ANNUAL REPORT 2013

AVINOR

Every year, approximately
48 million
passengers travel Avinors airports

Avinor is responsible for about
730 000
aircraft movements per year

It is about
3300 employees
in the company

There are approximately
400 000
patient travel by plane each year

100 000 tons
fresh salmon flies out of
Norway each year

Avinor is a self-funded
corporation

GOOD FOUNDATION FOR FURTHER GROWTH

Since the company's founding in 2003, Avinor has solved its social mission within the framework conditions that it has been given. In 2013 the company showed a clear shift towards a more customer-oriented, coherent and efficient group. The social mission we are proud to carry out is a balance between high safety, good revenue generation and the highest possible satisfaction among our customers, the passengers and the airlines. The company is united around a common understanding of who we are and how we shall be perceived and act as a group. The company is on a solid footing, and the dialogue between management and the employee representatives is characterised by mutual trust. I regard this as a good foundation for further development of the group.

Over 48 million passengers travelled to and from Avinor's airports in 2013. In 2014, we will probably pass 50 million passengers. Operating income was almost NOK 10 billion. The profit after tax is NOK 891 million, compared with NOK 855 million in 2012. These are favourable figures, that reflect the economic situation in Norway and a good air transport service across the country. 2013 was also characterised by a stable operating situation despite demanding weather conditions in autumn.

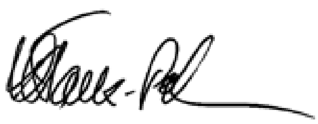
The traffic figures are a good illustration of the capacity and investment challenges Avinor is facing. Almost 23 million passengers passed through the terminal at Oslo Airport in 2013. NOK 14 billion is now being spent on expanding the country's main airport, to enable it to handle around 30 million passengers from 2017 onwards. In recent years Avinor has also invested substantial sums in the basic elements that are critical to good infrastructure, including expanded safety and lighting areas at the airports and new systems for airspace traffic regulation. Going forward, attention will be directed towards investing in capacity-increasing measures that meet the needs of customers and society. In the National Transport Plan for the period 2014-2023 Avinor plans to invest in the order of NOK 24 billion across the country. Considering the effect this will have on employment, business development and the general population from the south to the north, Avinor is regarded as a national cornerstone company.

At the same time competition among the airlines and the global financial crisis are contributing to challenging framework conditions for market participants who are seeing pressure on margins. The airlines are undertaking painful restructurings to meet the new cost-efficiency requirements. Avinor is a part of this reality. Expectations are placed on us - from both customers and authorities - to deliver high quality services at a competitive price. We take this seriously. We shall be involved in forming the future that we want to be a part of - not waiting and seeing what happens.

2014 will be a new year of changes. We have started the process of carrying out organisational adaptations, which form the basis for quicker decision processes and less bureaucracy. We shall simplify reporting regimes where it is appropriate to do so and continuously identify areas where we can deliver better products - or do things more efficiently. When Avinor promises that we shall be more customer-oriented, then it must show in all levels.

And it does show in that we offer cheaper airspace than our nearest neighbours in Scandinavia, Sweden and Denmark. The result is a growth in transatlantic flights through Norwegian airspace. And it also shows in that the travellers at our airports are being offered an increasingly seamless journey, where they can make use of self-service bag drop, self-service boarding and increasingly customised digital platforms (Avinor.no). Here Avinor is heavily involved in the innovation processes and often absorbs much of the costs associated with idea and concept development. We have also embarked on a major modernisation programme which encompasses all the business areas in the company. During the year the air navigation service will also be spun off as a wholly-owned subsidiary of the Avinor Group. The organisational changes will provide the company with the power and flexibility it needs to meet the new competitive regime that is starting to take shape in Europe.

As the Danish founder of JYSK, Lars Larsen, once said: Those who walk in the footsteps of others never come first.



Dag Falk-Petersen
CEO Avinor AS

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When Avinor promises that we shall be more customer-oriented, then it must show in all levels.

HIGHLIGHTS OF 2013

JANUARY

Aviation weather for NOK 43 million

met.no is commissioned by Avinor to supply meteorological services for the next two years. The agreement that is concluded has a value of NOK 43 million.

New environmental report to Klif

The second collection of reports on contaminated soil is submitted to the Climate and Pollution Agency (Klif). The reports are based on a survey of 42 of Avinor's 45 airports.

FEBRUARY

New analysis to Polarsirkelen lufthavnutvikling AS

A new analysis and risk calculation in connection with weather-related access to the new airport in Hauan in Mo i Rana is completed.

Foreign air traffic controllers for Oslo Control Centre

An agreement is signed to hire air traffic control personnel for Oslo Control Centre in Røyken from the Swedish company LFV Aviation Consulting. The air traffic control personnel will be ready to commence work in the summer of 2013. The measure is one of several designed to bolster air traffic control capacity in Eastern Norway.

CNN visits Oslo Airport in the winter

CNN's Richard Quest visits Oslo Airport in an episode of the programme "Business Traveller". The aim is to learn how OSL deals with demanding winter weather conditions. Over the course of a very hectic weekend Richard Quest gets to try the world's biggest motor snow blower, de-ices an aircraft, visits the tower and lands an aircraft in a simulator. The visit attracts a lot of attention and positive reviews in Norway and abroad.

MARCH

New approach procedures at Oslo Airport

New approach procedures are introduced that have been prepared in cooperation with the airlines and will give shorter and more efficient approaches to Oslo Airport.

Green revolution at European airports

Over half of the air passengers in Europe now arrive at airports that are, or will be, carbon neutral. The three Avinor airports Oslo Airport Gardermoen, Trondheim Airport Værnes and Kristiansand Airport Kjevik have participated in the Airport Carbon Accreditation programme since it was launched in 2009. The airports are working purposefully to document greenhouse gas emissions and on measures to curtail them.

Easyjet to Bergen

Easyjet launches its plans to set up operations at Bergen Airport Flesland.

APRIL

2014-2023 National Transport Plan period: Historic investment boost for aviation

In the new National Transport Plan Avinor is planning to undertake investments of NOK 37 billion. This is the largest investment boost since Oslo Airport Gardermoen was built, says CEO Dag Falk-Petersen.

New security checkpoint at Værnes

Trondheim Airport Værnes opens expanded security checkpoint with more space, greater capacity and better technology. The aim is to provide a better experience for the travellers.

Successful unsecured debenture bond issue

Avinor AS has issued a total of NOK 2,450 million of debt in the form of new, unsecured debenture bonds in the Norwegian bond market. The issue was divided between a loan of NOK 450 million with a fixed interest rate of 3.75 % per annum maturing in May 2020 and a loan of NOK 2,000 million with a fixed interest rate of 4.45 % maturing in May 2028. In connection with the issue, Avinor AS has performed a buyback of NOK 453.5 million of AVINOR02.

Declaration of cooperation on developing airspace

The Transport and Communications Ministers in Norway, Sweden, Denmark, Estonia, Finland and Latvia commit in a declaration to continued cooperation to improve the performance of air traffic control services in the various countries.

Norwegian forests can mean climate bonus for air travel

A new report concludes that Norwegian forests could support large-scale production of biofuels, which can be a massive contribution to reducing greenhouse gas emissions from air travel in Norway.

MAY

Avinor uncovers social dumping itself

Social dumping is uncovered at a construction site at Oslo Airport. Good routines and collaboration with the labour unions led to the conditions being revealed and that necessary measures could be implemented.

Airports turn 50

Kirkenes Airport Høybuktmoen, Lakselv Airport Banak and Alta Airport celebrate 50 years of airport operations.

The Government supports Avinor's investment plan

The Government is positive toward Avinor's investment plan of NOK 20.6 billion and is open to Avinor spinning off its air navigation service as a separate subsidiary. This is conveyed in an ownership report presented by the Ministry of Transport and Communications.

JUNE

New control tower in Kristiansand

A new control tower is unveiled at Kristiansand Airport Kjevik, offering improved visibility and also a better working environment for the air traffic controllers.

Avinor gets a new profile

Avinor's new graphic profile is launched!

Biodiversity
Avinor has surveyed the biodiversity at its airports, and will ensure that there is room for flower fields among the aircraft and terminals.

Cooperation for more efficient flights in Northern Europe
Suppliers of air navigation services in Denmark, Sweden, Finland, Estonia, Latvia and Norway resolve to cooperate on the introduction of Free Route Airspace in the countries' airspace.

New loan agreement secures financing for Avinor
Avinor secured future financing by signing an agreement that gives the Group the opportunity to borrow up to NOK 4 billion as required.

Security checkpoints of the future
Avinor presents the aviation industry's plans for future, self-service security checkpoints, known as "screening in motion".

Increasing cooperation on the Norwegian continental shelf
Avinor and Statoil sign an expanded cooperation agreement concerning air navigation services for secure and robust air traffic control in the airspace above the Norwegian continental shelf. The agreement applies to both air traffic control and technical navigation equipment.

JULY
Free internet for students and university employees at 19 airports
Starting in the summer and lasting until the autumn, students and employees of universities and university colleges are being offered easy and free wireless internet access at airports across the country through a wireless service called "eduroam".

Quality reporting
Quality reporting
Avinor selects the company IFS to be the supplier of HSE and risk management reporting systems.

ESA approves charter fund
The EFTA countries' surveillance authority, ESA, approves the charter fund for airports in Northern Norway.

SEPTEMBER
Milestone for Norwegian air safety
Avinor finalises navigation equipment for safer landings and greater regularity at 17 short runway airports in Norway.

New routes to the U.S.
The airline Norwegian is launching new routes with the company's new Dreamliners to Los Angeles (LAX), San Francisco (OAK) and Orlando (MCO) in spring 2014.

BMI Regional flying new direct routes from Stavanger to Northern Norway
BMI Regional will start flying direct routes between Northern Norway and Stavanger in January, in response to the oil and gas industry's need for efficient connections.

Reorganising and streamlining the air traffic control service
Avinor resolves to establish a centralised unit for air traffic control's air traffic service, with local operation from the units in Bodø, Røyken and Stavanger.

NUART took off at Sola
The street art festival Nuart ascends to new heights when the tower at Stavanger Airport becomes a work of art.

OCTOBER
Founding of wholly-owned subsidiary for air navigation services
Avinor's Board of Directors resolves to restructure the company's Air navigation division as a wholly-owned limited company. The subsidiary will be an integral part of the group, but with clearly separated economies between air navigation services and other operations in Avinor. The company will be founded during 2014.

NOVEMBER
Air travel services are the most important for businesses
Air traffic is the most important form of transport for businesses in Bergen, Trondheim and Stavanger. That was the conclusion of a new study commissioned by Avinor and conducted by the Institute of Transport Economics.

New contract with Securitas
Securitas Aviation signs a new contract with Avinor on security checkpoints at 45 airports from Kristiansand in the south to Svalbard in the north.

Self-service bag drop increasingly popular
During the year just over 5 million pieces of luggage will be checked in and placed on the baggage belt by passengers themselves at Avinor's airports. That is over three million more than in 2012.

Future of aviation
What trends and developments will affect aviation in coming years? The question forms the starting point for this year's Avinor conference, which is being held on 6 - 7 November in Oslo.

DECEMBER
Expanded domestic terminal
Trondheim Airport Værnes opens an expanded domestic terminal, and thus becomes one of Norway's most modern airports.

A billion from the air
Avinor's air traffic control centres supply NOK 930 million of air traffic services in Norwegian airspace in 2013. And NOK 120 million comes from airlines that never touchdown in Norway.

33 new international destinations in 2013
During 2013 passengers at Avinor's airports could choose among 33 new international destinations.

REPORT FROM THE BOARD OF DIRECTORS

HIGHLIGHTS

2013 was a new year characterised by high activity and rising passenger volumes at Avinor's airports. The profit after tax increased by NOK 36 million to NOK 891 million and operating income grew to almost NOK 10 billion. Large volumes are putting pressure on the capacity of the major airports, which has led to rising operating expenses. Measures have been implemented to improve the effectiveness of the Group's operations.

The Group has a high level of investments influenced by the expansion of the terminal at Oslo Airport, the new terminal at Trondheim Airport, measures to increase capacity at Stavanger Airport and Bergen Airport and several other sizeable projects. Constuction of a new terminal at Bergen Airport was approved by the Board in March 2014. The new terminal will be ready for use in 2017 an will double the capacity at the airport.

> "A total of 48 million passengers travelled to and from Avinor's airports in 2013. This is twice as many as in 1993, and means that a new passenger record has been reached for the fourth year in a row. International traffic is showing the strongest growth.

A great deal of importance has been attached to measures that promote security and reduce risk, and the Board of Directors notes that in 2013 no aviation accidents have been registered with or without personal injury in Norwegian aviation, in which Avinor was a contributory party.

Major restructuring within the air navigation service, new international regulatory requirements and the need for greater capacity at the largest airports, mean that Avinor has entered a phase that is characterised by significant change and development. Organisational changes, customer orientation and the culture and management development programme have therefore been particularly emphasised in 2013. It has been resolved to spin off the air navigation division as a separate company, wholly-owned by Avinor, with effect from 2014.

The cooperation between the Group's management and employee representatives is regarded as constructive and good.
The employee survey recorded a high level of well-being and generally good results in relation to both previous measurements and external comparisons.

FACTS ABOUT AVINOR AS

Avinor's goal is to facilitate safe, environmentally friendly and efficient aviation in all parts of the country. The Group has two primary business areas, the operation of a nationwide network of airports and the national air navigation service for civilian and military aviation. This encompasses 46 airports in Norway, as well as control towers, control centres and other technical infrastructure for safe flight navigation. Twelve of the airports are operated in cooperation with the Norwegian Armed Forces. Arrangements are being made to facilitate commercial revenue streams from airport hotels, car parks, duty free shops, food and beverage services and other services for air passengers.

Financially, the airport operations are managed as a single unit, in which financially profitable airports finance the financially unprofitable airports. The air navigation service is self-financed through fixed pricing for its services. A performance-based price system was introduced for the air navigation service in Europe, with risk sharing for the customers. Avinor was appointed by the Ministry of Transport and Communications to provide air traffic services in Norwegian air space. The contract runs until September 2014.

The shares in Avinor AS are wholly-owned by the Norwegian state as represented by the Ministry of Transport and Communications. The Ministry of Transport and Communications manages the Norwegian state's ownership of Avinor, and determines the Group's financial frameworks. In addition, the Ministry of Transport and Communications regulates the aviation fees. The Ministry of Transport and Communications is the highest authority for Norwegian aviation and also lays down the Civil Aviation Authority's regulations that have consequences for Avinor's operations. Avinor's head office is located in Oslo.

AVINOR'S SOCIAL BENEFIT

Aviation is of great social benefit in Norway. Two out of every three Norwegians have access to an airport within an hour's drive, and 99.5 per cent of the population can manage a visit to Oslo and be back home on the same day. Aviation employs between 60,000 and 65,000 people and is of great importance to regional growth and accessibility to regional centres.

There are over 200 direct connections between Avinor's airports and international destinations, and the number of direct intercontinental routes is expected to treble over the next ten years. Of all domestic trips 13 per cent are related to the oil and gas sector. Around 600,000 helicopter flights are completed each year to installations on the Norwegian continental shelf.

The importance of aviation to Norwegian tourism is substantial and increasing: Of all tourists who visit Norway 34 per cent arrive by air, and this is the form of transport that is increasing the most. Spending by air tourists in Norway amounts to around NOK 13 billion.

Aviation is also of vital importance to the health sector in Norway: Around 400,000 patients are transported on scheduled flights and there are 30,000 air ambulance movements each year. In addition, around 150,000 journeys are completed each year with assistance for passengers with reduced mobility. Aviation's importance to the health sector is greatest in North Norway, and the structure of hospitals is partly based on the availability of air transport.

Avinor is conducting a new analysis of aviation's social benefit in 2014 in order to improve and update the documentation. Reports were published in 2013 on the social benefits of Stavanger, Bergen and Trondheim airports.

ECONOMY AND FINANCE

Financial results for the Group

The Group's operating income in 2013 was NOK 9,977 million, and the profit after tax was NOK 891 million. The Group had an operating margin of 16.3 per cent in 2013 compared with 18.2 per cent in 2012. Return on total capital after tax was 5.0 per cent compared with 5.4 per cent in 2012. Return on equity in 2013 was 8.0 per cent compared with 8.3 per cent in 2012.

Within airport operations operating income increased by 9.1 per cent in 2013 to NOK 9,008 million. The total number of passengers increased by 4.2 per cent to 48 million, and the consolidated operating income per passenger rose by 4.6 per cent from 2012 to 2013. Traffic income per passenger fell by 0.8 per cent while commercial income per passenger grew by 6.8 per cent. Commercial income accounted for 47.4 per cent of total operating income in 2013, an increase of 2.1 percentage points from the previous year.

The air navigation service reported an increase in operating income in 2013 of 3.3 per cent to NOK 1,898 million compared with the previous year. The traffic volume in 2013 measured in terms of service units and aircraft movements increased by 11.2 per cent and 9.3 per cent, respectively.

The Group's combined operating expenses in 2013 totalled NOK 8,358 million, up 10.4 per cent from the previous year. The higher expenses are principally explained by strong growth in traffic and increased allocated project costs associated with the expansion at Gardermoen. In addition the profit in 2013 is charged with increased provisions for environmental pollutions and others.

Within airport operations, combined operating expenses including depreciation increased by 8.0 per cent from 2012 to 2013. The increase is a result of growth in traffic, capacity increasing construction without disruption of normal operations and provisions for environmental pollutions at the airports. Combined operating expenses increased by 8.6 per cent within the air navigation service.

> “In 2014 Avinor will strengthen its efforts to improve the efficiency of the Group’s operations. The Group’s strategic plan aims at increased productivity and reduced costs per unit.

The net financial result was minus NOK 346 million, compared with minus NOK 356 million in the previous year. Increased borrowing expenses are compensated for by an increased scope of recognising interest for investment projects.

The income tax expense for the year amounted to NOK 382 million.

Cash flow and capital structure

The Group had a net cash flow of minus NOK 642 million in 2013, a reduction from minus NOK 794 million in 2012. The change is principally due to increased investments in property, plant and equipment. The Group acquired NOK 1,572 million in new net interest-bearing debt in 2013 compared with NOK 1,436 million in 2012. Cash flow from operating activities amounted to NOK 2,849 million, while net investments, interest and dividends totalled NOK 5,063 million. Significant accounting items with no cash flow effect are depreciation charges of NOK 1,373 million.

The Group’s total equity at the end of 2013 amounted to NOK 29.9 billion, up 6.4 per cent from the previous year. Equity as a percentage of equity and interest-bearing debt totalled 48.5 per cent compared with 48.1 per cent in the previous year.

The increase in the equity ratio is connected with the Group having changed its assumptions for calculation of the carrying amount of its pension obligations as of 30 September 2013. In accordance with the recommendation from the Norwegian Accounting Standards Board, an interest rate based on covered bonds has been chosen as the basis for the discount rate that is applied to the calculation. New life expectancy assumptions were also applied. This had a net positive effect of NOK 1,058 million on the book equity as of 30 September. In total actuarial gains on pension obligations have had a positive effect on equity of NOK 1,223 million in 2013 as at 31 December.

At year end the Group had long-term liabilities of NOK 11.1 billion, current liabilities were NOK 4.2 billion and provisions for pension obligations and other obligations were NOK 2.6 billion. Liquid assets at the end of 2013 were NOK 0.7 billion. The owner has adjusted it’s claim for share dividend and the company will consider sale of real property. Through these measures the Group will adjust it’s capital structure to running investment requirements.

Financial results for Avinor AS

The parent company Avinor AS had a profit after tax of NOK 332 million in 2013, compared with NOK 394 million in the previous year.
Operating revenues increased by 8.7 per cent to NOK 5,779 million, while operating costs increased by 9.4 per cent to NOK 5,838 million. The operating result was a loss of NOK 48 million, compared with a loss of NOK 28 million in 2012.

The parent company had a net cash flow of minus NOK 645 million, compared with minus NOK 775 million in 2012. The change is principally due to increased investments and loans to subsidiaries. The parent company acquired NOK 2,090 million in net new debt in 2013 compared with NOK 1,953 million in 2012. Cash flow from operating activities amounted to NOK 875 million in 2013, while net investments, interest and dividends totalled NOK 3,611 million. Significant accounting items with no cash flow effect are depreciation charges of NOK 667 million.

The parent company’s total equity as at 31 December 2013 amounted to NOK 21.3 billion, up 8.8 per cent from the previous year.

Allocation of the profit for the year

The Board proposes the following allocation of the profit for the year:

Dividend:	NOK 445 million
To other reserves:	NOK - 113 million

The Board confirms that the company has sufficient equity and liquidity to distribute the proposed dividend.

The 2013 financial statements have been prepared under the assumption that the company will continue as a going concern (cf. Section 3-3 of the Accounting Act) on the basis of forecasts and the calculated present value of estimated future cash flow. See note 17 to the annual accounts for further details.

Risk

The Group places a strong emphasis on safe air traffic management. Procedures and measures have been established to minimise both the risks and consequences of accidents and serious incidents. In addition to aviation-related operating conditions, the business is exposed to financial risk.


AVINOR

Regulatory developments are occurring continuously in domestic and international aviation. The Group's continuous updating of operations to comply with new provisions has financial consequences.

The Norwegian state has defined Avinor as a "category 4" company, i.e. a company with national sectoral policy objectives. This entails, for example, that the Norwegian state sets guidelines for a number of conditions, including airport structure, emergency preparedness, aviation fees and duties imposed by society. Depending on the various political priorities, the scope and organisation of sectoral policy guidelines may change over time.

Avinor's operations are characterised by long-term investments in infrastructure. The management of operations and emergency preparedness are largely regulated by provisions and regulations. The Group therefore has a high percentage of fixed operating costs that vary to a limited extent with changes in traffic volumes. The Group's financial earnings and value are therefore sensitive to traffic fluctuations, and for downturns in traffic there is a risk of an impairment in value with regard to property, plant and equipment on the Group's balance sheet.

Experience has shown that there is a correlation between the general economic development and the demand for air travel over time, while there may be significant deviations in the short term.

Oslo Airport Gardermoen accounts for almost 50 per cent of the Group's operating income and is a key source of funding for the rest of the airport network in Norway. The airport's earnings are exposed to economic cycles and competition from other domestic and international airports.

The Group's traffic income and earnings are exposed to changes in the airlines' schedules and production. The majority of the Group's receivables are from the airlines and are not hedged.

Revenues from commercial offerings at the airports are very important to the Group's funding. Changes in the framework conditions for these activities will have a major impact on the Group's earnings and financial value.

The Group has financial risk in connection with foreign currency, interest rates and energy prices. Financial hedging instruments (derivatives) are used to curtail risk. The Group's long-term debt to the Norwegian state is exposed to changes in the interest rate on long-term government bonds. A significant portion of the Group's other debt has fixed interest rates or is hedged by means of financial derivatives.

When investing the Group's surplus cash, emphasis is given to the issuer's solidity and the liquidity of the investment. The Group's liquid assets are deposited in a bank on negotiated terms.

On 18 February 2011 a cooperation agreement was signed between the Norwegian Armed Forces and Avinor, which, with effect from 2 January 2010, will regulate the distribution of costs and other conditions between the parties where the Norwegian Armed Forces and Avinor operate jointly. There continues to be disagreement between the Norwegian Armed Forces and Avinor on the understanding of the central points of the cooperation agreement. In accordance with the provisions of the co-operation agreement, disagreement may entail the matter going to arbitration.

A petition for a discretionary court assessment to determine the purchase price or an annual user fee for aviation-critical areas that are owned by the Norwegian Armed Forces at Flesland and Værnes airports has been submitted to the court of appraisement.

Following the recommendation from the Government (Proposition 73 S –2011), the Storting resolved that new fighter planes are to be based in Ørland with the advanced base in Evenes. It has been resolved to close down Bodø's main air station. The change in the Norwegian Armed Forces' base structure alters the present joint operations between civil and military aviation in Bodø, and it will have major financial consequences for Avinor's future operating and investment costs.

In connection with capacity expansions at Oslo Airport Gardermoen, there is disagreement between the Norwegian National Rail Administration and Avinor regarding the development of the railway station and the principles for the distribution of costs. In cooperation with the Ministry of Transport and Communications efforts are being made to find a solution to the disagreement.

In connection with the pension settlement in 2005, it was determined that public service pensions shall be adjusted for life expectancy and made subject to the new pension adjustment rules. The life expectancy adjustment will entail that employees will have to work longer in order to achieve pension benefits corresponding to what has been the case up until now. The rules for those who were born after 1953 have, however, not been clarified, and therefore they have not been taken into consideration in the accounts.

The airports have discharge permits that require risk assessments to identify potential sources of acute pollution that represent a risk of damage to the external environment.

Work is continuing on reducing the risk of incidents that harm the environment occurring, at the same time as existing pollution is being surveyed and cleaned up. Environmentally hazardous additives in fire extinguishing foam, which has spread to the natural environment, have been detected at all the airports. Work is currently being conducted to clarify the scope of measures that will need to be implemented. As a basis for this work, risk assessments have been conducted of the potential harm to persons and the external environment from these pollutants. The economic consequences of this work depend on the extent of the localities that require measures to be implemented, as well as the authorities' requirements and the measures available.

CORPORATE GOVERNANCE

The Board of Directors has prepared a separate statement on corporate governance in accordance with the Norwegian Code of Practice for Corporate Governance (NUES). This statement is enclosed as an annex to this report.

The Group's subsidiaries have their own boards comprised of external participants, intra-group managers and employees. The appointment of the Board of Directors and the Board's work in subsidiaries shall be in accordance with the Group's principles of good corporate governance.

TRAFFIC DEVELOPMENT, PUNCTUALITY AND REGULARITY

The total number of passengers at Avinor's airports increased to 48 million in 2013. This is a growth of 4.2 per cent and a new passenger record for the fourth year in a row.

> “International traffic has been growing more quickly than domestic for several years, and accounted for 38.5 per cent of Avinor's total number of passengers in 2013.

Avinor's principal business partners among the airlines are SAS, Norwegian and Widerøe, with 39, 34 and 10 per cent respectively of the passenger volume. In total these represent 83 per cent of the passengers.

The number of commercial aircraft movements (scheduled, charter, cargo and offshore) increased in 2013 by 1.8 per cent compared with 2012, totalling 731,000.

If we view all the aircraft movements for Avinor's airports in total, there were 831,000 departures or landings in 2013, up 2 per cent from the previous year. In addition are the flyovers in Norwegian airspace, which rose by over 12 per cent in 2012.

The Group's internal target for punctuality and regularity is 88 per cent and 98 per cent, respectively. Achieving this target depends on the concerted efforts of the airports, airlines and providers of airport-related services, in addition to the weather conditions. Punctuality at Avinor's airports (arrivals for scheduled and charter) fell to 86 per cent. Regularity, a measure of the percentage of scheduled flights that are actually operated, was 98.1 per cent in 2013.

AIR SAFETY AND HSE

The regulatory requirements in the area of air safety follow from Norway's international obligations through the EEA and ICAO (the UN's International Civil Aviation Organisation). The Norwegian Civil Aviation Authority implements provisions that Avinor is required to comply with based on these obligations. The concept of air safety encompasses both safety and security.

Avinor participates actively in international work, such as the development of new aviation-related regulations in Europe and airport regulations in particular. The primary aim in terms of air safety is for Avinor to develop a highly qualified and effective level of safety in all of its activities in order to avoid accidents and serious incidents.

The degree of reporting in the Group is consistently high, with an increase in 2013. Follow-up of irregularities is given a strong emphasis in all parts of the Group. Notifications of irregularities are risk-classified and form the basis for further processing in the divisions.

Several internal and external audits of various airports and business partners have been performed. In addition, a number of external authorities have inspected Avinor, including EFTA's surveillance authority, ESA and the Civil Aviation Authority. The discrepancies that were found have been dealt with by implementing corrective measures.

There have been no aviation accidents with or without personal injury in Norwegian aviation in which Avinor was a contributory party in 2013. There was 1 (7) incident which under the definition set out in the regulation (BSL A 1-9) is categorised as a serious aviation incident

in which Avinor was an indirectly contributory party. Extreme weather in autumn 2013 resulted in individual incidents which on subsequent inspection may be categorised as serious.

In the field of bird and wildlife control, Avinor has developed a programme for tablet computers, for registering the occurrence of birds and animals at the airports, as well as registering implemented measures. At the same time there is a continuous focus on risk analyses in the work to reduce the risk of collision between aircraft and birds.

Avinor is implementing several major projects that are intended to optimise Norwegian airspace in relation to greater safety, secure future capacity, standardise and streamline service provision and reduce negative environmental impact. One of the projects is Southern Norway Airspace Project (SNAP) which aims to establish a new airspace organisation for large parts of Western Norway, Møre & Trøndelag.

Projects have also been established to promote safe and efficient operation of the air traffic control service. Bodø Oceanic ATM System (BOAS) is a new air traffic controller system for managing and monitoring en route traffic in the Bodø Oceanic Control Area.

"For the air traffic control's en route service it has been decided to establish one centralised unit with local operation from the units in Bodø, Røyken and Stavanger.

Through SESAR Avinor has agreed, among other things, to participate in testing remotely operated towers for AFIS duties. In autumn 2012 Avinor started testing remotely operated towers at Værøy heliport. Signals are transmitted from this location to a work station situated at Bodø airport, where the air traffic is being controlled during the test period. The test gave good results, and Avinor has planned further test activities in 2014. A process has also been initiated to enter into a contract for long-term collaboration with a supplier of technology. SCAT-I (precision approach system based on GPS) was finalised in 2013, and has been installed and brought into use at 17 of the company's airports in the short runway network.

There continues to be emphasis on the risk of terrorist actions against aviation. The work on implementing new regulations for analysing fluids has emphasised finding technical solutions that have the least possible impact on the throughput of travellers in the security areas and the passengers' travel experience.

Avinor participates in the Ministry of Transport and Communication's work on strategic, overall risk and vulnerability analyses (SOROS). The project is aimed at all the ministries' subordinate agencies and companies and has the purpose of strengthening emergency preparedness vis-à-vis major national crises that impact across sectors and areas of authority.

A number of companies operate at Avinor's airports. As the principal company Avinor has the coordinating responsibility for HSE at the airports. Through the Group's investment programme, Avinor is also the client, which means that safety, health and working environment considerations at the building or construction site are safeguarded. In 2013 a total of 47 (42) workplace accidents resulting in employee injuries were reported. 9 (11) of these resulted in absence. The Group's LTI was 1.8. The T2 project (Oslo Airport Gardermoen) is being carried out at an airport that is in full operation, and the project entails extensive airside building activity. The work has been carried out without any serious accidents thus far. In 2013 the project had an H value of 2.0 (the industry average for construction projects is 7.3).

The air navigation services and ground services at Bergen Airport Flesland were awarded the Civil Aviation Authority's reporting prize for 2013.

CORPORATE SOCIAL RESPONSIBILITY

Avinor actively follows up expectations for the company's corporate social responsibility in the Articles of Association, in national and international conventions, guidelines and standards. These are related in particular to the environment and environmental measures, human rights, workers' rights and work against corruption. In 2014 the company will join the UN Global Compact initiative and present a separate report on the work with corporate social responsibility by 1 June this year.

The external environment

One of Avinor's aims is to be a driving force in environmental work in aviation and actively contribute to improving the industry's total environmental performance. The external environment is an integral part of Avinor's management system and follows the principles set out in ISO 14001. This involves continuous improvement in all phases from planning, execution and monitoring to corrective actions. In 2013 Oslo Airport has prepared its environmental management system for certification in accordance with ISO 14001 and will be certified in 2014. Moreover, Avinor is continuing to work on a process involving review and revision of the environmental management system with a view to potential ISO 14001 certification in 2014 or 2015.

A permit is required for emissions linked to aircraft and runway de-icing, as well as fire drill activities, under the Pollution Control Act. All of Avinor's airports have discharge permits. In order to ensure that the operations and condition of the technical installations at the airports satisfy the discharge permits from the County Governors and comply with the Pollution Control Act and regulations pursuant thereto, a project has been initiated to study and carry out the necessary measures at Avinor's airports. This project will be carried out during the period from 2010 to 2016.

In 2010 Avinor found that soil was contaminated with PFOS, a substance containing fluorine that is not decomposed in nature and that has been used as an additive in fire extinguishing foam. Avinor phased out the use of PFOS in 2001, and the substances were banned in Norway in 2007. Extensive studies were carried out in 2011 and 2012 at all of the Group's former and current fire exercise areas. This work was continued in 2013. There is a need for measures at several airports, but there is little experience in Norway and internationally with handling this type of pollution. Avinor will study measures and submit them to the Norwegian Environment Agency for approval.

> "Avinor surveys greenhouse gas emissions from its own operations.

The results are presented in the Group's social responsibility report. Comprehensive energy conservation projects have been initiated at many airports, and at the same time we are focusing on renewable sources of energy and more energy-efficient vehicles. This is producing results, but it must still be noted that the Group's greenhouse gas emissions are very weather-dependent, and will vary somewhat from year to year. In addition to implementing special measures, Avinor compensates on its own initiative for the remaining emissions by investing in emission rights through the UN's green development mechanism. The airports in Oslo, Trondheim and Kristiansand have also been accredited by the Airport Carbon Accreditation programme.

Energy-efficient and environmentally friendly buildings are key to Avinor. For example the west terminal at Trondheim Airport Værnes has been built in accordance with the BREEAM excellent standard, which means significantly lower energy consumption than in the applicable technical regulations, requirements for environmentally friendly building materials, and an environmental focus throughout the project. The expansion of the terminal at Oslo Airport is being built in accordance with the same standard and highly innovative energy solutions are planned to be incorporated.

Avinor has continued its cooperation with the airlines and the Federation of Norwegian Aviation Industries to reduce greenhouse gas emissions from aviation. Adding synthetic biofuel to conventional jet fuel has been certified, and as part of the follow-up of "Sustainable and Socially Beneficial Air Travel - 2nd Report" from 2011 a comprehensive study has been carried out that concludes with the potential for production of sustainable biofuel for aviation in Norway. The report concludes that such production can be viable from the period 2020-2025. Avinor has therefore decided to use up to NOK 100 million over a 10-year period on measures that can realise Norwegian production of sustainable biofuel for aviation.

In order to manage and conserve areas that are important with respect to biological diversity at airports, Avinor is conducting a multi-year project that will provide a comprehensive survey of biological diversity. All the airports that Avinor operates are now surveyed and a number of rare, endangered species and areas that are important with respect to biological diversity have been identified.

All the airports where Avinor has mapping responsibility have updated aircraft noise maps in accordance with the current guidelines (T-1442). Updated surveying in accordance with the Pollution Control Regulations shows that introduction of the helicopter type Sikorsky S92 for offshore transport has led in some cases to extensive obligations to introduce measures in order to comply with indoor noise limits in residential housing around Stavanger Airport Sola and Bergen Airport Flesland. The survey in 2013 indicates that Avinor does not have an obligation to introduce measures under the Pollution Control Regulations at any other airports.

Environmental responsibility and corporate social responsibility are integrated into the Group's procurement policy, and the Group's proprietary environmental requirements are key elements in the procurement processes in connection with for example de-icing compounds and waste management. In 2013 the work with procurement and the environment was further strengthened through a comprehensive study on how Avinor can safeguard sustainability in the procurement processes in line with DIFI's applicable recommendations and guidelines, among others.

Impartiality, corruption and safe notification

A special purchasing strategy has been developed in Avinor to assure the quality of the Group's purchasing routines. The routines supplement the regulations for public procurements, and will ensure competitiveness and appropriate contract coverage to achieve economies of scale and ensure local contract coverage. Suppliers undergo a prequalification prior to possible participation in the competition for a contract with the company. A final and enforceable judgment against a business for participation in a criminal organisation or for corruption, fraud or money laundering may be grounds for exclusion from the competition.

Any personnel who will be participating in procurements on behalf of the Avinor Group must assess their own impartiality in relation to the relevant procurement in advance.

Board members and management personnel are required to submit an annual statement concerning close associates. The Board has established ethical guidelines that apply to the Board and all members of staff. 93 per cent of all Avinor employees have completed the course on ethical guidelines. The guidelines specify that corruption, bribes and anticompetitive behaviours in violation of competition rules are not tolerated. External suppliers are subject to the guidelines and are requested to comply with these guidelines. Consideration is being given as to whether to include the guidelines in the standard contracts. Further activities in relation to ethical awareness are planned for 2014.

Avinor has established a compliance function that shall monitor the Group's compliance with external and internal regulations relating to corruption/misconduct and ethical rules. Work is underway on developing an anti-corruption programme.

Avinor has appointed a committee that will handle notifications of reprehensible conditions in all parts of the organisation. The committee has established routines for processing the notifications in a prudent manner. In 2013 the committee has considered two notifications. The cases were resolved at the end of 2013. In addition, work is underway on establishing a channel for receiving and processing notifications from external parties; this work is expected to be completed during 2014.

Research and development

Participation is continuing in the Single European Sky Air Traffic Management Research Joint Undertaking programme (SESAR-JU) which is aviation's largest research and development programme ever, and this work is undertaken in collaboration with groups such as the NORth European and Austrian CONsortium (NORACON) which is a group of air navigation services from eight countries.

Avinor has focused R&D collaboration with Norwegian research institutions and academia within areas that improve aviation safety. Research on turbulence warning has continued in conjunction with the Norwegian Meteorological Institute, SINTEF and NTNU, and together with the Ministry of Transport and Communications, the Norwegian Meteorological Institute and the Norwegian Institute for Air Research (NILU) research is being conducted within volcanic ash notification. There is a close collaboration with NTNU, where research is being carried out into friction on snow and ice to obtain safer landings, and Avinor has gained the assistance of the Norwegian Public Roads Administration to contribute with support to a Ph.D. that researches asphalt quality.

Environmental work in Avinor is important, and research into biofuels is a major focus area. There are several activities within the environmental sciences, and in conjunction with UiT The Arctic University of Norway student work is being carried out into the risk of an environmental accident at a regional airport.

By focusing on the customers, Avinor has been granted approval for an application to the Norwegian Design Council concerning starting a pilot study on how the world's best airport should be designed. This research assignment takes as its starting point the design of an entirely new airport, but at the same time will give Avinor good insight into what can be improved in our current airports.

In addition to national R&D activities Avinor is also active in both Europe and globally in order to be able to follow and stimulate increased research and development that covers our needs. The research must be long-term and predictable, and this long-term focus will give Avinor a solid basis for finding new innovative solutions and streamlining operations in our airports in the years ahead.

The initial focus areas are safety, the environment and improved services for the travellers and the operators, but Avinor follows social developments and has a need for research that contributes to better design, rationalisation and adaptations of aviation in a global society that develops at exponential rates.

Avinor as sponsor

In June the Group's executive management team adopted the sponsorship strategy for Avinor. The sponsorship strategy encompasses the whole of Avinor - the airports, the air navigation service and Avinor's central operations. Avinor's sponsorships shall contribute to strengthening Avinor's reputation and support for the business, bolster the employees' pride in their own workplace and contribute to positive associations with Avinor. Sponsorships shall predominately be directed towards local measures and activities for children and youths. Many airports have given their support to local teams and associations in 2013, but implementation of the sponsorship strategy will first have full effect from the 2014 budget year. In 2013 Avinor supported "Nabosamarbeid i Bjørvika (The neighbour partnership in Bjørvika)" under the auspices of the Church City Mission, as well as the Norwegian Red Cross and Save the Children Norway in connection with aid for the victims of flooding in the Philippines. Avinor's Christmas present also went to the Church City Mission - to the campaign "Gled en som gruer seg til jul (Make someone happy who is dreading Christmas)". An agreement has also been signed with the environmental organisation Zero, whereby Avinor provides financial support to Zero. Zero provides specialist support to Avinor in connection with the work on developing biofuel for aviation in Norway.

AVINOR'S REPUTATION

Avinor's reputation among the general public is characterised by a high level of familiarity but little knowledge. Little knowledge results in a reputation that is not very robust, where individual news items and events can easily influence people's impression of the company. In November 2013 an initial measurement of the strength of Avinor's brand was conducted. The survey, which will be conducted annually, shows that 94 per cent of the population (assisted recall) have heard of Avinor. In order to enhance Avinor's reputation it is not greater familiarity with Avinor, but more knowledge of what Avinor actually does - what tasks are within Avinor's remit, that must be strengthened.

PERSONNEL AND ORGANISATION

There were 3,156 (3,109) permanent employees in the Group at the end of the year. Permanent and temporary employees performed work corresponding to 3,249 (3,218) full-time equivalents. The average age of all employee groups in the Group was 44.4. The average age of managers was 50.2.

The percentage of women among permanent employees was 22.1 per cent, among managers it was 21.3 per cent. The percentage of women in the executive management was 30.0 per cent. The diversity strategy is in progress and will be completed in the first half of 2014. Emphasis is placed on ensuring that employees shall have equal opportunities in the Group, irrespective of gender, age, disability, ethnicity or cultural background. Avinor has systematised performance reviews that ensure a neutral salary and career development.

Absence due to illness was 4.5 per cent (4.7 per cent) in 2013. Long-term absence due to illness (more than eight weeks) was 1.0 per cent (0.4 per cent). The Group's Inclusive Working Life target for absence due to illness is 4.5 per cent or lower.

Avinor's strategy plan for 2014-2020 entails restructuring and change processes for the entire Group.

Organisational changes and the culture and management development programme have been particularly emphasised in 2013.
For example in IT there has been a consolidation where the following three areas have been emphasised:

- Gather IT expertise from the divisions and Oslo Lufthavn AS in Group IT.
- Set up anew management model for interaction and project implementation.
- Maintain stable operations and strengthen the strategy and business development functions.

The decision has been made to spin off the air navigation division as a separate company, wholly-owned by Avinor, with effect from 2014. Substantial organisational adaptations have been carried out in the division during 2013.

Collaboration between the Group's management and the employee representatives is considered to be constructive and good.
The employee survey recorded a high level of well-being and generally good results in relation to both previous measurements and external comparisons. Three out of four employees have a high or very high commitment. The Group has worked actively to reduce breaches of the working time regulations in the Working Environment Act. The number of breaches has been reduced by 41 per cent.

OUTLOOK AND FRAMEWORK CONDITIONS

Based on the positive Norwegian trends, we expect there to be continued growth in air traffic. Hence it is presumed that the high level of current activity and investments will continue in order to address the social mission of good regional, national, European and intercontinental air service. Avinor will continuously consider sale of real property in order to adjust the Group's capital structure to investment requirements in core business.
The Board is concerned with ensuring that Avinor contributes to national and regional development. This takes place through efficient and safe aviation services, but also through active collaboration with local stakeholders and close dialogue with other relevant parties for development at the airports and the relevant regions.

Major internal restructuring within the air navigation service, new international regulatory requirements and greater need for increased capacity at Gardermoen and Flesland airports in particular, mean that Avinor has entered a phase that is characterised by significant challenges. Emphasis is placed on ensuring good and efficient internal processes, good cost control in operations and in the projects, and meeting the expectations of the airlines, travellers, regulator and supervisory authorities as well as from the Ministry of Transport and Communications as the owner. The Board therefore closely monitors the Group's earnings, operating costs, financing and regulatory framework.

The Board would like to thank all the employees and partners for their efforts in 2013.

Oslo, 28 March 2014

Ola Mørkved Rinnan
Board Chairman

Ola H. Strand
Vice Chairman

Eli Skrøvset

Anne Breiby

Dag Hårstad

Tone L. Hofstad

Per Erik Nilsen

Olav Aadal

Grete Ovnerud

Heidi Anette Sørum

Dag Falk-Petersen
CEO

AVINOR BOARD OF DIRECTORS 2013

OLA MØRKVED RINNAN
Born: 1949
Role: Chairman

Occupation: CEO Eidsiva Energi AS
Member of the board since: 2010

Education: Sivilingeniør fra NTNU 1972 and Bachelor økonomi NHH 1985.

OLA H. STRAND
Born: 1957
Role: Member of the board

Member of the board since: 2012

Education: Trondheim Økonomiske Høgskole 1980 and
MBA Strategisk ledelse ved NHH 1998.

TONE L. HOFSTAD
Born: 1972
Role: Styremedlem

Occupation: CEO Habu Technology AS
Member of the board since:: 2013

DAG HELGE HÅRSTAD
Born: 1962
Role: Member of the board

Occupation: CEO of the
Treatment Centre for Substance Abuse at Central Norway Regional Health Authority
Member of the board since: 2007

Education: Flyvelederskolen 1984 and Luftfartsverkets lederutviklingsprogram (LUP) 2002.

ELI SKRØVSET
Born: 1965
Role: Member of the board

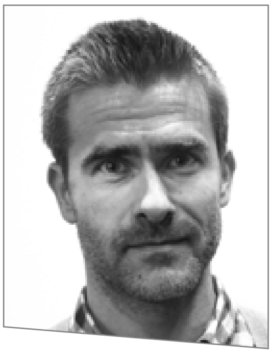
Occupation: CFO Eksportkreditt Norge
Member of the board since: 2011

Education: Siviløkonom NHH 1990 and AMP ved Hardvard Buisness School 2008

ANNE BREIBY
Born: 1956
Role: Member of the board

Occupation: Self employed
Member of the board since: 2012

Education: Lærerskolen Hamar 1979 and Cand. Scient i fiskeribiologi Universitetet i Tromsø 1985



PER ERIK NILSEN
Born: 1977
Role: Member of the board, employee-elected

Occupation: Airport service
Member of the board since: 2013

OLAV AADAL
Born: 1967
Role: Member of the board, employee-elected

Occupation: Air Traffic Controller
Member of the board since: 2013

GRETE OVENRUD
Born: 1966
Role: Member of the board, employee-elected

Occupation: Air Traffic Controller
Member of the board since: 2011

HEIDI SØRUM
Born: 1967
Role: Member of the board, employee-elected

Occupation: Traffic Planner
Member of the board since: 2011

CORPORATE GOVERNANCE IN THE AVINOR GROUP

Good corporate governance in Avinor aims to ensure that the maximum possible value is created and business risk is curtailed. The company's core values and ethical guidelines are a basic premise for corporate governance in Avinor.

Avinor has issued bonds that are listed on Oslo Børs. Section 3-3b of the Norwegian Accounting Act stipulates that companies under a statutory accounting obligation which issue securities in accordance with Section 5-4 of the Securities Trading Act must provide a report on their policies and practices for corporate governance either in the Annual report of the Board of Directors or in a document referred to in the Annual report of the Board of Directors. Point 3.10 in Oslo Børs' document entitled "Bond regulations – entry requirements and ongoing obligations" states that the borrower shall provide an account of their policies and practices relating to corporate governance in a similar manner. The Norwegian Accounting Act may be found at www.lovdata.no. Oslo Børs' regulations are available at www.oslobors.no.

As the owner, the state focuses on ensuring that state-owned companies adhere to "the Norwegian Code of Practice for Corporate Governance". The Board attaches importance to following this recommendation regarding the Group's corporate governance whenever possible.

The Norwegian Code of Practice for Corporate Governance may be found at www.nues.no.

1. STATEMENT ON CORPORATE GOVERNANCE

The aim of the Norwegian Code of Practice for Corporate Governance is to ensure that companies that are listed on regulated markets in Norway practice corporate governance that clarifies the role of the shareholders, the board of directors and the day-to-day management beyond what follows from legislation.

This statement has been prepared in accordance with the framework of the Norwegian Code of Practice for Corporate Governance dated 23 October 2012, with the adjustments that are required due to the fact that Avinor is a wholly state-owned limited company. In addition to the general provisions of the Limited Liability Companies Act, special provisions apply to state-owned limited companies.

The basic premise for Avinor's operations is that safety is paramount and is prioritised ahead of any other considerations. After which, the greatest emphasis is placed on rendering effective services to the customers and society.

Avinor Group's vision is that we shall create valuable relations. Individuals, companies and society shall value and receive clear value from the business' deliveries. The behavioural values are open, responsible, dynamic and customer-oriented.

The Group's ethical guidelines were most recently revised in spring 2012. The ethical guidelines apply to Board members, employees, contracted personnel and others who work for the Group. The guidelines set out basic rules of personal conduct and business practices, and express the Group's attitudes in interactions with customers, suppliers, colleagues and the general community.
The ethical guidelines may be found at www.avinor.no. The Group is preparing a separate document on corporate social responsibility. It will be available at www.avinor.no during the first half of 2014.

BUSINESS

Avinor is a group with activities in the transport sector in

Norway. The parent company Avinor AS is wholly owned by the Norwegian state represented by the Ministry of Transport and Communications. The Group's head office is in Oslo. The company's operations are described in the Articles of Association.

- The company's role in society is to own, operate and develop a national network of airports for the civilian sector and a joint air navigation service for the civilian and military sectors.
- The company's operations shall be carried out in a safe, efficient and environmentally-friendly manner and ensure good availability for all groups of travellers.
- The operations may be run by the company itself, by wholly-owned subsidiaries, or by other companies it has interests in or cooperates with.
- The company shall be self-financed to the greatest possible extent through its own revenues from its principal activities and business activities in connection with the airports. Financially profitable units shall finance financially unprofitable units internally within the company.
- The company shall carry out the duties imposed by society as stipulated by its owner.

The company's Articles of Association may be found at www.avinor.no.

Avinor has the responsibility for managing a unified system of 46 airports and the joint air navigation service in Norway. The business is based on safeguarding and developing key social responsibilities in all parts of the country, and must be operated with safety as a high priority and with an emphasis on environmental considerations. To meet the owner's demands, strategic primary objectives have been established within economics and finance, society and the environment, aviation safety and HSE, customers and partners and personnel and organisation.

3. EQUITY AND DIVIDENDS

The company's share capital is NOK 5,400,100,000, divided into 540,010 shares, each with a par value of NOK 10,000. The company's equity at any given time shall correspond at least to 40 per cent of the sum total of the company's recognised interest-bearing loans and equity at any given time.

Avinor AS is a wholly state-owned limited company. The shareholders' rights are safeguarded by the responsible cabinet minister or his deputy at the General Meeting. The General Meeting is not bound by the distribution of dividends proposed by the Board of Directors. Dividends are declared each year. The Office of the Auditor General monitors the management of the Norwegian state's interests and can carry out any inspections that it deems necessary.

The Board of Directors does not have the authority to increase the share capital.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

Avinor AS has one class of shares. The shares are not listed on a stock exchange and there are no transactions involving the shares.

Intra-group agreements are entered into in accordance with the arm's length principle on ordinary commercial terms. All such agreements are made in writing.

Transactions with close associates

The Board is not aware of any transactions during 2013 between the company and its shareholders, Board members, executive employees or close associates of these that may be characterised as being not immaterial transactions.

Board members and executive employees are required to submit an annual statement concerning close associates.

Guidelines for Board members and executive employees

The Group's ethical guidelines contain a separate point on how to handle conflicts of interest. In which it is stated that an employee shall never participate in or attempt to influence a decision if he/she has a conflict of interest or questions may be raised about the employee's impartiality. Group employees can take on second jobs or directorships in addition to their main employment in Avinor as long as these do not conflict with the employee's duty of loyalty, impartiality and the proper performance of their duties.

The guidelines also contain provisions on impartiality. If there is doubt whether the person concerned is impartial the issue must be discussed with the most immediate manager.

The State as shareholder

Avinor is wholly-owned by the Norwegian state. The Ministry of Transport and Communications convenes quarterly meetings with the company. During these meetings, the company updates the owners about operations, financial developments and other conditions considered to be relevant to the owner at that time. No decisions are reached at these meetings, and the company does not receive any guidelines for how it shall respond to individual issues.

A meeting on corporate social responsibility is convened once a year.

FREELY NEGOTIABLE SHARES

There are no provisions in the Articles of Association that entail any limitations in the negotiability of the company's shares.

GENERAL MEETINGS

The Transport and Communications Minister constitutes the company's General Meeting and is the company's highest authority. In accordance with Section 20-5 of the Limited Liability Companies Act, the Ministry of Transport and Communications is responsible for calling the Annual and Extraordinary General Meetings. The Ministry of Transport and Communications also determines how the meetings will be called. Notice of the meeting must be issued at least one week prior to the date of the Annual General Meeting, cf. the Limited Liability Companies Act Section 20-5 cf. Section 5-10.

The Annual General Meeting shall be held each year by the end of the month of June. In accordance with the Articles of Association, the Annual General Meeting shall approve the annual report and accounts, including the distribution of dividends. It also considers approval of the auditor's remuneration, determines the remuneration of the Board for the current year and appoints shareholder-elected members of the Board and considers any other matters that, according to law or the Articles of Association, shall be dealt with by the General Meeting.

The members of the Board of Directors, CEO and auditor who audited the previous year's accounts shall be invited to the General Meeting. The Board Chairman and CEO are obligated to attend the General Meeting. The other Board members as well as the auditor and the Office of the Auditor General are entitled to attend the meeting.

The agenda is set by the Ministry of Transport and Communications.

The minutes of the General Meeting are available to the public.

NOMINATION COMMITTEE

The General Meeting of Avinor AS consists of the Norwegian state represented by the Ministry of Transport and Communications. The General Meeting has not appointed a Nomination Committee.

8. CORPORATE ASSEMBLY AND BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

The company's Articles of Association stipulate that the Board of Directors shall consist of seven to ten members. Five or six of the members, including the Board Chairman and Vice Chairman, are elected by the General Meeting. Two or three Board members and alternates shall be elected directly by and from among the employees pursuant to the provisions of the Limited Liability Companies Act concerning the employees' right to representation on the company's Board of Directors. The company does not have a corporate assembly in accordance with an agreement with the employees, but in accordance with the Articles of Association it is entitled to elect an extra Board member and alternate.

In 2009 the Corporate Democracy Committee approved the corporate scheme whereby employees of Avinor AS and its subsidiaries may be elected to the Board of Directors. The number of employee representatives was increased from three to four at the same time upon clarification with the owner. After this the Board consists of six shareholder-elected members and four representatives that are elected by and from among the employees. The percentage of women among the board members is 50 per cent.

The Board Chairman is elected by the General Meeting. All Board members are elected for a term of two years.

The Ministry of Transport and Communications does not have its own Board members, but in accordance with the Norwegian state's principles of good corporate governance all Board members are expected to seek to safeguard the common interests of the company and shareholders. The composition of the Board of Directors is such that, in aggregate, it can safeguard the owner's interests and the company's need for skills, capacity and diversity. Executive employees are not members of the Group's Board of Directors, and they do not own shares in the company.

The owner has a meeting with each Board member once a year.

At the turn of the year 2013/2014 the Board of Directors consisted of:

Chairman since 2010 Ola Mørkved Rinnan, 64 years old, CEO of Eidsiva Energi AS
Vice Chairman since 2012 Ola H. Strand, 56 years old
Board member since 2007 Dag H. Hårstad, 51 years old, CEO of the Treatment Centre for Substance Abuse at Central Norway Regional Health Authority
Board member since 2011 Eli Skrøvset, 48 years old, CFO Eksportkreditt Norge
Board member since 2012 Anne Breiby, 56 years old, self-employed
Board member since 2013 Tone Lindberg Hofstad, 41 years old, CEO Habu Technology AS

AVINOR BOARD OF DIRECTORS

DAG FALK-PETERSEN
CEO

EGIL THOMPSON
Director Communications, Brand and Public Relations

ANDERS KIRSEBOM
Chief Executive Air Navigation

JON SJØLANDER
Executive Vice President Strategy

MARI HERMANSEN
Executive Vice President HR and Legal

MARGRETHE SNEKKERBAKKEN
Executive Vice President National, Regional and Local Airports Division

LASSE BARDAL
Executive Vice President International Airports Division

NIC. NILSEN
Managing Director, Oslo Airport

PETTER JOHANNESSEN
CFO

Note: From 1.4.2014 Division Large Airports dissolves and Managing Directors at Sola, Flesland and Værnes will from then be included in the Board of Directors.

Employee-elected Board member since 2011 Grete Ovnerud, 47 years old
Employee-elected Board member since 2011 Heidi A. Sørum, 46 years old
Employee-elected Board member since 2013 Olav Aadal, 46 years old
Employee-elected Board member since 2013 Per Erik Nilsen, 36 years old

Kristin Vangdal, 49 years old, was replaced by Tone Lindberg Hofstad at the General Meeting in 2013. Vangdal had then been a member of the Board since 2002.

In spring 2013 elections were held for employee representatives to the Board. Per Erik Nilsen and Olav Aadal replaced the employee-elected members Helge Løbergsli (member since 2002) and Christian Berge (member since 2009). The employee-elected Board members have deputy representatives. Employee elections are conducted every other year.

Information on the individual Board members is available at www.avinor.no.

10 Board meetings were held in 2013. The meetings were fully attended, with only very few exceptions.

WORK OF THE BOARD OF DIRECTORS

The Board of Directors follows the requirements stipulated for the management and supervision of the company pursuant to the Limited Liability Companies Act. In accordance with the Articles of Association, the Board of Directors shall ensure that the company is socially responsible. The Board of Directors' tasks are stipulated in separate rules of procedure. These rules of procedure are reviewed annually and updated in the event of changes to the relevant regulations or otherwise as required. The Board of Directors sets out an annual agenda for its work, with a special focus on goals, strategies and implementation. The Board of Directors assesses its work and competence on an annual basis.

The rules of procedure contain a separate section on impartiality in which it is stated that the individual board member him/her self is responsible for informing the Board as to the circumstances of a conflict of interest, and must refrain from participating in deliberations or decisions where the member has a conflict of interest. In case of doubt the matter shall be submitted to the Board Chairman. The minutes of the Board meetings shall reflect when one of the Board members is disqualified due to a conflict of interest in a particular case.

New Board members are sent relevant information on the company and the work of the Board. This information is also available through the electronic board portal.

The CEO's responsibilities and duties are defined in instructions adopted by the Board of Directors. These instructions are reviewed and updated as required.

The Board has established an Audit Committee as a preparatory and advisory body for the Board of Directors with respect to its responsibility for financial reporting, auditing, internal control and overall risk management. A set of instructions for the committee's work has been prepared. These instructions are reviewed annually and updated as required. The committee has met on five occasions in 2013.

At the turn of the year 2013/2014 the committee consisted of
Eli Skrøvset (Chair)
Dag H. Hårstad
Grete Ovnerud

The Board of Directors has also established a compensation committee to act as a preparatory subcommittee in matters relating to remuneration of executive employees in the company. The committee shall prepare guidelines for and cases concerning remuneration of executive employees and carry out continuous assessment and monitoring of the Group's policy in this area. A set of instructions for the committee's work has been prepared. These instructions are reviewed and updated as required. The committee has met on two occasions in 2013.

At the turn of the year 2013/2014 the committee consisted of
Ola H. Strand (Chair)
Anne Breiby
Heidi Sørum

RISK MANAGEMENT AND INTERNAL CONTROL

In order to ensure comprehensive management of the company, a separate management system has been prepared, which consists of management documents, contingency plans, safety procedures and processes for the management and control of the operations.

An annual risk assessment of the group's activities is performed, and measures to manage the risk situation are evaluated and implemented. The Board of Directors reviews the company's risk management and internal control on an annual basis.

As part of the Group's internal control system Avinor has established an internal audit function. The Group's internal audit function works in accordance with a mandate adopted by the Board and pursuant to standards laid down by the Institute for Internal Auditors.

The company's appointed auditor shall review management's dispositions annually.

Systems for internal control and risk management related to the financial reporting process

Avinor's ethical guidelines and core values establish the foundation for a good internal control environment with respect to financial reporting together with the company's organisation, management fora and reporting lines.

Business and support processes that are essential to financial reporting have been identified. This includes processes related to investment projects, revenues, financial items, closing of accounts and IT systems that support these processes. Overall risk is managed and assessed centrally, while transaction management is subject to both centralised and decentralised controls. Considerable importance is attached to thorough documentation and assessment of important valuation items.

Control measures are carried out in the ongoing production of accounts and through continuous financial monitoring. Systems for the evaluation/monitoring of the internal control related to the financial reporting process is under development and assessed on a continuous basis.

REMUNERATION OF THE BOARD OF DIRECTORS

The General Meeting determines the remuneration of the Board of Directors. Remuneration is not performance-based and no options are issued to board members. Shareholder-elected Board members generally do not perform any special tasks for the company beyond their position on the Board of Directors. Remuneration of the Board members is specified in a note to the annual financial statements.

Remuneration of the Board members amounted to NOK 2,196,000 in 2013. The remuneration is broken down as follows: The Board Chairman received NOK 388,500, the Vice Chairman received NOK 235,000, other Board members received NOK 193,500. Alternates receive NOK 9,500 for each meeting they attend.

Members of the Audit Committee received remuneration totalling NOK 130,000 in 2013, comprising NOK 59,000 to the Chairman and NOK 35,500 to the other two members.

Members of the Remuneration Committee received remuneration totalling NOK 20,000 in 2013, comprising NOK 10,000 to the Chairman and NOK 5,000 to the other two members.

REMUNERATION OF EXECUTIVE EMPLOYEES

The Board of Directors appoints the CEO and stipulates the CEO's salary following preliminary consideration by the compensation committee. The Board of Directors evaluates the CEO's work and salary terms on an annual basis following preliminary consideration by the compensation committee.

The CEO informs and recommends to the compensation committee the remuneration for executive employees who report to the CEO.

The Board of Directors has prepared a statement on the determination of salaries and other remuneration of executive employees. The statement is discussed at the Annual General Meeting.

The remuneration of executive employees is specified in note 24 to the annual financial statements.

INFORMATION AND COMMUNICATION

Public information on the Group is provided by the Group's management. Each year the Group prepares a financial calendar indicating the dates for the publication of financial information. This financial calendar is available on the company's website and the Oslo Børs website. Financial information is published in the form of a stock exchange notice before it is made available on www.avinor.no.

The Group presents a complete set of annual financial statements in conjunction with the Annual Report of the Board of Directors and the Annual Report at the end of the month of March. Accounting figures are reported quarterly.

In accordance with the Articles of Association, the Board of Directors shall submit a plan for the operations, including subsidiaries, to the Transport and Communications Minister each year. The contents of the plan shall include the following:

- Description of the status of the market and the Group, including the development of the Group since the last plan was published.
- The highlights of the Group's operations for the coming years, including any major restructuring,

development and discontinuation of existing operations, or development of new operations.
• The Group's investment level, important investments and financing plans.
• Assessments of the financial development during the plan period.
• Report on measures and results of the company's social role, duties imposed by society and corporate social responsibility.

The Board of Directors shall submit any major changes to plans that have previously been submitted to the Transport and Communications Minister.
· Report on measures and results of the company's social role, duties imposed by society and corporate social responsibility

The Board of Directors shall submit any major changes to plans that have previously been submitted to the Transport and Communications Minister.

TAKE-OVERS
Avinor AS is wholly owned by the Norwegian state represented by the Ministry of Transport and Communications. Accordingly this point in the Code of Practice is not regarded as relevant to the company.

AUDITOR
Avinor has an independent external auditor appointed by the General Meeting based on a recommendation from the Board of Directors. The auditor submits a plan for the auditing work to the Board of Directors annually. Each year the auditor prepares a letter to the Board of Directors (Management Letter), which summarises the audit of the company and the status of the company's internal control.

Ernst & Young AS was elected new external auditor for Avinor AS as from 2013 by the General Meeting 26th June 2013.

The auditor has an annual meeting with the Board of Directors without the management being present. The auditor also has an annual meeting with the Audit Committee without the management being present. The auditor is entitled to attend the company's General Meeting.

The auditor's remuneration is broken down into auditing and other consulting services, and it is specified in a note to the financial statements. The General Meeting shall approve the auditor's remuneration.

AVINOR GROUP – MAIN FIGURES

Amounts in MNOK	Year		
	2013	2012	2011
Traffic income	**2 956,6**	2 860,2	2 665,3
Security (cost based)	**1 132,5**	948,7	1 092,4
Other income	**4 727,0**	4 245,5	3 803,3
Inter-group income	**192,1**	201,4	195,0
Total income airport operations	**9 008,2**	8 255,8	7 756,0
En route charges	**945,6**	947,0	954,4
Inter-group income approach and control tower services	**734,7**	745,9	733,8
Other income	**217,4**	144,2	103,1
Total income air navigation services	**1 897,7**	1 837,1	1 791,3
Other group income (a)	**545,2**	474,1	459,6
Elimination of inter-group income	**-1 473,5**	-1 414,9	-1 385,1
Total group income	**9 977,6**	9 152,1	8 621,8
Operating expenses airport operations (a)	**-5 751,7**	-5 255,2	-4 887,7
Operating expenses air navigation services	**-1 877,0**	-1 715,3	-1 608,1
Other operating expenses group	**-829,4**	-678,3	-731,2
Elimination of inter-group expenses	**1 473,5**	1 414,9	1 385,1
Total group expenses	**-6 984,6**	-6 233,9	-5 841,9
EBITDA airport operations	**3 256,5**	3 000,6	2 868,3
EBITDA air navigation services	**20,7**	121,8	183,2
EBITDA others	**-284,2**	-204,2	-271,6
EBITDA group	**2 993,0**	2 918,2	2 779,9
Depreciation, amortisation and impairment charges	**-1 373,5**	-1 335,7	-1 258,7
Changes in value and other (losses)/gains, net	**0,1**	-20,3	-35,8
Operating profit/(loss)	**1 619,6**	1 562,2	1 485,4
Net finance income/(costs)	**-346,0**	-355,9	-295,0
Profit/(loss) before income tax	**1 273,6**	1 206,3	1 190,4
Income tax expense	**-382,7**	-351,6	-346,8
Profit/(loss) after tax	**890,9**	854,7	843,6
EBITDA-margin airport operations	**36,2 %**	36,3 %	37,0 %
EBITDA-margin air navigation services	**1,1 %**	6,6 %	10,2 %
EBITDA-margin others	**30,0 %**	31,9 %	32,2 %
Investments airport operations	**3 793,2**	3 883,1	2 441,5
Investments air navigation services	**116,1**	78,1	75,6
Investments others	**229,9**	123,4	93,3
Total investments	**4 139,2**	4 084,6	2 610,4
Distributed dividends	**-463,4**	-421,8	-504,0
Cash flow before borrowings	**-2 214,3**	-2 229,6	-563,1
Net interest-bearing debts	**12 734,9**	11 187,8	9 752,7
Total assets	**29 911,0**	28 109,2	25 848,5
Equity ratio (b)	**48,5 %**	48,1 %	51,6 %
Return on total capital after tax	**5,0 %**	5,4 %	5,7 %
Number of passengers (in 1000)	**48 330,0**	46 357,0	44 278,0
Number of aircraft departures (in 1000)	**731,1**	669,0	648,0
Number of service units (in 1000)	**2 050,9**	1 845,0	1 713,0
Punctuality	**86%**	86%	88%
Regularity	**98%**	98%	99%

(a) Exclusive of inter-group leases on land
(b) In accordance with Article 11 of the company's Articles of Association

INCOME STATEMENT

Avinor AS Year ended 31 December 2012	2013	All amounts in MNOK	Note	Avinor Group Year ended 31 December 2013	2012
		Operating income			
3 041,9	3 193,1	Traffic income	5,7	5 026,6	4 755,8
1 648,9	1 958,8	Sales and rental income	5,7	4 939,0	4 374,6
626,9	627,1	Other operating income		12,0	21,7
5 317,7	*5 779,0*	*Total operating income*		*9 977,6*	*9 152,1*
		Operating expenses			
96,7	112,5	Raw materials and consumables used		169,1	142,6
2 665,2	2 860,9	Employee benefits expense	8,11	3 406,4	3 172,8
624,1	667,0	Depreciation, amortisation and impairment charges	16,17,11	1 373,5	1 335,7
1 946,3	2 194,2	Other operating expenses	10,11	3 409,1	2 918,5
5 332,3	*5 834,6*	*Total operating expenses before changes in value and other losses/gains, net*		*8 358,1*	*7 569,6*
-14,6	*-55,6*	*Operating profit/(loss) before changes in value and other losses/gains, net*		*1 619,5*	*1 582,5*
-13,5	7,3	Changes in value and other losses/(gains) - net	12	0,1	-20,3
-28,1	**-48,3**	**Operating profit/(loss)**		**1 619,6**	**1 562,2**
617,2	805,5	*Finance income*	13	72,5	61,1
179,2	275,9	*Finance costs*	13	418,5	417,0
438,0	**529,6**	**Net finance costs**		**-346,0**	**-355,9**
409,9	**481,3**	**Profit before income tax**		**1 273,6**	**1 206,3**
16,2	149,5	*Income tax expense*	14	382,7	351,6
393,7	**331,8**	**Profit for the year**		**890,9**	**854,7**
		Attributable to:			
393,7	331,8	Owners of the parent		890,9	854,7

The notes (note 1 to 32) are an intergral part of these consolidated financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Avinor AS Year ended 31 December 2012	 2013	 All amounts in MNOK	 Note	Avinor Group Year ended 31 December 2013	 2012
393,7	**331,8**	**Profit for the year**		**890,9**	**854,7**
		Other comprehensive income			
		Items that will not be reclassified to profit or loss			
-560,4	1 442,2	Actuarial gains/(losses) on post employment benefit obligations	25	1 698,0	-677,5
156,9	-403,8	Tax effect	15	-475,4	189,7
0,0	-1,5	Change in tax rate, effect deferred tax assets/-liabilities		-2,0	0,0
-403,5	*1 036,9*	*Total items that will not be reclassified to profit or loss, net of tax*		*1 220,6*	*-487,8*
		Items that may be subsequently reclassified to profit or loss			
19,3	0,0	Cash flow hedges	19	33,4	-3,7
-5,4	0,0	Tax effect	15	-9,4	1,1
13,9	*0,0*	*of tax*		*24,0*	*-2,6*
-389,6	**1 036,9**	**Other comprehensive income for the year, net of tax**		**1 244,6**	**-490,4**
4,1	**1 368,7**	**Total comprehensive income for the year**		**2 135,5**	**364,3**
		Attributable to:			
4,1	1 368,7	Owners of the parent		2 135,5	364,3

The notes (note 1 to 32) are an intergral part of these consolidated financial statements.

BALANCE SHEET

Avinor AS As at 31 December 2012	Avinor AS As at 31 December 2013	All amounts in MNOK	Note	Avinor Group As at 31 December 2013	Avinor Group As at 31 December 2012
		ASSETS			
		Non-current Assets			
		Intangible assets			
2 238,9	1 632,4	Deferred tax assets	15	2 037,0	2 577,4
46,4	31,4	Other intangible assets	16	31,4	46,4
2 285,3	*1 663,8*	*Total intangible assets*		*2 068,4*	*2 623,8*
		Property, plant and equipment			
8 589,6	9 761,2	Property, plant and equipment	17	20 397,3	18 255,5
2 261,7	2 438,1	Assets under construction		5 181,4	4 552,3
10 851,3	*12 199,3*	*Total property, plant and equipment*		*25 578,7*	*22 807,8*
		Financial assets			
672,0	853,1	Investments in subsidiaries	6	0,0	0,0
3 196,4	4 571,3	Loans to group companies	31	0,0	0,0
22,7	0,0	Derivative financial instruments	19	7,5	22,9
8,6	30,2	Other financial assets	20	130,8	79,0
3 899,7	*5 454,6*	*Total financial assets*		*138,3*	*101,9*
17 036,3	***19 317,7***	***Total non-current assets***		***27 785,4***	***25 533,5***
		Current Assets			
15,7	24,6	Inventories		24,6	15,7
1 240,2	1 301,5	Trade and other receivables	21	1 423,4	1 242,9
0,2	0,0	Derivative financial instruments	19	3,9	1,4
1 289,3	644,2	Cash and cash equivalents	22	673,7	1 315,7
2 545,4	***1 970,3***	***Total current assets***		***2 125,6***	***2 575,7***
19 581,7	**21 288,0**	**Total assets**		**29 911,0**	**28 109,2**

Oslo, 28 March 2014

Ola Mørkved Rinnan
Chairman

Ola H. Strand
Vise-chairman

Eli Skrøvset

Anne Breiby

Dag Hårstad

Tone L. Hofstad

Per Erik Nilsen

Olav Aadal

Grete Ovnerud

Heidi Anette Sørum

Dag Falk-Petersen
CEO

Avinor AS As at 31 December 2012	2013	All amounts in MNOK	Note	Avinor Group As at 31 December 2013	2012
		EQUITY AND LIABILITIES			
		Equity			
		Restricted equity			
5 400,1	5 400,1	Share capital	23	5 400,1	5 400,1
5 400,1	*5 400,1*	*Total restricted equity*		*5 400,1*	*5 400,1*
		Retained earnings			
3 169,9	4 018,7	Other equity	24	6 569,3	4 956,6
3 169,9	*4 018,7*	*Total retained earnings*		*6 569,3*	*4 956,6*
8 570,0	***9 418,8***	***Total equity***		***11 969,4***	***10 356,7***
		Provisions and liabilities			
		Provisions			
3 315,0	2 018,7	Retirement benefit obligations	25	2 347,9	3 875,1
159,1	151,8	Other provisions	26	252,9	190,2
3 474,1	*2 170,5*	*Total provisions*		*2 600,8*	*4 065,3*
		Non-current liabilities			
0,0	0,0	State loan	27	3 860,4	4 304,8
22,4	18,2	Derivative financial instruments	19	113,3	142,8
4 345,8	5 913,1	Other non-current liabilities	27	7 129,0	5 662,2
4 368,2	*5 931,3*	*Total non-current liabilities*		*11 102,7*	*10 109,8*
		Current liabilities			
700,0	800,0	Commercial papers	27	800,0	700,0
366,8	247,7	Trade payables		481,7	591,2
144,6	2,4	Tax payable	14	383,1	358,2
130,6	154,7	Public duties payable		172,5	159,9
4,9	13,7	Derivative financial instruments	19	22,6	11,2
7,8	405,6	First annual instalment on long-term liabilities	27	945,5	520,9
1 814,7	2 143,3	Other current liabilities	26,28	1 432,7	1 236,0
3 169,4	*3 767,4*	*Total current liabilities*		*4 238,1*	*3 577,4*
11 011,7	***11 869,2***	***Total liabilities***		***17 941,6***	***17 752,5***
19 581,7	**21 288,0**	**Total equity and liabilities**		**29 911,0**	**28 109,2**

STATEMENT OF CHANGES IN EQUITY

Avinor AS: All amounts in MNOK	**Share capital**	**Other reserves**	**Other equity**	**Total eqity**
Balance at 1 January 2012	**5 400,1**	**-703,4**	**4 291,0**	**8 987,7**
Profit for the year			393,7	393,7
Actuarial gain/(loss) on post employment benefit obligation - net of tax		-403,5		-403,5
Cash flow hedge		13,9		13,9
Total comprehensive income for the year	*0,0*	*-389,6*	*393,7*	*4,1*
Transactions with owners:				
Reduction of capital			0,0	0,0
Dividends relating to 2011			-421,8	-421,8
Total transactions with owners	*0,0*	*0,0*	*-421,8*	*-421,8*
Balance at 1 January 2013	**5 400,1**	**-1 093,0**	**4 262,9**	**8 570,0**
Profit for the year			331,8	331,8
Actuarial gain/(loss) on post employment benefit obligation - net of tax		1 038,4		1 038,4
Change in tax rate, effect deferred tax assets/-liabilities		-1,5		-1,5
Cash flow hedge		0,0		0,0
Total comprehensive income for the year	*0,0*	*1 036,9*	*331,8*	*1 368,7*
Others:				
Change in tax rate, effect deferred tax assets/-liabilities			*-56,5*	-56,5
Total others	*0,0*	*0,0*	*-56,5*	*-56,5*
Transactions with owners:				
Dividends relating to 2012			-463,4	-463,4
Total transactions with owners	*0,0*	*0,0*	*-463,4*	*-463,4*
Balance at 31 December 2013	**5 400,1**	**-56,1**	**4 074,8**	**9 418,8**

Avinor Group: All amounts in MNOK	**Share capital**	**Other reserves**	**Other equity**	**Total eqity**
Balance at 1 January 2012	**5 400,1**	**-828,7**	**5 842,9**	**10 414,3**
Profit for the year			854,7	854,7
Actuarial gain/(loss) on post employment benefit obligation - net of tax		-487,8		-487,8
Cash flow hedge		-2,6		-2,6
Total comprehensive income for the year	*0,0*	*-490,4*	*854,7*	*364,3*
Transactions with owners:				
Reduction of capital			0,0	0,0
Dividends relating to 2011			-421,8	-421,8
Total transactions with owners	*0,0*	*0,0*	*-421,8*	*-421,8*
Balance at 1 January 2013	**5 400,1**	**-1 319,1**	**6 275,8**	**10 356,7**
Profit for the year			890,9	890,9
Actuarial gain/(loss) on post employment benefit obligation - net of tax		1 222,6		1 222,6
Change in tax rate, effect deferred tax assets/-liabilities		-2,0		-2,0
Cash flow hedge		24,0		24,0
Total comprehensive income for the year	*0,0*	*1 244,6*	*890,9*	*2 135,5*
Others:				
Change in tax rate, effect deferred tax assets/-liabilities			*-59,3*	-59,3
Total others	*0,0*	*0,0*	*-59,3*	*-59,3*
Transactions with owners:				
Dividends relating to 2012			-463,4	-463,4
Total transactions with owners	*0,0*	*0,0*	*-463,4*	*-463,4*
Balance at 31 December 2013	**5 400,1**	**-74,5**	**6 644,0**	**11 969,4**

The notes (note 1 to 32) are an intergral part of these consolidated financial statements.

STATEMENT OF CASH FLOWS

Avinor AS Year ended 31 December 2012	Avinor AS Year ended 31 December 2013	All amounts in MNOK	Note	Avinor Group Year ended 31 December 2013	Avinor Group Year ended 31 December 2012
		Cash flow from operating activities			
617,6	967,3	Cash generated from operations*		3 155,0	2 875,9
57,5	52,5	Interest received		58,1	58,2
-13,4	-144,6	Income tax paid		-363,6	-351,7
661,7	***875,2***	***Net cash generated from operating activities***		***2 849,5***	***2 582,4***
		Cash flow from investing activities			
-2 074,1	-2 134,2	Investments in property, plant and equipment (PPE)	16,17	-4 182,9	-3 914,7
0,0	0,0	Purchases of PPE from other group companies		0,0	0,0
0,0	75,3	Proceeds from government grants		75,3	0,0
11,0	8,6	Proceeds from sale of PPE, including assets under construction		8,8	13,2
-1 250,0	-1 550,0	Group loans		0,0	0,0
0,0	0,0	Group repayment of borrowings		0,0	0,0
108,5	162,0	Group interests		0,0	0,0
451,2	565,9	Net group contribution/dividend		0,0	0,0
-7,1	-15,9	Change in other investments		-14,2	-5,9
-2 760,5	***-2 888,3***	***Net cash used in investing activities***		***-4 113,0***	***-3 907,4***
		Cash flow from financing activities			
1 507,8	2 450,0	Proceeds from borrowings		2 450,0	1 507,8
-254,4	-459,6	Repayment of borrowings		-977,7	-772,2
700,0	100,0	Net proceeds/repayment of short term borrowings (commercial papers)		100,0	700,0
-207,6	-229,8	Interest paid		-458,2	-482,9
0,0	-29,2	Other borrowing charges		-29,2	0,0
-421,8	-463,4	Dividends paid to owner		-463,4	-421,8
1 324,0	***1 368,0***	***Net cash generated/used in financing activities***		***621,5***	***530,9***
-774,8	-645,1	Net (decrease)/increase in cash, cash equivalents and bank		-642,0	-794,1
2 064,1	1 289,3	Cash, cash equivalents and bank overdrafts at beginning of	22	1 315,7	2 109,8
1 289,3	***644,2***	***Cash, cash equivalents and bank overdrafts at end of year***		***673,7***	***1 315,7***

Cash generated from operations*

Avinor AS Year ended 31 December 2012	Avinor AS Year ended 31 December 2013	All amounts in MNOK	Avinor Group Year ended 31 December 2013	Avinor Group Year ended 31 December 2012
409,9	481,3	Profit before income tax	1 273,6	1 206,3
624,1	667,0	Depreciation	1 373,5	1 335,7
-1,5	1,1	(Profit)/loss on disposals of non-current assets	0,9	3,5
1,5	9,0	Changes in value and other losses/(gains) - net (unrealised)	11,3	2,5
-438,0	-529,6	Net finance costs	346,0	355,9
-32,9	-64,3	Change in inventories, trade receivables and trade payables	-130,0	-79,1
133,5	139,7	Difference between post employment benefit expense and amount paid/re	163,2	143,3
-31,5	121,5	Change in other working capital items	116,5	-92,2
-47,5	141,6	Change in group receivables and payables	0,0	0,0
617,6	***967,3***	***Cash generated from operations***	***3 155,0***	***2 875,9***

		In the cash flow statement, proceeds from sale of PPE comprise:		
9,5	9,7	Net book amount	9,7	16,7
1,5	-1,1	Profit/(loss) on disposals of PPE	-0,9	-3,5
11,0	8,6	Proceeds from disposal of PPE	8,8	13,2

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Avinor AS and its subsidiaries (together 'the group') own, manage and develop aviation infrastructure and systems by facilitating safe and efficient aviation. The group also renders services within the same areas together with other activities that add to the group's main business, including commercial development.
The Avinor group's headquarters are located in Oslo, Dronning Eufemias gate 6.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.
The accounting policies set out below do also apply to the preparation of the financial statements of Avinor AS.

2.1. Basis of preparation

The consolidated financial statements of Avinor have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

The consolidated financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) recognised partly at fair value through profit or loss and partly (cash flow hedges) in other comprehensive income.

The whole of Avinor group's operations have been defined as one cash-generating unit (CGU). The group's economic model is based on the assumption that there isfull cross-subsidisation between profitable and unprofitable airports as well as all areas of operations (overall system). The group has a distinct expressed objective to develop, within the overall system, commercial activities in order to provide capital for unprofitable activities (social considerations/responsibilities) and reduce the level of traffic charges. Due to this the group assess that a solution where the group's operations are evaluated as a whole, presents a true and fair view of the operations.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in particular.

2.1.1 Changes in accounting policy and disclosure
(a) New and amended standards adopted by the group
The following standards have been adopted by the group for the first time for the financial year beginning on or after 1 January 2013 and have a material impact on the group:

Amendment to IAS 1 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

IAS 19, 'Employee benefits' was amended in June 2011. The changes on the group's accounting policies has been as follows: to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability. The group already use the option in the present IAS 19 and recognise actuarial gains or losses in OCI. See note 25 for the impact on the financial statements.

IFRS 13 'Fair value measurement' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs.
The group uses fair value measurement for some of its assets and obligations. The implementation has had no material impact on the financial statements.

(b) New standards, amendments and interpretations not yet adopted
A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January, and have not been applied in preparing these consolidated financial statement.

IFRS 9 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 require financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The group is yet to assess IFRS 9's full impact. The group will also consider the impact of the remaining phases of IFRS 9 when completed by the Board. IFRS 9 will be effective from 1 January 2018.

IFRS 12 'Disclosure of interest in other entities' includes disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

There are no other IFRSs or IFRIC interpretation that are not yet effective that would be expected to have a material impact on the group.

2.2. Consolidation

Subsidiaries

The consolidated financial statements encompasses Avinor AS and all entities over which Avinor AS has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. As at 31 December 2013 all subsidiaries are wholly owned.

Inter-company transactions, balances and unrealised gains/losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

2.3. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group management.

2.4. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction, except transactions from En Route income which are translated using a fixed exchange rate.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Non-monetary assets and liabilities measured at historical cost denominated in foreign currencies are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities measured at fair value denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Foreign exchange gains and losses are recognised in the income statement. The functional currency of the group companies is NOK.

Foreign exchange gains and losses that relate to receivables, liabilities, cash and cash equivalents are considered to be operational and have been classified as changes in value and other losses/(gains) - net.

2.5. Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Land and housing are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	10 - 50 years
Infrastructure	5 - 40 years
Runways and other related assets	15 - 50 years
Vehicles	10 - 20 years
Other non-current assets	5 - 15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6. Intangible assets

Separately acquired intangible assets are shown at historical cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Intangible assets are carried at cost less accumulated depreciation and amortisation.

Internally generated intangible assets, with the exception of development costs that are recognised as intangible assets, are recogised as an expense as incurred. Development costs are recognised as an intangible asset when all the criterias in IAS 38 are met.

The useful life of an intangible asset is either finite or indefinite. Intangible assets with finite useful life are amortised using the straight-line method to allocate the cost over their estimated useful lives. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Method of amortisation and estimated useful life is reviewed at least at the end of each reporting period. Changes in method and/or estimated useful life is accounted for as changes in estimates.

Computer software

Costs associated with purchasing new computer software are recognised as an intangible asset, unless it is a part of the acquisition of hardware. Amortisation is calculated using the straight-line method to allocate the cost over their estimated useful life, normally 5 years. Costs associated with maintaining computer software programs or maintaining future usage of computer software programs are expensed unless the changes enhance the future usage of the program.

2.7. Leases

(i) The group as a lessee

Finance leases

Leases where the group has substantially all the risks and rewards of ownership are classified as finance leases. Leases with contingent rents are expensed.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

(ii) The group as a lessor

Operating leases

The group presents rental assets as non-current assets in the balance sheet. Rental income is recognised in income on a straight-line basis over the period of the lease.

2.8. Government grants
A government grant is recognised at fair value when there is reasonable assurance that the group will comply with the conditions attached to it, and that the grant will be received. Government grants are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants related to assets are presented in the statement of financial position by deductingthe grant to arrive at the carrying amount of the asset.

2.9. Impairment of non-financial assets
Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For thepurpose of assessing impairment the whole group is defined as one cash generating unit (CGU). The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the income statement. The recoverable amount is the highest of the cash-generating unit's fair value less cost to sell and its value in use.

2.10. Shares in subsidiaries
Shares in subsidiaries are recognised at cost at the acquisition date and are classified as a long-term investment. The shares are assessed whether there is any indication that their carrying amount exceeds the amount to be recovered through use or sale.

2.11. Financial assets
2.11.1 Classification
The group classifies its financial assets in the following categories: At fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are derivatives with a positive fair value.
Assets in this category are classified as current if expected realisation is within 12 months after the end of the reporting period.

(b) *Loans and receivables*
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, excepts for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise 'trade and other receivables' in the balance sheet.

2.11.2 Recognition and measurement
Regular purchases and sales of financial assets are recognised on the trade-date - the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Thereafter they are carried at amortised cost.
Financial assets carried at fair value through profit and loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

2.11.3 Impairment of financial assets
The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment loss is recognised when the loss is material and assumed to last for a longer period of time.
Do not apply to financial assets at fair value through profit and loss.

2.12. Derivative financial instruments and hedging activities
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:
(a) Hedges of the fair value of recognised assets, liabilities or a firm commitment (fair value hedge)
(b) Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge)

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of hedging derivatives is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a currentasset or liability.

The group normally defines derivatives related to borrowings as hedging derivatives and as designated and qualified for hedge accounting.

The group uses derivative financial instruments related to the purchase of energy and foreign currency. For energy, forward energy contracts are purchased at Nasdaq OMX. None of these derivatives qualify for hedge accounting.

Changes in the fair value of derivatives that do not qualify for hedge accounting are, depending on whether the derivative is related to operating or financing activities, recognised in the income statement within 'changes in value and other losses/gains - net' or within 'finance cost'. Both derivatives are recognised at fair value through profit or loss.

(a) Fair value hedge
Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The group only applies fair value hedge accounting for hedging fixed interest risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in the income statement within finance costs'. The gain or loss relating to the ineffective portion is recognised in the income statement within 'changes in value and other losses/(gains) - net'. Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognised in the income statement within 'finance costs'.

(b) Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised in the income statement within 'net finance costs'.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in the income statement within 'finance costs'.
When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

2.13. Financial liabilities
The group classifies its financial liabilities in the following categories: At fair value through profit or loss and other financial liabilities. The classificationdepends on the purpose for which the financial liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

(a) Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss are derivatives with a negative fair value. Derivatives are initially recognised at fair value. Subsequent changes in fair value are recorded in the income statement.
Assets in this category are classified as current if expected realisation is within 12 months after the end of the reporting period.

(b) Other financial liabilities
Other financial liabilities are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Other financial liabilities are recognised intially at fair value and subsequently measured at amortised cost using the effective interest method. They are included in current liabilities, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current liabilities.

2.14. Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

2.15. Trade receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.16. Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.17. Share capital and share premium reserve
Ordinary shares are classified as equity.

2.18. Trade payables
Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19. Borrowings
Borrowings are recognised initially at fair value. Borrowings are subsequently carried at amortised cost using the effective interest method, except for borrowings hedged with a derivative fair value hedge, which is also carried at fair value in subsequent periods. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.20. Current and deferred income tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised. Deferred income tax assets are assessed against future taxable income and are evaluated separately.

2.21. Employee benefits

Pension obligations
The pension schemes are generally funded through payments to Statens Pensjonskasse (the Norwegian Public Service Pension Fund, SPK), determined by periodic actuarial calculations. The group has a defined benefit plan. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, dependent on one or more factors such as years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflow using interest rates of high-quality corporate bonds (or long-term treasury bonds) that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Changes in assumptions, basic data and the benefits of the pension plan which have as an effect an accounting loss or gain will be set off against equity through other comprehensive income in the period they occur.
A change in the benefits which refers to previous periods of earning implies a change in the pension plan which is a cost related to previous periods of earning. A negative cost occurs when the benefits are changed in such a way that the present value of the projected benefits are reduced.

The pension scheme is not directly funded. The pension payments are guaranteed by the Norwegian government (Section 1 of the Pensions Act). Administration of the allocated fund (fictitious fund) is simulated as if the funds were placed in long-term government bonds.
The pension scheme is not movable in the same way as private pensions schemes and it is assumed that the pension scheme will be continued in SPK. In the simulation it is assumed that the bonds are held to maturity. The pension fund is therefore estimated at nominal value plus the return on the fund.

Severance pay
Until 31 December 2005 all employees given notice were entitled to severance pay. The obligation is recognised in the financial statement at present value of the defined benefits at the balance sheet date.

2.22. Provisions
Provisions are recognised when: the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.
When the effect is material, provisions are determined by discounting expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2.23. Revenue recognition
Revenue comprises the fair value of the consideration received or receivables for the sale of goods and services in the ordinary course of the group's activities.
Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the group.
Revenue is recognised as follows (most of the group's revenues consist of civil aviation fees and rent from property leases (note 7)):

(a) Sale of traffic and real estate services
Revenue from services is recognised in the period the services are provided. For spesification, see note 7.
Revenue from property leases with fixed lease payment is recognised in the period the services are provided, using a straight-line basis over the term of the contract.
Revenue from property leases with revenue-based lease payments is recognised when it is earned.
Revenue from sale of real estate property is recognised when the risk and control of the object is transferred to the buyer, normally at the time of disposal.

(b) Sale of goods
Revenue from sale of goods are recognised in the period the goods is delivered.

(c) Dividend income
Dividend income is recognised when the right to receive payment is established.

2.24. Dividend distribution
Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders.

2.25. Events after the reporting period
New information after the reporting period about conditions that existed at the end of the reporting period is recognised in the financial statement. Events after the reporting period affecting the group's future financial position are disclosed if material.

3. Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme seeks to minimise the volatility of the group's financial performance.
The group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department under policies approved by the board of directors.
Group treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units.
The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Market risk

(i) Foreign exchange risk
The group and Avinor AS are exposed to foreign exchange risk with respect to the value of NOK against other currencies caused by income and expenses in foreign currency. The group uses forward contracts to reduce the foreign exchange risk in cash flows nominated in foreign currency. The group and Avinor AS are primarily exposed to foreign exchange risk with respect to EUR. The group's income from en route charges is exposed to foreign exchange risk. For Avinor the risk is connected to the transfer of the revenue to Norway. The period from the determination of the exchange rate to the actual payment is about three months. Revenue in foreign currency is sold forward to the extent that it is not hedged by cash outflow in the same currency. The group also has foreign exchange risk connected to contractual payments in foreign currency. As a fundamental principle, hedging of transaction risk for contracts in foreign exchange is carried through for contracts exceeding the value of MNOK 2. Normally, forward contracts entered into do not have terms exceeding three years.
Foreign exchange rate derivatives do not normally qualify for hedge accounting.
Oslo Lufthavn AS has, as part of the hedging of larger aquisitions, entered into forward foreign exchange contracts in connection with the development of Gardermoen.
These are contracts in EUR for the payments of luggage handling systems, navigation equipment, vehicles and others.
Part of these derivatives qualify for hedge accounting. As the foreign exchange risk in overall is assessed to be limited, the group has not estimated any sensitivities.
For the notional principal amount of the outstanding forward foreign exchange contracts, see note 19.

(ii) Interest rate risk
The group are exposed to interest rate risk through its financial activities (see note 27). Parts of the borrowings are issued at variable rates, which means that the group is influenced by changes in the interest rates.

The objective of the group's interest rate management is to keep the volatility of future interest costs within acceptable limits.
Group policy is to interest rate hedge all new long-term loans till 70% of expected debt in 2017 is hedged.
The group manages its effective interest exposure risk by using various interest rate swaps. At 31 December 2013 approximately all interest rate swaps are adapted to the terms of specific loans and other conditions. When the interest rate swaps are taken into consideration, the group has 93 per cent of its long-term borrowings at a fixed rate of interest.

At 31 December 2013 the group had interest rate swaps instruments at a face value of MNOK 1,049 (2012: MNOK 1,153), where the NIBOR rate and pays a fixed rate of 4.96 per cent of face value. The interest rate swaps are used to hedge against volatility in the P&L reporting as a result of changes in the interest levels.

All interest swaps are made as a hedge against financial risks caused by fair value interest rate risk or cash flow interest rate risk.
All interest swaps are carried at their fair value in the balance sheet.

The following table presents the group's sensitivity to a defined interest rate shift as at 31 December. The simulation takes derivatives.

Avinor AS:	**Changes in interest levels in basis points**	**Impact on pre-tax profit (MNOK)**	**Impact on equity (MNOK)**
2013	+50	2,7	0,0
	-50	-2,8	0,0
2012	+50	-3,8	0,0
	-50	3,7	0,0

Avinor group:	**Changes in interest levels in basis points**	**Impact on pre-tax profit (MNOK)**	**Impact on equity (MNOK)**
2013	+50	-1,3	16,6
	-50	1,1	-17,6
2012	+50	-0,4	22,4
	-50	0,3	-23,8

Based on the financial instruments at 31 December 2013, the simulation shows that if the interest rate had been 0.5 per cent higher, pre-tax profit for the year would have been MNOK 1.3 lower (2012: MNOK 0.4).

The average yield on financial instruments were as follows:

	2013 (%)	**2012 (%)**
Overdraft	NA	NA
State Loan	3,40	3,99
Debenture Loan	4,30	5,74
Bank Loan	5,29	5,44

The figures include interest hedging derivatives.
At 31 December 2013, Avinor AS had total borrowings amounting to MNOK 7,071.8 (2012: MNOK 4,975.3) in addition to a overdraft of MNOK 0.0 (2012: MNOK 0.0).

(iii) Power price risk
Avinor is a consumer of electrical power. Avinor has entered into financial power contracts via Nasdaq OMX to hedge parts of its power consumption. At 31 December 2013 approximately 35 per cent of 2014's estimated consumption is covered by such contracts. The group does not apply hedge accounting to these contracts. Power purchases are made in EUR. The fair value of power contracts is estimated at MNOK -19.1 (2012: MNOK -7.4) based on the exchange rate at year-end.

Sensitivity analysis of electrical power contracts at 31 December 2013:

Avinor AS:	**Market value 31.12.13**	**Impact on pre-tax profit (MNOK) as a consequence of a 20% increase in power price**
	-10,8	4,2

Avinor group:	**Market value 31.12.13**	**Impact on pre-tax profit (MNOK) as a consequence of a 20% increase in power price**
	-19,1	7,8

Credit risk
The group's credit risks are mainly connected to airlines and air traffic-related industries.

The group has credit risks attached to three main customers. The group assesses the risk that customers cannot fulfil their obligations as moderate.

The group has guidelines to limit exposure to possible losses.
The group has not made any third-party guarantees.

Maximum risk exposure is illustrated by the carried amounts of the financial assets, including derivatives in the balance sheet. Since the opposite party in derivative trading is normally banks and the power trade exchange, the credit risk connected to derivatives is assessed as small. The group's assessment is that the group's maximum credit exposure is illustrated by the carried amounts of trade receivables and other short-term assets (see note 21).
The group does not have any material overdue trade receivables (see note 21).
The groups main bank connexion has external credit rating A-1 (short term) and A+ (long term) (Standard & Poors).

Creditworthiness in trade receivables and intra-group accounts in detail
Credit risk in non-due financial instruments which have not been written down, may be evaluated by external sources (if available) or based on a previous negative credit records.

Classification of historical information (unimpaired trade receivables)
*Group 1 - new customers/related parties (in the last six months)
*Group 2 - existing customers/related parties (for more than six months) with no history of default
*Group 3 - existing customers/related parties (for more than six months) with a history of default. All amounts have been paid in full after the defaults.

All intra-groups accounts and the major part of customer receivables are classified in group 2.
No financial assets have been renegotiated during the last financial year. No part of the loans to related parties is overdue or impaired.

Liquidity risk
Liquidity risk is the risk that the group will not be able to meet its financial obligations when they are due. The group strategy is to meet the risk by having sufficient funds available at any time to be able to fulfil the financial obligations when they are due, both under normal or extraordinary circumstances, without risking unacceptable losses. The group shall have a liquidity reserve sufficient, at any time, to maintain business for at least six months without raising new loans. Unused credit facilities are described in note 22.

The table below analyses the maturity structure of the group's financial obligations, based on contractual undiscounted cash-flow. In the case where the opposite party may demand an earlier payment, the amount is presented in the earliest period the payment may be demanded. If payment may be demanded on request, the obligations are included in the first column (less than 1 month):

	Remaining period*					
Avinor AS:	**Less than 1 month**	**Between 1 and 3 months**	**Between 3 and 12 months**	**Between 1 and 5 years**	**Over 5 years**	**Total**
31/12/13						
State, bond and bank borrowings*	1,8	403,6	1 100,4	1 752,4	6 430,3	9 688,5
Other commitments	1,4	1,1	7,3	150,3	1,4	161,5
Trade payables	108,6	133,4	5,7	0,0	0,0	247,7
Other current liabilities	222,1	109,4	0,0	0,0	0,0	331,5
31/12/12						
State, bond and bank borrowings*	400,6	1,3	514,0	2 145,9	3 567,0	6 628,8
Other commitments	0,8	1,7	7,6	155,5	2,6	168,2
Trade payables	209,8	157,0	0,0	0,0	0,0	366,8
Other current liabilities	144,4	71,1	0,0	0,0	0,0	215,5

* derivatives
included

Avinor group:	Remaining period* Less than 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
31/12/13						
State, bond and bank borrowings*	4,2	428,0	1 785,7	4 408,5	9 764,4	16 390,8
Other commitments	2,4	1,1	7,5	280,5	1,4	293,0
Trade payables	328,9	147,1	5,8	0,0	0,0	481,7
Other current liabilities	228,9	112,8	0,0	0,0	0,0	341,7
31/12/12						
State, bond and bank borrowings*	413,7	27,4	1 225,7	4 902,4	7 469,1	14 038,3
Other commitments	0,9	1,7	7,9	186,5	2,6	199,6
Trade payables	346,2	245,0	0,0	0,0	0,0	591,2
Other current liabilities	152,4	75,1	0,0	0,0	0,0	227,5

* derivatives
included

See note 27 for information about long-term loans.

In addition to the refinancing of the borrowings decribed above, the group will, especially the next few years, require financing of new infrastructure in the form of capacity expansion measures. The gross financing requirement includes refinancing of existing borrowings as described above, the building of a new terminal at Gardermoen and other planned investment activities.

Other information
The fair value of derivatives designated as hedging instruments is presented as a current asset/short-term debt or financial asset/long-term debt depending upon the maturity date of the corresponding hedged item. The interest swaps have terms between 0.5 and 7.5 years.

Capital structure and equity
The main objective of the group's management of capital structure is to ensure that the group's main business objectives are reached within sound financial limits.
The paramount financial objectives (sound financial limits) are the following:

1. Equity ratio: 40 per cent
2. Net asset value shall minimum be equal to the carried value of equity.

The group manages its capital structure and makes necessary adjustments based on a continuing evaluation of the existing economic business climate and the outlook in the short- and medium-term.

Article 11 of the company's Articles of Association lays down the following financial limitation: Long-term borrowings for the funding of long-term assets may only be raised within a limit which ensures that the group's equity does not fall at any time below 40 per cent of the carrying amount of the group's long-term interest-bearing debt plus equity.

Existing borrowings have covenants regarding amount of equity.

Avinor AS:	**2013**	**2012**
Interest-bearing debt	7 118,7	5 053,6
Equity	9 418,8	8 570,0
Total equity and interest-bearing debt	16 537,5	13 623,6
Gearing ratio	43,0 %	37,1 %
Equity ratio	57,0 %	62,9 %
Net debt to equity ratio	59,3 %	69,5 %

Avinor group:	2013	2012
Interest-bearing debt	12 734,9	11 187,8
Equity	11 969,4	10 356,7
Total equity and interest-bearing debt	24 704,3	21 544,5
Gearing ratio	51,5 %	51,9 %
Equity ratio	48,5 %	48,1 %
Net debt to equity ratio	49,8 %	51,2 %

Fair value estimation

The fair value of foreign exchange forward contracts and financial power forward contracts is based on market value at the balance sheet date. The fair value of all interest rate swaps is confirmed by the financial institutions which are the company's opposite party in the financial contracts entered into.

The carrying amount of cash and bank overdrafts is approximately equal to the fair value of these instruments as they fall due in a short period of time. Similarly, the carrying amount of receivables and payables is approximately equal to fair value as they are entered into under "normal" conditions.

The fair value of long-term debt is based on quoted market prices or on the interest rates for debt with corresponding terms and similar credit margin. The fair value of commercial papers equals principal amount as at 31 December 2013.

Below is a comparison of the carrying amounts and fair values of Avinor AS and the group's interest-bearing debt.

	2013		2012	
Avinor AS:	Carrying amount	Fair value	Carrying amount	Fair value
Interest-bearing debt				
Bonds	3 246,5	3 420,2	1 275,3	1 343,6
Bank borrowings	3 025,3	3 198,6	3 025,3	3 184,8
Commercial papers	800,0	800,0	700,0	700,0

	2013		2012	
Avinor group:	Carrying amount	Fair value	Carrying amount	Fair value
Interest-bearing debt				
State loan	4 304,8	4 299,2	4 749,2	4 953,8
Bonds	3 246,5	3 420,2	1 275,3	1 343,6
Bank borrowings	4 336,8	4 510,1	4 410,3	4 569,9
Commercial papers	800,0	800,0	700,0	700,0

The table below shows financial instruments at fair value by level of the following fair value measurement hierarchy:
*Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
*Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
*Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the group's assets and liabilities that are measured at fair value, and assets and liabilities for which fair values are disclosed at 31 December 2013:

Avinor group:	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contracts	0,0	11,5	0,0	11,5
Power contracts	0,0	0,0	0,0	0,0
Interest rate contracts	0,0	0,0	0,0	0,0
Derivatives used for hedging				
Interest rate contracts	0,0	0,0	0,0	0,0
Total assets	**0,0**	**11,5**	**0,0**	**11,5**
Liabilities				
Financial liabilities at fair value through profit or loss				
Foreign exchange contracts	0,0	3,6	0,0	3,6
Power contracts	19,1	0,0	0,0	19,1
Interest rate contracts	0,0	18,2	0,0	18,2
Derivatives used for hedging				
Interest rate contracts	0,0	95,1	0,0	95,1
Total liabilities	**19,1**	**116,9**	**0,0**	**136,0**
Liabilities for which fair values are disclosed				
Interest-bearing debt				
State loan	0,0	4 299,2	0,0	4 299,2
Bonds	0,0	3 420,2	0,0	3 420,2
Bank borrowings	0,0	4 510,1	0,0	4 510,1
Commercial papers	0,0	800,0	0,0	800,0
Total	**0,0**	**13 029,5**	**0,0**	**13 029,5**

There were no transfers between levels during the year.

The following table presents the group's assets and liabilities that are measured at fair value, and assets and lial are disclosed at 31 December 2012:

Avinor group:	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contracts	0,0	1,3	0,0	1,3
Power contracts	0,3	0,0	0,0	0,3
Interest rate contracts	0,0	22,7	0,0	22,7
Derivatives used for hedging				
Interest rate contracts	0,0	0,0	0,0	0,0
Total assets	**0,3**	**24,0**	**0,0**	**24,3**
Liabilities				
Financial liabilities at fair value through profit or loss				
Foreign exchange contracts	0,0	8,2	0,0	8,2
Power contracts	7,7	0,0	0,0	7,7
Interest rate contracts	0,0	20,1	0,0	20,1
Derivatives used for hedging				
Interest rate contracts	0,0	118,1	0,0	118,1
Bonds	0,0	450,3	0,0	450,3
Total liabilities	**7,7**	**596,7**	**0,0**	**604,4**

Liabilities for which fair values are disclosed				
Interest-bearing debt				
State loan	0,0	4 953,8	0,0	4 953,8
Bonds	0,0	1 343,6	0,0	1 343,6
Bank borrowings	0,0	4 569,9	0,0	4 569,9
Commercial papers	0,0	700,0	0,0	700,0
Total	**0,0**	**11 567,3**	**0,0**	**11 567,3**

There were no transfers between levels during the year.

Interest-bearing debt in level 2
The fair value estimation is carried out by the groups main bank connexion.
The fair value of the interest-bearing debt is estimated based on the difference between the coupon/fixed rate of interest on the interest-bearing debt compared with 3 months NIBOR and implicit funding spread from the market.

4. Critical accounting estimates and judgements

In preparing the financial statements in accordance with IFRS the management has used estimates based on judgements and assumptions belived to be reasonable under the circumstances. There may be situations or changes in the market conditions that may result in changes in estimates, and thereby have consequences for the company's assets, liabilities, equity and results.

Critical accounting estimates and judgements
The company's most significant accounting estimates and judgements are related to the following items:

• Deferred taxes
• Estimated impairment of property, plant and equipment
• Depreciation of property, plant and equipment
• Net pension obligation

Critical judgements in applying the entity's accounting policies

Net deferred tax asset
The group assesses the net deferred tax asset separately in accordance with the rules in IAS 12. The group has significant temporary differences between the carrying amounts of assets and liabilities and its tax base (see note 15). This has resulted in a significant deferred tax asset. An analysis made of the group's tax position shows that it is probable that this asset may be utilised by the group.

Impairment test
The group follows the guidance of IAS 36 to determine when the group's assets are impaired. The group is identified as one cash-generating unit (CGU) (see note 2.1). The test requires a great degree of professional judgement. Among other things, an assessment has to be made of how long a period of time the impairment will last last and the difference between the fair value and the carrying amount, in addition to the financial position and expected development in the market, including operating and financing cash flows. See note 17.

Depreciation of property, plant and equipment
The historical cost or revalued value of the non-current asset will be depreciated to the residual value over the expected life of the asset. The expected life is estimated based on experience, history and discretional assessments, and it is adjusted if there are any changes in the expectations.

Net pension obligation
The value of net pension obligations is determined on an actuarial basis using a number of assumptions. These include, among others, the discount rate, future salary increases, regulation of pensions, estimated return on pension funds, and demographic assumptions about disability and mortality experience. The assumptions are based on verifiable market prices and the historical development in the company and in the rest of society. Changes in the assumptions will have material effect on the estimated pension obligation-/cost.

Changes in the the National Insurance Scheme are implemented from 1 January 2011. However, the coordination regulations connected to SPK have not beenestablished for persons born in 1954 and thereafter. In addition, the regulations concerning disabilility and dependent's pensions have not been established. The regulations will be implemented in the accounts as soon as they are established.

5. Segment information

Amount in MNOK

The Avinor group operates 46 airports in Norway including Oslo Airport Gardermoen. Operations also include air traffic control towers, control centres and technical infrastructure for aircraft navigation.
The operating segments are determined based on the reports used by the group management to evaluate presentations and profitability at a strategic level. The segment information shows the operating profit/(loss) distributed according to the internal organising of the group. For management purpose the group is organised in one air navigation services division, two airport divisions and Oslo Lufthavn. The airport divisions and Oslo Lufthavn are organised according to airport size.

The segment information provided to the group management for the reportable segments for the year ended 31 December 2013 is as follows:
Avinor group as at 31 December

	Oslo Airport	Other large airports	Medium and small airports	Air Navigation Services	Others	Elimination	Total
Traffic income	1 833,6	1 373,1	882,4	945,6	-8,1		5 026,6
Other income	2 908,4	1 237,6	581,0	217,4	6,6		4 951,0
Inter-segment income	82,8	81,3	28,0	734,7	935,9	-1 862,6	0,0
Total income	*4 824,7*	*2 692,0*	*1 491,4*	*1 897,7*	*934,4*	*-1 862,6*	*9 977,6*
Employee benefits expense	545,5	342,1	821,6	1 399,7	297,4		3 406,4
Depreciation and amortisation	661,3	241,0	346,8	89,8	34,0		1 372,9
Other operating expenses	1 363,5	538,1	961,0	381,4	334,1		3 578,2
Inter-segment expenses	653,9	390,5	531,9	95,9	190,5	-1 862,6	0,0
Total expenses	*3 224,2*	*1 511,6*	*2 661,3*	*1 966,8*	*856,0*	*-1 862,6*	*8 357,4*
Net income/(expense)	**1 600,5**	**1 180,4**	**-1 169,9**	**-69,2**	**78,5**	**0,0**	**1 620,2**
Group adjustments depreciation (a)	181,7	-65,8	-115,5	0,0	-1,0		-0,6
Group adjustments lease (b)	389,2				-389,2		0,0
Operating profit/(loss)	**2 171,4**	**1 114,6**	**-1 285,4**	**-69,2**	**-311,7**	**0,0**	**1 619,6**
Assets	**8 630,8**	**4 924,0**	**6 131,3**	**602,8**	**139,8**		**20 428,7**

The segment information provided to the group management for the reportable segments for the year ended 31 December 2012 is as follows:

Avinor group as at 31 December

	Oslo Airport	Other large airports	Medium and small airports	Air Navigation Services	Others	Elimination	Total
Traffic income	1 713,9	1 265,5	829,5	947,0	0,0		4 755,8
Other income	2 657,9	1 079,0	508,6	144,2	6,5		4 396,3
Inter-segment income	75,8	89,3	36,4	745,9	856,0	-1 803,3	0,0
Total income	*4 447,6*	*2 433,7*	*1 374,5*	*1 837,1*	*862,5*	*-1 803,3*	*9 152,1*
Employee benefits expense	507,6	322,4	784,8	1 264,3	293,7		3 172,8
Depreciation and amortisation	665,0	213,7	320,1	95,1	41,1		1 335,0
Other operating expenses	1 108,1	505,9	831,0	342,1	294,3		3 081,5
Inter-segment expenses	642,9	359,3	588,4	108,9	103,8	-1 803,3	0,0
Total expenses	*2 923,6*	*1 401,2*	*2 524,4*	*1 810,3*	*733,0*	*-1 803,3*	*7 589,2*
Net income/(expense)	**1 524,0**	**1 032,5**	**-1 149,9**	**26,7**	**129,5**	**0,0**	**1 562,9**
Group adjustments depreciation (a)	181,7	-65,8	-115,5	0,0	-1,1		0,0
Group adjustments lease (b)	388,4				-388,4		0,0
Operating profit/(loss)	**2 094,2**	**966,7**	**-1 265,4**	**26,7**	**-260,0**	**0,0**	**1 562,9**
Assets	**7 437,0**	**4 457,5**	**5 603,7**	**653,1**	**150,7**		**18 302,0**

(a) Group adjustments due to assessment of the opening balance as at 1 January 2003.
(b) The lease on the land at Gardermoen is attributed to Oslo Lufthavn AS in the segment reporting.

Non-current liabilities comprise the Oslo Lufthavn AS state loan, Avinor AS bond and bank borrowings and separate financing of hotels and car parks.
Debt is not used by the group management as a control parameter at the segment level. The financing of the group is carried out by a central treasury department (group treasury) in accordance with guidelines approved by the board of directors.
Sales between segments are carried out at arm's length. The revenue from external parties reported to group management is measured in a manner consistent with that in the income statement. Risk management is carried out by group treasury under policies approved by the board of directors.
Group treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units.
Principles are laid down for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Revenue of approximately NOK 2.2 billions, 1.9 billions and 1.5 billions, total 5.6 billions and 56 per cent of total operating income are derived from three main customers. Revenue from the first customer is attributable to Oslo Airport and Other large airports, revenue from the two other customers are attributable to all segments.

6. Subsidiaries

Amount in MNOK

The consolidated financial statement of the group includes the following subsidiaries:

	Home country	Business office	Main business	Ownership / voting shares	Book value	Total equity as at 31 December 2013	Profit for the year 2013
Directly owned subsidiaries							
Oslo Lufthavn AS	Norway	Ullensaker	Airport operations	100	467,9	2 970,4	902,1
Avinors Parkeringsanl	Norway	Oslo	Parking	100%	109,6	114,3	2,6
Flesland Eiendom AS	Norway	Oslo	Real estate	100%	71,8	83,2	11,1
Værnes Eiendom AS	Norway	Oslo	Real estate	100%	109,5	80,7	-3,8
Sola Hotel Eiendom A	Norway	Oslo	Real estate	100%	69,9	77,9	9,3
Hell Eiendom AS	Norway	Oslo	Real estate	100%	24,4	17,6	0,1
Total					853,1	3 344,1	921,4

	Home country	Business office	Main business	Ownership / voting shares	Book value	Total equity as at 31 December 2013	Profit for the year 2013
Indirectly owned subsidiaries:							
Oslo Lufthavn Eiendo	Norway	Ullensaker	Real estate	100%	89,8	180,5	60,7
Total					89,8	180,5	60,7

7. Operating income

Amount in MNOK

	Avinor AS		Avinor group	
	2013	**2012**	**2013**	**2012**
Traffic income				
Takeoff charges	688,5	647,2	1 173,6	1 104,5
Terminal charges	618,6	576,3	1 226,2	1 148,3
En route charges	945,6	947,0	945,6	947,0
Security charges	637,7	531,7	1 132,5	948,7
Terminal navigation charges	302,7	339,7	548,8	607,3
Total	3 193,1	3 041,9	5 026,6	4 755,8
Sales and rental income				
Rental income	1 342,7	1 179,6	4 198,3	3 783,2
Sales revenues	616,1	469,3	740,7	591,4
Total	1 958,8	1 648,9	4 939,0	4 374,6
Other income				
Intercompany services	617,9	607,2	0,0	0,0
Other	9,2	19,7	12,0	21,7
Total	627,1	626,9	12,0	21,7
Total operating income	**5 779,0**	**5 317,7**	**9 977,6**	**9 152,1**

8. Salaries and personnel costs, number of employees, remunerations

Amount in MNOK

	Avinor AS		Avinor group	
Salaries and personnel costs:	**2013**	**2012**	**2013**	**2012**
Salaries	2 011,6	1 925,1	2 373,1	2 278,4
Payroll tax	282,8	245,2	348,0	306,6
Pension costs	466,9	395,3	565,3	467,2
Other personnel costs	99,6	99,6	120,0	120,6
Total	2 860,9	2 665,2	3 406,4	3 172,8
Average number of man-years employed	2 658	2 632	3 252	3 218

Group management:
For management purposes the group is organised in one air navigation services division, three airport divisions and one subsidiary. The airport divisions and the subsidiary are organised according to airport size. The group management consists of the group CEO and the managing director of each division and the subsidiary in addition to the managing directors of each corporate staff.

2013	**Board fee**	**Salary**	**Other benefits**	**Pension cost, estimated**	**Total**
Amount in NOK					
Group management:					
Dag Falk-Petersen	0	2 452 555	8 654	684 750	3 145 959
Nic Nilsen	0	1 775 432	108 571	227 295	2 111 298
Signe Astrup Arnesen	0	1 442 836	10 539	426 672	1 880 047
Lasse Bardal	20 400	1 566 984	8 654	410 578	2 006 616
Mari Hermansen	0	1 458 274	17 432	636 057	2 111 763
Petter Johannessen	0	1 607 612	17 549	521 870	2 147 031
Anders Kirsebom	0	1 786 949	10 594	425 483	2 223 026
Jon Sjølander	0	1 637 849	8 654	449 370	2 095 873
Margrethe Snekkerbakken	0	1 702 875	8 654	536 653	2 248 182
Egil Thompson	0	1 489 590	17 591	666 125	2 173 306
Board:					
Ola Mørkved Rinnan	393 500	0	0	0	393 500
Kristin Vangdal (until 26.06.2013)	120 000	0	0	0	120 000
Ola H. Strand	221 750	0	0	0	221 750
Anne Breiby	196 000	0	0	0	196 000
Tone Lindberg Hofstad(from 26.06.2013)	96 750	0	0	0	96 750
Dag Hårstad	229 000	0	0	0	229 000
Eli Skrøvset	252 500	0	0	0	252 500
Christian Berge (until 26.06.2013)	96 750	1 543 907	10 842	253 824	1 905 323
Helge Løbergsli (until 26.06.2013)	114 500	816 506	4 654	191 821	1 127 481
Per Erik Nilsen (from 26.06.2013)	96 750	767 092	4 654	117 134	985 630
Grete Ovnerud	211 250	1 163 127	4 654	335 360	1 714 391
Heidi Anette Sørum	198 500	687 635	8 789	130 115	1 025 039
Olav Aadal (from 26.06.2013)	96 750	1 343 252	4 654	293 058	1 737 714
Total	2 344 400	23 242 474	255 139	6 306 165	32 148 178

2012	Board fee	Salary	Other benefits	Pension cost, estimated	Total
Amount in NOK					
Group management:					
Dag Falk-Petersen	0	2 390 371	10 799	272 235	2 673 405
Nic Nilsen	0	1 647 043	132 000	213 119	1 992 162
Signe Astrup Arnesen	0	1 396 301	14 779	291 241	1 702 321
Lasse Bardal (from 30.09.2012)	85 000	371 170	2 732	43 058	501 960
Mari Hermansen (from 1.06.2012)	0	688 519	8 314	176 321	873 154
Petter Johannessen	0	1 550 988	10 799	337 083	1 898 870
Anders Kirsebom	0	1 501 071	14 679	244 809	1 760 559
Jon Sjølander	0	1 569 456	14 706	164 901	1 749 063
Knut Skaar (until 28.09.2012)	0	1 301 211	8 067	133 271	1 442 549
Margrethe Snekkerbakken	0	1 657 394	10 799	340 178	2 008 371
Egil Thompson (from 22.10.2012)	0	293 377	1 155	130 608	425 139
Board:					
Ola Mørkved Rinnan	373 500	0	0	0	373 500
Kristin Vangdal	226 000	0	0	0	226 000
Dag Hårstad	220 000	0	0	0	220 000
Eli Skrøvset	242 500	0	0	0	242 500
Oddbjørg A. Starrfelt (until 26.06.2012)	93 000	0	0	0	93 000
Ola H. Strand (from 03.01.2012)	186 000	0	0	0	186 000
Anne Breiby (from 26.06.2012)	93 000	270	0	0	93 270
Christian Berge	186 000	1 417 711	12 299	241 247	1 857 257
Helge Løbergsli	220 000	789 720	6 799	183 962	1 200 481
Grete Ovnerud	186 000	1 128 672	9 132	324 879	1 648 683
Heidi Anette Sørum	210 000	716 558	10 602	118 134	1 055 294
Total	2 321 000	18 419 831	267 661	3 215 046	24 223 538

On termination or changes in conditions of employment or board appointment no obligations exist to give the group management or the board any distinct compensation, beyond what is stated in note 9. Nor are there any arrangements concerning bonuses, profit sharing or share-based payments.
No loans or guarantees have been given to the members of the group management or the board.
None of the members of the group management have received any remunerations or economic benefits from other companies in the group, other than shown in the tableabove. There is no additional remuneration to executives for special services other than normal operations, see note 9.

9. Declaration on the determination of salaries and other remuneration for the CEO and other executive employees

The Board of Directors' declaration on the determination of salaries and other remuneration for the CEO and other executive employees of the Avinor Group
According to article 8 of the company's articles of association, the Board of Directors shall prepare a declaration concerning the determination of salaries and other remuneration for the senior management. This declaration shall be included as a note in the annual accounts. The declaration shall contain the contents specified in section 6-16a of the Public Limited Companies Act, and shall be handled in a corresponding manner at the company's ordinary general meeting.
Reference is made to section 5-6 third paragraph of the Public Limited Companies Act.

The Board of Directors of Avinor AS has established a Remuneration Committee, which shall act as a preparatory body for the Board. Its area of responsibility is to prepare matters for the Board of Directors relating to:
- Guidelines for and matters relating to remuneration of executive employees
- Assessment and monitoring of the Group's policy in this area
- Annual assessment and proposal regarding remuneration of the CEO
- The administration's proposal for a "Declaration on the determination of salaries and other remuneration for the CEO and other executive employees"

The Remuneration Committee consist of three members from the Board of Directors and is headed by the Bord's Vice-Chairman. There is also one shareholder-elected member and one Board member chosen by the committee's employed members.

1. Employees covered by the declaration
At year-end 2013, the Group's executive management team comprised the following employees, who are covered by this declaration:
- Dag Falk-Petersen, CEO Avinor
- Nic. Nilsen, Managing Director, Oslo Airport
- Signe Astrup Arnesen, Executive Vice President Safety, Security and Quality Avinor
- Petter Johannessen, CFO Avinor
- Mari Hermansen, Executive Vice President HR and Legal Avinor
- Egil Thompson, Director Communications, Brand and Public Relations Avinor
- Anders Kirsebom, Chief Executive Air Navigation Services Avinor
- Jon Sjølander, Executive Vice President Strategy Avinor
- Lasse Bardal, Executive Vice President Large Airports Division Avinor
- Margrethe Snekkerbakken, Executive Vice President National, Regional and Local Airports Division Avinor

2. Declaration's validity
The declaration applies for the coming financial year, ref. article 8 of the articles of association and section 6-16a (2) of the Public Limited Liability Companies Act. The Group's Board of Directors will use the principles described in this declaration as the basis for determining the remuneration of the CEO and in its assessment and monitoring of the CEO's determination of remuneration of executive employees.

3.The main principles of the Group's executive employee remuneration policy
Avinor's executive remuneration policy has to comply with the Government's policy for the remuneration of leading personnel in state-owned enterprises and companies (adopted by the Norwegian Government on 31 March 2011). Executive remuneration in the Group should comprise a competitive but not leading salary when compared to similar companies.

3.1 Salary
The main element of the Group's remuneration packages must be a fixed basic salary.

3.2 Directors' remuneration
No remuneration is paid for board appointments in other companies in the Avinor Group.

3.3 Benefits in kind
Executive employees shall receive the benefits in kind that are common for comparable positions. These may include a car allowance, parking, commuting allowance, free newspapers, free phone, laptop PC and free broadband service. The CEO has a fixed annual remuneration of NOK 100,000 for vehicle arrangements. The remuneration shall cover all driving. Alternatively a company car is available within the framework set by the Board.

3.4 Performance pay
A performance pay scheme may be established for executive employees based on individual targets. There must be a clear correlation between performance pay targets and the Group's targets.
Any scheme will be structured in accordance with the guidelines specified in the owner's statement.

4. Options and share programmes
No options or similar schemes will be established in the company. No share programme involving share-based remuneration will be established in the company.

5. Pension plans
Executive employees shall participate in the Group's general pension plan. The terms shall be similar to the terms that apply for other company employees.
The age limit is 70, but the retirement age is generally 67. The basis for calculating pension entitlements shall not exceed 12G (where G = the National Insurance Scheme's basic amount).
A defined-contribution retirement pension scheme and a disability pension scheme have been established for executive Both schemes are administred separately from the company's operating budget until further notice. Retirement pensions are contribution-based for salaries exeeding 12G with different rates dependent on age. Current personnel are divided into four age groups. The pension basis for contributions is the agreed fixed salary, and payment will commence once the retirement age has been reached in accordance with the individual agreement. A condition of payment is that the employee has resigned from their position in the company.

The employer has the full right to manage their pension scheme for salaries exceeding 12G, and the terms and conditions of the scheme may be re-evaluated by the employer at any time without this giving rise to compensation.
The disability pension scheme can be taken out with a life insurance company. In this case, the premium will be taxable and liable to duty.

6. Termination and severance pay
There is a three-month notice period applicable to both parties calculated from the first day of the month after notice is given. Notice shall be given in writing. Upon termination on the part of Avinor, the employee is entitled to severance pay equivalent to 12 month's fixed salary, including the slary of any notice period.
Severance pay is calculated on the basis of the employee's regular monthly slary at the time of termination. No holiday pay is accrued on the basis of the severance pay beyond the salary during the notice period.

The employee is only entitled to severance pay in excess of their salary during the notice period if they accept the termination, leave at the request of the employer, and do not submit any claim in relation to the rules of the Norwegian Working Environment Act with regard to protection against dismissal, etc.
Severance pay may be witheld if there are ground for dismissal, or if irregularities or omissions are found during the period in which severance pay is to be given, which may result in liability for damages or the employees being prosecuted for violation of the law.

7. Executive remuneration policy and implementation of the guidelines in the preceding year
The salary policy for executive employees in 2013 has been conducted in accordance with the above guidelines and the guidelines discussed at the Annual
General Meeting on 26 June 2013. No new executive employees covered by the declaration were appointed in the 2013 financial year.
The CEO's fixed basic salary was adjusted in the line with the average salary adjustment for the Group's executive management team.

The basic salary of the Group's executive management team was adjusted by an average of 2.95 per cent.

For those covered by this declaration, a defined-contribution retirement pension scheme has been established for executive employees for salaries exceeding 12G. The scheme covers a retirement pension through day-to-day operations administered by Avinor, and a disability pension scheme, administered byAvinor until further notice.
The total cost of the chosen scheme was NOK 1,217,000 in 2013. The individual's total pension cost is stated in the notes to the financial statements.

The Board's declaration concerning the determination of salaries and other remuneration was published for the first time in the 2011 financial year.
Executive remuneration packages are reviewed by the Board on an annual basis. Executive remuneration agreements entered into before this point in time shall not be negatively affected by this declaration.
In its management letter to the Board, the auditor shall, each year, report on executive remuneration payments and other disbursements.
The remuneration and other benefits received by executive employees in 2013 are provided in note 8 of the annual financial statement for 2013.

10. Other operating expenses

Amount in MNOK

	Avinor AS		Avinor group	
Specification:	**2013**	**2012**	**2013**	**2012**
Rent - buildings/land	90,8	90,9	46,1	43,3
Management/maintenance - buildings	193,7	170,6	497,5	413,5
Repairs, maintenance operational materials	279,8	273,6	538,8	456,6
Control/security/guard services	553,1	531,8	892,4	839,8
Meteorological services	40,6	39,4	40,6	39,4
Consulting services	172,0	157,0	257,8	243,9
Other external services	410,7	260,9	526,2	376,7
Other operating expenses	453,5	422,1	602,5	505,3
Total	2 194,2	1 946,3	3 401,9	2 918,5

	Avinor AS		Avinor group	
	2013	**2012**	**2013**	**2012**
Auditor's fee - fixed charge (VAT not included):				
Statutory audit fee	0,4	0,6	0,7	0,9
Other auditors's fees charged to profit and loss (VAT not included):				
Other attestation assignments	0,7	0,0	0,7	0,2
Tax advisory services	0,0	0,0	0,0	0,0
Accounting assistance including IFRS	0,1	0,4	0,1	0,4
Total	0,8	0,4	0,8	0,6

11. Impact on earnings – Terminal 2 project

Amount in MNOK

As a result of the development of Gardermoen (Terminal 2 project) the income statement includes charges for extra costs related to the maintenance of normal operations during the construction period, as well as costs related to the scrapping of assets, including higher depreciation as a result of a re-assessed economic life.

Specification	**2013**	**2012**
Employee benefits expense		
Payroll and other personnel expenses for operating personnel	43,2	35,5
Total	43,2	35,5
Depreciation, amortisation and impairment charges		
Higher depreciation as the result of scrapping portions of the terminal in 2013	96,1	132,0
Total	96,1	132,0
Other operating expenses		
Operational coordination	47,2	42,1
Security	10,5	11,2
More bussing	11,1	6,9
Consulting services	6,8	18,2
Losses from the scrapping of existing plant	0,0	4,1
Demolishing expenses existing plant	69,8	45,7
Other	70,6	12,2
Total	216,0	140,5
Total	**355,3**	**308,0**

12. Changes in value and other losses/gains - net

Amount in MNOK

	Avinor AS		Avinor group	
Specification:	**2013**	**2012**	**2013**	**2012**
Changes in value - unrealised (note 19)	-9,0	-1,5	-11,3	-2,9
Changes in value - realised energy contracts	-0,7	-8,6	-1,4	-14,6
Foreign currency translation gains/losses	17,0	-3,4	12,7	-2,8
Total	7,3	-13,5	0,1	-20,3

13. Finance income and costs

Amount in MNOK

	Avinor AS		Avinor group	
	2013	**2012**	**2013**	**2012**
Finance income				
Interest income on short-term bank deposits	51,5	57,5	57,9	59,8
Interest income on loans to group companies	175,4	108,5	0,0	0,0
Group contributions and dividends received	571,5	451,2	7,5	1,3
Gains on financial instruments (note 19)	7,1	0,0	7,1	0,0
Total	805,5	617,2	72,5	61,1
Finance costs				
Interest expense on bank borrowings	296,0	195,9	530,5	478,6
Interest expense on loans from group compani	8,6	8,4	0,0	0,0
Interest expense on others	9,1	16,1	8,7	14,3
Other borrowing expenses	29,4		29,4	
Borrowing costs capitalised (note 17)	-62,4	-63,0	-142,8	-95,0
Fair value gains/losses on bank borrowings	-10,2	0,5	-10,2	0,5
Fair value loss on financial instruments (note 19)				
- interest rate swaps: cash flow hedges, transfer	-4,3	21,3	-6,8	18,6
- interest rate swaps: fair value hedges	9,7	0,0	9,7	0,0
Total	275,9	179,2	418,5	417,0
Finance income/(costs) - net	**529,6**	**438,0**	**-346,0**	**-355,9**

14. Income tax expense

Amount in MNOK

	Avinor AS		Avinor group	
Income tax expense	**2013**	**2012**	**2013**	**2012**
Current tax on profit for the year	2,4	146,9	383,1	358,2
Current tax on adjustments in respect of prior y	0,0	0,0	5,3	0,0
Current tax on group contributions	2,5	0,0	0,0	0,0
Deferred tax on origination and reversal of tem	142,1	-130,7	-19,9	-6,6
Change in tax rate, effect deferred tax assets/-li	2,5	0,0	14,1	0,0
Total	149,5	16,2	382,7	351,6
Effective tax rate reconciliation				
28% of profit before tax	134,7	114,8	356,7	337,8
Effect of adjustments prior years	0,0	0,0	0,0	0,0
Change in tax rate, effect deferred tax assets/-li	2,5	0,0	14,1	0,0
Group contribution received (not subject to tax	0,0	0,0	0,0	0,0
Dividends received	-1,5	-112,0	-2,0	-0,3
Permanent differences (28%)	1,5	0,5	1,6	1,2
Permanent differences (28%) Spitzbergen	12,3	12,9	12,3	12,9
Income tax expense	149,5	16,2	382,7	351,6
Effective tax rate	31,1	4,0	30,0	29,1

A decision by Oslo City Court dated 9 December 2010 affirmed that the deficit from operations on Spitzbergen is non-deductible in net taxable income from operations on the mainland. The operations on Spitzbergen will never be profitable and the deficits are therefore treated as permanent differences.

15. Deferred income tax

Amount in MNOK

Avinor AS:

Deferred tax assets and liabilities

	At 1 January 2013	Charged/ credited to the income statement	Charged/ credited to other comp-rehensive income	At 31 December 2013	At 1 January 2014
Receivables	-0,5	0,0	0,0	-0,5	-0,5
Group contributions (receivables)	-158,4	129,6	0,0	-28,8	-27,8
Non-current assets	-1 045,7	75,3	0,0	-970,4	-935,7
Provisions	-93,4	-23,0	0,0	-116,4	-112,3
Pension benefits	-928,3	-40,9	403,8	-565,4	-545,2
Group contributions (payables)	2,4	0,0	0,1	2,5	2,5
Profit and loss account	-6,7	1,7	0,0	-5,0	-4,9
Derivative financial instruments	-8,3	-0,6	0,0	-8,9	-8,5
Deferred tax asset(-)/liability (net)	-2 238,9	142,1	403,9	-1 692,9	-1 632,4

Change in tax rate, deferred tax asset reduction	**60,5**
Presented as:	
Equity reduction	56,5
Other comprehensive income expense	1,5
Profit and loss expense (note 14)	2,5

	At 1 January 2012	Charged/ credited to the income statement	Charged/ credited to other comp-rehensive income	At 31 December 2012
Receivables	-0,1	-0,4	0,0	-0,5
Group contributions (receivables)	-14,3	-144,1	0,0	-158,4
Non-current assets	-1 106,8	61,0	0,0	-1 045,7
Provisions	-87,8	-5,7	0,0	-93,4
Pension benefits	-734,0	-37,4	-156,9	-928,3
Group contributions (payables)	7,1	0,0	-4,7	2,4
Profit and loss account	-9,0	2,3	0,0	-6,7
Derivative financial instruments	-7,2	-6,5	5,4	-8,3
Deferred tax asset(-)/liability (net)	-1 952,0	-130,7	-156,2	-2 238,9

	2013	2012
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	-1 494,3	-1 989,0
Deferred tax asset to be recovered within 12 months	-140,5	-252,3
	-1 634,9	-2 241,3
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	0,0	0,0
Deferred tax liability to be recovered within 12 months	2,5	2,4
	2,5	2,4
Deferred tax asset(-)/liability (net)	-1 632,4	-2 238,9

Avinor group:
Deferred tax assets and liabilities

	At 1 January 2013	Charged/ credited to the income statement	Charged/ credited to other comp- rehensive income	At 31 December 2013	At 1 January 2014
Receivables	-0,8	-0,1	0,0	-0,9	-0,9
Group contributions (receivables)	0,0	0,0	0,0	0,0	0,0
Non-current assets	-1 338,5	68,8	0,0	-1 269,7	-1 224,4
Provisions	-102,1	-42,6	0,0	-144,7	-139,5
Pension benefits	-1 085,1	-47,8	475,5	-657,4	-634,0
Group contributions (payables)	0,0	0,0	0,0	0,0	0,0
Profit and loss account	-9,1	2,3	0,0	-6,8	-6,6
Derivative financial instruments	-41,8	-0,5	9,3	-33,0	-31,8
Deferred tax asset(-)/liability (net)	-2 577,4	-19,9	484,8	-2 112,5	-2 037,0

Change in tax rate, deferred tax asset reduction	**75,4**
Presented as:	
Equity reduction	59,3
Other comprehensive income expense	2,0
Profit and loss expense (note 14)	14,1

	At 1 January 2012	Charged/ credited to the income statement	Charged/ credited to other comp- rehensive income	At 31 December 2012
Receivables	-0,3	-0,5	0,0	-0,8
Group contributions (receivables)	0,0	0,0	0,0	0,0
Non-current assets	-1 382,5	43,9	0,0	-1 338,5
Provisions	-94,2	-7,9	0,0	-102,1
Pension benefits	-855,3	-40,1	-189,7	-1 085,1
Group contributions (payables)	0,0	0,0	0,0	0,0
Profit and loss account	-11,2	2,1	0,0	-9,1
Derivative financial instruments	-36,6	-4,1	-1,1	-41,8
Deferred tax asset(-)/liability (net)	-2 380,1	-6,6	-190,8	-2 577,4

	2013	2012
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	-1 935,6	-2 520,0
Deferred tax asset to be recovered within 12 months	-140,4	-94,2
	-2 076,0	-2 614,2
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	14,5	36,8
Deferred tax liability to be recovered within 12 months	24,5	0,0
	39,0	36,8
Deferred tax asset(-)/liability (net)	-2 037,0	-2 577,4

16. Intangible assets

Amount in MNOK

Avinor AS/Avinor group:

Air traffic management systems

At 1 January 2012	
Cost	158,5
Accumulated amortisation and impairment	-97,1
Net book amount	**61,4**
Year ended 31 December 2012	
Opening net book amount	61,4
Additions	0,0
Amortisation charge	-15,0
Closing net book amount	**46,4**
At 31 December 2012	
Cost	158,5
Accumulated amortisation and impairment	-112,1
Net book amount	**46,4**
Year ended 31 December 2013	
Opening net book amount	46,4
Additions	0,0
Amortisation charge	-15,0
Closing net book amount	**31,4**
At 31 December 2013	
Cost	158,5
Accumulated amortisation and impairment	-127,1
Net book value	**31,4**
Estimated useful life	10 years
Method of depreciation	Straight-line

17. Property, plant and equipment

Amount in MNOK

Avinor AS:	**Land**	**Buildings**	**Runways and other related assets**	**Vehicles**	**Furniture, fittings and equipment**	**Infra-structure**	**Total**	**Assets under constructi on**	**Total property, plant and equipment**
At 1 January 2012									
Cost	713,7	3 513,0	2 938,0	592,4	2 349,0	446,7	10 552,8	1 814,5	12 367,3
Accumulated depreci	0,0	-874,9	-603,7	-219,3	-1 294,6	-170,9	-3 163,4	0,0	-3 163,4
Net book amount	**713,7**	**2 638,1**	**2 334,3**	**373,1**	**1 054,4**	**275,8**	**7 389,4**	**1 814,5**	**9 203,9**
Year ended 31 December 2012									
Opening net book am	713,7	2 638,1	2 334,3	373,1	1 054,4	275,8	7 389,4	1 814,5	9 203,9
Additions	21,1	255,0	1 103,7	108,5	223,0	107,5	1 818,8	2 266,0	4 084,8
Reclassification	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-1 818,8	-1 818,8
Disposals	0,0	-6,1	-1,7	-0,4	-0,7	-0,5	-9,4	0,0	-9,4
Depreciation charge	0,0	-173,6	-125,0	-41,9	-222,2	-46,4	-609,1	0,0	-609,1
Closing net book amo	**734,8**	**2 713,4**	**3 311,3**	**439,3**	**1 054,5**	**336,4**	**8 589,7**	**2 261,7**	**10 851,4**
At 31 December 2012									
Cost	734,8	3 758,5	4 039,8	698,6	2 490,1	553,6	12 275,4	2 261,7	14 537,1
Accumulated depreci	0,0	-1 045,1	-728,5	-259,3	-1 435,7	-217,2	-3 685,8	0,0	-3 685,8
Net book amount	**734,8**	**2 713,4**	**3 311,3**	**439,3**	**1 054,4**	**336,4**	**8 589,6**	**2 261,7**	**10 851,3**
Year ended 31 December 2013									
Opening net book am	734,8	2 713,4	3 311,3	439,3	1 054,4	336,4	8 589,6	2 261,7	10 851,3
Additions	19,2	625,9	719,8	96,3	329,5	42,6	1 833,3	2 085,0	3 918,3
Reclassification	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-1 833,3	-1 833,3
Government grants	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-75,3	-75,3
Disposals	0,0	-7,8	-0,1	-0,3	-1,4	0,0	-9,6	0,0	-9,6
Depreciation charge	0,0	-180,8	-170,3	-44,2	-216,9	-39,9	-652,1	0,0	-652,1
Closing net book amo	**754,0**	**3 150,7**	**3 860,7**	**491,1**	**1 165,6**	**339,1**	**9 761,2**	**2 438,1**	**12 199,3**
At 31 December 2013									
Cost	754,0	4 374,3	4 758,8	791,9	2 812,7	596,1	14 087,8	2 438,1	16 525,9
Accumulated depreci	0,0	-1 223,6	-898,1	-300,8	-1 647,1	-257,0	-4 326,6	0,0	-4 326,6
Net book amount	**754,0**	**3 150,7**	**3 860,7**	**491,1**	**1 165,6**	**339,1**	**9 761,2**	**2 438,1**	**12 199,3**

Avinor group:	Land	Buildings	Runways and other related assets	Vehicles	Furniture, fittings and equipment	Infra-structure	Total	Assets under constructi on	Total property, plant and equipment
At 1 January 2012									
Cost	1 865,7	11 278,1	5 670,0	850,5	4 795,9	1 229,7	25 690,1	3 170,8	28 860,9
Accumulated depreci	0,0	-3 098,5	-1 653,1	-387,5	-3 079,4	-581,8	-8 800,3	0,0	-8 800,3
Net book amount	**1 865,7**	**8 179,6**	**4 016,9**	**463,0**	**1 716,5**	**647,9**	**16 889,8**	**3 170,8**	**20 060,6**
Year ended 31 December 2012									
Opening net book am	1 865,7	8 179,6	4 016,9	463,0	1 716,5	647,9	16 889,8	3 170,8	20 060,6
Additions	21,1	507,7	1 558,7	123,2	296,3	196,1	2 703,1	4 084,6	6 787,7
Reclassification	-513,3	0,0	513,3	0,0	0,0	0,0	0,0	-2 703,1	-2 703,1
Disposals	0,0	-6,4	-4,8	-1,0	-3,2	-1,3	-16,7	0,0	-16,7
Depreciation charge	0,0	-602,8	-231,0	-52,9	-353,9	-80,1	-1 320,7	0,0	-1 320,7
Closing net book amo	**1 373,5**	**8 078,1**	**5 853,1**	**532,3**	**1 655,7**	**762,6**	**18 255,3**	**4 552,3**	**22 807,7**
At 31 December 2012									
Cost	1 373,5	11 673,3	7 722,2	963,8	4 966,4	1 416,1	28 115,5	4 552,3	32 667,8
Accumulated depreci	0,0	-3 595,2	-1 869,1	-431,5	-3 310,7	-653,5	-9 860,0	0,0	-9 860,0
Net book amount	**1 373,5**	**8 078,1**	**5 853,1**	**532,3**	**1 655,7**	**762,6**	**18 255,5**	**4 552,3**	**22 807,8**
Year ended 31 December 2013									
Opening net book am	1 373,5	8 078,1	5 853,1	532,3	1 655,7	762,6	18 255,4	4 552,3	22 807,8
Additions	19,2	928,0	1 665,5	197,7	430,2	269,5	3 510,1	4 214,5	7 724,6
Reclassification	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-3 510,1	-3 510,1
Government grants	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-75,3	-75,3
Disposals	0,0	-7,8	-0,1	-0,5	-1,4	0,0	-9,8	0,0	-9,8
Depreciation charge	0,0	-551,8	-301,6	-59,6	-345,3	-100,2	-1 358,5	0,0	-1 358,5
Closing net book amo	**1 392,7**	**8 446,5**	**7 216,9**	**669,9**	**1 739,2**	**931,9**	**20 397,2**	**5 181,4**	**25 578,7**
At 31 December 2013									
Cost	1 392,7	12 591,2	9 387,1	1 156,4	5 389,7	1 685,5	31 602,5	5 181,4	36 784,0
Accumulated depreci	0,0	-4 144,7	-2 170,2	-486,5	-3 650,5	-753,6	-11 205,3	0,0	-11 205,3
Net book amount	**1 392,7**	**8 446,5**	**7 216,9**	**669,9**	**1 739,2**	**931,9**	**20 397,2**	**5 181,4**	**25 578,7**
Estimated useful life		10 - 50 years	15 - 50 years	10 - 20 years	5 - 15 years	5 - 40 years			
Method of depreciatio	NA	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line			

Government grants
Grants regarding the construction of a hangar on Svalbard.

Borrowing costs
Property plant and equipment includes borrowing costs when the construction period of major asset is longer than one year.
Capitalised borrowing costs amounted to MNOK 142.8 in 2013 and MNOK 95.0 in 2012.
The average capitalisation rate for 2013 was 4.38 per cent (2012: 4.48 per cent).

Security
Bank borrowings are secured on land and buildings for the value of MNOK 452.0 (2012: MNOK 475.0).
Under Avinor AS's Articles of Association, assets from basic operations cannot be pledged as security.

Basis for measurement of recoverable amount
As a result of observed changes in the market for Avinor's services, it was assumed at 31 December 2008 that there was a risk that the group's assets were carried at more than their recoverable amount. In accordance with existing accounting policies the group's assets were therefore tested for impairment. As a result of positive development from 2009 and up till today, there is no indication of impairment at year-end, but due to the materiality of the group's assets and a future high investment level, impairment tests are carried out regularly.

The whole of Avinor group's operations have been defined as one cash-generating unit (CGU). The group's economic model is based on the assumption that there is full cross-subsidisation between profitable and unprofitable airports as well as all areas of operations (overall system). There is a distinct expressed objective to develop, within the overall system, commercial activities in order to provide capital for unprofitable activities (social considerations/responsibilities) and reduce the level of traffic charges. Due to this it is the group's assessment that a solution where the group's operations are evaluated as a whole, presents a true and fair view of the operations.

An impairment loss is recognised if the recoverable amount of the group's assets is less than its carrying amount. The recoverable amount is the highest of the cash-generating unit's fair value less cost to sell and its value in use. The group estimates both fair value and value in use based on the present value of future cash flows. Value in use is the present value of future cash flows derived from existing assets (without improving or enhancing the performance of these assets).

The group operates in its entirety in Norway and the present value of future cash flow is therefore estimated in NOK. The future cash flow is then discounted based on an weighted average discount rate relevant for the group's type of operations. The rate of return is based on 10-year Norwegian government securities adjusted for the group's business risk. The expense related to the debt ratio part of the weighted average rate of return is based on the average market rate for the group. In the present value estimate for 2013 the discount rate is 8.4 per cent before tax.

As at 31 December 2013 the measurement of recoverable amount is estimated based on fair value less cost to sell. Fair value is estimated based on future cash flows from operations, including future capacity increasing activities such as OSL Terminal 2 and expansion of the terminals at Flesland, Sola and Værnes.

The valuation is based on several assumptions. The main assumptions used in the estimation of recoverable amount are (2012 figures in brackets).
All figures in per cent.

	2014	**2015**	**2016**	**2017**	**2018**	**2019**
Passenger growth	3.1 (2.4)	2.8 (2.6)	2.4 (2.8)	3.2 (3.1)	2.4 (3.0)	2.5 (2.4)
Consumer price index	2.0 (1.3)	2.0 (2.1)	2.2 (2.5)	2.0 (2.5)	2.0 (2.5)	2.0 (2.5)
	2020	**2021**	**2022**	**2023**	**2024**	**2025 - 2029**
Passenger growth	2.2 (2.2)	2.1 (2.3)	2.0 (2.3)	1.9 (2.3)	1.9 (2.3)	1.9-2.0 (2.3)
Consumer price index	2.0 (2.5)	2.0 (2.5)	2.0 (2.5)	2.0 (2.5)	2.0 (2.5)	2.0 (2.5)

There is close correlation between GDP (Norwegian mainland) and passenger growth.
The estimates are based on real growth in expenses.

The estimates include expected investments based on the group's long-term investment plan, including existing public regulations.

The expected value of operations past fifteen years is determined as a terminal value. The terminal value is based on the assumption of a constant growth of 2.5 per cent and an estimated normalised investment level.

As at 31 December 2013 there are no indications that the recoverable amount is less than the carrying amount.

Measurement of recoverable amount - sensitivities
As indicated in the table above, the estimation of recoverable amount is based on assumptions concerning future development in several areas. In addition to the assumptions mentioned above, recoverable amount is also affected by investment in assets and interests. As a result, there will be some level of uncertainty concerning the outcome of the estimates. The group has calculated the sensitivities of changes in different assumptions and the effect on recoverable amount. Compared with the assumption used in the estimation of present value the recoverable amount will be most sensitive when it comes to future changes in:

Pax: A change of 1 per cent compared with assumed growth will result in a change in recoverable amount of +/- MNOK 2,283 (2012: +/- MNOK 2,245)

Traffic charges: A change of 1 per cent compared with assumed growth will result in a change in recoverable amount of (2012: +/- MNOK 1,189)

Discount rate: A change of 1 per cent compared with the discount rate applied will result in a change in the recoverable amount of MNOK +17,456/-9,653 (2012: MNOK +28,757/-15,614)

Cost increases: A change of 1 per cent compared with assumed growth will result in a change in the recoverable amount of +/- MNOK 1,504 (2012: MNOK +/- 1,694)

18. Financial instruments by category

Amount in MNOK

Avinor AS:

31 December 2013	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Assets as per balance sheet				
Loans and receivables to group companies	5 182,8			5 182,8
Derivative financial instruments				0,0
Other financial assets	30,2			30,2
Trade receivables	613,1			613,1
Other receivables	41,4			41,4
Cash and cash equivalents	644,2			644,2
Total	6 511,7	0,0	0,0	6 511,7

	Liabilities at fair value through the profit and loss	Derivatives used for hedging	Other financial liabilities	Total
Liabilities as per balance sheet				
State loan				0,0
Loans and payables to group companies			1 104,5	1 104,5
Derivative financial instruments	31,9			31,9
Other long-term liabilities			5 913,1	5 913,1
Trade payables and other liabilities			1 784,8	1 784,8
Total	31,9	0,0	8 802,4	8 834,3

31 December 2012	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Assets as per balance sheet				
Loans and receivables to group companies	3 711,9			3 711,9
Derivative financial instruments		22,9		22,9
Other financial assets	8,6			8,6
Trade receivables	635,7			635,7
Other receivables	49,7			49,7
Cash and cash equivalents	1 289,3			1 289,3
Total	5 695,2	22,9	0,0	5 718,1

	Liabilities at fair value through the profit and loss	Derivatives used for hedging	Other financial liabilities	Total
Liabilities as per balance sheet				
State loan				0,0
Loans and payables to group companies			862,2	862,2
Derivative financial instruments	27,3			27,3
Other long-term liabilities			4 345,8	4 345,8
Trade payables and other liabilities			1 290,1	1 290,1
Total	27,3	0,0	6 498,1	6 525,4

Avinor group:

31 December 2013	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Assets as per balance sheet				
Derivative financial instruments		11,4		11,4
Other financial assets	130,8			130,8
Trade receivables	1 073,9			1 073,9
Other receivables	311,8			311,8
Cash and cash equivalents	673,7			673,7
Total	2 190,2	11,4	0,0	2 201,6

	Liabilities at fair value through the profit and loss	Derivatives used for hedging	Other financial liabilities	Total
Liabilities as per balance sheet				
State loan			3 860,4	3 860,4
Derivative financial instruments	40,9	95,0		135,9
Other long-term liabilities			7 129,0	7 129,0
Trade payables and other liabilities			2 568,9	2 568,9
Total	40,9	95,0	13 558,3	13 694,2

31 December 2012	Loans and receivables	Assets at fair value through the profit and loss	Derivatives used for hedging	Total
Assets as per balance sheet				
Derivative financial instruments		24,3		24,3
Other financial assets	79,0			79,0
Trade receivables	1 069,7			1 069,7
Other receivables	126,8			126,8
Cash and cash equivalents	1 315,7			1 315,7
Total	2 591,2	24,3	0,0	2 615,5

	Liabilities at fair value through the profit and loss	Derivatives used for hedging	Other financial liabilities	Total
Liabilities as per balance sheet				
State loan			4 304,8	4 304,8
Derivative financial instruments	35,9	118,2		154,1
Other long-term liabilities			5 662,2	5 662,2
Trade payables and other liabilities			2 039,6	2 039,6
Total	35,9	118,2	12 006,6	12 160,7

For information about the credit quality of financial assets - see note 3.

19. Derivative financial instruments

Amount in MNOK

	Avinor AS			Avinor group		
Assets						
	2013	**2012**	**Movement**	**2013**	**2012**	**Movement**
Interest rate swaps	0,0	22,7	-22,7	0,0	22,7	-22,7
Forward foreign excha	0,0	0,0	0,0	11,5	1,3	10,2
Forward energy contr	0,0	0,2	-0,2	0,0	0,3	-0,3
	0,0	22,9	-22,9	11,5	24,3	-12,8
Liabilities						
	2013	**2012**	**Movement**	**2013**	**2012**	**Movement**
Interest rate swaps	18,2	22,4	-4,2	113,3	138,2	-24,9
Forward foreign excha	2,9	0,5	2,4	3,6	8,2	-4,6
Forward energy contr	10,8	4,5	6,3	19,1	7,7	11,4
	31,9	27,4	4,5	136,0	154,1	-18,1
Net movement			**-27,4**			**5,3**
Details of net movement:						
Changes in value and other losses/(gains) - net			-9,0			-11,3
Forward foreign exchange contracts - recognise			0,0			14,4
Interest rate swaps - recognised in finance costs			4,3			6,8
Interest rate swaps - recognised in other compr			0,0			19,0
Interest rate swaps - termination value			-22,7			-23,6

All interest rate swaps, with the exception of one fair value hedge, are designated as cash flow hedges.

Forward foreign exchange and energy contracts are not defined as hedge accounting and are classified as a current asset and/or liability.

Interest rate swaps are defined as hedge accounting instruments and the fair value of the hedging instrument is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. The ineffective portion of the hedge is recognised in the income statement.

The notional principal amount of the outstanding forward foreign exchange contracts at 31 December 2013 was MNOK 363.0 (2012: MNOK 362.4).
The notional principal amount of the outstanding forward energy contracts at 31 December 2013 was MNOK 59 (2012: MNOK 83).

The notional principal amount of the outstanding interest rate swaps contracts at 31 December 2013 were MNOK 1,049 (2012: MNOK 1,578).
At 31 December 2013, the fixed interest rates vary from 4.30% to 5.96% (2012: 4.31% to 7.59%). The main floating rate is NIBOR.
Gains and losses recognised in the hedging reserve in other comprehensive income (note 24) on interest rate swap contracts as of 31 December 2013 will be continuously released to the income statement until the repayment of the bank borrowings (note 27).
The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the balance sheet.

20. Other financial assets

Amount in MNOK

	Avinor AS		Avinor group	
	2013	2012	2013	2012
Other non-current receivables	30,2	8,6	130,8	77,4
Total	30,2	8,6	130,8	77,4

Other non-current receivables

Other non-current receivables are non-derivative financial assets with fixed payments that are not quoted in an active market.
Fair value of other financial assets are substantially identical with book value.

21. Trade and other receivables

Amounts in MNOK

	Avinor AS		Avinor group	
Trade receivables	2013	2012	2013	2012
Trade receivables	617,1	640,2	1 078,8	1 075,1
Less: Provision for impairment of trade receival	-4,0	-4,5	-4,9	-5,4
Trade receivables - net	613,1	635,7	1 073,9	1 069,7
Receivables written off during the year	0,9	3,7	1,4	5,3

The fair value of trade receivables is approximately equal to the carrying amount.
Loss on trade receivables is classified as other operating expense in the income statement.

Movement in the provision for impairment (	Avinor AS		Avinor group	
of trade receivables is as follows:	2013	2012	2013	2012
At 1 January	4,5	2,4	5,4	2,9
Provision for receivables impairment	4,0	8,2	4,0	10,7
Receivables written off during the year as uncol	0,9	-3,7	1,4	-5,3
Unused amounts reversed	-5,4	-2,4	-5,8	-2,9
At 31 December	4,0	4,5	5,0	5,4

Credit risk and foreign exchange risk are described in note 3.

At 31 December the aging of the company's receivables was as follows:

	Total	Not due	<30 d	30-60d	60-90d	>90d
2013	617,1	604,2	7,2	1,9	3,8	0,0
2012	640,2	572,1	65,7	1,1	0,3	1,0

At 31 December the aging of the group's receivables was as follows:

	Total	Not due	<30 d	30-60d	60-90d	>90d
2013	1 078,8	1 071,4	1,5	2,4	3,5	0,0
2012	1 075,1	969,5	101,6	2,2	0,6	1,2

Specification of trade and other receivables	Avinor AS 2013	2012	Avinor group 2013	2012
Trade receivables	613,1	635,7	1 073,9	1 069,7
Intra-group accounts	611,5	515,5	0,0	0,0
Associated companies	0,0	0,0	0,0	0,0
Accrued income	40,3	38,3	149,3	99,2
Prepaid expenses	35,5	39,3	37,6	46,4
Other short-term assets	1,1	11,4	162,6	27,6
Total	1 301,5	1 240,2	1 423,4	1 242,9

Fair value of trade and other receivables is approximately equal to the carrying amount.

The carrying amount of trade and other receivables in foreign currency is:

	Avinor AS 2013	2012	Avinor group 2013	2012
Euro	168,1	88,3	168,1	88,3
	168,1	88,3	168,1	88,3

22. Cash and cash equivalents

Amounts in MNOK

	Avinor AS 2013	2012	Avinor group 2013	2012
Cash and bank at hand	644,2	589,3	673,7	615,6
Short-term bank deposits	0,0	700,0	0,0	700,0
Total	644,2	1 289,3	673,7	1 315,6

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

Cash and cash equivalents	644,2	1 289,3	673,7	1 315,6
Bank overdrafts	0,0	0,0	0,0	0,0
Total	644,2	1 289,3	673,7	1 315,6

Avinor AS has a credit facility of MNOK 4,000 and a overdraft limit of MNOK 800 in a bank.

Group bank account system:
The Avinor bank accounts are organised as a group bank account system. Avinor AS is the formal holder of the bank account. The Bank accounts of Oslo Lufthavn AS, Oslo Lufthavn Eiendom AS, Avinors Parkeringsanlegg AS, Flesland Eiendom AS, Værnes Eiendom AS, Sola Hotel Eiendom AS and Hell Eiendom AS are therefore formally receivables from Avinor AS, and these companies are jointly responsible for the withdrawals that the Avinor group has made.

23. Share capital, shareholder information, dividend and results

Amounts in MNOK

	Number of shares	Face value	are-capital
Ordinary shares	540 010	0,01	5 400,1
Total	540 010	0,01	5 400,1

The company has paid the following dividend on ordinary shares:	2013	2012
NOK 781.1 per share in 2011		421,8
NOK 858.0 per share in 2012	463,4	
Total	463,4	421,8

Proposed dividend for approval in the general assembly	2013	2012
(Not presented as a liability per 31 December)		
NOK 858.0 per share		463,4
NOK 824.9 per share	445,5	
Total	445,5	463,4

All shares are owned by the Norwegian State, represented by the Ministry of Transport and Communication.

24. Other reserves

Amounts in MNOK

Avinor AS:	Pensions	Hedges	Total
At 1 January 2012	**-689,5**	**-14,0**	**-703,4**
Actuarial gains/(losses) on pensions	-560,4		-560,4
Tax effect	156,9		156,9
Fair value change cash flow hedge		19,3	19,3
Tax effect		-5,4	-5,4
At 31 December 2012	**-1 093,0**	**-0,1**	**-1 093,0**
Actuarial gains/(losses) on pensions	1 442,2		1 442,2
Tax effect	-403,8		-403,8
Fair value change cash flow hedge		0,0	0,0
Tax effect		0,0	0,0
Change in tax rate, effect deferred tax assets/-liabilities	-1,5		-1,5
At 31 December 2013	**-56,1**	**-0,1**	**-56,1**

Avinor group:	Pensions	Hedges	Total
At 1 January 2012	**-750,1**	**-78,5**	**-828,5**
Actuarial gains/(losses) on pensions	-677,5		-677,5
Tax effect	189,7		189,7
Fair value change cash flow hedge		-3,7	-3,7
Tax effect		1,1	1,1
At 31 December 2012	**-1 237,9**	**-81,1**	**-1 319,2**
Actuarial gains/(losses) on pensions	1 698,0		1 698,0
Tax effect	-475,4		-475,4
Fair value change cash flow hedge		33,4	33,4
Tax effect		-9,4	-9,4
Change in tax rate, effect deferred tax assets/-liabilities	-1,2	-0,8	-2,0
At 31 December 2013	**-16,5**	**-57,9**	**-74,6**

25. Pension obligation

Amounts in MNOK

Defined benefit plan

The group is required by law to have a pension plan. The pension plan of the group satisfies these requirements.
The pension plan encompasses pension benefits in accordance with the act relating to the Norwegian Public Service Fund (SPK). The benefits are retirement pension, disability pension and dependent pension. In addition, the calculations do include a contractual pension right, which is a tariff-regulated early retirement scheme from 62 years of age.
The benefits are coordinated with the National Insurance Scheme and any previous membership periods with service pensions fund within the public sector.
The pensions have a guaranteed level of gross payment independent of the National Insurance Scheme. About 54 per cent of the employees have an ordinary retirement age of 62 or 65 years.
Actuarial gains in 2013 (MNOK 1,698.0 for the group and MNOK 1,442.0 for the parent) were mainly caused by changes in financial assumptions. The total positive change have, however, been modified by changes in demographic assumptions, as a new mortality tariff, labelled K2013, have been implemented. The tariff K2013 have been used for calculating life and mortality expectancy, while the tariff K1963 multiplied by 200% have been used for determination of disability risk.

	Life expectancy		Mortality expectancy		Disability expectancy	
Age	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
20	81	85	0,0237 %	0,0094 %	0,1148 %	0,1724 %
40	82	86	0,0501 %	0,0293 %	0,2638 %	0,5236 %
60	84	87	0,3510 %	0,2383 %	1,4064 %	2,4044 %
80	89	91	3,8661 %	2,5469 %	IA	IA

The amounts recognised in the income statement are as foll	Avinor AS		Avinor group	
	2013	**2012**	**2013**	**2012**
Current service cost	380,0	325,2	461,3	383,8
Interest cost	162,3	151,9	188,3	175,6
Change in pension adjustment	0,0	0,0	0,0	0,0
Change in life expectancy	0,0	0,0	0,0	0,0
Expected return on plan assets	-94,3	-93,7	-109,5	-108,6
Contribution from the employees	-34,6	-32,8	-41,5	-39,4
Administration fee	6,1	5,8	7,3	7,0
Payroll tax, employers contribution	47,4	38,9	59,4	48,8
Total pension cost (Note 8)	466,9	395,3	565,3	467,2

The movement in pension obligations and plan assets:

Avinor AS	**2013**			**2012**		
	Funded	**Unfunded**	**Total**	**Funded**	**Unfunded**	**Total**
Change in gross pension obligation:						
Obligation at 1 January	6 828,7	6,5	6 835,2	5 896,4	5,4	5 901,8
Current service cost	383,5	2,6	386,1	329,9	1,1	331,0
Interest cost	162,3		162,3	151,9		151,9
Actuarial losses/(gains) -financial assumptions	-1831,2		-1 831,2	557,0		557,0
Actuarial losses/(gains) -demographic assumptions	502,3		502,3	0,0		0,0
Benefits paid	-116,8		-116,8	-106,5		-106,5
Gross pension obligation at 31 December	**5 928,8**	**9,1**	**5 937,9**	**6 828,7**	**6,5**	**6 835,2**
Change in pension funds:						
Fair value at 1 January	3 835,4		3 835,4	3 529,9		3 529,9
Expected return on plan assets	94,3		94,3	93,7		93,7
Employer contributions	321,1		321,1	266,8		266,8
Actuarial (losses)/gains	-23,7		-23,7	51,5		51,5
Benefits paid	-116,8		-116,8	-106,5		-106,5
Fair value of plan assets at 31 December	**4110,3**	**0,0**	**4 110,3**	**3 835,4**	**0,0**	**3 835,4**

Net pension obligation	1 818,5	9,1	1 827,6	2 993,3	6,5	2 999,8
Payroll tax, employers contribution	191,0		191,0	314,3	0,9	315,2
Net pension obligation recognised	**2 009,5**	**9,1**	**2 018,6**	**3 307,6**	**7,4**	**3 315,0**

Actual return on plan assets last year	167,8		167,8	159,1		159,1
Expected employer contribution next year	384,0		384,0	320,1		320,1
Expected payment of benefits next year	-120,0		-120,0	-109,1		-109,1

The movement in pension obligations and plan assets:

Avinor group	**2013**			**2012**		
	Funded	**Unfunded**	**Total**	**Funded**	**Unfunded**	**Total**
Change in gross pension obligation:						
Obligation at 1 January	7 922,0	14,8	7 936,8	6 816,3	15,1	6 831,4
Current service cost	458,7	2,6	461,3	389,7	1,1	390,8
Interest cost	188,3		188,3	175,6		175,6
Actuarial losses/(gains) -financial assumptions	-2 142,3		-2 142,3	664,3	-1,4	662,9
Actuarial losses/(gains) -demographic assumptions	576,2	-0,4	575,8	0,0		0,0
Benefits paid	-134,7		-134,7	-123,9		-123,9
Gross pension obligation at 31 December	**6 868,2**	**17,0**	**6 885,2**	**7 922,0**	**14,8**	**7 936,8**
Change in pension funds:						
Fair value at 1 January	4 445,6		4 445,6	4 079,5		4 079,5
Expected return on plan assets	109,5		109,5	108,6		108,6
Employer contributions	385,3		385,3	327,0		327,0
Actuarial (losses)/gains	-36,5		-36,5	54,4		54,4
Benefits paid	-134,7		-134,7	-123,9		-123,9
Fair value of plan assets at 31 December	**4 769,2**	**0,0**	**4 769,2**	**4 445,6**	**0,0**	**4 445,6**
Net pension obligation	2 099,0	17,0	2 116,0	3 476,4	14,8	3 491,2
Payroll tax, employers contribution.	230,3		230,3	381,9	2,0	383,9
Net pension obligation recognised in the balance sheet at 31 December	**2 329,3**	**17,0**	**2 346,3**	**3 858,3**	**16,8**	**3 875,1**

Actual return on plan assets last year	190,2		190,2	180,7		180,7
Expected employer/employee contribution next year	443,9		443,9	382,6		382,6
Expected payment of benefits next year	-138,4		-138,4	-126,2		-126,2

Movement in the defined benefit obligation over the year:

	Avinor AS		**Avinor group**	
	2013	**2012**	**2013**	**2012**
Obligation at 1 January	2 999,8	2 371,9	3 491,2	2 751,9
Pension cost charged to the income statement	454,1	389,2	540,1	457,8
Employer/employee contribution	-327,2	-272,6	-392,6	-333,9
Administration fee	6,1	5,8	7,3	7,0
Actuarial (gains)/losses recognised in other comprehensive	-1 305,2	505,5	-1 530,0	608,5
Liability in the balance sheet at 31 December	1 827,6	2 999,8	2 116,0	3 491,2

Actuarial (gains)/losses on post-employment benefit obligations

Actuarial (gains)/losses	-1 305,2	505,5	-1 530,0	608,5
Payroll tax on actuarial (gains)/losses	-137,0	54,9	-168,0	69,0
Total actuarial (gains)/losses on post-employment benefit obligations	-1 442,2	560,4	-1 698,0	677,5

The calculation of pension cost and net pension obligation are made on the basis of a set of assumptions. The determination of the discount rate to be used is made on the basis of Norwegian covered bond interest rates. The pension obligation's weighted average duration is 22 years.
Assumptions regarding future salary and pension increases in addition to official pension benefit adjustments are made on the basis of historical observations for the group .

	2013	2012
Discount rate	4,10%	2,40%
Expected return on plan assets	3,8/4,0%	4,6/4,0%
Future salary increases	4,00%	3,50%
Future pension increases	2,75%	2,50%
Early retirement scheme	15,00%	15,00%
Average turnover rate (under 50 years of age)	3,00%	3,00%
Average turnover rate (over 50 years of age)	0,20%	0,20%

Plan assets
The determination of premium levels and the calculation of provisions for pension obligations are based on ordinary actuarial principles
The pension agreement is not directly funded. The payment of pensions are guaranteed by the Norwegian State (Section 1 of the Pensions Act).
The plan assets are a simulation of the allocation of funds as if these funds were invested in long-term government bonds ("Simulated funds")
The pension fund may not be transferred in the same way as an ordinary private pension agreement. This calculation is made on the presumption that the pension agreement continues in SPK. The simulation is made on the presumption that the bonds are held to maturity.
The plan assets are therefore valued at the nominal value plus the return on the assets.

Changes in IAS 19
IAS 19R has been applied retrospectively from 1 January 2012. As a result, expected returns on plan assets of defined benefit plans are not recognised in profit or loss. Instead, interest on net defined obligation is recognised in profit or loss, calculated using the discount rate used to measure the netpension obligation.
The adoption of IAS 19R results in an increased pension cost of approximately 100 MNOK for the group and 90 MNOK for the parent company in 2012.

Specification change:	**Avinor AS 2012**	**Avinor group 2012**
Endring resultatregnskap		
Employee benefits expense	90,0	100,0
Income tax expense	-25,2	-28,0
Profit/(loss) for theyear	-64,8	-72,0
Equity:		
Actuarial gains on post employment benefit obligations	90,0	100,0
Tax effect	-25,2	-28,0
Net actuarial gains on post employment benefit obligations	64,8	72,0
Net impact on equity:		
Other reserves	64,8	72,0
Other equity	-64,8	-72,0
Total	0,0	0,0

Pension obligation - sensitivities
Pension obligation sensitivities - changes in weighted financial assumptions:
Discount rate: A change of 1 per cent compared with the discount rate applied will result in a change in the pension obligation of MNOK -1,150/+1,522.
Future salary increases: A change of 1 per cent in the expected inflation rate will result in a change in the pension obligation of MNOK +1,520/-1,167.

26. Provisions for other liabilities and charges

Amounts in MNOK

Avinor AS	Redun-dancy pay	Severance pay air traffic controllers	Environ-mental pollution	Other	Total
At 1 January 2013	14,2	15,2	138,0	0,8	168,2
Additional provision 2013	0,6	5,6	0,0	0,0	6,2
Reversed 2013	0,0	0,0	0,0	0,0	0,0
Used in 2013	-3,3	-5,3	-4,1	-0,2	-12,9
At 31 December 2013	11,5	15,5	133,8	0,6	161,4

Avinor group	Redun-dancy pay	Severance pay air traffic controllers	Environ-mental pollution	Other	Total
At 1 January 2013	14,2	16,6	168,0	0,8	199,6
Additional provision 2013	0,6	5,6	100,0	0,0	106,2
Reversed 2013	0,0	0,0	0,0	0,0	0,0
Used in 2013	-3,3	-5,2	-4,1	-0,2	-12,8
At 31 December 2013	11,5	17,0	263,9	0,6	293,0

The short-term part of provisions for other liabilities and charges are included in other short term liability. See note 3.

Redundancy pay
On 4 December 2003, the board of directors approved a substantial restructuring of the group, called Take-off-05.
One of the consequences of this decision was a substantial cut in the workforce. Part of the cut was carried out by use of redundancy pay.

According to the terms laid down for the establishment of the company, the employees of Avinor AS were entitled to redundancy pay until 31 December 2005.
Redundancy pay is covered by the company. The period of time for the right to redundancy pay depends on age and seniority at time of resignation.
The provision for redundancy pay is based on expectations about the redundancy pay period based on the above-mentioned rules.

Severance pay air traffic controllers
Due to a change in official regulations, the operational age limit for air traffic controllers was reduced from 65 to 60 years with effect from 1 January 2004.
The company has entered into individual severance pay agreements covering 72 per cent of normal wages in the period 60-62 years.
After this period the individuals will be covered by ordinary pension plans.

Environmental pollution
A provison is made for surveys and identification, in addition to costs related to the clean-up of polluted ground (see note 29).

27. Borrowings

Amounts in MNOK

	Avinor AS		Avinor group	
	2013	**2012**	**2013**	**2012**
Non-current				
State loan	0,0	0,0	3 860,4	4 304,8
Bonds	2 850,0	1 275,3	2 850,0	1 275,3
Bank borrowings	3 025,3	3 025,3	4 241,2	4 341,7
Lufthavnutbygging AS	37,8	45,2	37,8	45,2
Total long-term	5 913,1	4 345,8	10 989,4	9 967,0
Current				
Commercial papers	800,0	700,0	800,0	700,0
First year instalment on long-term debt	405,6	7,8	945,5	520,9
Total current	1 205,6	707,8	1 745,5	1 220,9

All borrowings in NOK.

Information about State loan and bank borrowings	Currency	Effective interest rate
State loan	NOK	3,40%
Bonds, inclusive commercial papers	NOK	4,30%
Bank borrowings	NOK	5,29%

The figures include interest hedging derivatives.
The effective interest rate is calculated as a weighted average depending the relative size of the borrowings.
See note 3 for a description of interest risk.

Instalment profile:	**2015**	**2016**	**2017**	**2018**	**2019**	**Thereafter**	**Total**
State loan	444,4	444,4	444,4	444,4	444,4	1 638,4	3 860,4
Bonds	0,0	400,0	0,0	0,0	0,0	2 450,0	2 850,0
Bank borrowings	95,1	159,0	220,9	207,2	267,6	3 291,4	4 241,2
Other	8,7	10,2	11,9	4,6	2,5	0,0	37,8

State loan

Borrowings are carried at fair value when they are drawn. Thereafter they are carried at amortised cost calculated by using the effective interest method. The loan is divided into six equal debentures with different interest terms. Debentures one to five have interest rates equal to the interest rate used by the State when lending to public sector enterprises (average interest rate on five-year government bonds in the period October-September) plus 30 basis points. The interest on one of the debentures is renewed each year. The interest on the last debenture is set at three, six or twelve months NIBOR plus 20 basis points. The interestis payable in arrears at 31 December. The loan had originally a payment period of 20 years starting 2002. The term of the loan has subsequently been extended so that the final maturity date is in 2024. The first instalment was paid 30 June 2002.

Bonds

Avinor AS has issued bond loans noted on the Stock Exchange with a total nominal value of MNOK 1,500, lending date 20 May 2009, quotation date Oslo Børs
3 July 2009. In 2013 Avinor AS issued additional bonds with a total nominal value of MNOK 2,450, lending date 22 April 2013, quotation date Oslo Børs
5 July 2013. Bonds at a nominal value of MNOK 453.5 were redeemed at 22 April 2013.
The loans are carried at face value on the payment date. Thereafter the loans are carried at amortised cost by using the effective interest method.
The loans, as at 31 December 2013, are as follows:
Face value MNOK 396.5, maturity date 20 May 2014, interest rate 5.77 per cent
Face value MNOK 400, maturity date 20 May 2016, interest rate 6.56 per cent
Face value MNOK 450, maturity date 8 May 2020, interest rate 3.75 per cent
Face value MNOK 2,000, maturity date 8 May 2028, interest rate 4.45 per cent

Bank borrowings
Borrowings are carried at fair value when they are drawn. Thereafter they are carried at amortised cost calculated by using the effective interest method. Avinor AS raised in 2011 a loan of NOK 1.5 billion from the Nordic Investment Bank (NIB). The loan, disbursed in December 2011, has a term of 20 years and is irredeemable for 8 years. In 2012 Avinor AS raised an additional loan of MNOK 1525.3 from the European Investment Bank (EIB). The loan, distributed in June 2012, has a term of 16 years and is irredeemable for 4.5 years. Avinors Parkeringsanlegg AS and Flesland Eiendom AS have issued a negative pledge clause. The mortgages in Oslo Lufthavn Eiendom AS are secured with a MNOK 309.3 (2012: MNOK 343.2) mortgage in buildings on leased land. The carrying amount of the mortgaged buildings is MNOK 452.0 (2012: MNOK 475.0).
According to its Articles of Association the company is not allowed to pledge assets connected to the core business of the group as security.

Drawing rights
The group has an unused bank credit facility of MNOK 4,000 at a floating interest rate, expiring in 2018. The group can requeste a prolonged term, this require acceptance from all participating banks.
The group also has an unused bank overdraft limit of MNOK 800 at a floating interest rate.

Commercial papers
Avinor AS has in 2013 raised several loans in commercial papers, amounting to MNOK 800 as at 31 December 2013.

28. Other short-term liability

Amounts in MNOK

	Avinor AS		Avinor group	
	2013	**2012**	**2013**	**2012**
Holiday allowance	238,6	223,0	281,5	263,7
Advance from customers	50,4	50,5	272,3	131,5
Wages and social security	89,6	71,8	103,5	85,5
Accruals	328,7	391,7	433,5	526,2
Intra-group liability	1 104,5	862,2	0,0	0,0
Other short-term liability	331,5	215,5	341,8	229,1
Total	2 143,3	1 814,7	1 432,6	1 236,0

29. Contingencies

Norwegian Defence:
A cooperation agreement exists between Norwegian Defence and Avinor with corresponding local agreements concerning sharing responsibilities and expenses for airports where both parties have activities. For FY 2008-2009 the final settlements of accounts is still pending. Accounts payment have been made on the basis of figures from 2004.

In 2007, Norwegian Defence initiated a renegotiation of the agreement. Based on a mandate from the Ministry of Transportation and the Ministry of Defence a new agreement has been entered into. The agreement was approved by the government in February 2011, with effect from 1 January 2010.
The agreement establishes principles for the basis of allocation of investment- and operational expenses between the parties.
The practical implementation of the agreement, including calculation of the cash-flow between the parties, has not been completed. There is therefore uncertainty attached to the economic consequences.

In a letter dated 11 March 2009, the Attorney General concluded that Avinor shall pay Norwegian Defence compensation for the right to use land at Værnes (Trondheim airport) and Flesland (Bergen airport).
A legal assessment shall be carried out to determine the value of the land at these airports. There is uncertainty attached to the outcome.

The external environment:
The results from previous environmental investigations and risk assesments show contaminant distribution of the environmental toxin PFOS from several airports. Thus, additional investigations, mainly in groundwater, surface water and biota, have been carried out 20 airports during 2013. Based on the results from these investigations, the risk assessments from 2012 will be revised and sent to the Norwegian Environment Agency for additional review.

The Norwegian Environment Agency has already instructed Oslo Airport Gardermoen to iniate remediation within 1 August 2014. However, such instructions have not yet been given to other airports, neither have comments on the risk assessments of 2012. Result from additional investigations will together with instructions from the Environment Agency form the basis for the required level of remediation at PFOS contaminated sites. As the results have not yet been concluded, cost related to remediation are presently associated with great uncertainties. See note 26.

Fighter plane base:
The Storting has resolved that Bodø's main air station shall be closed down, while Evenes will be the advanced base for fighter planes in the north. Avinor currently operates Evenes and the Norwegian Armed Forces manage Bodø's main air station where Avinor is responsible for civil operations. At both locations the costs aredivided between the Norwegian Armed Forces and Avinor. The changes at these airports will have financial consequences for Avinor, both with regard to future investments in property, plant and equipment and running operating expenses.

Approach services for Rygge, Sandefjord and Skien airports
Avinor has demanded compensation for approach services rendered to Rygge, Sandefjord and Skien airports. The Norwegian Defence have paid for Rygge in accordance with existing agreements, but with the reservation that the compensation for civilian traffic have to be repaid if Sandefjord and Skien do not pay. Sandefjord and Skien airports contest the claim for payment on grounds of principle, as they claim that the demandfor payment do not have a legal basis. They refuse to enter an agreement on voluntary basis. Legal action have been initiated.

30. Commitments

Amounts in MNOK

The parent company and the group have contracted for capital expenditure not yet incurred at the end of the reporting period as follows:

	Avinor AS		**Avinor group**	
	2013	**2012**	**2013**	**2012**
Property, plant and equipment	817,4	1 235,9	4 239,1	4 094,2
Total	817,4	1 235,9	4 239,1	4 094,2

31. Related-party transactions

Amounts in MNOK

The Ministry of Transport and Communication
As the sole owner of Avinor AS the Norwegian State represented by the Ministry of Transport and Communication (SD) is a related party.

SD has the principal authority regarding the structure of the airport network and the traffic charges.

Any closing down of an airport or other material changes in the airport structure shall be presented to SD. The final decision is made by the Storting.

The charges regulation which decides the setting of air traffic charges shall be sanctioned by SD.

Group companies
Outstanding accounts between companies in the group:

Avinor AS at 31 December 2013	Oslo Lufthavn AS	Oslo lufthavn Eiendom AS	Avinors parkerings-selskap AS	Flesland Eiendom AS	Værnes Eiendom AS	Sola Hotel Eiendom AS	Hell Eiendom AS	Total
Loans to group companies	4 571,3	0,0	0,0	0,0	0,0	0,0	0,0	4 571,3
Intra-group receivables	545,5	51,2	14,6	0,0	0,0	0,0	0,2	611,5
Total	5 116,8	51,2	14,6	0,0	0,0	0,0	0,2	5 182,8
Other short-term intra-group liability	704,9	140,6	30,1	84,9	52,6	75,8	15,6	1 104,5
Total	704,9	140,6	30,1	84,9	52,6	75,8	15,6	1 104,5

Avinor AS at 31 December 2012	Oslo Lufthavn AS	Oslo lufthavn Eiendom AS	Avinors parkerings-selskap AS	Flesland Eiendom AS	Værnes Eiendom AS	Sola Hotel Eiendom AS	Hell Eiendom AS	Total
Loans to group companies	3 021,4	0,0	0,0	55,0	60,0	60,0	0,0	3 196,4
Intra-group receivables	435,3	52,7	19,7	2,4	2,6	2,5	0,3	515,5
Total	3 456,7	52,7	19,7	57,4	62,6	62,5	0,3	3 711,9
Other short-term intra-group liability	426,4	135,7	92,9	78,0	52,5	62,3	14,4	862,2
Total	426,4	135,7	92,9	78,0	52,5	62,3	14,4	862,2

The subordinated loan capital of Oslo Lufthavn AS amounts to MNOK 1371.3 at 31 December 2013. There are ordinarily no instalments on the loan. The interest on the loan is determined as the average of 12 months NIBOR at 15.02, 15.05, 15.08 and 15.11 each year. A margin of 1.5 percentage points is added. Loan from Avinor AS, financing the development of terminal 2 (T2) at Oslo Lufthavn AS, amounts to MNOK 3,200 at 31 December 2013. The interest on the loan is based on the borrowing rate of Avinor AS. There are no instalments on the loan.

Avinor AS charges Oslo Lufthavn AS a ground rent of MNOK 389.2.

32. Events after balance sheet date

Avinor AS has on 13 March 2014 issued new bonds under the company's EMTN program, with a nominal value of EUR 300m, maturity of 7 years and a coupon of 1.75%. The bonds will be qouted at the Luxembourg Stock Exchange.

RESPONSIBILITY STATEMENT FROM THE BOARD OF DIRECTORS AND THE CEO

We confirm, to the best of our knowledge that the financial statements for the period 1 January to 31 December 2013 have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the entity and the group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair view of the development and performance of the business and the position of the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Oslo, 28 March 2014

Ola Mørkved Rinnan
Chairman

Ola H. Strand
Vice Chairman

Eli Skrøvset

Anne Breiby

Dag Hårstad

Tone L. Hofstad

Per Erik Nilsen

Olav Aadal

Grete Ovnerud

Heidi Anette Sørum

Dag Falk-Petersen
CEO

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working world

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To the Annual Shareholders' Meeting of
Avinor AS

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Avinor AS, comprising the financial statements for the Parent Company and the Group. The financial statements of the Parent Company and the Group comprise the statement of financial position as at 31 December 2013, the statements of comprehensive income, cash flows and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

The Board of Directors' and Chief Executive Officer's responsibility for the financial statements

The Board of Directors and Chief Executive Officer are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards as adopted by the EU, and for such internal control as the Board of Directors and Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements for the Parent Company and the Group.

Building a better working world

Opinion

In our opinion, the financial statements of Avinor AS have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Parent Company and the Group as at 31 December 2013 and their financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report and on the statement on corporate governance

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report and in the statements on corporate governance concerning the financial statements, the going concern assumption and the proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Chief Executive Officer have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and generally accepted bookkeeping practice in Norway.

Oslo, 28. March 2014
ERNST & YOUNG AS

Jan Wellum Svensen
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been made for information purposes only.)

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