Online revenues grew by more than 80 per cent. Total revenues were increased by 15 per cent to MNOK 63,1 and operating result was improved by 22% to MNOK 2.

Upstream was named 'official publication' and produced daily newspapers at two major conferences – ONS and GasTech – generating substantial advertising revenues and providing a unique marketing opportunity. Upstream also performed a successful experiment in October, producing a stand alone supplement on Norway's offshore oil & gas sector, written in Norwegian and for local distribution only. This offered unprecedented marketing of the Upstream brand in Norway, and the recipe could be repeated in other countries in the future.

Upstream has established itself as the leading provider of news and intelligence on the booming world market for liquified natural gas, and this position was enhanced through the launch in December 2006 of lngunlimited.com, a weekly electronic newsletter, as a 50/50 joint venture with TradeWinds.

STRATEGY

Upstream is strategically seeking new business opportunities, but not at the expense of our trademark weekly newspaper – the backbone of the organisation. The aim is to nurture and enhance coverage in key growth markets such as the Middle East, India, China and Latin America while maintaining and fine-

tuning coverage of established markets such as the US, Europe and South-East Asia. Digital printing and other relevant distribution opportunities are under continuous review in an effort to improve delivery and grow circulation in remote areas.

UpstreamOnline continues to show strong development. The quality of news coverage has improved, potential new revenue streams are being pursued and the commercial results are on the rise. Opening the LIVE news section to free access has given a vast increase in traffic on UpstreamOnline, Upstream's main marketing and sales vehicle. The newspaper on the web remains password protected.

TECH ORIENTED

On advertising, Upstream's main competition lies among technology oriented glossy magazines, but their monthly circulation and their relatively timid editorial approach means we face little competition from those ranks as regards news coverage.

The market, while somewhat jittery, remains strong. Upstream has an excellent reputation as the global energy industry's leading source of independent, comprehensive and exclusive news. This puts us in an ideal position to increase our market share, either on a stand alone basis or through forging partnerships. With a continued positive development for circulation in 2007 and over 50 per cent of the budgeted advertising revenues already booked by the beginning of February, the outlook remains very positive.

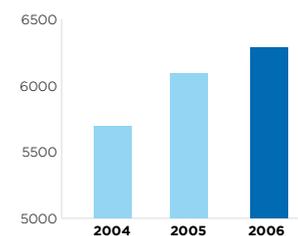
UPSTREAM

15% growth in revenue

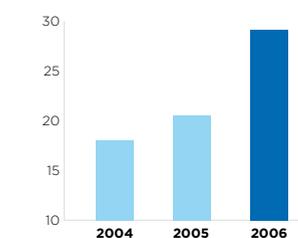
PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Advertising revenues	29 078	20 447
Subscription/ single-sale revenues	33 941	34 225
Other operating income	81	70
Total operating income	63 100	54 742
Total operating expenses	61 078	53 079
Operating profit (loss)	2 022	1 663
Financial items	(721)	(156)
Profit (loss) before tax	1 301	1 507
Tax	(515)	(360)
Profit (loss) for the year	786	1 147

NET CIRCULATION (No. of copies)



NET ADVERTISING REVENUE



INTRAFISH MEDIA / FISKAREN

Growth and product development

IntraFish and Fiskaren are strengthening their positions as the leading suppliers of national fisheries and fish farming news and of international seafood news.

The IntraFish Media group's revenues increased from MNOK 43.9 in 2005 to MNOK 50.0 in 2006, a growth of 14 per cent. At the same time, its costs rose by nine per cent to MNOK 51.6, so that it ended up making an operating loss of MNOK 1.6 million, less than half of the loss made in 2005.

IntraFish Media AS (excluding the Fiskaren newspaper) achieved a revenue of MNOK 20,3 in 2006. This is a growth of 19 per cent. The operating loss came to MNOK 3,0, an improvement of MNOK 0,6 compared to last year.

STRONG POSITION

The company is growing both at home and abroad. Although the highest growth is taking place in Europe, the level of growth is also good in Norway and the Americas. The favourable economic conditions in general and in the seafood industry in particular are resulting in high advertising revenues, not least in the recruitment market. As the dominant player, IntraFish is well positioned to benefit from these auspicious times.

In 2006, we launched webtv on our pages, with interviews from several trade fairs and conferences. This is noticed in the market and distinguishes us even more from our competitors. Webtv has been well received by our readers and will gradually also make a commercial contribution.

During the year, we started to focus on Asia. We went to Thailand and Vietnam and for the first time IntraFish took part in a trade fair in China. We have entered into a cooperation agreement with the trade fair arranger and will this year be an official media partner, producing webtv programmes from the trade fair and the official trade fair newspaper. We have great hopes for the Asian market and are in the process of hiring a subscription seller in Singapore.

In 2006, we produced two trade fair newspapers as advertising inserts for Fiskaren. These operations have been spun off into a separate company – IntraFish Custom Publishing.

FISKAREN AS

Fiskaren's revenues increased by 11.5 per cent and for the first time exceeded MNOK 30. Despite the fact that the readership and circulation figures declined slightly, the newspaper continued to improve its position compared to its competitors. We are the most read fisheries newspaper and will also for the first time have a higher circulation than Fiskeribladet, whose circulation is continuing to fall dramatically. In 2006, the industry's advertisers returned to us and led to us achieving record-high advertising revenues, with an advertising volume that was more than 40 per cent greater than that of our largest competitor according to figures from AC Nilsen. Our revenues ended up at MNOK 31.4, while our operating profit came to MNOK 1.1, up from NOK 18,000 in 2005.

From an editorial point of view, our newly launched website allows us an opportunity for more dynamic news reporting, with immediate reporting of current affairs in which we report further on the news from the paper newspaper on days when this is not printed.

Fiskaren achieved a circulation in 2006 of 8 852, a decline of 150 compared to the previous year. The revenue from subscription sales, single copy sales and sales of Fiskaren Daglig came to MNOK 12.4 million, an increase of 5.6 per cent.

INTRAFISH MEDIA GROUP

14% growth in revenue

PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Advertising revenues	22 453	17 828
Subscription/single-sale revenues	21 655	20 754
Press subsidiaries	5 049	4 600
Other operating income	835	726
Total operating income	49 991	43 908
Total operating expenses	51 919	47 492
Operating profit (loss)	(1 928)	(3 584)
Financial items	(368)	(247)
Profit (loss) before tax	(2 296)	(3 831)
Tax	(354)	(51)
Profit (loss) for the year	(2 650)	(3 882)

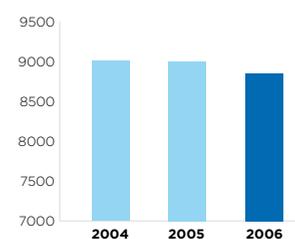
FISKAREN

12% growth in revenue

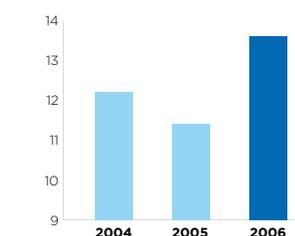
PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Advertising revenues	13 527	11 414
Subscription/single-sale revenues	12 426	11 764
Press subsidiaries	5 049	4 600
Other operating income	431	411
Total operating income	31 433	28 189
Total operating expenses	30 330	28 171
Operating profit (loss)	1 103	18
Financial items	144	267
Profit (loss) before tax	1 247	285
Tax	(350)	(51)
Profit (loss) for the year	897	234

NET CIRCULATION (No. of copies)



NET ADVERTISING REVENUE



NAUTISK FORLAG

Level headed attitude in a good market

Companies in the shipping sector have adopted a level-headed attitude, despite the fact that 2006 too was one of the industry's best ever years. The demand for electronic services increased significantly during the past year.

Nautisk Forlag achieved revenue of MNOK 91.2 in 2006, an increase of eight per cent compared to the year before. Stiff competition, with increased pressure on the margins, combined with the demanding work of introducing new computer systems, meant that the operating profit fell from MNOK 5.9 to MNOK 5.5, producing an operating margin of 6 per cent.

Nautisk Forlag sells maritime charts and publications to the merchant marine, supply boat, fishing vessel and pleasure craft fleets from its premises in Oslo. In addition, the company has started to arrange various courses for pleasure-craft sailors.

The publishing house is, among other things, the British Admiralty's agent in Norway for maritime charts and publications covering a worldwide area. Nautisk Forlag also represents the hydrographic offices of the Nordic countries as well as other publishers of maritime literature. The company has further reinforced its position as a major player in the pleasure-craft fleet market in Norway, to which it sells electronic charts, GPS equipment, map plotters and other navigational aids.

TOUGHER STRUGGLE

As in previous years, the industry is characterised by a tougher struggle for market shares, but the company managed to recapture some of the market from foreign companies in 2006. In order to be able to offer better accessibility and service to Norwegian and foreign customers in the Far East, a department has so far been established in Singapore, while sales representatives will be hired in Shanghai, New Delhi and Dubai this year.

The market is increasingly demanding electronic services and this trend will continue in line with general technological developments. Nautisk Forlag will in the near future further develop into an electronic "one stop shop", in addition to providing its present services. This may be done by further developing the company's own computer system, acting as agents for others, or by acquiring or becoming co-owners in other similar companies. This will allow the company to meet all its customers' nautical chart needs, both electronically and in printed versions.

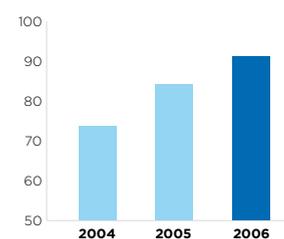
NAUTISK FORLAG

8% growth in revenue

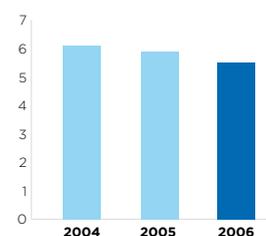
PROFIT AND LOSS ACCOUNT

Figures in NOK 1000	2006	2005
Total operating income	91 192	84 175
Total operating expenses	85 665	78 321
Operating profit (loss)	5 527	5 854
Financial items	(765)	(346)
Profit (loss) before tax	4 762	5 508
Tax	(1 353)	(1 602)
Profit (loss) for the year	3 409	3 906

OPERATING INCOME



OPERATING PROFIT



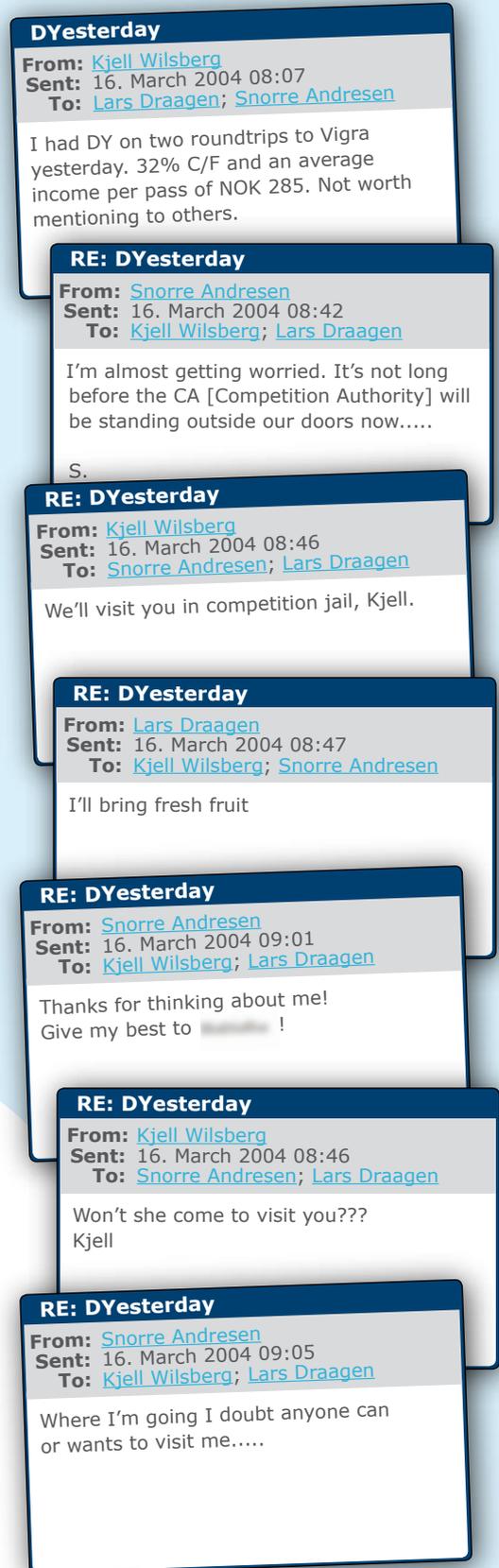
”It won’t be long before the Competition Authority is standing outside the door”



The three SAS Braathens employees whom the National Authority for the Investigation and Prosecution of Economic and Environmental Crime in Norway believe unlawfully tapped information from airline company Norwegian sent each other e-mails in which they joked about being caught by the Competition Authority and ending up in jail.

The e-mail correspondence between SAS-Braathens employees Snorre Andersen, Kjell Wilsberg and Lars Draagen indicates that these three were aware that they were contravening the law when they distributed detailed information on Norwegian’s passenger figures and prices.

16 June | DAGENS NÆRINGS LIV



Unpublished titbit

**IN THE SOONG QNG
LING KINDERGARTEN**
near the Huashan Campus,
they have their own nutrition
expert who makes sure the
children eat the right food.
However, this does not
seem to make it taste
any better.

April 2007 NHST Media
Group Annual Report



PHOTO: Per Ståle Bugjerde

OTHER NEWS

Electricity customers are being milked

The wet, warm autumn weather has lowered the market price of electricity by more than 40 per cent. Nonetheless, very little of this benefits the majority of electricity customers. Suppliers are now operating with good margins and are milking electricity customers who are not price minded and still have agreements for the more expensive standard variable electricity prices.

Number 10, November, **EUROPOWER**

Hid a gigantic loss from the board

The board of the state owned Norwegian Investment Fund for Developing Countries, Norfund, has been systematically misinformed by the fund's CEO, according to the fund's internal auditor. The fund has lost MNOK 300 since it started in 1997. The board, with Einar Steensnæs at the forefront, has nonetheless chosen to keep Per Emil Lindøe in the company. He is resigning from the CEO position but will keep his salary and pension of MNOK 1.9 per annum. Lindøe had told the board in February of a MNOK 40 loss in Norfund's investments, at the same time as the management had set aside almost MNOK 160 for losses without telling the board.

After the board meeting, Lindøe told the Norfund management that «The board was very satisfied with the positive way in which the projects have developed». This astonished the employees: «Those of us who've worked on the projects and know the facts best were, to put it mildly, amazed,» Ernst & Young quotes one of the employees as saying.

2 September, **DAGENS NÆRINGS LIV LØRDAG**



In the sheikh's hands

30 December | DAGENS NÆRINGS LIV



WHEN JOTUN WAS GOING TO ESTABLISH A COMPANY IN DUBAI, it made sure to have the desert emirate's second-in-command, Sheikh Hamdan, as this company's largest owner. Now this Norwegian paint company wins three out of four mega-projects in the world's fastest-growing city.

It is said that almost half of all the world's building cranes are located in Dubai. In under five years, the inhabitants of the little desert emirate of 3,900 square kilometres have witnessed the construction boom of all time – and the buildings are huge. Two players are involved in most of the largest, most spectacular projects: The ruling family in Dubai, which controls much of the property sector

and has considerable business interests in the largest projects, and the Norwegian paint manufacturer Jotun. Twentyfive per cent of Jotun's total revenues of NOK 8 billion come from the Middle East. The growth has been continuous since the middle of the 1970s. From its base in Dubai, Jotun has captured market shares throughout the Arab world and parts of South East Asia entirely without acquisitions – through purely organic growth. The sheikh's right-hand man, Mirza Al Sayegh, is the chairman of the board of Jotun in the Emirates. «Jotun is a gold mine. We look on it as an important company and we support it and try to get business for it,» he says.

OTHER NEWS

Victory at Kashagan

Aker Kvaerner and Saipem partnership has won a prolonged and acrimonious tussle over Agip KCO's \$700 million hook-up and commissioning job at Kazakhstan's giant Kashagan oilfield project. There may be some changes compared to the planned agreement. Kvaerner is already engaged in a \$200 million contract to build barges.

20 January, **UPSTREAM**

Mystery Russians in huge order

Dolco Investments Ltd, a low-profile, Russian-linked company based in Cyprus, has booked more than \$700m worth of products tanker newbuildings at two yards in Korea and is planning to invest even more. According to industry sources the company has contracted four 75,000-dwt long range one products tankers at SungDong Shipbuilding and Marine Engineering and four 50,000-dwt medium range product tankers, with options of eight additional vessels.

3 March, **TRADEWINDS**

The overfishing continues

The Norwegian Coast Guard and Directorate of Fisheries have decided not to publish the 2005 report on Russian overfishing until it has been translated into Russian. The report states that, in 2005, Russians fished around 100,000 tonnes of cod more than their quota – worth NOK 1.5 billion.

The Directorate will not say when the report will be published. The Directorate's conduct is probably due to the fact that this most recent report will place even greater pressure on the Russians. A source has told Fiskaren that the overfishing has never before been so well documented.

24 March, **FISKAREN**

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PHOTO: Mikaela Berg

Monologue with China

30 September | DAGENS NÆRINGSLIV

NORWAY AND CHINA KEEP ON HAVING MEETINGS. They talk and talk. There are threats, some beating around the bush and the reading of proclamations. But is there any dialogue?

The Norwegian parliament's Standing Committee on Foreign Affairs is visiting

Beijing and the chairman of the foreign affairs committee of the National People's Congress, Jiang Enchu, says it will affect the relationship between the two countries if public enemy Rebiya Kadeer is awarded the Nobel Peace Prize.

"We meet a lot of people, but have no real

dialogue with them," says the head of the Norwegian Conservative Party (Høyre), Erna Solberg.

During one of the breaks in the Large Hall of the People in the People's Congress, she takes the opportunity to study the art on the walls.