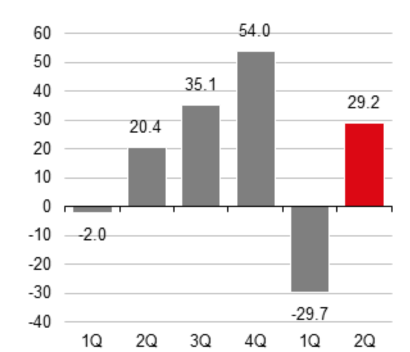
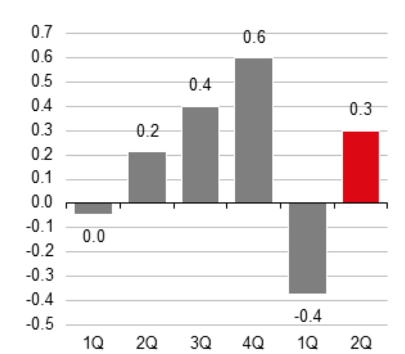
INFRATEK ASA – First half-year and second quarter 2013

- Operating revenues of NOK 756 million (NOK 675 million)
- Second-quarter operating profit of NOK 29.2 million (NOK 20.4 million)
- Improved operating margin within both Local and Central Infrastructure
- Improvements in the Norwegian business, challenges in Sweden
- Price-pressure in Electrical Safety resulting in lower overall margins for the business area
- Satisfactory order book for second half-year
- Hafslund and Fortum have sold their shareholdings in Infratek, and the new owner of 76.3 percent of the shares is a fund in the Triton portfolio

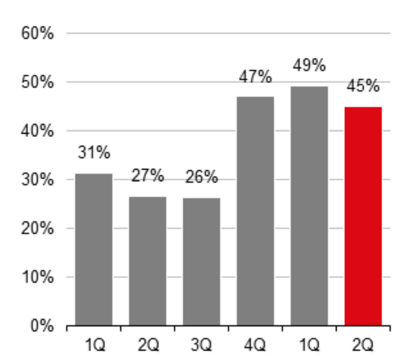
OPERATING PROFIT
NOK million



EARNINGS PER SHARE
NOK



EQUITY RATIO



KEY FIGURES

Second quarter			First half-year		Year
2012	2013	PROFIT AND LOSS (NOK million)	2013	2012	2012
675.2	**755.9**	Operating revenue	**1 325.8**	1 278.6	**2 810.5**
30.4	**39.6**	Operating profit before depreciation	**20.3**	38.3	**148.8**
20.4	**29.2**	Operating profit	**(0.6)**	18.4	**107.5**
18.6	**27.0**	Profit before tax	**(4.1)**	14.9	**100.8**
-	**-**	Profit from discontinued operation	**-**	-	**-**
13.5	**19.1**	Profit for the period	**(4.9)**	10.5	**70.8**
		CAPITAL MATTERS			
1 428.3	**1 361.1**	Total assets	**1 361.1**	1 428.3	**1 479.6**
27 %	**45 %**	Equity ratio	**45 %**	27 %	**47 %**
(107.3)	**(56.4)**	Net interest-bearing debt (cash)	**(56.4)**	(107.3)	**(233.8)**
		PER SHARE FIGURES* (NOK)			
0.2	**0.3**	Profit (EPS)	**(0.1)**	0.2	**1.1**
(0.7)	**(0.5)**	Cash flow from operations	**(0.9)**	(0.9)	**1.5**
		KEY FIGURES			
3.0%	**3.9%**	Profit margin	**0.0%**	1.4%	**3.8%**

Note: * Earnings and cash flow per share are determined according to the weighted average number of shares outstanding for the reporting period: 63,863,224 for 2nd quarter 2013 and 2nd quarter 2012, and for the first half year of 2013 and 2012. Figures are unaudited and in NOK unless otherwise stated. Second-quarter 2012 figures appear in parentheses.

FIRST HALF-YEAR 2013

As usual the first half-year was characterised by low activity levels in the winter in the first quarter and an escalation of activities during the second quarter. This has naturally impacted the bottom line.

Sales in the first half-year rose by NOK 47.2 million (3.7 per cent) against the previous year. The first four months was characterized by challenging operating conditions and unusually few faults in the grid throughout the quarter which depressed activity levels and resulted in postponement of assignments to later periods. However, the last two months has been the complete opposite, with high activity and good operating conditions. Sales in the Norwegian market were up 2.2 per cent against the corresponding prior-year period. Sweden posted sales on the same level as previous year. In Finland activities within Infratek's market segment were significantly higher than in the previous year and sales rose by 29.4 per cent. The acquisition of the Danish security company, Plahn Systems, has contributed with NOK 23.8 million in revenues for the first half year.

The Group posted an operating loss of NOK 0.6 million in the first half of the year, compared with a profit of NOK 18.4 million in the comparable prior-year period. The decline is primarily attributable to poor results in the Swedish part of the business.

The operating margin in the Norwegian market increased from 3.2 per cent to 4.6 per cent on the back of a higher operating margin and better utilisation of resources due to higher activity levels, and the effect of implemented improvement operational measures. In Sweden the operating margin was reduced from 0.6 per cent to -4.2 per cent mainly as a result of low activity within Local Infrastructure for the first part of the year and costs relating to the railway contract (Stockholm Nord contract). In Finland, the operating margin has improved slightly, from -8.5 per cent to 6.7 per cent, due to increased activity. The Danish business contributed an operating profit of NOK 2.0 million with a corresponding operating margin of 8.4 per cent.

The post-tax loss was NOK 4.9 million, compared with a profit of NOK 10.5 million in the corresponding prior-year period.

Consolidated undiluted and diluted first half-year earnings per share came in at NOK -0.1 (NOK 0.2).

The cash outflow from operating activities was NOK -60.5 million (NOK 56.4 million), where the total change in cash and cash equivalents in the period, including paid dividends of NOK 95.8 million (NOK 95.8 million), was a net outflow of NOK -176.8 million (NOK -177.9 million.

We refer to other sections of the Report of the Board of Directors relating to the balance sheet and risk factors as of 30 June 2013.

The Report of the Board of Directors and the financial statements for the first half of 2013 are based on non-audited figures.

SECOND QUARTER 2013

The Infratek Group posted a post-tax profit for the second quarter of NOK 19.1 million, compared with a post-tax profit of NOK 13.5 million for the comparable prior-year period. This resulted in both diluted and undiluted earnings per share for the second quarter of NOK 0.3 (NOK 0.2).

Consolidated sales rose with NOK 80.7 million (11.9 per cent) against the same period last year. Sales in Sweden increased with 2.0 per cent (NOK 7 million), where a reduction in sales in the local distribution grid is more than being offset by higher sales in railways. Revenues in Finland increased significantly by 43.7 per cent (NOK 14.1 million) compared to last year due to higher activities. In Norway the order book for the Group as a whole was very satisfactory and sales were up by 17.5 per cent (NOK 52.7 million) compared with the second quarter of 2012. The Danish business contributed sales of NOK 11.2 million along with an operating profit of NOK 0.8 million. Intragroup sales between the countries increased with NOK 4.3 million.

As of 30 June the total order book was NOK 3,078 million, of which NOK 1,216 million related to 2013, NOK 1,110 million to 2014 and NOK 751 million to 2015 and later. The Group's order book was NOK 381 million lower than at the end of the second quarter of last year, and decreased by NOK 116 million during the quarter. The decrease is primarily attributable to actual production and scaling back of the volume of project and contingency contracts with Fortum.

The Group posted a second-quarter operating profit of NOK 29.2 million, compared with NOK 20.4 million in the corresponding prior-year period. The operating margin rose by 0.9 percentage point to 3.9 per cent.

In Sweden the operating loss came in at NOK 0.8 million (profit of NOK 14.9 million). The operating margin fell from 2.8 per cent to -0.2 per cent. The weak result is attributable to challenges relating to the start-up of the new railways contract in Stockholm, which has reduced the result and margin over the short term. The low assignment volume within Infra Solutions and losses on a project within Central Infrastructure are also negatively impacting the result.

The operating margin for the period in Norway was NOK 30.5 million (NOK 12.3 million), first and foremost due to higher activities and improved margins on completed Local- and Central Infrastructure assignments. The operating margin closed at 8.6 per cent (4.1 per cent).

Finland posted a loss of NOK 1.3 million, which was NOK 0.3 million better than same period last year. The operating margin in the period was -2.8 per cent (-5.0 per cent).

Net financial expenses in the quarter amounted to NOK 2.2 million, compared with NOK 1.8 million in the comparative prior-year period. The increase is attributable to higher finance costs relating to the Group's defined benefit pension schemes and lower interest income as a result of reduced average cash holdings in the period.

The tax expense for the quarter was NOK 8.0 million as a result of positive profit before tax.

BALANCE SHEET

At NOK 1,361 million, at the reporting date the Group's total assets were reduced by NOK 67 million on the end of the second quarter of 2012. The decrease is primarily attributable to changes in actuarial assumptions which in turn reduce pension liabilities with deduction for deferred tax.

As of 30 June 2013 equity amounted to NOK 613.6 million, representing an increase of NOK 233.1 compared to 30 June 2012. This corresponds to an equity ratio of 45.1 per cent as of 30 June 2013, which is a 2 percentage point reduction from year end 2012 and an increase of 18.4 percentage points compared to prior-year period. The main reason for the increase in equity ratio is the reduced pension liabilities as described above.

At the end of the second quarter year-to-date equity was up NOK 17.4 million as a result of exchange differences from SEK, EUR and DKK to NOK due to the appreciation of the former currencies against the latter in the first half-year. At the end of the reporting period the equity per share figure was NOK 9.61, compared with NOK 5.96 at the end of the second quarter of 2012.

As of 30 June 2013 the Group's cash and cash equivalents totalled NOK 71.2 million, compared with NOK 243.8 million at the end of 2012 and NOK 119.4 as of 30 June 2012.

The Group's long-term debt corresponded with NOK 15.6 million (NOK 11.7 million). The change is attributable to an increase in buy-out option for minority interests in Infratek Sikkerhed Danmark A/S (please see note 8).

CASH FLOW AND FINANCING

The net cash flow from operations in the second quarter of 2013 amounted to NOK –34.6 million (NOK -43.7 million). The increase in net working capital, which was attributable to higher activity levels, depressed the cash flow from operations by NOK -64.4 million (NOK -79.7 million), while the positive results contribution boosted the cash flow by NOK 27.0 million (NOK 18.6 million). The change in non-liquid items made a positive contribution of NOK 2.7 million (NOK 17.4 million).

The net cash flow from investments in operations and expansion during the second quarter amounted to NOK -10.8 million (NOK -3.9 million) as a result of investments in operating assets during the period.

The net cash flow from financing activities in the second quarter of NOK 97.0 million (NOK -96.7 million), was attributable to the payment of a dividend in the second quarter.

The Group has a NOK 100 million overdraft facility with DNB. The revolving overdraft facility has a mutual termination period of one month and can be used for ongoing operations. The facility has not been used.

SEGMENT INFORMATION

Infratek reports its business activities in three segments – Local Infrastructure, Central Infrastructure and Security – based on the products and services offered. The Group has operations in Norway, Sweden, Finland and Denmark.

LOCAL INFRASTRUCTURE

The Local Infrastructure business area includes the Group's infrastructure business in Norway and Sweden aimed at the product areas distribution/local grid, street lighting, fibre/telecom, district heating and railway.

	Second quarter		First half-year	
NOK million	**2013**	2012	**2013**	2012
Operating revenues	**495.6**	452.8	**870.1**	872.6
Operating profit before depreciation	**31.8**	27.0	**22.7**	44.5
Operating profit	**25.5**	21.3	**10.0**	32.9
Operating margin	**5.2%**	4.7%	**1.2%**	3.8%

Local Infrastructure posted total operating revenues of NOK 495.6 million (NOK 452.8 million). Around 59 percent (61 percent) of the sales were made in Sweden and 41 percent (39 percent) in Norway. The operating profit came in at NOK 25.5 million (NOK 21.3 million).

Sales in the Swedish business were up by NOK 17.3 million (6.2 per cent) against the corresponding prior-year period. Higher sales within the railways segment are more than offsetting lower activities in other areas of the business. The operating profit came in at NOK 1.2 million (NOK 9.9 million) and the operating margin fell from 3.6 per cent to 0.4 per cent.
The weak result for the period is attributable to challenges relating to agreement terms for the railways contract in Stockholm that started on 1 January this year. Infratek is in negotiations with the client regarding terms and compensation for additional work performed to date this year. Lower year-on-year activities in road and street lighting have also negatively impacted the result.

Sales in Norway increased by NOK 26.2 million (14.9 per cent) against the second quarter of 2012. Both operating profit and operating margin improved, with the former closing on NOK 24.3 million (NOK 11.4 million) and the latter rising from 4.1 per cent to 8.2 per cent.

At the reporting date the business area had a total order book of NOK 2,452 million, of which NOK 866 million related to 2013, NOK 892 million to 2014 and NOK 576 million to 2015 and later. Both the Swedish and Norwegian business have overall healthy order books. Incoming orders in the quarter were slightly lower than the produced volume and orders on hand were down by NOK 52 million. Compared with the end of June last year the order book was reduced by NOK 260 million, primarily on the back of the produced volume from multi-year framework contracts with major customers.

CENTRAL INFRASTRUCTURE

The Central Infrastructure business area includes the Group's infrastructure business in Norway, Sweden and Finland aimed at the central transmission grid for power transmission in the Nordic region; products and services within transformer stations, power cables and higher-voltage power lines.

	Second quarter		First half-year	
NOK million	**2013**	2012	**2013**	2012
Operating revenues	**175.0**	144.5	**288.2**	256.7
Operating profit before depreciation	**5.8**	(0.3)	**1.3**	(7.4)
Operating profit	**4.3**	(1.7)	**(1.5)**	(10.1)
Operating margin	**2.5%**	-1.2%	**-0.5%**	-3.9%

Central Infrastructure posted total second-quarter operating revenues of NOK 175.0 (NOK 144.5 million), 25 per cent (21 per cent) of which were generated in the Finnish market, 28 per cent (42 per cent) in the Swedish market and 47 per cent (37 per cent) in the Norwegian market. Operating profit for the business area was up NOK 6.0 million compared to same period last year.

Activities in the Swedish business have not been satisfactory and sales are down by NOK 10.9 million on the corresponding prior-year period. The operating margin fell from 1.0 per cent to -3.8 per cent and the operating loss came in at NOK 1.9 million (profit of NOK 0.6 million). The deterioration in results is attributable to lower orders on hand in the power line business and generally lower activities in the Stockholm area than in the comparable prior-year quarter. The result was also negatively impacted by the write-down of one project.

High activity levels in Norway boosted sales by NOK 31.1 million (57 per cent). The operating margin has increased significantly from -2.2 per cent to 8.3 per cent. The operating profit came in at NOK 7.1 million (loss of NOK 1.2 million).

Sales in the Finnish market rose by 45 per cent compared to same period last year. This was attributable a weak second quarter in terms of sales last year. Therefore viewed historically, sales for the quarter were at a more expected level. Finland posted a second-quarter loss of NOK 0.9 million (NOK 1.1 million), while the operating margin improved slightly from -3.5 per cent in the second quarter of 2012 to -2.0 per cent in the reporting period.

At the reporting date the business area had a total order book of NOK 511 million, of which NOK 292 million related to 2013, NOK 159 million to 2014 and NOK 59 million to 2015 and later. Contracts entered into for the quarter were lower than production for the period, and the total order book fell NOK 59 million during the second quarter. Compared with the end of June last year, orders on hand were down by NOK 145 million. The decrease is mainly attributable to a scaling back of the volume of projects relating to the project and contingency contract with Fortum which started on 1 January 2013, as a result of which the expected volume for 2013 has not been realised.

SECURITY

The Security business area comprises the Group's activities within High Security and Electrical Safety services.

	Second quarter		First half-year	
NOK million	**2013**	2012	**2013**	2012
Operating revenues	**85.9**	75.2	**167.3**	147.7
Operating profit before depreciation	**6.6**	8.8	**6.3**	9.9
Operating profit	**6.1**	8.2	**5.2**	8.4
Operating margin	**7.1%**	10.8%	**3.0%**	5.7 %

Security posted total operating revenues of NOK 85.9 million in the quarter, compared with NOK 75.2 million in the previous year. Sales for the High Security segment rose by 18 per cent (NOK 10.2 million) against the previous year. The main reason is the acquisition of Infratek Sikkerhed Danmark, which contributed with NOK 11.2 million. The revenue in Norway is reduced with NOK 3 million while Sweden and Finland increased with approximately NOK 2 mill compared to last year. Electrical Safety segment increased revenue by 2.9 per cent (NOK 0.5 million).

The business area posted sales of NOK 62.6 million (NOK 65.3 million) in Norway, NOK 11.4 million (NOK 9.7 million) in Sweden, NOK 1.7 million (NOK 1.3 million) in Finland and NOK 11.2 million in Denmark. Internal sales between the geographical areas in the quarter totalled NOK 1.0 million (NOK 1.1 million).

The operating profit came in at NOK 6.1 million (NOK 8.2 million), of which NOK 5.6 million (NOK 9.0 million) related to the Norwegian market, NOK 0.1 million (loss of NOK 0.3 million) to the Swedish market, loss of NOK 0.4 million (loss of NOK 0.5 million) to the Finnish market and NOK 0.8 million to the Danish business.

At the reporting date the business area had a total order book of NOK 116 million, of which NOK 57 million related to 2013 and NOK 59 million to 2014. The Electrical Safety segment has a full order book until the end of 2013. The order book for the High Security segment has been reduced and the area has a relatively low profile in the next few months.

OTHER

The Other business area comprises Group administration expenses and expenses relating to Group-level functions.

	Second Quarter		First half-year	
NOK million	**2013**	2012	**2013**	2012
Operating profit	**(6.8)**	(7.4)	**(14.3)**	(12.8)

Group expenses of NOK 6.8 million were incurred in the quarter, compared with NOK 7.4 million in the previous year. Year to date costs have risen by NOK 1.5 million as a result of the reinforcement of the Group function People & Safety and the establishment of a Nordic centre for shared services

RISK FACTORS

The following risk factors are deemed the most important for Infratek's business activities in the upcoming accounting period.

Regulatory risk

The group's activities are subject to various laws and regulations, including those governing health, safety, and environment. Group activities entail public authorization. Regulatory changes affecting the group's ability to purchase services from third parties or requirements concerning such purchases can impact Infratek businesses. To a certain extent, building new infrastructure and maintaining existing infrastructure is regulated by public authorities. Changes in laws, rules, or regulations may affect the demand for and profitability of Infratek's services.

Change in actuarial assumptions related to pension liabilities

Estimated present value of pension liabilities in Infratek depends on both demographic and financial assumptions. Changes in assumptions such as discount rate or salary growth or other assumptions can have material effect on both equity and income. Sensitivity analysis on pension liabilities in Infratek is presented in note 17 to the 2012 annual accounts of the Infratek Group.

Competition and future contract awards

A significant proportion of the group's operating revenues are derived from contracts awarded under competitive bidding. The Group's competitiveness with regard to price is therefore important to its future earnings.

Seasonal variations, project delays, and increased cost of goods

The impact of seasonal differences can cause the Group's operating profit to vary significantly among quarters. In the event that project performance requirements are not met, additional costs can affect profitability and harm the Group's reputation. Increased cost of goods or inadequate access to raw materials may result in delayed deliveries and unanticipated expenses.

Salary increases, recruitment difficulties, and loss of key personnel

Infratek's operations are manpower intensive. Access to competent workforce can affect the group's business activities. Loss of leading executives or other key personnel may adversely affect business performance and profitability.

Dependency on key customers and related party transactions

The companies within the Hafslund and Fortum groups are key customers of Infratek. The loss of or changed investment volumes from individual or several customers could have a significant impact on the group's business and profitability.

The Hafslund and Fortum groups held significant shareholdings in Infratek (43.3 percent and 33 percent respectively) until the end of July. This gave rise to a series of related-party transactions up until this point.

An overview of transactions with closely related parties is presented in Note 7 to the accounts.

EVENTS

Agder Energi Nett extends with Infratek

Infratek, with the business area Local Infrastructure, has extended the agreement with Agder Energi Nett AS regarding operation, maintenance and contingency services for the regional and distribution grids in the Mandal region (area South) in Vest-Agder county, Norway. The exercised option is for two years, in the period from 1 January 2014 to 31 December 2015. The contract also includes an option for one additional year. The agreement has an estimated value of approx. NOK 85 million over two years.

Infratek to build substation for Fingrid

Infratek, with the business area Central Infrastructure, has been awarded a contract with the Finnish national power grid company Fingrid, for the turnkey delivery of a 110 kV substation. The substation site is located close to the Helsinki capital area. The value of the contract is approx. EUR 3.1 million and work will commence immediately. The substation will be completed and handed over by the end of 2014. The turn-key delivery includes construction of new 110 kV gas insulated switchgear, protection and auxiliary systems and 110 kV underground cable connections to the national grid.

Infratek awarded frame agreement with Hafslund Nett

Infratek, with the business area Local Infrastructure, has been awarded a frame agreement with Hafslund Nett regarding service and maintenance of distribution grid exit points in the area Oslo East, Norway. The contract duration is two years with effect from 1 September 2013, with an option for two additional years. The agreement has an estimated value of NOK 29 million over two years.

Infratek builds cable system for Hafslund Nett

Infratek, with the business area Local Infrastructure, has been awarded a contract with Hafslund Nett regarding the building of a 132kV cable system from Sogn to Ullevål in Oslo, Norway. The work also includes approx. 5500 meters of trenches divided on two trench routes. The value of the contract is approx. NOK 30 million. The work will commence in June 2013 and be completed in November 2014.The work on the eastern trench route will be carried out in 2013, while the western route and interior work on the Sogn and Ullevål substations will be carried out in 2014.

Hafslund and Fortum sell all shares in Infratek ASA

The Fund administered by Triton has purchased the shares of Infratek's two largest shareholders, Hafslund ASA and Fortum Nordic AB, which owned respectively 27,652,360 and 21,074,864 shares, corresponding to respectively 43.3 percent and 33.0 percent of the total number of outstanding shares. The price per share is NOK 14. On 12 August Triton made a voluntary offer to acquire all the remaining shares in Infratek, valid until 9 September. The board of Infratek will issue a statement on the voluntary offer in accordance with § 6-16, cf. § 6-19 of the Norwegian Act on Securities Trading. An independent statement will also be obtained on the voluntary offer.

EMPLOYEES

As of 30 June 2013 the Group had 1,672 employees.

Business areas	Number of employees	Number of man-years	Sick-leave rate 2Q13
Local Infrastructure	1045	1036	3,2 %
Central Infrastructure	360	357	4,4 %
Security	218	216	4,1 %
Other	49	48	0,4 %
Total	**1 672**	**1 657**	**3,5 %**

At the reporting date the number of employees was down by 6 compared with twelve months previously.

Sickness absence has decreased from 4.3 per cent in the second quarter last year to 3.5 per cent this year and is due to reduced long-term absence. We are working with different measures to reduce sickness absence.

SHAREHOLDER INFORMATION

At the end of the second quarter of 2013 Infratek ASA's share price was NOK 14.1 compared with NOK 20.0 as of 30 June 2012.

Infratek ASA had the following shareholder structure as of 30 June 2013:

#	Shareholder	Number of shares	Holding
1	HAFSLUND ASA	27 652 360	43.3 %
2	FORTUM NORDIC AB	21 074 864	33.0 %
3	ODIN NORDEN	3 275 600	5.1 %
4	NORDSTJERNAN AB	1 952 067	3.1 %
5	OSLO BOLIG- OG SPARELAG (OBOS)	1 851 915	2.9 %
6	THE NORTHERN TRUST C TREATY ACCOUNT	1 595 600	2.5 %
7	MP PENSJON PK	830 000	1.3 %
8	SKANDINAVISKA ENSKIL A/C CLIENTS ACCOUNT	603 100	0.9 %
9	VJ INVEST AS	589 956	0.9 %
10	VERDIPAPIRFONDET DNB	554 906	0.9 %
11	TANJA A/S	313 200	0.5 %
12	VPF NORDEA AVKASTNIN C/O JPMORGAN EUROPE	312 000	0.5 %
13	IVAR S LØGE AS	300 000	0.5 %
14	VPF NORDEA KAPITAL C/O JPMORGAN EUROPE	249 850	0.4 %
15	TERRA TOTAL VPF	220 895	0.3 %
16	FROGNER BJØRN	206 000	0.3 %
17	VERDIPAPIRFONDET NOR	154 000	0.2 %
18	VPF NORDEA SMB C/O JPMORGAN EUROPE	150 340	0.2 %
19	POLLENINVEST AS NIL	115 900	0.2 %
20	BANGEN LARS	102 000	0.2 %
	Total 20 largest	**62 104 553**	**97.2 %**
	Other shareholders	**1 758 671**	**2.8 %**
	Total	**63 863 224**	**100 %**
	Board and management	406 500	0.6 %

OUTLOOK

The overriding aim is to strengthen Infratek's position in the market for critical infrastructure through profitability and growth. The board believes that Infratek is well equipped to develop the Group further in this direction.

An increased efficiency in operations has boosted Infratek's competitiveness, while the award of several strategically important and long-term contracts has reinforced the Group's market position.

Infratek's Nordic market position and strong financial position, including a solid balance sheet and unused credit facilities, means Infratek is well positioned to meet the challenges facing the Group in the future.

Expected market growth will result in a need for increased skills and capacity. In addition an imminent generational shift in many technical environments will present challenges for all companies, in particular in closed markets. Capacity challenges may stimulate use of the open market and lead to the spin-off of executing activities from the grid companies. This will give rise to new opportunities for Infratek through business transfers or acquisitions. These types of processes are often politically governed and require a good understanding of local conditions and patience to get the desired positions.

The board of directors has an active role in the development of the Group's business strategy.

DECLARATION

On 14 August 2013 the Board of Directors and CEO of Infratek adopted this Report of the Board of Directors and Infratek ASA's abridged consolidated interim financial statements for the six months to 30 June 2013.

The Board of Directors and CEO hereby declare that, to the best of their knowledge, the financial statements covering the period 1 January to 30 June 2013, including the Notes to the financial statements, have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and the supplemental requirements of the Norwegian Securities Trading Act. It is further declared that the information contained in the interim financial statements, including the Notes to this report to shareholders, provide a true and fair view of the Group's assets, liabilities, financial position, and performance as a whole.

The Board and CEO also declare that, to the best of their knowledge, the half-year Report from the Board of Directors provides a true and fair view of key events in the accounting period and their influence on the financial statements for the first six months of the year, the most important risks and uncertainties facing the business in the next accounting period.

Oslo, 14 August 2013

Infratek ASA

Board of Directors

CONSOLIDATED INCOME STATEMENT

Second quarter			First half-year		Year
2012	**2013**	NOK million	**2013**	2012	**2012**
675.2	**755.9**	Operating revenues	**1 325.8**	1 278.6	**2 810.5**
675.2	**755.9**	**Total revenues**	**1 325.8**	1 278.6	**2 810.5**
(300.3)	**(339.6)**	Purchased materials	**(572.4)**	(543.5)	**(1 290.6)**
(255.7)	**(279.7)**	Salaries and other personnel expenses	**(541.6)**	(517.8)	**(1 027.0)**
(10.0)	**(10.4)**	Depreciation	**(20.8)**	(19.9)	**(41.3)**
(88.8)	**(96.9)**	Other operating expenses	**(191.6)**	(179.0)	**(344.1)**
20.4	**29.2**	**Operating profit**	**(0.6)**	18.4	**107.5**
(1.8)	**(2.2)**	Financial revenues/expenses	**(3.5)**	(3.5)	**(6.7)**
18.6	**27.0**	**Profit before tax**	**(4.1)**	14.9	**100.8**
(5.1)	**(8.0)**	Tax expense	**(0.8)**	(4.4)	**(29.9)**
-	-	Profit from discontinued operation	-	-	-
13.5	**19.1**	**Profit for the period**	**(4.9)**	10.5	**70.8**
13.5	**19.1**	Majority's share of profit	**(4.9)**	10.5	**70.8**
-	**-**	Minority's share of profit	**-**	-	**0.1**

Other comprehensive income

Second quarter			First half-year		Year
2012	**2013**	NOK millioner	**2013**	2012	**2012**
(1.1)	**4.8**	Conversion difference when coverting foreign units	**17.3**	(6.2)	**(9.4)**
(8.4)	**-**	Change in estimate pensions	**-**	(16.8)	**343.5**
(9.5)	**4.8**	Total comprehensive profit before tax	**17.3**	(23.0)	**334.1**
2.4	**-**	Tax on other comprehensive income	**-**	4.7	**(96.2)**
(7.1)	**4.8**	Total comprehensive profit after tax	**17.3**	(18.3)	**237.9**
6.4	**23.8**	**Comprehensive income after tax**	**12.5**	(7.8)	**308.7**
6.4	**23.8**	Majority's share of total comprehensive income	**12.5**	(7.8)	**308.7**
-	**-**	Minority's share of total comprehensive income	**-**	-	**0.1**

CONSOLIDATED BALANCE SHEET

NOK million	**30.06.2013**	30.06.2012	31.12.2012
Intangible assets	**335.9**	432.6	321.7
Fixed assets	**155.6**	154.7	158.4
Accounts receivables and other receivables	**0.0**	0.0	0.0
Cash and cash equivalents	**798.4**	721.6	755.8
Assets	**71.2**	119.4	243.8
Equity	**1 361.1**	**1 428.3**	**1 479.6**
Pension and other liabilities	**613.6**	380.5	696.9
Long-term debt	**218.9**	602.4	226.4
Current liabilities	**15.6**	11.7	9.8
Equity and liabilities	**513.0**	433.7	546.5

CONSOLIDATED CASH FLOW STATEMENT

	Second quarter		First half-year		Year
NOK million	**2013**	2012	**2013**	2012	**2012**
Profit before tax	**27.0**	18.6	(4.1)	14.9	**100.8**
Items without cash flow effect	**2.7**	17.4	12.7	25.3	**31.0**
Change in net working capital	**(64.4)**	(79.7)	(69.1)	(96.6)	**(34.5)**
Net cash flow from operations	**(34.6)**	(43.7)	**(60.5)**	(56.4)	**97.2**
Investments - fixed assets	**(10.5)**	(5.8)	(15.9)	(10.0)	**(38.8)**
Investments - operations	**(0.9)**	-	(7.2)	(17.2)	**(17.2)**
Sales amount - fixed assets	**0.6**	1.9	2.2	1.9	**5.2**
Sales amount - operations	**-**	-	-	-	**-**
Cash flow to investments activities	**(10.8)**	(3.9)	**(20.9)**	(25.3)	**(50.8)**
Change interest-bearing liabilities	**(1.1)**	(0.8)	(0.9)	(0.6)	**(3.0)**
Net received/paid interest rates	**(0.1)**	(0.1)	1.1	0.1	**-**
Dividend, equity issues and other equity changes	**(95.8)**	(95.8)	(95.5)	(95.8)	**(95.8)**
Cash flow used for financial activities	**(97.0)**	(96.7)	**(95.4)**	(96.3)	**(98.8)**
Change in cash and cash equivalents	**(142.4)**	(144.3)	**(176.8)**	(177.9)	**(52.4)**
Cash at beginning of period	**210.8**	264.1	243.8	299.6	**299.6**
Effects on exchange rates changes on the balance of cash held in foreign operations	**2.8**	(0.4)	4.2	(2.3)	**(3.3)**
Cash at end of period	**71.2**	119.4	71.2	119.4	**243.8**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Second quarter		First half-year		Year
NOK million	**2013**	2012	**2013**	2012	**2012**
Equity at beginning of period	**685.6**	**469.8**	**696.9**	**484.0**	**484.0**
Profit for the period	19.1	13.5	(4.9)	10.5	70.8
Other comprehensive income for the period	4.8	(1.1)	17.3	(6.2)	(9.4)
Change in estimate pensions	-	(6.0)	-	(12.1)	247.3
Total profit in period	**23.8**	**6.4**	**12.5**	**(7.8)**	**308.7**
Transactions with owners					
Change in minority interests		-		-	-
Dividend	(95.8)	(95.8)	(95.8)	(95.8)	(95.8)
Other equity effects	-	0.1	-	0.1	-
Total transactions with owners	**(95.8)**	**(95.7)**	**(95.8)**	**(95.7)**	**(95.8)**
Equity at end of reporting period	**613.6**	**380.5**	**613.6**	**380.5**	**696.9**

NOTES TO THE ACCOUNTS

1) FRAMEWORK AND KEY ACCOUNTING PRINCIPLES

The first half year and second quarter 2013 consolidated Group accounts, for the period ending 30 June 2013, have been prepared and presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The consolidated accounts comprise of Infratek ASA and its subsidiaries. The interim figures are unaudited.

Infratek prepares and presents its interim consolidated accounts according to IAS 34, Interim Financial Reporting. The information provided by interim accounts is not as comprehensive as that provided in the annual accounts; thus, the interim accounts should be viewed in conjunction with the 2012 annual accounts. Accounting principles applied in the quarterly accounts are the same as those described in Note 2 to the 2012 annual accounts of the Infratek Group.

2) OPERATIONAL SEGMENT REPORTING – Income Statement

Second quarter			First half-year		Year
2012	**2013**	NOK million	**2013**	2012	**2012**
452.8	**495.6**	Local Infrastructure	**870.1**	872.6	**1 894.1**
144.5	**175.0**	Central Infrastructure	**288.2**	256.7	**591.4**
75.2	**85.9**	Security	**167.3**	147.7	**320.6**
2.8	**(0.7)**	Other / eliminations	**0.2**	1.6	**4.3**
675.2	**755.9**	**Total operating revenues**	**1 325.8**	1 278.6	**2 810.5**
21.3	**25.5**	Local Infrastructure	**10.0**	32.9	**103.3**
(1.7)	**4.3**	Central Infrastructure	**(1.5)**	(10.1)	**2.5**
8.2	**6.1**	Security	**5.2**	8.4	**26.0**
(7.4)	**(6.8)**	Other / eliminations	**(14.3)**	(12.8)	**(24.3)**
20.4	**29.2**	**Total operating profit**	**(0.6)**	18.4	**107.5**

3) GEOGRAPHIC SEGMENT REPORTING – Income statement

Second quarter			First half-year		Year
2012	**2013**	NOK million	**2013**	2012	**2012**
300.6	**353.3**	Norway	**622.5**	609.1	**1 309.6**
350.9	**357.8**	Sweden	**629.2**	631.5	**1 407.1**
32.3	**46.4**	Finland	**72.7**	56.2	**162.3**
0.0	**11.2**	Denmark	**23.8**	0.0	**0.0**
(8.5)	**(12.8)**	Other / eliminations	**(22.4)**	(18.2)	**(68.6)**
675.2	**755.9**	**Total operating revenues**	**1 325.8**	1 278.6	**2 810.5**
12.3	**30.5**	Norway	**28.9**	19.4	**79.8**
9.8	**(0.8)**	Sweden	**(26.6)**	3.8	**21.8**
(1.6)	**(1.3)**	Finland	**(4.9)**	(4.8)	**5.9**
0.0	**0.8**	Denmark	**2.0**	0.0	**0.0**
0.0	**0.0**	Other / eliminations	**0.0**	0.0	**0.0**
20.4	**29.2**	**Total operating profit**	**(0.6)**	18.4	**107.5**

4) GEOGRAPHIC SEGMENT REPORTING – Balance sheet

NOK million	Norway	Sweden	Finland	Denmark	Konsern / eliminering	Group total
Intangible assets	166.8	97.6	8.5	8.8	54.2	335.9
Fixed assets	66.9	86.9	20.3	2.3	(20.8)	155.6
Accounts receivables and other receivables	666.5	348.0	45.5	11.0	(272.7)	798.4
Cash and cash equivalents	298.9	(57.9)	47.6	2.3	(219.6)	71.2
Assets	**1 199.2**	**474.7**	**121.9**	**24.4**	**(459.0)**	**1 361.1**
Equity	572.6	240.7	87.2	7.7	(294.5)	613.6
Pension and other liabilities	228.7	6.2	0.0	0.1	(16.1)	218.9
Long-term debt	-	8.6	7.1	6.2	(6.3)	15.6
Current liabilities	397.9	219.1	27.7	10.4	(142.0)	513.0
Equity and liabilities	**1 199.2**	**474.7**	**121.9**	**24.4**	**(459.0)**	**1 361.1**
Equity share	48 %	51 %	72 %	32 %	64 %	45 %

5) EMPLOYEES PER COUNTRY

As of 30 June 2013	Number of employees	Number of man-years	Sick-leave rate 2Q12
Norway	730	721	4.4 %
Sweden	812	810	4.1 %
Finland	134	131	5.4 %
Denmark	134	131	5.4 %
Total	**1 676**	**1 663**	**4.3 %**

6) COMMENTS ON THE SEASONALITY AND CYCLICALITY OF INTERIM OPERATIONS

Infratek's operations are seasonal in nature. However, all segments have historically tended to post improved revenues and profitability throughout the year, with these figures being strongest in the second half of the year. This seasonality is driven by a number of factors including lower activity levels and higher operating costs at the start of the year as a result of colder weather and high voltage levels. The company's customers have historically used the start of the year to plan their investment activities for the year.

7) RELATED PARTY TRANSACTIONS

As of 30 June 2013, Hafslund ASA owned 43.3 percent and Fortum owned 33.0 percent of Infratek ASA's shares, and as such are regarded as related parties. The Infratek Group and the Hafslund and the Fortum groups purchase and sell goods and services between each other.

Examples of sales to companies in the Hafslund and the Fortum groups include sales of services associated with engineering, project management, construction, maintenance, and contingency repairs to electric power grids, fibre optic networks, district heating networks, and highway and street lighting networks. Services are also rendered in connection with legally mandated safety surveillance performed by grid companies in their licence areas (so-called DLE services), and sales, service, and operations monitoring of technical, surveillance, and mechanical security solutions.

As of 30 June 2013, accounts receivables from Hafslund Group companies amounted to NOK 51.1 million, and largely comprised sales of goods and services. Accounts payable to Hafslund Group companies amounted to NOK 3.7 million as of 30 June 2013, and primarily related to purchases of goods and services. Sales of goods and services to the Hafslund Group totalled NOK 201.8 million during the second quarter of 2013. Purchases of goods and services from the Hafslund Group totalled NOK 7.4 million at the end of June.

As of 30 June 2013, accounts receivables from Fortum Group companies amounted to NOK 53.3 million, and largely comprised sales of goods and services. Accounts payable to Fortum Group companies totalled NOK 0.5 million as of 30 June 2013, and mainly related to purchases of goods and services. Sales of goods and services to the Fortum Group totalled NOK 224.0 million during the second quarter of 2013. Purchases of goods and services from the Fortum Group amounted to NOK 3.7 million at the end of the reporting period.

8) LOCAL INFRASTRUCTURE EXPANDS IN DENMARK

Infratek Sikkerhet AS entered into an agreement on 10 January 2013 concerning the acquisition of 51 per cent of the shares in the Danish security company, Plahn Systems A/S. Total revenue for 2012 ended at DKK 29 million. The acquisition is strategically important as it establishes Infratek in Denmark. The agreement is in line with the company's Nordic strategy and will also provide growth opportunities for Infratek within other service segments. As a part of the acquisition, there exists both a sales option and a purchase option related to the remaining 49 per cent of the shares in the company, which fall due in 2018. On the basis of existing options and because Infratek does not have full control over the extent to which non-controlling interest shall be maintained in the future, the purchase is pursuant to IFRS considered as a purchase of 100 per cent of the shares, however with an obligation to pay for the remaining 49 per cent of shares when the option falls due in 2018.

In accounting terms, the acquisition of Plahn Systems A/S has accordingly been treated as a 100 per cent owned subsidiary without non-controlling interest. At the same time, the Group has estimated a future purchase amount concerning the remaining 49 per cent of the shares. At the time of the acquisition, this obligation was estimated at approximately DKK 5.8 million in 2018, which is equivalent to approximately DKK 4.7 million when discounted. This obligation is estimated on the basis of pricing mechanisms set forth in the operation agreements and the estimate will be followed up quarterly. Any changes in the estimated purchase obligation will be recognized in the profit and loss account for the Group under financial items.

The purchase analysis for the acquisition of Plahn Systems A/S is as follows:

Fair value acquired assets:

NOK million	2012
Purchase price 51 %	5.6
Estimated future value of 49 % option	4.7
Total consideration paid	**10.3**
Fair value net assets	2.0
Goodwill	**8.3**

Specification of assets and liabilities in acquisition of 10 January 2013:

NOK million	2012
Property, plant and equipment	1.8
Inventory	2.4
Accounts receivables and other current receivables	11.6
Cash and cash equivalents	2.3
Accounts payable and other current liabilities	(15.0)
Long-term loans	(1.1)
Acquired net assets	**2.0**

With effect from 22 March 2013, Infratek Sikkerhet AS acquired the remaining shares in Eiendomssikring AS. From before, Infratek Sikkerhet owned 85 per cent of the shares. Infratek Sikkerhet exercised the purchase option and in this regard paid NOK 0.9 million for the remaining 15 per cent of the shares. No further goodwill arose as a result of the purchase of the remaining shareholding.

GROUP PRESENTATION

THE INFRATEK GROUP

Infratek is a leading Nordic full-range supplier in the markets for building, operating, and securing critical infrastructure; energy carriers, telecom and technical security solutions. The company's customers are generally large or medium-sized companies and public sector organizations.

Until the spin off and Oslo Stock Exchange listing on 5 December 2007, Infratek comprised the Hafslund ASA business area Technical Services. The Group changed its name from Hafslund Infratek ASA to Infratek ASA on 22 December 2008. On 15 January 2009 Infratek acquired Fortum's contracting business and all its 1,100 employees in Norway, Sweden, and Finland. As of 30 June 2009 Infratek sold its guard services operations to Vakt Service AS.

The Infratek Group currently employs around 1,700 staff and runs operations in Norway, Sweden, and Finland. Infratek is headquartered in Oslo.

LOCAL INFRASTRUCTURE

The Local Infrastructure business area includes products and services within distribution/local grid, street lighting, fibre/telecom, district heating and railway. The business area has operations in Norway and Sweden.

CENTRAL INFRASTRUCTURE

The Central Infrastructure business area focuses on the central grid for power transmission in the Nordic region. This business area includes all products and services for transformer stations, power cables and higher-voltage power lines. The business area has operations in Norway, Sweden and Finland.

SECURITY

The Group's Security business area is an end-to-end supplier of technical security solutions. The product and service range spans alarm systems, CCTV surveillance, access control, electronic anti-theft systems, locks and lock systems, as well as operation of central alarm and security facilities (ASP) for corporate-market customers. A number of power distribution companies contract facility and equipment safety inspection and monitoring services (so-called DLE services) from Security's electrical safety business unit.

BOARD OF DIRECTORS

- Mimi K. Berdal, Board Chairman
- Peter Strannegård
- Dag Andresen
- Kari Ekelund Thørud
- Roger André Hansen, Employee repr.
- Olle Strömberg, Employee repr.
- Rune Tobiassen, Employee repr.

GROUP MANAGEMENT

- Bjørn Frogner, CEO
- Vibecke Skjolde, CFO
- Lars Bangen, Local Infrastructure
- Alf Engqvist, Central Infrastructure
- Lars Erik Finne, Security
- Amund Kristiansen People & Safety

FINANCIAL CALENDAR 2013

• Second-quarter report 13	15 August 2013
• Third-quarter report 13	30 October 2013

ADDRESS AND IR CONTACT

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