Annual and CSR Report 2015

AVINOR

THE YEAR

50 000 000
PASSENGERS

724 000
DEPARTURES AND LANDINGS

3 157
EMPLOYEES

300 000
PATIENT FLIGHTS

88 PER CENT
PUNCTUALITY

Our performance

NOK MILLION	2015	2014	2013	2012
Operating income airport operations	9 424.1	9 561.5	9 001.1	8 255.8
Operating income air navigation services	2 087.6	2 014.8	1 897.3	1 837.1
Total operating income group	11 989.4	10 671.0	9 977.6	9 152.1
EBITDA group	4 691.8	3 648.3	2 993.0	2 918.2
Profit after tax	2 449.0	1 398.7	890.9	854.7
Number of air passengers (figures in 1 000)	50 024.9	50 106.8	48 799.0	46 511.0
Number of aircraft movements (figures in 1 000)	724.1	738.1	731.1	669.0

Operating income
airport operations

9 424.1

NOK MILLION

Operating income
air navigation services

2 087.6

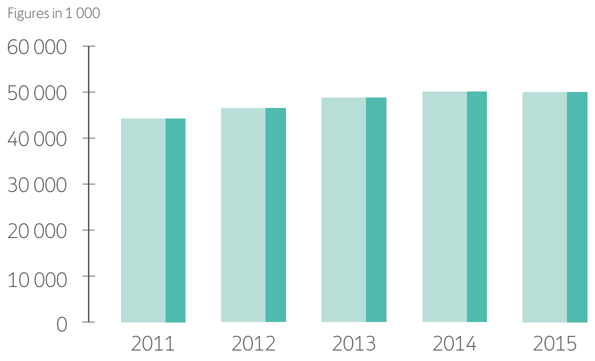
NOK MILLION

Profit after tax

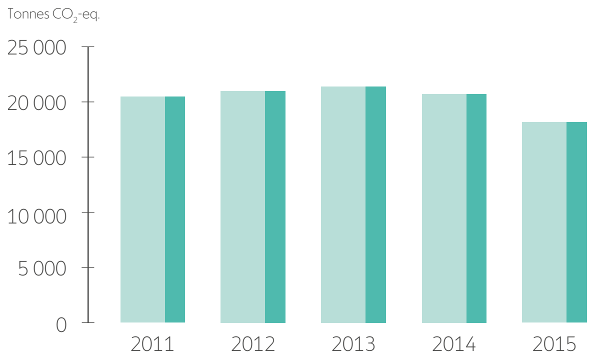
2 449.0

NOK MILLION

NUMBER OF AIR PASSENGERS
2011-2015



AVINOR'S OWN CONTROLLABLE GREENHOUSE GAS EMIISSIONS
2011-2015



Content

About Avinor

Avinor is a wholly-owned state limited company under the Ministry of Transport and Communications. Avinor is responsible for the 46 state-owned airports and air navigation services for civil and military aviation in Norway. Twelve airports are operated in cooperation with the Norwegian Armed Forces. In 2014, the air navigation services were organised in a separate company, wholly owned by Avinor.

VISION

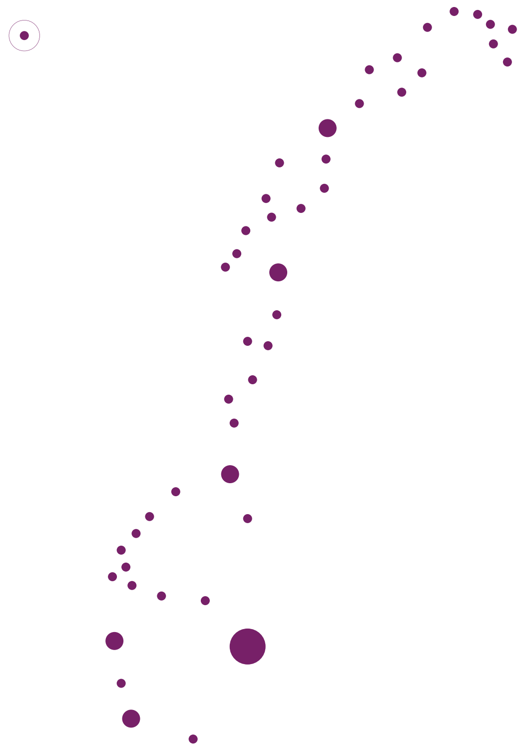
We create valuable relationships

MISSION

Avinor shall develop and operate a safe, efficient and sustainable aviation system throughout Norway

VALUES

- Open
- Accountable
- Dynamic
- Customer-focused



Avinor is self-funded. Airport operations are managed as a single unit, in which financially profitable airports finance the financially unprofitable airports. Avinor's primary sources of income are fees collected from the airlines and passengers, as well as commercial revenue from renting out space for shops, duty-free shops, cafés and restaurants and other services. Avinor also receives income from renting out space for airport hotels and parking facilities.

Oslo Airport is the hub for Norwegian air traffic and a junction for traffic between Norway and other countries. This airport alone handles half the air traffic in Norway, and the profit from Oslo Airport is key in financing the network of airports across the country.

Safety has the highest priority in Avinor. Norwegian aviation had no accidents with personal injuries in 2014 or 2015 where Avinor was a contributory party. All incidents of a certain severity are followed up carefully in accordance with national regulations.

The total number of passengers (scheduled, charter and offshore) at Avinor's airports was 50 023 416 in 2015, down 0.2 per cent from 2014. This is the first year traffic has declined since 2009. International traffic continued to increase and rose by a total of 1.5 per cent, compared with the previous year. At Oslo Airport, the number of passengers was 24 678 195, up 17 per cent compared with 2014. Offshore-related traffic was down by 11.7 per cent. This was linked to the downturn in the oil and gas industry.

A total of 724 094 departures and landings took place at Avinor's airports, down 3 per cent from the previous year. The number of flights through Norwegian airspace increased by 6.1 per cent.

The shares in Avinor AS are wholly-owned by the Norwegian state as represented by the Ministry of Transport and Communications (MTC). The MTC manages the state's ownership and stipulates Avinor's financial framework. In addition, the MTC regulates Avinor's revenues from airport fees, and is responsible for establishing performance targets for air navigation services. The MTC is the highest authority for Norwegian aviation and also lays down the Civil Aviation Authority's regulations for Avinor's operations. Avinor's head office is in Oslo.

OUR AIRPORTS

Avinor's airports vary greatly in terms of size and traffic volume. Oslo Airport is by far the largest airport and handles more than half of the air traffic in Norway and 70 per cent of all international traffic. Stavanger, Bergen and Trondheim also have significant international traffic. There is also international traffic from some other airports, such as Tromsø, Bodø, Molde, Ålesund, Haugesund, Kristiansand and Kristiansund.

Only Oslo Airport has two parallel runways. Stavanger Airport has a secondary runway which is used in special wind conditions. Traffic prognoses indicate a need for a third runway at Oslo Airport in 2030. A second runway will also be necessary at Bergen Airport, Flesland around 2040.

The length of the runways at Oslo Airport is 3 600 metres. At the other major airports, the runways are 2 600 - approx. 3 000 metres, which means large jets can use them. 27 of Avinor's 46 airports are short runway airports, with runways of between 800 and 1 200 metres and no more than two or three scheduled flights a day. These can only be used by smaller aircraft such as Dash 8, air ambulances and private planes. The 27 small airports are of great significance in sustaining settlement and business and industry in rural districts.

A message from the CEO

Modernised and ready for the future

Norwegian and international aviation is constantly changing. In Norway, we have seen a slight decline in traffic over the last year, for the first time since 2009. This affects the financial situation of the aviation industry, including Avinor.

In 2014, we launched a programme which will modernise our activities and make them more efficient. Among other measures, we established a goal of reducing our operating expenses by NOK 600 million per year as of 2018, compared with our plans at the time. In 2015, we achieved a cost reduction of more than NOK 150 million, down 1.7 per cent compared with 2014. As a self-funded corporation, where the major airports finance Norway's nation-wide network of airports, efficient operations are particularly important for Avinor. Every bit we earn is spent maintaining and developing an infrastructure that our country depends on.

In Avinor, we want to take overall responsibility for the passenger journey. We are aware that many people find air travel stressful. Consequently, we have introduced a number of measures in recent years which are designed to help everyone, but with special emphasis on passengers with special needs. We focus on making sure security checks are not perceived as problematic, and surveys have shown that we now score high on customer satisfaction. Unfortunately, regulations dictate that water cannot be brought through security. Several airports therefore offer free drinking water after the security checkpoints. We have also changed the layout of our shops, including the Duty Free shops, to enhance the experience for our customers.

Flight punctuality is our customers' primary concern. In 2015, punctuality at Avinor's airports was 88 per cent, the same as in 2014. This means that we are doing quite well, compared with other international airports. Punctuality is demanding in Norway, where the weather often presents challenges.

Safety is Avinor's top priority. In 2015, there were no aviation accidents in Norwegian aviation where Avinor was a contributory party.

Avinor's goal is to reduce the total greenhouse gas emissions which the group itself controls, regardless of traffic growth. We also aim to be a driving force in reducing overall greenhouse gas emissions from Norwegian aviation. In 2015, Avinor's own greenhouse gas emissions from airport operations were lower than in 2012. As of January 2016, Oslo Airport is the first international airport with regular supplies of biofuel for aircraft. Phase-in of carbon-neutral biofuel for aircraft is an important contribution to reducing greenhouse gas emissions from the aviation industry. The jet biofuel supplied to Oslo Airport is produced from the Camelina plant. It is certified, does not contain palm oil and does not displace food production or rain forest area.

In spring 2015, Avinor conducted a new assessment of the airport structure in Norway. Avinor decided not to propose closure of any airports in the next four years. The precondition for this is that operating costs of the small, local airports are reduced by NOK 100-150 million by 2019. This is a target we will achieve.

The work at Oslo Airport to expand the terminal and build a new North Pier is progressing according to plan, both with regard to costs and progress. The official opening will be on 27 April 2017. A new terminal at Bergen Airport, Flesland is taking shape and here also work is progressing as scheduled, with official opening on 17 August 2017.

Remote-controlled towers present an innovation Avinor will initially establish at 15 of our smaller units. The first towers will be commissioned in the course of 2017. We have an exciting year ahead.

Flight punctuality is our customers' main concern. In 2015, punctuality at Avinor's airports was 88 per cent, the same as in 2014. This means that we are doing quite well, compared with other international airports.

Dag Falk-Petersen
CEO

UN GLOBAL COMPACT
WE SUPPORT


norwegian.com

Report of the Board of Directors 2015

- Sale of properties, increased revenues per passenger and reduced costs resulted in a profit despite reduced traffic.
- The group's modernisation programme reached its goal by a wide margin – cost savings of more than NOK 150 million in 2015.
- The Terminal 2 project at Oslo Airport and Terminal 3 project at Bergen Airport, Flesland are on schedule – both will open in 2017.
- From January 2016, Oslo Airport became the first international airport in the world to offer regular supplies of jet biofuels for all airlines.
- Avinor has entered into an agreement with Kongsberg Defence Systems for the most comprehensive investment in remotely operated towers ever launched within international aviation. A tower centre is being established in Bodø.
- Simpler transfer from International to Domestic introduced at Oslo Airport.

MAIN FEATURES OF 2015

(Last year's figures in parentheses)

In 2015, the volume of traffic measured in the number of passengers at Avinor's airports was 50.0 million, down 0.2 per cent compared with the previous year. The downturn in the oil and gas industry has particularly affected domestic air traffic and offshore helicopter traffic in Western Norway. Air traffic is expected to increase in 2016. However, the socio-economic development may affect growth. Avinor responds to the increased insecurity with efficiency and cost reduction measures.

Safe and stable operations were maintained in 2015, despite high construction activity combined with ongoing traffic management. Average punctuality and regularity during the last 12 months were 88 per cent (88 per cent) and 98 per cent (98 per cent), respectively. No aviation accidents occurred in 2015 in which Avinor was a contributing party.

The group's operating income in 2015 amounted to NOK 11 989 million (NOK 10 671 million) and profit after tax totalled NOK 2 448 million (NOK 1 399 million). The profit for the year was positively affected by gains from the sale of hotel property at Gardermoen.

As of January 2016, jet biofuel is available for all airlines refuelling at Oslo Airport Gardermoen. Oslo Airport is the first international airport in the world to offer regular supplies of biofuel.

In connection with development of remotely operated tower services, Avinor entered into an agreement with Kongsberg Defence Systems in 2015, with Indra Navia AS as sub-supplier. The agreement between Avinor and Kongsberg represents the most comprehensive investment in remotely operated towers ever launched in international aviation. A tower centre is being establish in Bodø, scheduled for completion in 2017. Remotely operated towers will reduce tower services costs at Norwegian airports significantly.

On 5 November 2015, following a broad and structured sales process, Avinor signed an agreement with O. G. Ottersland AS regarding the sale of the Radisson BLU Airport Hotel property in Oslo. The sale resulted in a gain for the group of NOK 1 266 million. The Board of Directors is satisfied with the asset value creation that have been developed over a long period of time, and which now have been realised at a good price. The sale was conducted to strengthen the group's equity and is in line with the group's revised strategy for commercial property.

The system of simplified transfer from international to domestic flights at Gardermoen, without passengers having to collect their luggage, check in and go through security again, has been expanded. All passengers on Norwegian and SAS who hold a through ticket and have hand luggage only, may benefit from this system, regardless of route combination. For passengers with checked-in luggage the system will comprise more routes as Norwegian Customs and Excise, the airlines and Avinor increase their capacity to coordinate passengers and luggage through customs.

The development projects at Oslo Airport Gardermoen, and Bergen Airport, Flesland, are on schedule and both are ahead of budget. The project at Gardermoen is approximately 88 per cent complete and Flesland about 70 per cent complete as of 31 December 2015. Both projects are expected to be completed according to schedule.

Many of the airport's activities are exposed to competition. The tower service is also expected to become exposed to more competition than at present.

The group's modernisation programme made good progress in 2015 and met its target of NOK 150 million in efficiency improvement and cost-savings by a wide margin. The group targets total cost savings of NOK 600 million annually from 2018. Targeted accumulated savings for the period 2015 – 2018 are NOK 1.5 billion.

The merger between Avinor AS and Oslo Airport AS was completed with effect from 1 January 2016.

On 21 May 2015, Sandefjord District Court pronounced a judgement in a dispute on payment obligation for air navigation services in the Farris area. The payment claim on Sandefjord Airport, Torp, was dismissed. If the judgement is upheld, it will entail uncertain financing of key parts of Norwegian air navigation services, which, in the Court's assessment, are of a "public sector nature". The decision has been appealed.

A judicial appraisement for determining purchase amounts or annual user fees for aviation-critical areas owned by the Armed Forces Værnes Airport was presented on 13 August 2015. Avinor has accordingly reflected NOK 256 million in the balance sheet as of 31 December 2015.

ABOUT AVINOR

Avinor AS is a state-owned limited company whose mission it is to facilitate safe, environmentally friendly and efficient aviation in all parts of Norway. The enterprise has a network of 46 airports and air navigation services for the whole of Norway. At year-end 2015, the enterprise's balance sheet was NOK 38.8 billion. The number of employees was 3 157.

The shares in Avinor AS are wholly-owned by the Norwegian state as represented by the Ministry of Transport and Communications (MTC). The MTC manages the state's ownership of Avinor, and determines the group's financial framework. The MTC is also the highest authority for Norwegian aviation and lays down the Civil Aviation Authority's regulations for Avinor's operations.

Avinor's head office is in Oslo, whereas most of the employees are based outside Oslo at the group's airports and in the air navigation services.

ECONOMY AND FINANCE - GROUP

The group's operating income for 2015 amounted to NOK 11 989 million (NOK 10 671 million) and profit after tax was NOK 2 449 million (NOK 1 399 million). The increase in

operating income and profit after tax was mainly due to gains from the sale of property.

The group's balance sheet as of 31 December 2015 was NOK 38 785 million (NOK 33 737 million) with an equity-to-assets ratio of 38.2 per cent (36.2 per cent). Interest on fixed assets was 9.3 per cent (6.4 per cent). The group's equity-to-assets ratio and interest on fixed assets were strengthened in 2015 due to sale of property and reduced pension obligations.

In 2015, the group had a cash flow prior to disbursed dividend and changes in liability of - NOK 1 226 million (- NOK 1 648 million). Disbursed dividend amounted to NOK 500 million (NOK 445 million). To strengthen the group's equity-to-assets ratio during a period of high investments, maximum dividend has been set at NOK 500 million per year for accounting years 2014, 2015, 2016 and 2017. Total interest-bearing liabilities at year-end 2015 amounted to NOK 18 490 million (NOK 15 290 million).

Due to a downturn in the oil and gas industry, domestic air traffic and offshore helicopter traffic were reduced from 2014, particularly affecting airports in Western Norway. Overall, domestic traffic decreased by 1.0 per cent compared with last year, whereas international traffic increased by 1.5 per cent. In total, 50.0 million passengers went through Avinor's airports in 2015, down 0.2 per cent compared with the previous year.

Underlying operating income, adjusted for sales gains and other items, was reduced by 0.2 per cent in 2015. The operating revenue per passenger was on a par with the previous year. The 0.8 per cent reduction in traffic revenues per passenger was offset by an increase in sales and rental revenues. Sales and rental revenues within airport operations amounted to 54 per cent of total operating income.

In 2015, underlying operating expenses (excluding raw materials and consumables used, the recognised share of the development project in Gardermoen, changes in value and pension plan changes) constituted NOK 6 735 million (NOK 6 854 million). The reduction from last year was mainly due to reduced project costs, consultancy costs, pension costs and costs related to repairs and maintenance. The discontinuance of the differentiated employer's contribution as of 1 July 2014 entailed increased costs for Avinor's activities in the regions. On an annual basis, the effect constitutes around NOK 40 million.

In 2015, the group's modernisation programme met the target of efficiency improvement and cost savings of NOK 150 million by a wide margin. The group targets total cost savings of NOK 600 million annually from 2018. Targeted accumulated savings for the period 2015 – 2018 are NOK 1.5 billion.

Additional costs of maintaining sound operations and efficient traffic management in parallel with the construction of the Terminal 2 project at Oslo Airport amounted to NOK 248 million (before depreciation) (NOK 416 million) and have been carried to expense.

Total depreciation, amortisation and write-down amounted to NOK 1 459 million in 2015 (NOK 1 340 million). The increase was due to the completion and commissioning of several facilities previously under construction. Additional depreciation linked to the construction project at Oslo Airport Gardermoen, amounted to NOK 66 million (NOK 65 million).

The group's net financial loss in 2015 was NOK 329 million (loss of NOK 369 million). A reduced interest level and increased scope of recognised interest cost associated with development projects have offset the effect of increased interest-bearing debt.

Tax expenses in 2015 amounted to NOK 455 million (NOK 538 million). Gains on sale of property through sale of shares are exempt from taxation.

ECONOMY AND FINANCE AVINOR AS

In 2015, the parent company Avinor AS had an operating income of NOK 4 987 million (NOK 5 486 million). Profit after tax was NOK 91 million (NOK 187 million). The financial figures are affected by the separation of the air navigation division, which became a wholly-owned subsidiary as of 1 June 2014.

The parent company's balance sheet as of 31 December 2015 amounted to NOK 28 070 million (NOK 23 790 million with an equity-to-assets ratio of 30.5 per cent (36.7 per cent).

In 2015, Avinor AS had a cash flow prior to disbursed dividend and change in liabilities of - NOK 1 892 million (- NOK 2 085 million). Disbursed dividend amounted to NOK 500 million (NOK 445 million). Total interest-bearing debt as of 31 December 2015 amounted to NOK 13 969 million (NOK 10 109 million).

ALLOCATION OF THE PROFIT FOR THE YEAR

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

Dividend:	NOK 500.0 million
Group contribution:	NOK 6.1 million
Transferred from other equity:	NOK – 414.5 million

The financial statements have been prepared under the assumption that the company will continue as a going concern based on forecasts and the calculated present value of estimated future cash flow. For further details, see Note 17 in the accounts.

RISK FACTORS

The group's activities focus on safe air traffic management using procedures and measures to minimise both the probability and consequences of accidents and serious incidents. Developments in regulatory matters relating to air safety procedures and measures may have financial consequences for the group.

Avinor safeguards national sector-policy objectives. The Norwegian state lays down guidelines for a number of factors including airport structure, emergency preparedness, aviation fees and public service obligations. The scope and organisation of sectoral policy guidelines can change over time.

The enterprise's recognised business assets are of a long-term nature and operations are largely governed by regulations and statutory provisions. Consequently, Avinor has a high share of fixed costs which vary only slightly according to traffic volume and capacity utilisation. The group's earnings and financial value are affected by changes in traffic volume.

Oslo, Bergen, Stavanger and Trondheim airports are a key source of financing for the rest of the airport network in Norway. The major airports' earnings are vulnerable to economic cycles and competition from airports outside Avinor's network.

Revenues from services and facilities for passengers are key to the group's financing. In particular, framework conditions associated with the Duty Free scheme will have significant impact on the group's earnings and financial value.

Financial hedging instruments are used to mitigate risk linked to fluctuation of foreign interest rates, exchange rates and energy prices. The value of the hedging instruments changes according to prices in the market. When placing the group's surplus cash, emphasis is placed on the issuer's financial strength and the liquidity of the investment. The group's cash reserves are deposited in banks on negotiated terms.

There is disagreement between the Norwegian Armed Forces and Avinor with respect to allocation of costs at airports with joint operations. Avinor has reflected this in the accounts through provisions based on the best discretionary estimate.

A judicial appraisal for determining purchase amounts or annual user fees for aviation-critical areas owned by the Armed Forces at Bergen Airport, Flesland, is expected in 2016. The decision may have financial consequences that are not fully reflected in the accounts as of 31 December 2015.

As a result of the Norwegian parliament's resolution to establish a new fighter plane base for the Norwegian Armed Forces at Ørland, Avinor has been asked to prepare take-over of responsibility for airport operations at Bodø Airport by 1 August 2016. Financial prerequisites for take-over of the operating responsibility, real estate and other technical equipment from the Armed Forces have not yet been stipulated. The reason is undetermined needs within the Armed Forces.

In March 2015, the Ministry of Transport and Communications assigned Avinor the task of conducting a socio-economic analysis comparing the gains and costs of building a new airport in Bodø, with an upgrade of the existing airport. The issue of a potential new airport in Bodø will be presented in the first half of 2017 in connection with the National Transportation Plan.

Avinor Flysikring AS has been appointed by the state as a single supplier of approach control services with an associated obligation to deliver until 2024. Pursuant to Sandefjord District Court's decision, Avinor Flysikring AS has an obligation to deliver without the service recipient having a corresponding obligation to pay. The decision has been appealed.

In the 2015 pension settlement, it was decided to adjust the public occupational pension for the increase in life expectancy, and this would be subject to new pension regulation rules. However, it did not contain rules for coordination of the occupational pension benefit or new National Insurance rules. Regulations for the coordination have therefore not been clarified and have thus not been considered in the accounts.

The airports have discharge permits which require risk assessments to identify possible sources of acute pollution which represent a risk of damage to the external environment. Avinor works continuously to reduce the risk of environmentally hazardous incidents, while past contamination is being mapped and cleaned up. Environmentally harmful additives have been discovered in firefighting foam that have spread to the natural environment at all of the airports. Efforts are ongoing to determine the extent of measures that will be required. As a basis for this work, risk assessments have been made of the possible impact of these contaminants on health and the environment. The financial consequences of this work depend on the scope of the localities where measures must be implemented, as well as regulatory requirements and measures available. The Norwegian Environment Agency has signalled that they will order measures at Kjevik Airport, and that they most likely will issue a joint order for preparation of action plans for the other airports. The order is likely to be issued in 2017.

CORPORATE GOVERNANCE IN AVINOR

Good corporate governance in Avinor shall ensure the highest possible value creation and reduce the enterprise's risk. The company's value base and code of conduct are fundamental for Avinor's corporate governance.

As the owner, the State focuses on state-owned companies adhering to the "Norwegian Code of Practice for Corporate Governance". The Board of Directors considers it important to follow the recommendations wherever relevant.

Avinor has issued bonds that are listed on the Oslo Stock Exchange and Luxembourg Stock Exchange. Oslo Stock Exchange has been selected as the group's home market. The group follows Oslo Stock Exchange's recommendations for corporate governance wherever relevant. For more details about corporate governance in Avinor, please see "Corporate Governance in the Avinor Group".

CORPORATE SOCIAL RESPONSIBILITY

Avinor's corporate social responsibility work is based on the CSR expectations laid down in Avinor's articles of association and the Norwegian Accounting Act. Avinor also bases its CSR work on the OECD's guidelines for responsible business, and in 2014 the company joined the UN Global Compact. The work includes safeguarding of human rights, employee rights and social conditions, the external environment and anti-corruption measures.

For more information about Avinor's CSR work, including climate, the environment, air safety, HSE, legal competency, anti-corruption and safe notification, see the chapter on corporate social responsibility, cf. Section 3-3c of the Accounting Act.

RESEARCH AND DEVELOPMENT

Avinor is executing several projects which help optimise use of the Norwegian airspace. The work contributes to increased safety, increased capacity, more efficient service delivery and reduced environmental impact.

Avinor participates in the joint European research and development programme SESAR (Single European Sky Air traffic management Research). Activities that have been conducted include testing remote operation of several airports from the same working position. The results from this were positive.

For more details about Avinor's research and development work, please see the chapter on corporate social responsibility.

PERSONNEL AND ORGANISATION

The group had 3 157 (3 214) permanent employees at the end of the year. Permanent and temporary employees performed work corresponding to 3 327 (3 326) full-time equivalents. The average age of all employee groups in the group was 44.4 (44.5). Women amounted to 22.5 per cent (22.2 per cent) of permanent employees. The percentage of women in management positions corresponds with the percentage of women in the company in general. Measures related to unequal gender balance have increased the number of female applicants, and reduced the number of women leaving the group. Efforts to increase the number of women, employees as well as managers, will be intensified.

Emphasis is placed on ensuring that employees have equal opportunities in the group, irrespective of gender, age, functional ability, ethnicity or cultural background. Avinor has systematised performance reviews that ensure an unbiased and fair salary and career development. Employee surveys confirm that employees find that they have equal opportunities. Commitment to the group is strong.

Avinor's strategy plan for 2014-2020 entails a high restructuring tempo. Cooperation between the Group Management and employee representatives is considered constructive and good. In 2015, the parties have, based on the Basic Agreement, developed a model for continuous improvement which will be implemented in parts of the enterprise in 2016. Culture and management development activities have higher focus on change management and continuous improvement than previously.

Absence due to illness was 4.6 per cent (4.5 per cent) in 2015. Active efforts have been made to reduce breaches of working hours provisions stipulated in the Norwegian Working Environment Act. Breaches was reduced by 41 per cent in 2015. During the same period, overtime and additional hours were reduced by 15.3 per cent.

Avinor shall be a professional and attractive employer. For details of Avinor as an employer, please see the chapter on corporate social responsibility, cf. section 3-3c of the Accounting Act.

OUTLOOK AND FRAMEWORK CONDITIONS

Mobility and efficient air transport are key aspects of social development and contribute to stronger economic growth in the districts and regions. Avinor's high activity and investment level will be continued to ensure we fulfil our social mission of providing good regional, national, European and intercontinental air services.

Air traffic is expected to increase in 2016. However, uncertainty relating to socio-economic developments may affect this picture. Avinor responds to increased socio-economic uncertainty by introducing efficiency improvement and cost-reduction measures. At the same time, there is a need to continue the capacity-improving measures that have been planned. Avinor will continue its efforts to improve the company's environmental performance and be a driving force for climate and environment work in the aviation industry.

As a supplier of air navigation services, we pay close attention to the international deregulation of and competition developments within tower and approach services. Avinor's air navigation services will be a competitive and preferred supplier in a future competition-exposed market, and will make the necessary adjustments to meet this target. The group will facilitate increased use of competition and work towards developing efficient markets.

The Board would like to thank all employees and partners for their excellent effort in 2015.

Oslo, 30 March 2016
The Board of Directors in Avinor AS

Ola Mørkved Rinnan
Chairman of the Board

Ola H. Strand
Vice Chairman

Tone M. Lindberg

Eli Skrøvset

Mari Thjømøe

Herlof Nilssen

Bjørn Tore Mikkelsen

Per Erik Nordsveen

Heidi Anette Sørum

Grete Ovnerud

Dag Falk-Petersen
CEO

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 structure of the Norwegian Code of Practice for Corporate Governance of 30 October 2014, with the adjustments required because Avinor is a wholly state-owned limited company, and the requirements stipulated in Section 3-3b of the Norwegian Accounting Act. In addition to the general provisions of the Norwegian 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 prioritised ahead of any other considerations, after which the greatest emphasis is placed on rendering efficient services to customers and society.

The Avinor group's vision is to create valuable relations. We want individuals, businesses and communities to value and derive clear and specific advantages from the products and services we deliver. Our behavioural values are open, accountable, dynamic and customer-oriented.

The group's code of conduct was most recently revised in the spring of 2012. The code of conduct applies to board members, employees, contracted personnel and others who work for the group. The code provides basic rules for personal conduct and business practices and will help us make the right choices when we, as a company or individual employee, face ethical dilemmas. The code expresses the group's attitudes in interaction with customers, suppliers, colleagues and the wider community.

The code of conduct is available at www.avinor.no.

Avinor has joined the UN Global Compact. The group reports according to the principles in the Global Reporting Initiative (G4 Core).

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 accessibility for all groups of travellers.

- 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 revenues from its principal activities and other business activities in connection with the airports. Financially profitable units shall finance unprofitable units in the company.

- The company shall carry out the duties imposed by society as stipulated by the owner.

The company's Articles of Association are available at www.avinor.no.

Avinor's mission is to carry out comprehensive operation of 46 airports as well as the air navigation services in Norway. Avinor's operations is responsible for and develop essential public services throughout the country, and shall be run with high priority on safety and environmental considerations. To meet the owner's expectations, strategic primary objectives have been set in economy and finance, society and the environment, air safety and HSE, customers and partners and personnel and organisation.

EQUITY AND DIVIDEND

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 time shall be at least 40 per cent of the sum total of the company's recognised interest-bearing long-term loans and equity at any given time.

Avinor AS is a limited liability company owned by the State. 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.

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 2015 between the company and its shareholders, board members, executive employees or close associates of these that may be characterised as 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 code of conduct contains a separate item on how to handle conflicts of interest, stating 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 may 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 or proper performance of duties.

The code of conduct also contains provisions on impartiality. If there is doubt whether the person concerned is impartial, the issue must be discussed with the immediate manager.

The state as shareholder

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

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 also determines how the meetings will be called. Notice of a general meeting must be issued at least one week in advance, cf. Sections 20-5 and 5-10 of the Limited Liability Companies Act.

The annual general meeting is held each year by the end of June. Pursuant to the Articles of Association, the annual general meeting shall approve the annual report and accounts, including distribution of dividends. It also approves the auditor's remuneration, determines remuneration for the Board of Directors for the current year, stipulates salaries and other remuneration to executive personnel, and appoints shareholder-elected members of the Board, and considers any other matters that shall be dealt with by the general meeting, according to law or the Articles of Association.

The Board of Directors, CEO and auditor who audited the previous year's accounts are invited to the general meeting. The Chairman of the Board and CEO are obligated to attend the general meeting. The other board members, 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 from 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.

Corporate assembly, Board of Directors: composition and independence

Pursuant to the Articles of Association, two or three members of the Board of Directors and alternates shall be elected by and from the employees pursuant to the provisions of the Limited Liability Companies Act concerning the employees' right to representation on the company's board. The company does not have a corporate assembly in accordance with an agreement with the employees. For such cases, the Articles of Association stipulate that the employees can elect an extra board member and alternate.

The Corporate Democracy Committee has approved the corporate scheme whereby employees of Avinor AS and its subsidiaries may be elected to the Board of Directors. Representatives are elected by and from the employees every second year.

The Board consists of six shareholder-elected members and four representatives elected by and from the employees. The percentage of women on the Board is 50.

The Board Chairman is elected by the general meeting. All board members are elected for 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 2015/2016, the Board consisted of:

- Chairman since 2010 Ola Mørkved Rinnan, 66
- Vice Chairman since 2012 Ola H. Strand, 58
- Board member since 2011 Eli Skrøvset, 50, CFO Eksportkreditt Norge
- Board member since 2013 Tone Merethe Lindberg, 43, self-employed
- Board member since 2014 Mari Thjømøe, 53, self-employed
- Board member since 2015 Herlof Nilssen, 57, managing director Helse Vest
- Empl.-elected Board member since 2011 Grete Ovnerud, 49
- Empl.-elected Board member since 2011 Heidi A. Sørum, 48
- Empl.-elected Board member since 2013 Per Erik Nordsveen, 38
- Empl.-elected Board member since 2015 Bjørn Tore Mikkelsen, 56

Herlof Nilssen replaced Dag H. Hårstad, 53, at the 2015 general meeting. Hårstad had been a Board member since 2007.

Information about each Board member is available at www. avinor.no.

Eight board meetings were held in 2015. All board members attended the meetings, with 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. Pursuant to 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. The rules are reviewed annually and updated in the event of changes to the relevant regulations or otherwise as required. The Board of Directors sets an annual agenda for its work, with particular focus on goals, strategy 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, stating that each Board member is individually responsible for raising issues concerning any conflict of interest, and must be absent from deliberations where the member has a conflict of interest. In case of doubt, the matter shall be submitted to the chair of the Board. The minutes of the Board meetings shall reflect when one of the Board members is disqualified due to a conflict of interest.

New Board members are provided with 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. The instructions are reviewed and updated as required.

The Board has established an audit committee as a preparatory body to support the Board of Directors as they execute their responsibility for financial reporting, auditing, internal control and overall risk management. A unified board has prepared a set of instructions for the committee's work. The instructions are reviewed annually and updated as required. The committee has met on five occasions in 2015.

At the turn of the year 2015/2016 the committee consisted of:

- Eli Skrøvset (chair)
- Mari Thjømøe
- Grete Ovnerud

The Board of Directors has established a remuneration committee as a preparatory body 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 continuously assess and monitor the group's policy in this area. A unified Board has prepared a set of instructions for the committee's work. The instructions are reviewed annually and updated as required. The committee met on three occasions in 2015.

At the turn of the year 2015/2016 the committee consisted of:

- Ola H. Strand (chair)
- Herlof Nilssen
- Per Erik Nordsveen

The Board of Directors has established an HSE committee as a preparatory body in matters pertaining to HSE. The committee is responsible for assessing relevant aspects of the group's operations relating to HSE at an overall level. The committee shall support the Board in exercising its responsibility for internal control, the Board of Directors' report and annual report, and the overall HSE risk profile. A unified Board has prepared a set of instructions for the committee's work. The instructions are reviewed annually and updated as required. The committee met on three occasions in 2015.

At the turn of the year 2015/2016, the committee consisted of:

- Tone Merethe Lindberg (chair)
- Herlof Nilssen
- Heidi Sørum
- Bjørn Tore Mikkelsen

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. Annual risk assessments of the group's activities are 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.

Avinor has established an internal audit function as part of the group's internal control system. 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 the management's dispositions annually.

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

Together with Avinor's organisation, management fora and reporting lines, our code of conduct and core values establish the foundation for a good internal control environment with respect to financial reporting.

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 to evaluate/monitor the internal control of the financial reporting process are being developed and assessed on a continuous basis.

REMUNERATION OF THE BOARD OF DIRECTORS

The general meeting determines remuneration of the Board and its subcommittees. 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. Their remuneration is stated in a note to the annual income statement.

In 2015, remuneration of board members amounted to NOK 2 310 500, allocated as follows: the Board Chairman NOK 409 750, Vice Chairman NOK 247 750, other board members NOK 204 000. Alternates: NOK 10 500 for each meeting they attend.

In 2015, members of the audit committee received remuneration totalling NOK 137 500, comprising NOK 62 500 to the Chairman and NOK 37 500 to the other two members.

In 2015, members of the remuneration committee received remuneration totalling NOK 20 750, comprising NOK 10 750 to the Chairman and NOK 5 000 to the other two members.

Members of the HSE committee received remuneration totalling NOK 26 000 in 2015, comprising NOK 11 000 to the Chairman and NOK 5 000 to the other members.

REMUNERATION OF EXECUTIVE EMPLOYEES

The Board of Directors appoints the CEO and stipulates the CEO's salary following preliminary consideration by the remuneration committee. The Board evaluates the CEO's work and salary terms annually following preliminary consideration by the remuneration committee.

The CEO recommends and informs the remuneration committee regarding 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.

Remuneration of executive personnel is described in Note 8 to the 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 Stock Exchange's website. Financial information is published in the form of a stock exchange notice before it is made available at www.avinor.no.

The group presents a complete set of annual financial statements in conjunction with the Annual Report at the end 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.
- 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 concerning the company's social role, duties imposed by society and CSR.

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

TAKE-OVER

Avinor AS is wholly owned by the state represented by the Ministry of Transport and Communications. Accordingly, this point in the code of practice is not relevant to the company.

AUDITOR

Avinor has an independent external auditor appointed by the General Meeting based on a recommendation from the full 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.

The auditor has a yearly meeting with the Board without the management being present. The auditor also has a yearly 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.

Corporate social responsibility

Avinor's CSR priorities

Avinor's work on corporate social responsibility is founded on expectations for corporate social responsibility laid down in Avinor's articles of association and the Norwegian Accounting Act. Avinor bases its CSR work on the OECD's guidelines for responsible business conduct, and joined the UN Global Compact in 2014. This report was prepared in accordance with the principles in the Global Reporting Initiative (G4/Core), and includes a statement concerning information pursuant to Section 3-3b of the Accounting Act.

STAKEHOLDER DIALOGUE

Avinor's operations affect the entire country and its population. For Avinor to be able to fulfil its social mission in a responsible and sustainable manner and make the right priorities, Avinor emphasises good and broad contact with the people who depend on our services or are affected by our operations.

Avinor's stakeholder dialogue is based on a stakeholder analysis, which the Group Management reviews twice a year and keeps continuously updated. In that connection, Avinor also prepares a list of prioritised main issues in the dialogue with the company's key stakeholders in the coming six months.

Avinor's external stakeholders can be divided into the following main categories:

- National, regional and local politicians/decision-makers
- Customers: airlines and passengers
- Regulatory aviation authorities and other supervisory authorities
- International aviation authorities
- The Norwegian Armed Forces
- Commercial partners at the airports
- Business and industry, centrally and in the regions
- Suppliers
- Environmental organisations and other voluntary organisations within e.g. health
- The media
- Alliance partners/international partners
- Domestic and international competing airports

The most important stakeholders are the customers, i.e. the airlines and passengers, as well as central, regional and local politicians, the business community, the Armed Forces and regulatory authorities within aviation and the environment.

Key topics for all stakeholders are safety, economy, capacity, reliability, airport service, accessibility and universal design, and how the group handles the aviation industry's challenges relating to climate and the environment.

Stakeholder dialogue mainly takes place at meetings and gatherings. Passenger dialogue mainly takes place through customer surveys that are held regularly.

For dialogue with the airlines, a collaboration forum has been established which meets four to six times a year. In addition, special committees have been established at the major airports - AOC (Airlines Operators Committee) – which also meet regularly.

As Avinor is a wholly-owned state company, political contact mainly takes place in and via the Ministry of Transport and Communications, as well as in the Storting through the Transport and Communication Committee, in consultation with the Ministry. Dialogue also takes place with the elected political administration locally - at municipal and county level. Dialogue with politicians takes place under the direction of the Group Management, both at regular meetings (including quarterly meetings with the management of the Ministry of Transport and Communications) and ad hoc. Avinor works to strengthen and systemise the dialogue with politicians at local and regional level. Business policy committees have been established in a number of municipalities and counties where Avinor is represented. Local, political stakeholders are also represented here. Once a year, a joint meeting is organised between the county authorities and Avinor's management.

Dialogue with Avinor's suppliers of goods and services takes place partly at formal meetings and partly through negotiations and contract follow-up. There is particular focus on tender documentation, as well as templates/guidelines for process and deliveries. Avinor's anti-corruption work and work to make sure working conditions are in line with universal human rights and current regulations, are key aspects of the dialogue.

Internally in the group, the collaboration model between employee representatives and management is being developed further to ensure good working conditions, stable operations and cost-effectiveness throughout the group. In 2015, Avinor enjoyed good cooperation with the employee representatives, both in terms of ongoing case processing and more comprehensive processes, such as the modernisation programme. Avinor employees are represented on Avinor's board, holding four of ten seats. Representatives are also elected by and among the employees to the boards of the various subsidiaries.

FOUR FOCUS AREAS

Based on the group's Articles of Association and strategy as well as Avinor's dialogue with stakeholders, Avinor has identified four focus areas for its CSR work:

- Avinor will ensure good aviation services for all of Norway, and perform our role in society in a safe, efficient and environment-friendly manner
- Avinor will be a driving force in the work on climate and environmental challenges within aviation
- Avinor will be a good, professional employer
- Avinor will ensure responsible business conduct

Avinor does not have a dedicated staff for CSR. The Executive Vice President for communication and market is responsible for the CSR report, and work on the respective topics takes place in the line.

Results measured against objectives defined in the 2014 report

Avinor shall ensure good aviation services for all of Norway

OBJECTIVE	RESULT
Certify all airports according to EASA	· In 2015 Avinor applied to the Civil Aviation Authority to be certified as airport operator · Avinor has also submitted an application for design certificates for 22 airports. The certification work will continue in 2016 and 2017
Punctuality/regularity	· Punctuality was 88 per cent in 2015, the same as in 2014 · Regularity was 98 per cent, the same as in 2014
Air transport accessible to all	· New contract for PRM services in 2015 · Mapping process initiated in cooperation with the Civil Aviation Authority which will facilitate planned and coordinated measures to achieve universal design at all Avinor's airports by the end of 2025 · Universal design will be implemented at airports in connection with newbuilds or reconstructions · The new terminals at Oslo Airport and Bergen Airport, Flesland will meet the universal design requirement through all aspects of construction and installation
Cost-savings initiatives will benefit the customers: lower fees	· Modernisation programme was on schedule in 2015, achieving reduced costs totalling NOK 150 million by a wide margin

Avinor will be a driving force in the work on climate and environmental challenges within aviation

OBJECTIVE	RESULT
Avinor shall be a driving force in the sector's environmental work	· Established supply of jet biofuel at OSL · Curved approaches at OSL · Curved helicopter approach at BGO/SVG Innovative energy solutions T2 OSL · Charging points for electric vehicles and hydrogen station at OSL · The airports in Oslo, Stavanger, Bergen, Trondheim and Kristiansand have received Airport Carbon Accreditation (ACA) renewal of certification
Avinor's total energy consumption in buildings shall be reduced by 25% in 2015 compared with the energy consumption in 2010.	· Not achieved. Proved too ambitious
Waste: Avinor shall achieve a source separation rate of 60%	· Almost achieved. 59 per cent
Launch a climate action plan for the group	· Yes. Action plans completed. Measures proposed
New environmental targets	· Yes

Framework agreement. Second generation biofuel for Avinor's diesel vehicles	· Announced February 2016
No breaches of discharge permits	· Some minor breaches
Environmental project: Upgraded technical facilities; procedures etc.	· Environmental project complete. Being rolled out. DRL has given this high priority
PFOS	· New treatment facility at OSL established and opened · Good dialogue with the Norwegian Environment Agency. Likely to secure approval for our view that measures should be implemented based on a cost-benefit perspective

Avinor shall be a professional and attractive employer

OBJECTIVE	RESULT
Continue to develop the cooperation model between empl. repr., safety delegates and the management	· In 2015, Avinor and employee representatives developed a model based on the Basic Agreement for continuous improvement of work processes and achieving results
Employees shall represent an average of the Norwegian population	· In 2015, comprehensive analyses were conducted to identify a real potential concerning the percentage of female employees
Reduce breaches of working hour regulations	· Fewer breaches of working hour regulations in 2015, both in total (- 41%) and for breaches after the agreement on extended working hours was signed (-36%). Overtime reduced by 16 per cent
Target: LTI rate 3.0	· The LTI value in 2015 was 3.3 (4.3)
Absence due to illness 4.5% or lower	· In 2015, absence due to illness was 4.6% (4.5%)

Responsible business conduct

OBJECTIVE	RESULT
Introduce ethics requirements for suppliers	· More than 100 suppliers have signed an agreement for responsible suppler conduct (existing suppliers) · Routines have been introduced to ensure that all future suppliers sign the agreement · Guidelines revised to include requirement for risk assessment of the supplier chain and assessment of further follow-up · Funds have been granted for external assistance to conduct site control at two supplier sites
Employees taking part in acquisitions shall assess their own impartiality	· Requirements issued re. self-declarations for about 10% of those who have signed agreements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AVINOR

Improvement points 2014-2015

G4 Reporting method requirements

	2015	2014
Strategy: Describe risk and opportunities related to corporate social responsibility	🟢	🟢
Describe operations («general standard disclosures»)	🟢	🟢
Content to be determined based on what is important for Avinor and Avinor’s stakeholders («materiality»)	🟢	🟡
Policy, measures, objectives and results	🟢	🟡
Description of the supplier chain	🟢	🔴
Stakeholder dialogue	🟢	🟡
Organisation and management systems	🟢	🟡
The information must be balanced, correct and comparable from year to year	🟢	🟢

Avinor shall ensure good aviation services for all of Norway

Avinor'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 environment-friendly manner and ensure good accessibility for all groups of travellers.

DUTIES IMPOSED BY SOCIETY

The Norwegian parliament has assigned Avinor a number of tasks that benefit society at large. Examples of this include air ambulance preparedness, training of air traffic controllers, rescue service assistance, flight weather services, facilitating general aviation and air sports, as well as assessments for and participation in the national civil protection work and emergency preparedness.

THE SOCIAL BENEFIT OF AVIATION

In Norway, large distances make air transport a necessity for maintaining settlements and business and industry throughout the whole country. For many people, air transport is the only practical alternative. People in Northern Norway make frequent use of domestic air services. Two-thirds of Norway's population can reach an airport in one hour. In Western Norway and Northern Norway, two-thirds of inhabitants can reach an airport in 30 minutes.

Aviation gives businesses in all parts of Norway access to national and international contacts and markets. Aviation is therefore essential for the country's and regions' competitiveness, value creation and employment. Furthermore, air transport is a prerequisite for nationwide cultural and sport activities, and for a decentralised education system. Aviation shall be accessible to all. Each year, approximately 150 000 journeys are completed with an assistant for passengers with reduced mobility.

Aviation is an important part of the Norwegian health sector.

In addition to securing high emergency preparedness, air transport is important for efficient specialisation and production. About 30 000 medical transports take place by air each year. In addition about 300 000 patients are transported on scheduled flights.

About 30 000 people are directly employed by the Norwegian aviation industry. Including ripple effects such as aviation supplies, this figure is about 60 000 employees.

Aviation is particularly important for the oil and gas industry, the seafood industry and tourism:

- A quarter of all business travel is generated by the oil and gas sector. In 2015, 606 452 offshore helicopter trips were made, down almost 12 per cent compared with 2014 due to lower activity in the oil sector.
- Air transport is also important for transporting fresh seafood to an international market. This market is increasing and the need for transport is significant.
- Aviation is also essential for tourism in Norway, both to Oslo and to other popular destinations in Norway. Aviation accounts for two-thirds of the growth in incoming tourism.

MODERNISATION PROGRAMME

To meet future challenges, Avinor has launched a modernisation programme. This was started in 2014. The purpose is to modernise operations and make them more efficient, highlight the significance of aviation and reduce the growth in operating expenses. The aim is to reduce annual operating expenses by NOK 600 million as of 2018 compared with current plans, and to achieve a total cost reduction of NOK 1.5 billion during the period 2015-2018. The programme proceeded as scheduled in 2015, achieving a total cost reduction target of NOK 150 million by a wide margin.

RESTRUCTURING AND SIGNIFICANT INVESTMENTS IN INCREASED CAPACITY

The work at Oslo Airport, expanding the terminal and a new North Pier, is proceeding as scheduled, with regard to both costs and progress. The same applies to the work at Bergen Airport, Flesland, with a new terminal. The work at Oslo Airport will be completed in the spring of 2017, whereas the new terminal in Bergen will open in the autumn of 2017. The expansion work is very challenging, as it must take place concurrently with stable and safe airport operations. Avinor is also investing heavily in a number of other airports.

The expansion work and construction of a new pier at Oslo Airport are progressing as scheduled, opening 27 April 2017.

The Ministry of Transport and Communications assigned Avinor the task of preparing a licence application for a new airport in Mo i Rana at Helgeland. Avinor submitted the application to the Ministry of Transport and Communications in December 2015. Whether the airport will be built or not will likely be decided in the spring of 2017, in connection with the 2018-2027 National Transport Plan. Extraordinary financing will be required if the airport is built.

The Ministry of Transport and Communications has asked Avinor to assess the possibility of establishing new airports at Hammerfest and in Lofoten. Avinor has started assessing the weather conditions for building an airport at Gimsøy in Lofoten and will present its recommendation when sufficient documentation is available. Two potential locations for a new airport in Hammerfest were presented in the NTP 2014-2023 proposed plan: Grøtnes and Fuglenesdalen. Avinor is conducting further studies of the weather and wind conditions as well as winter operations. Weather measurements at the location in Fuglenesdalen will be completed in the spring of 2016, and Avinor is planning to conclude the technical assessments of both alternatives by the end of 2016. If either alternative is feasible, a socio-economic analysis should be conducted.

The Ministry of Transport and Communications has also asked Avinor to assess the social consequences of a new airport in Bodø. Avinor recommends moving the airport, on the condition that the group receives funds to cover additional costs of NOK 2 – 2.5 billion, and presuming that the pollution situation will permit urban development at the airport and the Armed Forces' areas. It has been shown that areas that are vacated due to the move, will increase significantly in value and that this will make a substantial contribution to the financing of the new airport.

The Norwegian government has decided to close down [1] Narvik Airport in 2017.

As regards continued operations at Fagernes Airport, Leirin, the government [2] has decided that Avinor will operate the airport as an airport for charter flights only until the end of 2018.

Avinor would like a clarification in spring 2017, in the 2018-2027 National Transport Plan, regarding construction of a third runway at Oslo Airport in 2030.

ACCESSIBLE TO ALL – UNIVERSAL DESIGN

Air transport shall be accessible to everyone who needs it. Avinor is working to fulfil the requirements for universal design, in close cooperation with organisations for people with disabilities. A new contract for PRM services (PRM=Persons with Reduced Mobility) was negotiated for many of Avinor's airports in 2015. Great emphasis is placed on cooperating closely with national and regional user forums, which has given excellent results. Each year, Rogaland county's Council of Equality for Disabled People grants

1) Prop. to the Storting 117 (2011-2012).
2) Prop. to the Storting 19 (2015-2016).

From the summer of 2016,
Avinor will offer drinking water free
of charge after airport security.

an award to a person or organisation that has made a particularly valuable effort to improve accessibility for people with disabilities in the local community, municipality or county. This year the award went to Avinor, at Stavanger Airport, Sola.

Pursuant to "Regulation on universal design of airports, and disabled people's rights in air transport" of 16 July 2013, Avinor has implemented a mapping process in cooperation with the Civil Aviation Authority. The mapping will facilitate planned and coordinated measures to ensure universal design at all of Avinor's airports by 2025.

The universal design provision will be implemented at airports in connection with new construction or rebuilding, initially at terminal buildings, but also subsequently in towers to ensure accessibility for the company's employees. Avinor's project administrative manual includes a checklist which will ensure that universal design is maintained in the initial phases of the construction process. The checklist is aimed at Avinor's own organisation, but also at architects and other partners.

The new terminals at Oslo Airport and Bergen Airport, Flesland will meet the requirement for universal design in all aspects of buildings and installations. However, Avinor's airports will continue to vary in terms of standard. For example, jetways between the terminal and the aircraft will not be an option at Avinor's smaller airports. Testing of new lifting and hoisting gear is therefore ongoing. The assistance service helps passengers with reduced mobility. Avinor conducts approximately 150 000 assistance assignments per year, from arrival at the airport until the passenger is on board the aircraft.

WORKING TO IMPROVE CUSTOMER EXPERIENCE

Avinor has developed a special passenger strategy. Avinor's promise to the passengers is to make their journey easier, regardless of what situations might arise at our airports.

In 2015, we introduced a number of measures to fulfil our promise.

Avinor assumes an active role in ensuring that families with children have a problem-free journey. This effort was stepped up in 2015. Service options and facilities for families with children are visible and easy to find through the Felix & Fiona characters. Children of all ages will have a good and safe travel experience and recognise elements they have seen before. Avinor's partners take part by labelling their adapted products, such as children's menus, in the same way. The initiatives have been very well received and have received two awards for first-class service.

To alleviate the inconvenience of not being allowed to bring water through security, several of Avinor's airports now offer free drinking water, easily accessible and visible in passenger areas. Free drinking water will be available at all Avinor airports by summer 2016.

Following criticism of the layout of the Duty Free shop at Oslo Airport arrivals, Avinor has made a number of improvements since the summer of 2014. A wider and clearly marked passage now runs outside the shop, and the walking zone through the shop is shorter and wider. The location of alcoholic beverages in the shop has also been changed. In connection with these changes, surveys and changes were also made at other Avinor airports.

To give passengers a warmer welcome to Norway and our airports, Avinor has cooperated with Innovation Norway to develop a modern, sensory concept with sound and images in the airports' arrival areas, called "Portal Norway". So far, this has been installed in Oslo, Bergen and Trondheim, and will be installed in Stavanger and Tromsø early in 2016.

Avinor regularly measures customer satisfaction among passengers and takes part in the global Airport Service Quality (ASQ) survey, owned and conducted by the Airport Council International. In summer 2015, Avinor had the highest "Overall Satisfaction" score ever recorded.

CONNECTING NORWAY

Connecting Norway is a pilot scheme which will make it easier for passengers arriving from abroad to connect with flights in Norway. Previously, they had to collect their luggage, check in again and proceed through security. Now passengers on flights covered by the scheme may proceed directly to the domestic departure lounge. Avinor is collaborating with the customs authorities and the police to find good permanent solutions. All requirements for universal design have been met in connection with Connecting Norway.

HIGH PUNCTUALITY DESPITE CHALLENGING WEATHER

The Avinor group's target for punctuality, with departures within 15 minutes, is 88 per cent. Achieving this target depends on the interaction between the airport, airline and airport-related services. Weather conditions are also important, and in Norway winter conditions are often challenging, with a lot of snow, ice and wind. Overall, punctuality is therefore higher in the summer than in the winter. Each year, Avinor prepares a plan for winter maintenance together with the airlines. The plans are evaluated following each winter season, with a focus on improvement items.

Overall punctuality at Avinor's airports was close to 88 per cent in 2015 for the year as a whole, on a par with 2014. Compared with airports internationally, Norwegian airports are doing very well indeed. According to Flightstat's September survey, Oslo Airport was number one in the "major airports" category in Europe, with punctuality at 87.6 per cent. Stavanger and Bergen were also very near the top.

Flight regularity is a measure of the percentage of scheduled departures that actually take place. Avinor's target is 98 per cent. In 2015, regularity was 98 per cent. The result has remained more or less the same in recent years. Avinor's official statistics are based on the airlines' information about cancellations and changes in scheduled routes. The current practice gives the flight operator the opportunity to report a cancellation as a scheduled route change, up until the day of the flight. This has caused some uncertainty about the statistical basis. In 2016, Avinor will gradually introduce the new traffic information system ALTi at our airports. With this system, all such changes made on the day of the flight will be reported as real cancellations.

PERSONAL DATA PROTECTION

Avinor has appointed a data protection official whose responsibilities include assisting people registered with the company (e.g. in customer registers) and the company's own employees with issues relating to Avinor's treatment of personal data. The data protection official shall also identify violations of the Personal Data Act and report them to the management, and act as a contact for inquiries from the Norwegian Data Protection Authority. Avinor has established a system for internal control pursuant to the Personal Data Act with regulations. Avinor has established a personal data protection policy and prepared a privacy statement. Avinor also provides information about the use of cookies on our website. Avinor has not received any complaints regarding how it protects against breach of customers' privacy.

RESEARCH AND DEVELOPMENT WITH A FOCUS ON SAFETY, CLIMATE AND CUSTOMER EXPERIENCE

Avinor's research and development work largely takes place in cooperation with companies, research institutes and academia. Research funds for transport safety have been allocated through the Norwegian Research Council's programme "TRANSIKK". Continuation of the programme through "TRANSPORT 2025" is expected to provide continued funds for transport research in aviation.

A research laboratory for air traffic management has been established at the Institute for Energy Technology in Halden with funding from the research fund Oslofjordfondet and equipment from Edda Systems AS. The laboratory is used to further develop airspace control services.

In 2015, Avinor became a partner in the newly established research centre "Klima2050" managed by SINTEF and granted funds from the Research Council through the scheme "Senter for Forskningsdrevet Innovasjon (Centre for Research-based Innovation)". The centre addresses adaptation of buildings and infrastructure to extreme weather and gradual climate change.

Avinor takes part in several projects which contribute to optimising the use of Norwegian airspace. The work contributes to increased safety, better capacity, more efficient service deliveries and reduced environmental impact. The BOAS project has helped to significantly improve capacity and has also improved the level of services for overseas traffic. Furthermore, the air traffic management system (NATCON) in Southern Norway has been significantly upgraded. This has laid the groundwork for the introduction of "Free Route Airspace" in collaboration with our neighbouring countries. The launch of satellite navigation procedures (PBN) is also progressing as planned. This is a project which contributes to more efficient navigation services at lower costs.

Avinor participates in the research and development programme SESAR (Single European Sky Air traffic management Research). Conducted activities include testing of remote control of several airports from the same working position by means of cameras and radar technology. The results have been positive. Avinor plans to have remotely-operated towers at up to 15 of its 46 airports in Norge. The target is remote operation of 36 airports. This could reduce costs by 30 to 40 per cent. It has been decided that the centre will be located in Bodø, and in April 2015 it was decided that the first five airports to have remotely-operated towers will be: Mehamn, Berlevåg, Værøy, Røst and Hasvik.

Avinor's ambition is that the first airports will be operated from the tower centre when it has been completed in 2017. According to schedule, remote operation will be introduced at another three to five airports per year.

Avinor has also in 2015 been engaged in activities that lay the groundwork for efficient and safe exchange of data between players in the aviation industry (System Wide Information Management – SWIM).

In connection with the jet biofuel project, Avinor supports several research projects and development activities, including the SINTEF project GasBio 2010-2014, whose results in 2015 were transferred to the project Gasification and FT-Synthesis of Lignocellulosic Feedstocks (GAFT). Moreover, the effort to establish regular supplies of jet biofuel at Oslo Airport is an innovation which has attracted significant national and international interest.

Avinor has established an internal innovation forum to coordinate innovation across the organisation. The forum will also work externally to stimulate more research and innovation within aviation, and to encourage public funding agencies to invest in research and business development within aviation. The research institutes have indicated that there is a shortage of aviation researchers in Norway. Consequently, an international research cooperation effort within aviation is under planning, through ATM Norway. Initially, the intention is to expand the already established cooperation between the City of Oslo and Toulouse Métropole.

A research and development collaboration is ongoing relating to intelligent transport systems (ITS) involving the transport agencies and Avinor's work on the National Transport Plan (NTP). Development of new technology is expected to solve several tasks at airports in the future. Among other initiatives, Avinor has announced an innovative public procurement and invited machine manufacturers and suppliers of advanced electronics and remote control technology to help develop driverless vehicles for snow clearance at airports. New technology can also be used to improve customer experience for passengers.

SAFETY HAS TOP PRIORITY

Aviation safety includes safety (flight safety) and security (security control). The regulatory requirements in the area of aviation safety follow from Norway's international obligations through the EEA and ICAO (the UN's International Civil Aviation Organisation). Based on these obligations, the Norwegian Civil Aviation Authority implements Norwegian provisions that Avinor is required to comply with. Avinor also participates actively in the international efforts to prepare new aviation-related regulations.

In Avinor, safety has the highest priority, and the primary objective is to prevent undesirable incidents and ensure sound preparedness. The work on aviation safety is an integrated part of the group's management system. In recent years, four major projects have been implemented to establish a comprehensive management system. The purpose has been to contribute to further improvement in the group's governance, implement the group's strategy, and ensure that risks related to achievement of the strategic targets are managed. The final sub-project was delivered in 2015: A new tool for handling nonconformities. Avinor has thus introduced a framework for comprehensive governance which includes systems for strategic governance,

New technology improves customer experience.

comprehensive risk management, a process-oriented management system and a system for handling nonconformities. In 2016, the implementation and further improvement of the management system will continue, including safety management. This includes operational risk management and safety culture. The aim is that the management system will comply with ISO 9001 by the end of 2016.

Avinor applies a risk-based approach in its safety management, and all undesirable incidents of a certain severity are followed up. The reporting culture in the group is good. The reports often relate to potential incidents or matters of a less serious nature. This provides opportunities for learning and improvement. Follow-up of nonconformities is important for all parts of the group. Closing of nonconformities, including reported nonconformities in relation to internal and external audits and inspections, is a priority. Follow-up of nonconformities is largely based on nonconformities being risk-classified as a basis for the further process in the divisions. The group aims to close nonconformities within defined deadlines. As regards nonconformities identified by the supervisory authorities, the group will remain in close dialogue with them about the closure process.

Accidents and serious aircraft incidents

There were no aviation accidents with or without personal injury in Norwegian aviation in 2015 where Avinor was a contributory party. Two serious aircraft incidents occurred where Avinor was a contributory party. One took place at Oslo Airport, where an aircraft did not manage to stop in time after landing. The aircraft drove into two runway lights and stopped within the concrete strip. After landing, the aircraft taxied to the gate of its own accord. The other incident took place in Stavanger. An aircraft breached the separation minima in connection with a crossing aircraft at Norway ACC Vest, Stavanger, by 3.7 nautical miles and 600 feet as the minimum distance.

ACCIDENTS AND SERIOUS AIRCRAFT INCIDENTS 2014-2015

	AIRCRAFT INCIDENTS	SERIOUS AIR ACCIDENT WITHOUT INJURIES	SERIOUS AIR ACCIDENT WITH INJURIES
2015	2	0	0
2014	1	0	0

Serious aircraft incidents, air accidents without personal injuries and air accidents with personal injuries in which Avinor was a contributory party. The term air accident follows the definition in BSL A 1-3 (Civil Aviation Regulations).

Audits

An important part of the group's work of maintaining a good safety culture and high aviation safety, is to conduct regular audits, both of the units and within specific disciplines. The purpose is to verify that the group's management system is in accordance with the relevant laws and regulations, and that the organisation complies with them. Security services at the airports are also closely followed up through audits. Moreover, regular audits are important to correct the group's suppliers.

In 2015, the group has, in practice, had to relate to two management systems and two sets of regulations (national and European), following the introduction of the European Airport Regulations. This has been challenging, both in terms of compliance and auditing.

Passengers should find airport security as hassle-free as possible.

In principle, Avinor conducts all audits itself, both internal audits and audits of external parties. External expertise is only brought in to conduct audits as an exception.

An audit programme is established for one year at a time. The compliance monitoring manager proposes the audit programme, establishes teams and manages these throughout the year. The audit programme is approved by the CEO. Any findings from the audits are entered in the deviation handling system and followed up by the person defined as risk owner. Findings registered in external parties will be followed up by the contract manager in Avinor. Such findings will also be registered in Avinor's deviation handling system.

In 2015, 32 internal audits were conducted in Avinor AS and nine in Avinor Flysikring AS. In addition, 18 audits were conducted of external parties (suppliers and other parties) in Avinor AS and two in Avinor Flysikring AS. Most audit findings are in the category "Management and follow-up". The audits have also revealed shortcomings in wage and working conditions as well as taxation issues in supplier and subcontractor companies.

Oslo Airport's audit programme aims to cover all aspects of the management system over a three-year cycle. The 2015 programme was implemented according to plan, with just a few exceptions. Oslo Airport has conducted 16 audits, nine internal and seven external. The main audit findings were related to management and HSE follow-up.

Avinor achieved good security results in 2015. There was a significant reduction in the number of nonconformities, and those that occurred were of a less serious nature. Long-term and targeted airport work has been performed to ensure good transfer of experience. To achieve these results, Avinor has maintained close dialogue with the supervisory authorities. Cross-sectional cooperation between the airport players, has also been important and contributed to the good results.

Continuously updated security regulations

The threat situation in 2015 was dominated by the terrorist attack against the Russian Metrojet aircraft above Egypt and the Paris attacks against Charlie Hebdo and Bataclan.

Security regulations for aviation and the technological capacity to uncover potential threat situations are being developed in line with the risk situation. I 2015, Avinor introduced new equipment for more accurate detection of explosive trace elements.

Airport security and personal integrity

Avinor's aim is to ensure that passengers find airport security checks as stress-free as possible, with due respect for the individual's integrity.

Over the course of 2015, Avinor has invested heavily in new and expanded security lanes at Oslo Airport, and at Stavanger, Bergen, Trondheim, Ålesund and Bodø airports. Regular training is provided to both company and contractor employees. The introduction of Fast Track lanes and family lanes has also increased customer satisfaction.

At our airports, Avinor complies with all responsibilities laid down by the authorities with regard to security. In some cases, higher standards have been introduced than are required by law. This is to reduce the risk of discrimination, and to maintain the passengers' personal integrity. To reduce the occurrence of discrimination, Avinor mainly uses technical solutions which do not allow the operator to manually select passengers for additional inspection. At the same time, Avinor is investing in equipment which will reduce contact between security personnel and passengers, to reduce the risk of discriminating action during airport security. The passengers are Avinor's customers, and Avinor would like to establish a relationship of trust in connection with security checks. One of Avinor's aims is to always have both male and female security officers present, even though this can be a challenge at the smallest airports. Cubicles or shielding possibilities are also available to maintain personal integrity during screening.

Even though many people find airport security checks stressful, Avinor does not receive many complaints. Most complaints relate to what passengers can or cannot bring into the security area. Some customer complaints relate to lack of shielding during airport security. The airports process complaints continuously, and Avinor is not aware of any complaints having been forwarded to public authorities in 2015.

A customer survey conducted by Barcode Intelligence (Norsk Kundebarometer) has shown that, among Avinor's passenger processes, passengers are most satisfied with the security check and the way they are met there.

Human trafficking

Avinor does not have its own systems for reporting of human trafficking. Such cases are registered in the criminal justice system and handled by the authorities. The relevant authorities, such as the police and customs officers, are present at Avinor's main airports, and the airports report good collaboration. Avinor encourages all employees to report any uncertain situations where human trafficking is suspected.

Civil protection and crisis preparedness

Avinor maintains a high level of security in daily operations, and good crisis preparedness in the event of any undesirable incidents.

The current risk situation is characterised by extremism and polarisation, state intelligence watching political, economic and military targets, changes towards a hotter, wetter and more extreme climate, the risk of epidemics, and a serious refugee and migration situation in Europe. The group focuses its security and preparedness efforts on climate adaptation, information and ICT security and protection of critical objects, systems and functions.

Certification of Avinor's airports

By 2017, Avinor will certify all its airports in accordance with common European regulations, prepared by the European Aviation Safety Agency (EASA), under the direction of the EU Commission. In 2015, Avinor applied to the Civil Aviation Authority to become a certified airport operator. Avinor has also applied for design certificates for 22 of its airports. The certification work will continue in 2016 and 2017.

The current processes and documents relating to safety management have been reviewed and restructured in connection with certification of Avinor as an operator and certification of Avinor's airports. The work has uncovered improvement areas and new requirements, and new process descriptions have been prepared.

Avinor will be a driving force in the work on climate and environmental challenges within aviation

2015 saw further strengthening of the group's environmental efforts. Avinor has made a concerted effort for the environment over a period of several years. This involves raising the standard for environment-relevant infrastructure, strengthening the main environmental sciences and improving the systematic management of the environmental work.

In 2015, extensive work has also been done to further develop the environmental management system for the whole group. Our environmental management is based on the EN-NS ISO standard 14001, and Oslo Airport's environmental management is already certified according to this standard. Our environmental management system is our main tool for handling the environmental challenges that the group contributes to, in the most efficient and targeted manner possible. The Environmental management system is already being implemented, both at the head office and at the airports, and is expected to be fully implemented by the end of 2017.

NEW ENVIRONMENTAL GOALS AND NEW ENVIRONMENTAL STRATEGY

In 2015, the environmental impact of the group's operations was surveyed, and a new environmental strategy and new group-wide environmental goals were decided for the period 2016-2020. Special attention will be paid to discharges to water and soil, greenhouse gas emissions as well as aircraft and helicopter noise. However, active efforts will also be made within energy consumption, waste, impact on the natural environment and consumption of products and materials. The environmental strategy shall help concretise Avinor's environmental work and ensure that all parts of the group pulls in the same direction to achieve Avinor's environmental goals. The assigned direction will be used as a basis for priorities and definition of requirements for environmental work throughout the group. The strategy will contribute to ensuring systematic work and continuous improvement of Avinor's environmental performance.

DISCHARGES TO WATER AND SOIL

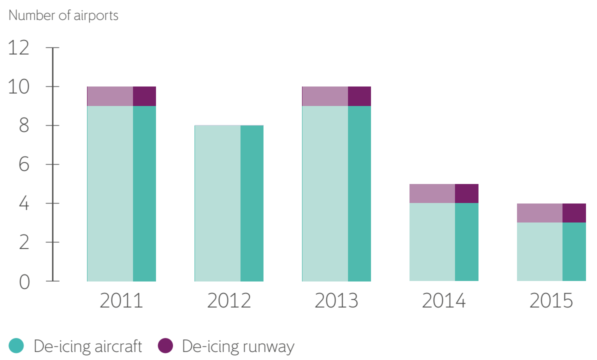
Avinor's environmental target for 2012-2015: Avinor will not violate any discharge permits.

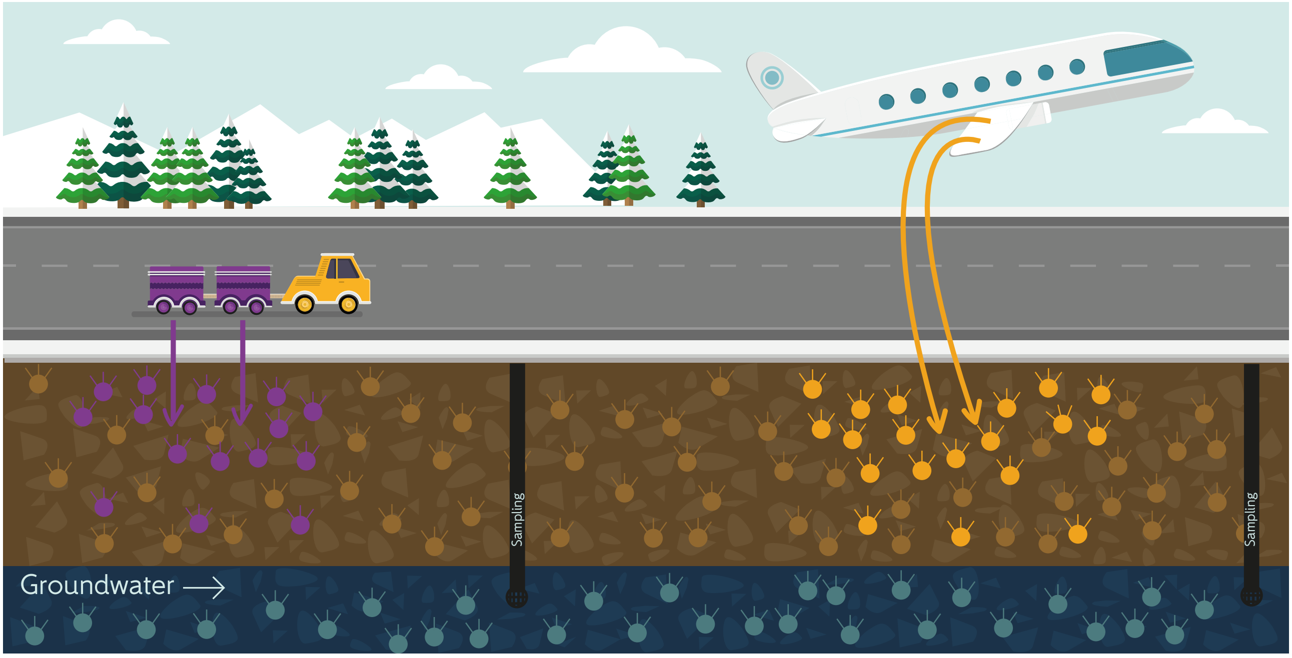
All Avinor's airports hold valid discharge permits pursuant to the Norwegian Pollution Control Act, which regulate the use of chemicals for de-icing and fire drills. The permits also require preparedness for potential acute discharges.

For safety reasons, ice and snow must be removed from aircrafts before take-off. A mixture of hot water and glycol-based chemicals is used for this purpose. Runways and taxiways must have satisfactory friction. They are cleared of snow, brushed and sanded, and, if necessary, de-iced using formate-based chemicals.

Aircraft and runway de-icing chemicals have low toxicity when discharged into nature. However, oxygen is needed to biologically decompose the substances. Run-off and spread of chemicals from the airport's area may, however, have a negative impact on the natural environment if the consumption exceeds the natural threshold and capacity for decomposition. Consequently, systems have been established at several airports for recovering glycol from de-icing. Environmental monitoring documents the status in the aquatic environment around the airports, and the extent of the monitoring is governed by requirements from the environment authorities, as well as environmental risk and the natural environment's vulnerability at each of the airports. The results from the environmental monitoring are evaluated each year, and the monitoring programmes are revised as needed. Measures are considered if sampling shows strain on the natural environment.

NUMBER OF AIRPORTS WITH OPERATIONAL BREACH OF CONDITIONS FOR AIRCRAFT AND RUNWAY DE-ICING





Some of the chemicals used for de-icing of runways (purple) and aircraft (orange) will infiltrate the soil along the runways. The chemicals are broken down into water and carbon dioxide by microorganisms (bacteria and fungi) naturally present both over and below groundwater level. Avinor monitors the water quality and, if necessary, implements measures to ensure that the earth's decomposition capacity is not exceeded.

Oslo Airport has for a number of years evaluated what long-term effects the de-icing chemicals used on runways and taxiways have on the soil and ground water. One limiting factor for local decomposition in the most critical areas is access to oxygen. Testing of air injection into the soil and groundwater has therefore been implemented, with good results. No de-icing chemicals were found in nearby groundwater wells. In 2015, a pilot project with three wells was expanded to include 70 ventilation wells. During the de-icing season, measures are assessed and implemented including adding fertiliser (nitrogen) and snow clearing, when necessary.

The areas under greatest strain have their own action plans. One violation of the discharge permit was detected in the waterways during the 2014-2015 winter season.

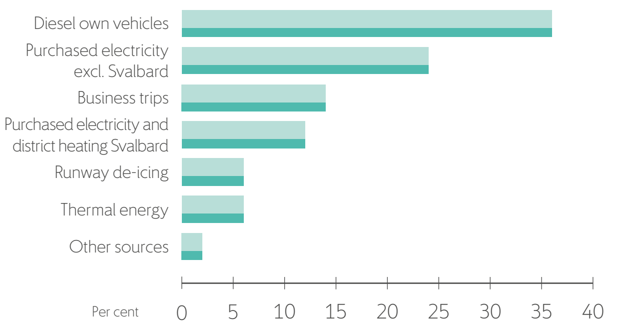
During the last two seasons, weather conditions have made it more challenging to maintain adequate friction on the runways. Consequently, consumption of runway de-icing chemicals has increased by 83 per cent since the 2013/2014 season and by 179 per cent since the 2012/2013 season. The total consumption of aircraft de-icing chemicals was somewhat lower than in the previous season.

In 2015, Oslo Airport had a total of five minor breaches of the discharge permit for groundwater (glycol and formate). For the other airports, consumption of de-icing chemicals was exceeded at three airports. The environmental impact of the three breaches is considered low to moderate, and measures such as glycol recovery have been implemented to prevent future negative environmental impact. There were no breaches of the permitted volumes of runway de-icing chemicals.

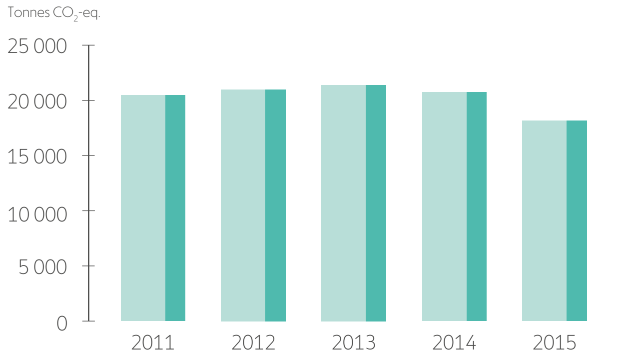
During the period 2008-2010, environmental risk analyses were conducted at all of Avinor's airports. The results showed that measures were necessary at several airports. Since 2010, the standard of infrastructure has been raised as part of the Environmental Project. This was completed in 2015. The project has significantly reduced the risk of undesirable incidents to water and soil. This work must be continued by establishing sound routines for operation and maintenance, and such work will take priority in coming years. To comply with requirements in the framework conditions, the facilities require regular maintenance. Many and different types of facilities make this work extensive. Avinor is working to systemise and simplify the maintenance processes.

Sampling PFOS in surface water.

SOURCES OF AVINOR'S OWN CONTROLLABLE GREENHOUSE GAS EMISSION 2011-2015



AVINOR'S OWN CONTROLLABLE GREENHOUSE GAS EMIISSIONS 2011-2015



In the discharge permits, the pollution authorities have assigned Avinor a coordination responsibility to ensure that all players at each of the airports fulfil the framework conditions for the external environment. Their use and handling of chemicals have a significant effect on the airport's overall impact on the natural environment.

PFOS

Mapping of contaminated soil in 2011/2012 uncovered some hydrocarbon contamination, and showed PFOS in soil and water at most active and abandoned fire training fields. PFOS is a substance containing fluoride formerly used as an additive in fire-fighting foam, but now classified as an environmental toxin. Avinor phased out the use of fire-fighting foam containing PFOS in 2001, and such substances have been regulated in Norway since 2007.

Avinor takes samples of soil, water and living organisms and assesses the results. Draft action plans for PFOS-contaminated areas have been prepared at Harstad/Narvik Airport, Evenes and Kristiansand Airport, Kjevik. These are being considered by the Norwegian Environment Agency. Avinor is also in dialogue with the Norwegian Food Safety Authority concerning this.

In 2015, Oslo Airport started cleaning PFOS-contaminated groundwater and wastewater from the fire-training field. So far, experience has been good, and the two treatment plants are followed up closely to document the effect. In addition, an action plan for cleaning PFOS-contaminated soil above groundwater is expected to be ready in February 2016.

At Bergen Airport, Flesland, samples were taken of the drinking water in drilled wells, surface wells and Steinfjelltjern tarn in the residential area Kvitura, located downstream the abandoned fire-training field. PFOS was detected in some wells, and the water quality was assessed by the municipal health services in Bergen Municipality in November 2011. It was concluded that the levels of PFOS in the water were not alarmingly high, but that the drinking water in Kvitura is bacteriologically unsatisfactory. Following the precautionary principle, Avinor has also established a filter to clean the PFOS-contaminated run-off to the surface water source Steinfjelltjern. The residential area has not had access to municipal water supply before, but Avinor has cooperated with Bergen Municipality on establishing water supply across the airport area. The system for connecting to the public water supply was completed in the autumn of 2015. This also involves a lump sum payment to the 39 households affected. For several years, Avinor has paid for bottled water to the affected area, until the new solution was established.

GREENHOUSE GAS EMISSIONS

Avinor's environmental goal 2012–2015: Avinor shall reduce total greenhouse gas emissions under its own control, regardless of traffic growth, and be a driving force in reducing overall greenhouse gas emissions from Norwegian aviation

Emissions of greenhouse gases from airport operations

Avinor prepares a greenhouse gas inventory pursuant to "The Greenhouse Gas Protocol", and purchases emission allowances to compensate for the group's own emissions [3]. In 2015, Avinor's own, controllable greenhouse gas emissions from airport operations totalled 18 158 tonnes CO2 equivalents, a reduction of about 2 300 tonnes compared with 2012. In other words the group achieved its climate objective for the period 2012-2015.

The reduction was due to a general reduction of greenhouse gas emissions from Norwegian production, import and export of electrical power, not a reduction in energy consumption. Emissions from Avinor's operations largely depend on weather conditions during the winter months, due to the need for snow clearing, heating and consumption of de-icing chemicals.

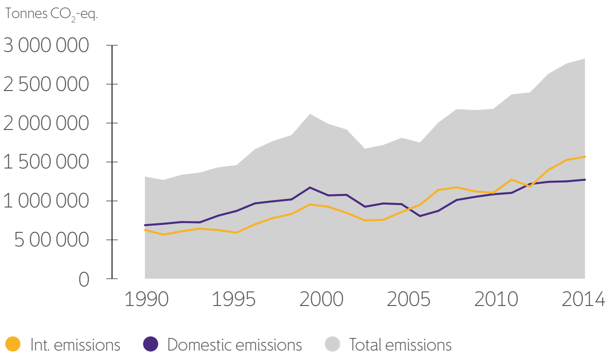
The largest emissions from Avinor's operations are caused by fuel consumption in Avinor's own vehicles, followed by purchased electricity and our own business travel by aeroplane and car. Other emission sources included in Avinor's own, controllable emissions are purchased district heating, consumption of thermal energy, and chemicals for de-icing of runways and fire training fields.

The main climate initiatives of 2015 were implemented at Oslo Airport. The snow-cooling system at OSL was commissioned, and a hydrogen refuelling station was opened. In 2015, Avinor launched a pilot project with second generation synthetic biofuel for the company's heavy motor vehicles. In 2016, Avinor will establish a framework

airport carbon accredited NEUTRALITY

3) More information about the GHG Protocol is available here: http://www.ghgprotocol.org/

GHG EMISSIONS FROM NORWEGIAN AVIATION 1990-2014



Prime Minister Erna Solberg opens the hydrogen station at OSL 4 September 2015. The station is available to all.

agreement for purchase of second generation biofuel. In the long term, biofuel will significantly reduce emissions from vehicles.

In 2015, the Climate Programme at Oslo Airport identified 20 further measures for reduction of greenhouse gas emissions. Some of the measures have already been implemented, whereas others are at the planning stage. Measures that have been introduced include facilitation for choosing zero emission taxis, mapping of energy consumption in buildings, and curved approaches.

Infrastructure for charging electric cars is being developed. At the end of 2015, Oslo Airport had 265 charging stations. Avinor's airports have a total of more than 350 charging stations for electric cars.

Emission of greenhouse gases from air traffic

Since 2007, Avinor has cooperated with the airlines and the Federation of Norwegian Aviation Industries to facilitate reduced greenhouse gas emissions. Two reports have been published [4] outlining emission-reducing measures and comparing their effect with expected traffic developments. According to the forecasts, greenhouse gas emissions from domestic air traffic can be less in 2025 than in 2007, despite substantial traffic growth. Emissions will probably increase from international air traffic, due to significant traffic growth. However, this can be offset by use of biofuels.

According to Statistics Norway (SSB), greenhouse gas emissions from domestic civil aviation accounted for 2.4 (last official figures) per cent of overall domestic emissions in 2014 (1.27 of 53.2 million tonnes). These emissions are regulated by the Kyoto Protocol. In 2014, greenhouse gas emissions from international air traffic, meaning from Norwegian airports to the first destination abroad, totalled 1.56 million tonnes CO_2 equivalents. Overall greenhouse gas emissions from all jet fuel for civilian purposes sold at Norwegian airports in 2014 were in the region of 2.8 million tonnes CO_2 equivalents, up slightly from 2013. Total carbon emissions from global aviation were 705 million tonnes, or approximately two per cent of global greenhouse gas emission (36 billion tonnes) in 2013, according to IATA [5].

In addition, there is the effect of some emissions taking place at high altitudes, which increases the environmental impact somewhat. CICERO estimates an additional factor of 1.2-1.8 [6].

Taxes and quotas

As one of few countries in the world, Norway has introduced a carbon tax on domestic flights. In 2016, this is NOK 1.08 per litre jet fuel, or NOK 423 per tonne CO_2 (+ 10 per cent VAT).

Since 2012, civil aviation has been encompassed by the European Emissions Trading Scheme, a cap and trade system, in line with the industry and energy sectors. The EU's aim is that emissions in sectors subject to quota obligations should be 43 per cent lower in 2030 than in 2005. The original intention was for all flights inside and to/from EU/EEA countries to be comprised by the scheme. However, for the 2013-2016 period, it has been decided that only flights inside the EU/EEA should be comprised by the scheme, pending introduction of a potential global Market Based Measures organised by ICAO (UN International Civil Aviation Organization). The airlines must apply for and be awarded a certain number of free quotas based on their production in 2010, and must reduce their emissions or purchase quotas for exceeding emissions. The quota price [7] has varied between NOK 235 per tonne CO_2 in July 2008 and NOK 21 per tonne CO_2 in April 2013. As of February 2016, quotas are sold for about NOK 55 per tonne. The EU is expected to reduce the number of available quotas in the period leading up to 2030, to achieve its objectives. This will increase the quota price and, in the longer term, result in higher costs for Norwegian aviation. This means that an overall assessment of the aviation industry's emission reductions must take into account goal achievement in the quota trading scheme, phase-in of sustainable biofuel and the impact of emissions-reducing measures in the aircraft fleet.

The most important emissions-reducing measures are associated with fleet replacements, improving airspace efficiency and biofuel.

The airlines will continue the work on energy efficiency and fleet renewal

SAS and Norwegian renew their fleets continuously, and operate exclusively the latest generation of aircraft. More energy-efficient engines, improved aerodynamics, lower weight and more seats entail, e.g., that the new Boeing 737 aircrafts have about 30 per cent lower fuel consumption and greenhouse gas emissions per seat kilometre than the previous generation of aircraft. From 2016, the aircraft type A320 NEO and Boeing 737-Max will be

4) See https://avinor.no/konsern/miljo-og-samfunn/rapporter/
5) http://aviationbenefits.org/media/26786/ATAG__AviationBenefits2014_FULL_LowRes.pdf
6) Lund, Marianne T, Terje Berntsen and Jan S. Fuglestvedt (2011): «Luftfart og klima - En oppdatert oversikt over status for forskning på klimaeffekter av utslipp fra fly», CIENS report 3 - 2011
7) Page 46 of Prop 1 LS 2015-2016: Skatter, avgifter og toll 2016

Minister of Transportation Ketil Solvik-OIsen is interviewed on 22 January 2016 during the event highlighting that Oslo Airport is the first international hub in the world to supply jet biofuel to all airlines.

phased in. This will yield a further reduction of approximately 15 per cent per seat kilometre.

More efficient airspace

More efficient airspace along with optimisation of landing and take-offs are important measures where Avinor has considerable opportunity to make an impact. Better navigation technology allows more precise and flexible approach and departure procedures. At Oslo Airport, approximately 8500 curved approaches were made as tests in 2014 and 2015. Such approaches avoid flying over densely populated areas, and reduce fuel consumption as the flight distance is reduced compared with the conventional ILS approaches. The total reduction in emissions associated with these test flights is about 2000 tonnes CO2. Procedures for curved approaches have also been implemented at Haugesund Airport, Karmøy and at Harstad/Narvik Airport, Evenes, and will gradually be introduced at other airports.

In November 2015, Free Route Airspace was introduced. This is a new airspace organisation system in Norway, Finland, Latvia and Estonia, which means that the airlines can plan their flights between airports in the most optimal manner, without depending on predefined routes. This entails that aircraft can carry less fuel, which will reduce costs, weight and greenhouse gas emissions.

Jet biofuel

Biofuel was certified for use in civil aviation in 2009. Since then, thousands of scheduled civilian flights have taken place using biofuel, and there has been a rapid development in the various technologies for production of biofuels. Both the aviation industry and the UN's aviation organisation ICAO consider phase-in of biofuel a very important measure to reduce greenhouse gas emissions from aviation.

Norway's first flights using biofuels were conducted in November 2014. As of January 2016, jet biofuel is available to all airlines refuelling at Oslo Airport. This makes Oslo Airport the first international hub in the world with regular supplies of jet biofuels. It is also the first time in the world that biofuel is distributed together with fossil fuels from the central tanking facility, which reduced costs significantly.

Avinor has allocated up to NOK 100 million over a ten-year period (2013-2022) for measures and projects that will contribute to phase-in of jet biofuels in Norwegian aviation. Along with the airlines and the Federation of Norwegian Aviation Industries, Avinor has explored opportunities to establish large-scale production of biofuels for aviation, based on biomass from Norwegian forests. The conclusion is that this can be realised from 2020-2025. The initiative will be able to reduce greenhouse gas emissions from Norwegian aircraft and helicopter traffic by up to 45 per cent, depending on how much biomass from the forest industry is used for the purpose. A partnership has been formed with Viken Skog in view of a possible plant at Follum, and Avinor also has close ties with other industry players, including Statkraft and Södra Cell. In addition, Avinor supports several research projects related to this, in cooperation with SINTEF and others.

Large-scale Norwegian production of biofuel for aviation and heavy road transport can be essential to reach Norway's climate goals. However, this depends on long-term and predictable framework conditions. Jet biofuel can also be imported from abroad.

Surface access

To improve traveller services, reduce greenhouse gas emissions and improve local air quality, Avinor aims to be a driving force and facilitator in ensuring that as much of the surface access to airports as possible takes place by public transport. Challenges relating to ground transport are linked to both the transport network and types of transport. The residential pattern in the airport impact area also means that it is not possible to provide everyone with fully satisfactory public transport services.

Overall, Avinor's airports have a high share of public transport, and Oslo Airport's share is the highest in Europe. The percentage has increased in recent years, and the aim is to improve it even further.

SHARE OF PUBLIC TRANSPORT AT NORWAY'S FOUR LARGEST AIRPORTS

	PUBLIC TRANSPORT SHARE		
AIRPORT	STATUS 2009	STATUS 2014 **	TARGET 2020
Oslo	64	66	70 *
Stavanger	14	17	30
Bergen	27	34	40
Trondheim	42	45	50

* Long-term target (2030): 75 per cent ** Latest available figures,
Source: Reisevaneundersøkelsene (RVU).

The group of passengers that represents the largest environmental challenge, are those who drive to the airport to drop off or collect passengers, and then drive home again (so-called kiss & fly). This is the group of passengers Avinor wants to encourage to use public transport.

Most policy instruments to increase the share of public transport are outside the scope of Avinor's responsibilities, and require cooperation between a number of players. Avinor's main contribution is to facilitate infrastructure at the airports, and provide information about services to passengers. At group level, Avinor cooperates actively with the main airport bus operators in Norway, focusing on the four major airports. The purpose of the cooperation is to find strategies to increase the bus companies' market shares at the expense of private cars. Through this cooperation, the company has worked out specific measures that will increase the bus operators' market share and this work will continue. Avinor also aims to use this knowledge to facilitate increased use of public transport at the smaller airports. As a start, we will facilitate good public transport facilities from Narvik to Evenes, in connection with the closure of Narvik Airport. Next, we will look at airports with a low share of public transport and a potential for improvement. Avinor's ground transport work also focuses on the requirement for commercial earnings from the group's car parks.

AIRCRAFT AND HELICOPTER NOISE

Avinor's environmental target 2012-2015: The number of residents exposed to outdoor noise levels from aircraft and helicopters exceeding Lden 60 dB and Lnight 55 dB, shall not increase in the period.

About two per cent of the Norwegian population live in a location where average outdoor aircraft noise exceeds Lden 50 dBA. [8] This mainly includes people who are exposed to noise from fighter aircraft, but also people who live in exposed areas near the largest civil airports in Norway and near airports with considerable offshore helicopter traffic. The number of people exposed to aircraft noise has remained relatively stable since 1999, in spite of a significant increase in traffic. This is because newer aircraft engines produce less noise.

Aircraft and helicopter noise is one of Avinor's most important environmental focus areas due to the importance for the airports' local communities. Avinor will work actively to reduce the noise load from civilian aircraft and helicopter traffic for residents near the airports. Avinor conducts regular noise mapping at all airports and registers route usage at the major airports.

Airport noise maps, which describe a noise picture with long-term predictability, are the most important tools for preventing increased aircraft noise exposure in residential areas. The municipalities are obliged to use these maps in their area planning. Aircraft noise exposure depends on the aircraft type, traffic volume, runway use, route choice, and how the traffic is distributed throughout the day. Apart from noise mappings, Avinor's most important tools are traffic management and adjustment of approach and departure procedures. In December 2015, the Norwegian Civil Aviation Authority adopted revised noise regulations for Oslo Airport, regulating e.g. the use of runways and what areas aircraft may fly over near the airport. The regulations allow for permanent use of curved approaches, where the routes run between densely populated areas. Furthermore, the regulations indicate an adjusted departure corridor for departures from the airport's northeastern corner. This adjustment will make it possible to maintain the departure capacity at the airport, whilst preventing aircraft from flying over the most densely populated areas.

The introduction of the Sikorsky S92 helicopter for offshore transport has resulted in a significant increase in aircraft noise at certain airports. More recent aircraft noise mappings show that the helicopter traffic contributes somewhat toward increasing the scope of the red aircraft noise zone, in which the construction of schools, day-care centres, housing and holiday cottages is generally prohibited. The helicopter traffic is of particular significance for the scope of the yellow aircraft noise zone, in which construction is permitted, but only if measures are implemented to reduce noise.

In 2012, Avinor took the initiative to establish a national helicopter noise committee consisting of representatives from Avinor, oil companies and helicopter operators. The committee coordinates measures to reduce noise load.

At Bergen and Stavanger airports, where a system was established in 2014 for registering radar data from air traffic, work has been ongoing in 2015 to establish approach and departure procedures to reduce the number of people exposed to noise from offshore helicopter traffic. Preliminary adjustments, based on the route registration system, have been well received by the airports' neighbours.

ENERGY CONSUMPTION

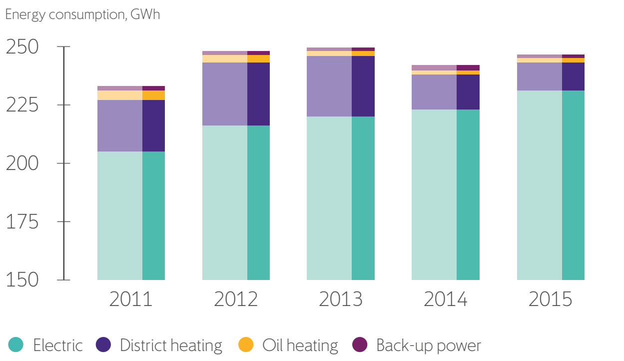
Avinor's environmental target 2012-2015: Avinor's total energy consumption in buildings shall be reduced by 25% in 2015 compared with the energy consumption in 2010. This target does not apply to Oslo Airport.

The energy supplying Avinor's buildings and infrastructure is mainly from purchased electricity, but some airports also receive energy from district heating, seawater heat exchanging and geothermal heating. The energy is primarily used for heating, cooling, lighting, airfield systems and other technical equipment. Of Avinor's controllable greenhouse gas emissions, the group's energy consumption constitutes 24 per cent. There is a major potential here to reduce energy consumption and contribute to Avinor meeting its climate goals.

Avinor's target for the 2010-2015 period was to reduce the group's

8) Lden = an A-weighted equivalent noise level for day-evening-night with a 5dB/10 dB supplement for evening-night. The Lden level is calculated as the average noise load over the course of one year. Lnight = an A-weighted equivalent level for an 8-hour night period from 23:00 to 07:00 hours.

AVINOR'S ENERGY CONSUMPTION ACCORDING TO SOURCE



energy consumption in buildings by 25 per cent. However, the volume of purchased electric power has increased and the 2015 objective has not been met. At the same time, there are now more square metres of buildings, and thus the group's overall energy need has increased. Due to a lack of energy meters, it is not possible to distinguish between energy used for buildings and energy for airfield systems and other technical equipment. This makes it difficult to establish actual changes in energy consumption in buildings.

In 2015, several minor energy conservation measures have been implemented at the airports, such as switching to LED lighting, upgrading of heating and ventilation systems, better management of the group's needs, etc. Avinor's work to introduce energy management and energy follow-up at all our airports started with eight airports in 2015, and will continue in 2016. The objective is to reduce the actual energy consumption in buildings.

WASTE

Avinor's environmental target 2012-2015: Avinor shall achieve a source separation rate of 60 per cent.

Airport operations generate waste from public areas, including the security check, cafés and restaurants, shops and waiting areas, but waste is also generated from aircraft cleaning, workshops, garages, offices, and not least from construction projects.

During the period 2012-2015, Avinor and Oslo Airport have worked systematically with waste separation and handling of hazardous waste. In 2015, Avinor delivered a total of 13 792 tonnes waste, down 4.8 per cent from 2014. Oslo Airport, including tenants, delivered 71 per cent of this, in all 9 767 tonnes, down 5.7 per cent from the previous year. The group's source separation rate was 58 per cent, the same as in 2014. The 2015 objective of a source separation rate of 60 per cent was thus not achieved.For Oslo Airport, the source separation rate was stable at slightly above 60 per cent.

In all, 385 tonnes of hazardous waste was delivered in 2015, compared with 515 tonnes in 2014. Of this, Oslo Airport delivered 298 tonnes. As of 2016, the definitions of sorted and unsorted waste will be changed slightly pursuant to NS9431 Klassifikasjon av avfall (Waste classification).

In the future, Avinor will aim to uphold the current waste separation level, and at the same time reduce the total waste volume. Avinor will continue to cooperate with professional partners to ensure safe and optimal waste management. This entails assistance to develop local waste management plans, suitable for the airports' need and the recipient's facilities, as well as safe and correct further handling of hazardous waste.

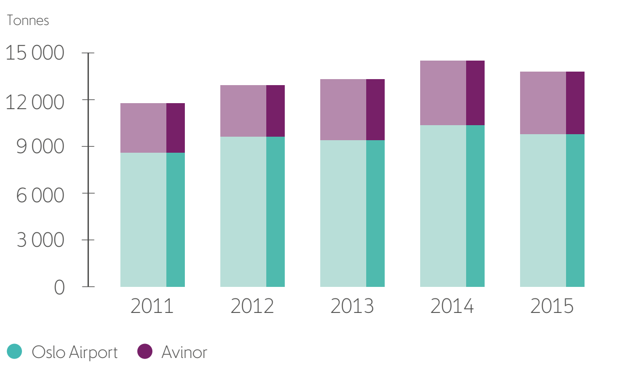
ENVIRONMENTALLY SOUND PROCUREMENT

Avinor's environmental target 2012-2015: Avinor shall select products and materials with the lowest possible environmental impact from a lifetime perspective.

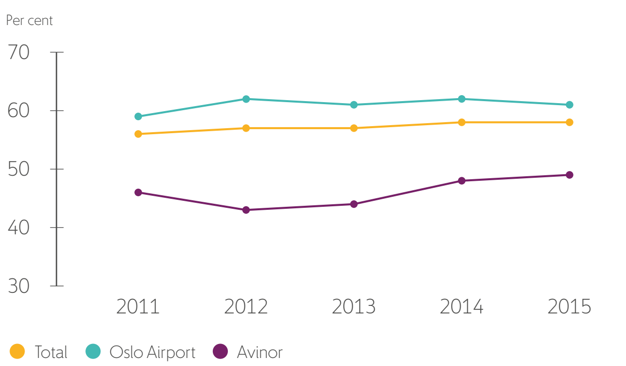
Avinor spends a considerable amount on products and services. In 2015, Avinor's procurements amounted to NOK 9 691 million, of which 5 179 million related to investment purchases primarily for major construction projects in connection with terminal expansions and runway extensions, and NOK 4 512 million was spent on purchases for the group's operations. As regards the implementation of building and construction projects, Avinor will prepare an environmental follow-up plan which will safeguard considerations for the external environment in the planning and construction phases, as well as guarantee environmental considerations in the choice of solutions.

Avinor has the opportunity to point suppliers from multiple sectors in a more environmentally friendly direction, and environmental requirements in procurement are an important part of Avinor's environmental policy. The environmental requirements are incorporated in the pre-tender qualification for all procurements and apply to all suppliers and contractors. Environmental considerations are also emphasised in the award criteria for procurements considered important for the external environment.

TOTAL AMOUNT OF WASTE



SEPARATION RATE, WASTE




Svolvær airport

As part of the introduction of ISO14001, regular assessments are performed of Avinor's suppliers' and contractors' environment work. Avinor aims to ensure that purchases are made from suppliers who can demonstrate consistent awareness of environmental issues and that work systematically to reduce the company's environmental impact.

LOCAL AIR QUALITY

Air quality in and around the airport area is affected by local and regional emissions as well as by weather conditions and the local terrain. Emissions from airport operations have the greatest impact on ambient air quality locally at the airport, with aircraft and vehicles being the largest contributors. Outside the airport area, emissions from road traffic have the greatest impact. Oslo Airport monitors the air quality at the airport, and in 2015, the airport launched a major study of local air pollution in cooperation with the Norwegian Institute for Air Research (NILU). Test results over several years have shown that the air quality is well within regulatory requirements at Oslo Airport. The readings indicate that this is also the case for other Norwegian airports, which all have considerably less traffic.

BIODIVERSITY

Many of Avinor's airports are located in or near areas that are biologically diverse, such as protected areas, rare biotopes, rare species, salmon rivers and fjords.

Avinor aims to have a good overview of natural assets at their properties and in areas that can be affected by airport operations. During the period 2008-2013, Avinor mapped biodiversity at all airports. A report from the mapping has been prepared for each airport, with descriptions and management advice. The reports are available to the public on Avinor's website. The results in the reports are followed up and used for operations and projects. The results are also used for e.g. environmental risk assessments, environmental monitoring programmes and in the planning of development and construction activities.

In 2015, measures were implemented to protect the natural environment at the airports. This included:

- A follow-up survey has shown that hay fields that were disturbed by construction work at Ålesund Airport seem to have been successfully re-established. After the survey, measures have also been introduced to prevent lupine from invading hay fields.
- Haugesund Airport established cooperation with several landowners to initiate good management, grazing and heather burning to stop the coastal heather moors around the airport from overgrowing.
- Haugesund Airport started producing honey in 2015. Both Haugesund and Stavanger airports now produce honey. The purity of the honey is an environmental indicator as the bees collect pollen and nectar from nearby areas.
- Oslo Airport continues combatting foreign harmful species and the amount of Japanese knotweed and giant hogweed has now been greatly reduced.
- In cooperation with the Norwegian Environment Agency, Avinor provided information about CITES (the Convention of International Trade in Endangered Species of Wild Fauna and Flora) and responsible tourism at selected airports in 2015.

Key figures climate and environment 2011-2015

GREENHOUSE GAS EMISSIONS

		2011	2012	2013	2014	2015
Avinor controls	tonnes CO_2 eqv.	20 464	20 992	21 397	20 728	18 158
Avinor controls/passenger	g CO_2 eqv./passenger	462	453	443	414	363

ENERGY

		2011	2012	2013	2014	2015
Electric power	GWh	205	216	220	223	231
District heating	GWh	22	27	26	15	12
Oil heating	GWh	4.2	3.3	2.0	1.7	2.0
Back-up power	GWh	1.8	1.8	1.5	2.3	1.7
Total	GWh	233	249	249	243	247

FUEL FOR VEHICLES

		2011	2012	2013	2014	2015
Diesel	litres	2 647 035	2 773 281	2 796 158	2 625 548	2 651 617
Petrol	litres	104 608	86 672	80 404	76 255	64 948
Biodiesel	litres	-	-	-	-	9 280

WASTE

		2011	2012	2013	2014	2015
Sorted waste	tonnes	6 593	7 370	7 246	8 407	7 999
Mixed waste	tonnes	5 180	5 560	5 466	6 087	5 793
Total	tonnes	11 773	12 930	12 712	14 494	13 792
Waste separation rate	%	56	57	57	58	58
Hazardous waste	tonnes	-	-	-	515	385

FIRE AND ACCIDENT CHEMICALS

		2011	2012	2013	2014	2015
Jet fuel - A1 / Paraffin	litres	72 267	100 952	85 788	72 965	72 225
Diesel/Petrol	litres	2 291	2 478	4 597	5 656	3 333
Propane	kg	3 327	3 324	2 850	2 662	3 837
AFFF	litres	32 761	36 209	27 668	20 785	27 356
Drill foam	litres	-	-	360	-	1 610
Extinguishing powder	kg	25 934	19 274	20 825	17 247	23 719
Technical spirits	litres	549	869	1 426	721	1 156
Kindling	kg	707	1 272	1 728	2 427	5 397

DE-ICING CHEMICALS

		2011	2012	2013	2014	2015
De-icing chemicals for aircraft						
100 % glycol	litres	1 780 429	2 353 921	2 120 801	2 287 775	2 412 346
De-icing chemicals, runways						
Formate (liquid) [1]	litres	1 801 356	2 470 872	2 946 325	2 591 111	3 552 317
Formate (solid) [1]	kg	153 918	264 303	229 203	210 275	443 850
Environmental impact in COD [2]	tonnes O_2	269 577	382 003	435 739	385 208	563 887

NUMBER OF AIRCRAFT INCIDENTS (LH) WITH OPERATIONAL BREACHES OF CONDITIONS FOR DE-ICING OF AIRCRAFT AND RUNWAYS

		2011	2012	2013	2014	2015
De-icing of aircraft	Number	9 [3]	8	9	4	3
De-icing of runways	Number	1	0	1	1	1
Total	Number	10	8	10	5	4

1) Stated as amount of product, not concentrate.
2) COD= Chemical oxygen demand. This is the amount of oxygen required to break down the chemical used.
3) For OSL the breach was caused by aircraft or runway de-icing (recipient-based permit).

The work to highlight why Avinor is an attractive work place for women continued in 2015.

Avinor shall be a professional and attractive employer

Avinor's vision is to create valuable relationships. This is reflected in a value platform that sets clear requirements for employee conduct at the workplace and when dealing with customers, business associates and others.

The 2015 employee survey showed that seven out of ten employees are highly or very highly engaged in their job:

- Avinor has a good working environment
- Job satisfaction is high
- Four of five would recommend Avinor as an employer

COOPERATION

Avinor employs a high number of trade union members, and the collective agreement coverage is 100 per cent for the group's companies, with each having its own collective agreement. Trade union representatives are therefore important partners in the effort to realise the group's objectives. In 2015, Avinor enjoyed good cooperation with trade union representatives, both as regards ongoing cases and more comprehensive change processes. The group nevertheless aims to further develop the collaborative model between trade union representatives and the management, in order to secure good working conditions, stable operations and cost effectiveness throughout the group. During the year, Avinor and trade union representatives have developed a model, based on the Basic Agreement for continuous improvement of work processes and result achievement. Avinor believes that improvement work that is firmly embedded with employees has what it takes to succeed. Avinor's employees hold four of ten seats on Avinor's board. Representatives are also elected by and among the employees to the boards of our subsidiaries.

EXPERTISE DEVELOPMENT

Employees with the right expertise are essential for Avinor to succeed. In 2015, the group revised its expertise strategy in line with Avinor's new strategic objectives. The work will be completed in 2016 in light of the ongoing transition work. At the same time, work is ongoing to certify Avinor's airports in accordance with environmental standards and new regulatory requirements from the European Aviation Safety Agency (EASA). Special focus will be on operative units and the group's safety management.

Good leadership is fundamental for Avinor's operations and employee conditions. In 2014, 430 managers, key personnel, safety delegates and trade union representatives completed Avinor's culture and management development programme. In 2015, the programme was strengthened through management team development. Furthermore, the second part of the culture and management development programme "Avinors Lederplattform" (Avinor's leader platform) was launched in December 2015. The programme focuses on change management and result achievement. The focus on projects as a working form is supported by Avinor's project school. The project school makes it possible for employees to acquire formal supplementary training in project management and methodology.

In recent years, the group has established firm ties with academia, and is involved in several ongoing research collaborations. Avinor also contributes expertise to several universities and university colleges in Norway through guest lectures. In addition, Avinor conducts workshops with students where we work together to solve specific challenges in Avinor's project portfolio. Avinor has a special summer internship programme, and facilitates work on bachelor or master theses in cooperation with the group.

Avinor had four apprentices (Oslo Airport) and one trainee (Trondheim Airport) in 2015. The group aims to make room for more apprentices and trainees, and will establish 12 new apprenticeships in 2016 (Oslo and Stavanger). For 2017, Avinor is planning to establish 20 new training positions. A dedicated position may be established at group level to strengthen the group's focus on apprenticeships.

INCLUSION AND GENDER EQUALITY

Avinor is a male-dominated company which strives to achieve a more equal gender balance. In 2015, turnover in the group was unusually low, and, in practice, there was a freeze on new recruitment. The group has thus had less opportunity than normal to create a more equal gender balance through recruitment of new employees.

It is a challenge that few women chose an education within the dominant professions in Avinor. In 2015, comprehensive analysis work was conducted to identify a real potential for the share of female employees, and find suitable methods to increase the number of women. According to the analyses, the potential for increasing the number of women over the next five years amounts to 3-4 percentage points. We are now stepping up our efforts to ensure we fulfil this potential.

In 2015, Avinor has continued its efforts to show why Avinor is an attractive place for women to work. Previously, more women than men left the group. Now turnover is higher among men than women. Altered communication in the recruitment work has significantly increased the percentage of women applicants. However, we do not employ more women than previously. Consequently, specific measures have been proposed for job interviews to ensure that objectiveness in assessing qualifications is reflected in recruitment. Positive discrimination may be a relevant measure. The percentage of women in management positions corresponds with the percentage of women in the group (22 per cent).

DECLINE IN BREACHES OF WORKING HOURS PROVISIONS

It is important to Avinor to ensure full compliance with the working hours provisions stipulated in the Norwegian Working Environment Act. The group continuously follows up how working hours are spent. Training of managers and shift organisers has been conducted in exposed units. This has reduced the number of breaches of working hours provisions in 2015, both in total (- 41 per cent) and for breaches following entry into an agreement on extended working hours (-36 per cent). The use of overtime was reduced by 15 per cent during the same period.

HEALTH, SAFETY AND ENVIRONMENT WORK (HSE)

Avinor attaches great importance to ensuring that the strategic and governing plans for health, safety and the environment comply with laws and regulations and that they are adhered to and followed up throughout the entire group. HSE is a management responsibility and must be integrated in the working day for the whole line. The group's action plans are founded on the Regulations relating to systematic health, environmental and safety activities in enterprises, the Working Environment Act with associated HSE regulations, as well as the group's strategic plan, comprising e.g.:

- HSE risk profile and health-promoting work
- Systematic HSE work
- The injury picture

As the principal undertaking, the Avinor group is responsible for coordinating the HSE work with all parties who are tenants or who are contracted to perform work on behalf of the group. In a number of contexts, the Avinor group is also a construction client. This entails ensuring due consideration for health, safety and the working environment at construction sites.

It is important for the group to raise the organisation's awareness of the importance of reporting undesirable incidents as well as injuries. This means undesirable incidents relating to passengers, other players as well as the group's own employees. As an owner of infrastructure, it is essential that the Avinor group is aware of such incidents so that we can implement mitigating measures. Over the course of 2015, the group has improved its reporting routines for injuries affecting other airport players and passengers.

The aim for any enterprise, including Avinor, will always be to achieve zero injuries resulting in absence from work. In 2015, there were 17 injuries among the Avinor group's own employees that resulted in absence. Avinor AS had 13 injuries, Oslo Airport AS two, and Avinor Flysikring AS two. The group's LTI rate (number of injuries resulting in absence per million hours worked) for 2015 was 3.3 compared with 4.2 in 2014. The target is 3 or lower. Since project start-up, the LTI rate for the T2 project at Oslo Airport is 3.1. The LTI rate for the T3 project at Bergen Airport, Flesland is 3.8 during the construction period.

The 2015 result indicates that preventive HSE work has been successful, and it is highlighted in the group. In 2015, a new system for reporting nonconformities was introduced, which will improve the reporting basis and enable analysis of causes, ensure better transfer of experience and provide generally better learning loops.

The safety delegate service

Avinor's work on absence due to illness is systematic and particularly aimed at employees who work shifts, in operative positions with physical and health requirements. Avinor has participated in a multi-year research project (FARVE) on the effect of various measures. This project was concluded in 2015. The number of people with illegitimate sick leaves was significantly reduced during the project period.

Each of the 42 regional airports has appointed an employee as health motivator, responsible for disseminating knowledge and promoting exercise and a healthy lifestyle. Avinor works systematically to prevent the harmful effects of substance abuse, through internal regulations, skills development and raising awareness. Employees who want to change their alcohol consumption, can also get help via Balance.

Balance is an online health-promoting programme that can assess the person's alcohol habits, and then follow up for up to one year for those who want to make a positive change.

In cooperation with employee representatives, an assessment was made of whether shift work might cause higher mortality among air traffic controllers. The assessment did not empirically support the hypothesis.

The group aims for an absence due to illness rate of 4.5 per cent, or lower. In 2015, absence due to illness was 4.6 per cent.

KEY FIGURES ABOUT AVINOR EMPLOYEES

	2015	2014	2013
No. of permanent employees 31 Dec.	3 157	3 214	3 123
Temporary full-time equivalents	153	155	150
Average age of permanent employees	44.4	45.4	44.4
Total turnover [9]	2.2%	2.8%	3.4%
Percentage of women [10]	24.1%	23.6%	23.7%
Percentage of women in management	21.5%	21.4%	21.2%
Percentage women, Group Management	18.0%	17.0%	30.0%
Percentage women, Group Board	50.0%	50.0%	50.0%
Absence due to illness	4.6%	4.5%	4.5%
LTI rate [11]	3.3	4.2	1.8
Avinor, an attractive company (scale 1-5)	4.1	4.1	4.1

AGE DISTRIBUTION	BOARD	GROUP MANAGEMENT	PERM. EMPL.	TURNOVER
<30	0.0%	0.0%	6.7%	0.2%
30-50	50.0%	18.0%	54.1%	0.7%
50<	50.0%	81.0%	39.1%	1.3%

9) Permanent employees and air traffic control trainees.
10) Percentage of women, permanent and temporary employees.
11) Number of work accidents resulting in absence per 1 000 000 hours worked.

Avinor employees are generally strongly committed to their jobs, and job satisfaction is high.

Avinor shall ensure prudent business conduct

PROCUREMENT STRATEGY

Avinor has developed a dedicated procurement strategy which will promote more sustainable solutions in decision-making and ensure that suppliers fulfil their corporate social responsibility.

Qualification of suppliers and choice of tenders are not only based on economic considerations and the quality of the procurement. When entering into group-wide agreements, Avinor assesses whether suitable environmental requirements can be set, and suppliers are required to comply with the ILO convention. To ensure this, procedures and templates have been updated.

In 2015, terms and conditions were introduced which will ensure that Avinor's suppliers have a code of conduct and are committed to fulfilling their corporate social responsibility. Together, the requirements will stipulate Avinor's principles for human rights, labour standards, HSE, climate and the environment and prohibited business practices. The requirements are aimed at suppliers, and a list is kept of all the group's suppliers which have signed an agreement on prudent business conduct. The provisions of the agreement provide an opportunity to audit the supplier. Any material breach of an agreement on prudent business conduct entitles Avinor to terminate all applicable agreements with the supplier, if censurable matters are not addressed in a satisfactory manner.

In 2015, Avinor received more than 100 signed agreements relating to responsible contractor conduct. A number of suppliers were found to be in the risk zone, according to an overview from the Agency for Public Management and eGovernment (DIFI). The suppliers were asked to complete self-declarations. A simple analysis will determine who should be followed up further and audited locally. Avinor received nine self-declarations in 2015 and two site audits are scheduled for 2016.

Avinor's efforts to ensure prudent business conduct will continue in 2016. Work is ongoing to include auditing of our suppliers' compliance with prudent business conduct in the group's general audit plan. Furthermore, efforts are being made to establish a suitable level for conducting due diligence of new business partners, based on risk assessments of the business area.

Personnel who participate in procurement on behalf of the Avinor group shall, prior to this, have assessed their own impartiality in relation to the purchase in question, and complete a self-declaration.

To ensure greater transparency, standardise processes and ensure that the group's CSR templates are used, the group will introduce mandatory use of electronic tender processes for all contract parties in 2016. Such a tool will ensure greater use of the group's templates and simplify reporting of, e.g. environmental criteria during qualification and contract awards in the procurement processes.

SCOPE AND SUPPLIER CHAIN

Procurement totalled NOK 9 691 million in 2015. NOK 5 179 million of this was related to investment purchases and NOK 4 512 million to operation purchases. The procurements were distributed among 6042 suppliers.

Avinor is introducing requirements for construction contracts allowing for no more than two suppliers in the supplier chain. This is to simplify control and follow-up.

The supplier chain is described in connection with obtaining the suppliers' self-declarations on follow-up and principles for prudent supplier conduct. Any deficiencies that are identified in the self-declarations will be followed up in 2016.

DECLARATION ON RELATED PARTIES

Members of the group Board and management submit annual self-declarations on related parties, with information about any transactions between these parties. An external auditor conducts annual surveys of formal relations between Avinor's Group Management, the Board and suppliers. Any relationships will be documented and reviewed with the person in question. The latter analysis generally confirms information that emerges through the self-declarations.

CODE OF CONDUCT

The group Board has stipulated a code of conduct which applies for the Board and all employees. More than 90 per cent of all employees have completed a course on Avinor's code of conduct, which e.g. prohibits corruption, bribes and anti-competitive behaviour in violation of competition rules. We have developed more ethical dilemma scenarios in 2015. These will be included in a new code of conduct e-learning course. The course is mandatory for Avinor employees as well as contractors.

COMPLIANCE FUNCTION

Avinor's compliance function shall follow up to ensure that the group complies with external and internal regulations linked to corruption, irregularities and the code of conduct. Avinor has implemented a number of development projects in recent years. There have been a number of incidents relating to price fixing and corruption.in the Norwegian building and construction sector.

Oslo Airport sponsors Eidsvoll Basket Boys U14.

Avinor's risk exposure for corruption and irregularities has consequently increased as a result of these investment programmes. Avinor is represented in all of Norway and has a wide control range. This also contributes to higher risk of corruption and irregularities. Various control and preventive measures have been established, which together will reduce the group's risk of contributing to and being exposed to corruption and irregularities.

WHISTLEBLOWING

Avinor has established a committee to process reports of questionable matters in all parts of the organisation. This committee has set up routines for prudent processing of reports. The committee has also prepared routines and technical solutions which allow external stakeholders to report questionable matters in Avinor. Processing of these reports shall follow the same procedure as for reports from group employees. Avinor holds a licence from the Norwegian Data Protection Authority for processing personal information disclosed through the whistleblowing process. The committee received 46 inquiries in 2015. All inquiries have been concluded.

AVINOR AS A SPONSOR

Avinor's sponsorships shall predominately be directed towards local initiatives and activities for children and young people. Many airports sponsored activities for children and young people in local communities in 2015.

Avinor supports the *Church City Mission* in Oslo through the project «Nabosamarbeid i Bjørvika» *(The neighbour partnership in Bjørvika)*. The Church City Mission also organises special activities for children and young people, where Avinor's employees participate. Avinor's Christmas present went to the Church City Mission for their campaign «Gled en som gruer seg til jul» *(Make someone happy who is dreading Christmas)*.

Avinor also partnered with *Global Dignity Norge*, which works to encourage young people to reflect and share stories about the concept of dignity in connection with the Global Dignity Day. This collaboration was discontinued in 2015.

The environmental organisations *Zero and Bellona* receive financial support from Avinor and provide specialist support to Avinor in connection with the work on developing biofuel.

Avinor has actively supported the *Norwegian Aviation Museum* in Bodø since it opened 20 years ago. The museum is now organising a new civil aviation exhibition, and in 2015, Avinor sponsored this work with a lump sum of NOK 5 million. This contribution and Avinor's involvement should be seen in the context of the need to establish knowledge and awareness of Avinor's social mission and the group's role in developing modern Norway.

Overview of indicators

This report has been prepared in accordance with the Global Reporting Initiative's (GRI) reporting standard G4/ Core. Avinor's annual accounts (company accounts and consolidated financial statements) for 2015 have been audited by Ernst & Young AS. The auditor's report is available on pages 116-117.

A detailed description of the different indicators is available on GRI's website:

- G4: https://www.globalreporting.org/reporting/g4/Pages/default.aspx
- Sector-specific requirements (AO indicators): https://www.globalreporting.org/reporting/sector-guidance/sectorguidanceG4/Pages/default.aspx

Standard report

STRATEGY AND ANALYSIS

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-1	Introduction	p. 8

THE ORGANISATION

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-3	Name	Avinor as
G4-4	Product	p. 7
G4-5	Head office	Oslo
G4-6	Presence	Avinor only has operations in Norway
G4-7	Ownership	p. 7
G4-8	Markets	p. 7
G4-9	Size	p. 2-6
G4-10	Employees	p. 46
G4-11	Collective agreements	p. 44
G4-12	Supplier chain	p. 49
G4-13	Changes	No significant changes
G4-14	Precautionary	p. 34
G4-15	Support for CSR initiatives	p. 20
G4-16	Special int. org.	Range: Sector council transport and communications National programme for supplier development: Partner

PRIORITISATION

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-17	Overview, company	p. 13, 78 This report relates to activities managed by the group in connection with airport operations and aviation safety, but not activities in other subsidiaries.
G4-18	Define report content	p. 20-21
G4-19	Prioritisation	p. 20-21
G4-20	Scope internal	All topics considered important are relevant for all of Avinor's operations.
G4-21	Scope external	Avinor is committed to reducing greenhouse gas emissions from aviation in cooperation with the airlines and the Federation of Norwegian Aviation Industries. Avinor also helps facilitate an increase in the number of passengers who use public transport to travel to and from the airport.
G4-22	Amended reporting	-
G4-23	Changed measuring methods	-

STAKEHOLDER DIALOGUE

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-24	List of stakeholders	p. 21
G4-25	Selection basis	p. 21
G4-26	Description of dialogue	p. 21
G4-27	Topics	p. 21

ABOUT THE REPORT

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-28	Applies to	2015
G4-29	Previous report	2014
G4-30	Interval	Annual
G4-31	Contact	post@avinor.no
G4-32	Type of GRI-report	G4/Core p. 20
G4-33	Audit	p. 116-117

CORPORATE GOVERNANCE

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-34	Corporate governance	2015

CODE OF CONDUCT

STANDARD REPORT	INDICATOR-KEY WORD	PAGE NUMBER OR WEB ADDRESS
G4-56	Code of conduct	p. 16 https://avinor.no/konsern/om-oss/konsernet/visjon-og-verdier

Results

CATEGORY: FINANCE

FINANCIAL RESULTS

GRI INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 11-16 (Board report) p. 16-19 (Corporate governance)			
G4-EC1	Financial results	p. 60-67 (Accounts) p. 69-114 (Notes to the acc.)			

INDIRECT FINANCIAL IMPACT

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 26-29			
G4-EC7	Investments-infrastructure	p. 26-27			
G4-EC8	Indirect financial impact	p. 26-27			

CATEGORY: ENVIRONMENT

ENERGY

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 34, 39			
G4-EN3	Energy consumption	p. 39-40, 42	Not acc. to heating/cooling	Information unavailable	Metering instruments not installed
G4-EN6	Energy saving measures	p. 39-40, 42			

BIODIVERSITY

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 34, 41			
G4-EN11	Property adjacent to areas with high biodiversity value	p. 41			
G4-EN12	Impact of biodiversity	p. 41 Detailed information on Avinor's website			
G4-EN13	Improvement - habitat	p. 41 Detailed information on Avinor's website			

EMISSIONS

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ styringssystem	p. 34, 36-39			
AO5	Air quality	p. 41			
G4-EN15	Direct GHG emissions	p. 36-39, 42			
G4-EN16	Indirect GHG emissions	p. 36-39,42			
G4-EN19	Reduction GHG emissions	p. 36-37			

DISCHARGES AND WASTE

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 34-36, 40			
G4-EN23	Waste	p. 40, 42			
G4-EN24	Accidental spills	p. 34-35, 43			
G4-AO6	De-icing fluid	p. 34-36, 43			

COMPLIANCE WITH LEGISLATION

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 34			
G4-EN29	Fines/sanctions	No fines etc.			

NOISE

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 34, 39			
AO7	Noice	p. 39			

FOLLOW-UP OF SUPPLIERS/THE ENVIRONMENT

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 40			
G4-EN32	Screening suppliers	p. 40			

CATEGORY: FACTORS RELATING TO SOCIETY

SUB-CATEGORY: WORKING CONDITIONS AND WORKING ENVIRONMENT

HSE

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 44-46			
G4-LA5	HSE organisation	p. 45-46			
G4-LA6	Absence due to illness/LTI	p. 45-46			
G4-LA7	Particularly exposed employee groups	p. 46			

EXPERTISE DEVELOPMENT

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 44-45			
G4-LA9	Who is offered training?	p. 45		Not reported on hourly level per empl. category and gender	No available information

DIVERSITY

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 45			
G4-LA12	Diversity, Board, management, employees	p. 45-46			

FOLLOW-UP OF SUPPLIERS/WORKING CONDITIONS

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 48			
G4-LA14	Suppliers screened	p. 48			

WHISTLEBLOWING CHANNELS

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 49			
G4-LA16	Complaints	p. 49			

SUB-CATEGORY: HUMAN RIGHTS

NON-DISCRIMINATION

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 45 https://avinor.no/konsern/om-oss/konsernet/visjon-og-verdier			
G4-HR3	Cases of discrimination	None			

FOLLOW-UP OF SUPPLIERS/HUMAN RIGHTS

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 48			
G4-HR10	Suppliers screened	p. 48			

SUBCATEGORY: SOCIETY

LOCAL COMMUNITY

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 21, 26-29 https://avinor.no/globalassets/_konsern/om-oss/avinorkonsernet/etiske-retningslinjer-i-avinor.pdf			

ANTI-CORRUPTION

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 18-19, 48-49			
G4-SO4	Anti-corruption training	p. 48			
G4-SO5	Cases of corruption	None			

MEASURES AGAINST COMPETITION-INHIBITING CONDUCT

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 18-19, 48-49			
G4-SO7	Cases, regulatory violations	None			

COMPLIANCE WITH LEGISLATION

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 18-19, 48-49			
G4-SO8	Fines, sanctions	None			

SUBCATEGORY: PRODUCT RESPONSIBILITY

SAFETY

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 29-33			
G4-PR1	Product safety mapping	p. 29-33			
G4-PR2	Regulatory violations	p. 29-33			

ETTERLEVELSE AV LOVGIVNING PRODUKTSIKKERHET

GRI-INDICATOR	INDICATOR INDEX	PAGE NUMBER OR WEB ADDRESS	ANY DEVIATION FROM GRI INFORMATION REQ.	REASON FOR DEVIATION	EXPLAINATION FOR DEVIATION
G4-DMA	Policy/ management syst.	p. 29-33			
G4-PR9	Fines, sanctions	None			

The Group Management

DAG FALK-PETERSEN
CEO

ANDERS KIRSEBOM
Managing Director
Avinor Flysikring AS

ØYVIND HASAAS
Managing Director
Oslo Airport

ASLAK SVERDRUP
Managing Director
Bergen Airport

LEIF ANKER LORENTZEN
Managing Director
Stavanger Airport

LASSE BARDAL
Managing Director
Trondheim Airport

MARGRETHE SNEKKERBAKKEN
EVP
Regional airports division

PETTER JOHANNESSEN
CFO

JON SJØLANDER
EVP
Strategy and Development

EGIL THOMPSON
EVP
Communications and Marketing

MARI HERMANSEN
EVP
HR, Legal and Acquisition

The Board of Directors

OLA MØRKVED RINNAN
Chairman
CEO Eidsiva Energi AS

OLA HENRIK STRAND
Vice Chairman
Consultant

MARI THJØMØE
Board member
Managing Director and Chairman Thjømøekranen AS

TONE MERETHE LINDBERG
Board member
Board member/consultant

HERLOF NILSSEN
Board member
Managing Director Helse Vest RHF

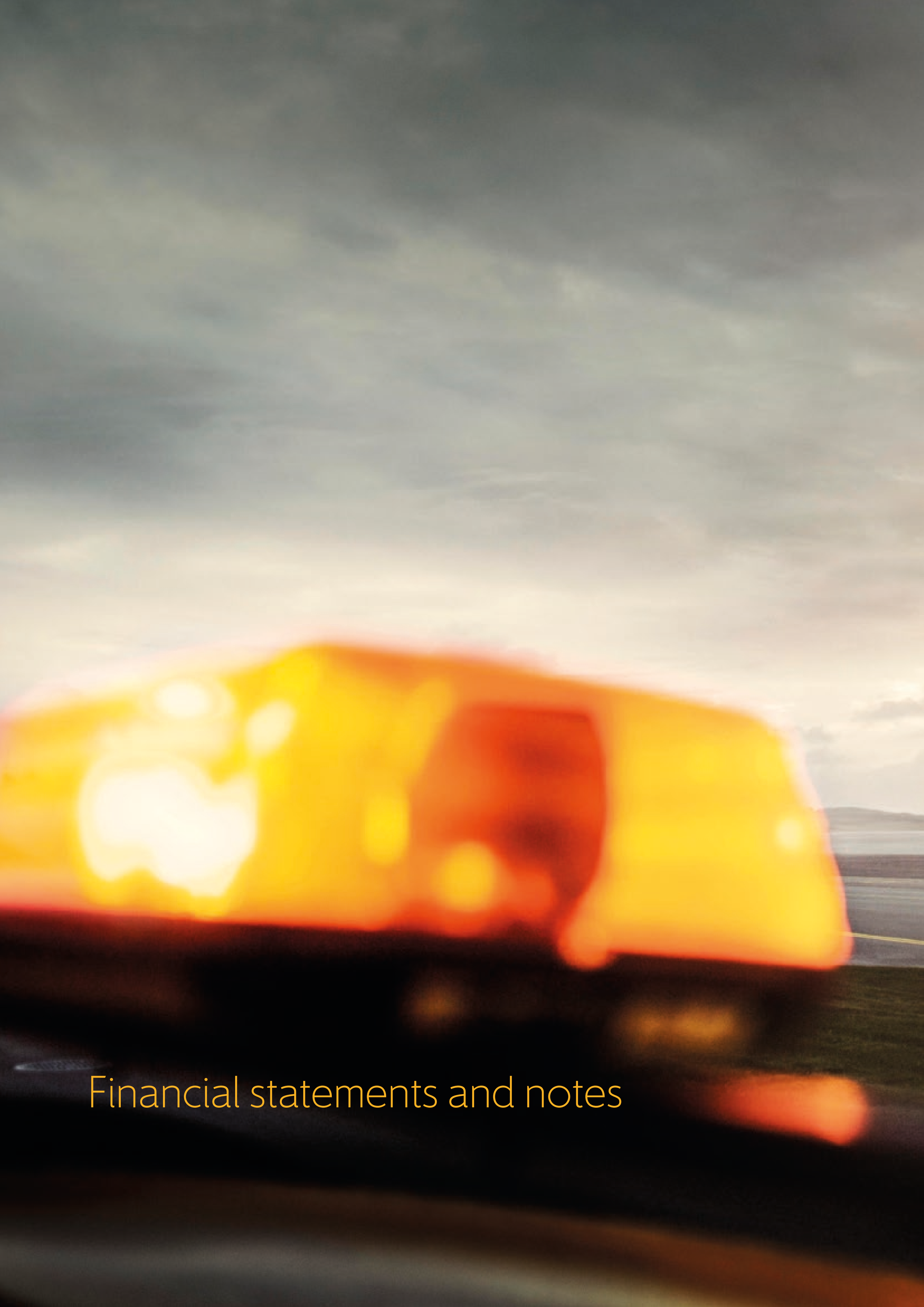
ELI SKRØVSET
Board member
CFO, Eksportkreditt, Norge

PER ERIK NORDSVEEN
Board member, employee rep.
Airport officer, Tromsø Airport

BJØRN TORE MIKKELSEN
Board member, employee rep.
Team leader, Kirkenes Airport

HEIDI ANETTE SØRUM
Board member, employee rep.
Traffic planner, main safety delegate, Oslo Airport AS

GRETE OVNERUD
Board member, employee rep.
Air traffic controller, Norway ATCC, Sector Group ACC West



Financial statements and notes


SAS

INCOME STATEMENT

All amounts in MNOK

AVINOR AS				AVINOR GROUP	
2014	2015		NOTE	2015	2014
		Operating income			
2 742.9	2 278.1	Traffic income	5, 7	5 248.0	5 299.5
2 046.5	1 997.9	Sales and rental income	5, 7	5 463.6	5 365.0
696.9	711.3	Other operating income		11.5	6.5
0.0	0.0	Other income	7	1 266.3	0.0
5 486.3	4 987.3	Total operating income		11 989.4	10 671.0
		Operating expenses			
123.0	187.7	Raw materials and consumables used		272.1	198.5
2 112.0	1 554.1	Employee benefits expense	8, 11	3 466.6	3 427.8
655.9	708.2	Depreciation, amortisation and impairment charges	16, 17, 11	1 459.3	1 340.2
2 505.6	2 611.2	Other operating expenses	10, 11	3 516.0	3 841.9
-196.9	16.2	Other expenses	12	42.9	-442.7
5 199.6	5 077.4	Total operating expenses		8 756.9	8 365.7
286.7	-90.1	Operating profit/(loss)		3 232.5	2 305.3
373.0	643.7	Finance income	13	39.8	48.5
382.5	421.8	Finance costs	13	368.4	417.1
-9.5	221.9	Net finance costs		-328.6	-368.6
277.2	131.8	Profit before income tax		2 903.9	1 936.7
90.1	40.2	Income tax expense	14	454.9	538.0
187.1	91.6	Profit for the year		2 449.0	1 398.7
		Attributable to:			
187.1	91.6	Owners of the parent		2 449.0	1 398.7

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

STATEMENT OF COMPREHENSIVE INCOME

All amounts in MNOK

AVINOR AS				AVINOR GROUP	
2014	2015		NOTE	2015	2014
187.1	91.6	Profit for the year		2 449.0	1398.7
		Other comprehensive income			
		Items that will not be reclassified to profit or loss			
-546.2	489.0	Actuarial gains/(losses) on post employment benefit obligations	25	1 040.9	-893.0
147.5	-132.0	Tax effect	15	-281.0	241.1
0.0	-5.3	Change in tax rate, effect deferred tax assets/-liabilities		0.5	0.0
-398.7	351.7	Total items that will not be reclassified to profit or loss, net of tax		760.4	-651.9
		Items that may be subsequently reclassified to profit or loss			
-48.9	-2.4	Cash flow hedges	19	24.6	-66.1
13.2	0.6	Tax effect	15	-6.6	17.8
-35.7	-1.8	Total items that may be subsequently reclassified to profit or loss, net of tax		18.0	-48.3
-434.4	349.9	Other comprehensive income for the year, net of tax		778.4	-700.2
-247.3	441.5	Total comprehensive income for the year		3 227.4	698.5
		Attributable to:			
-247.3	441.5	Owners of the parent		3 227.4	698.5

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

BALANCE SHEET

All amounts in MNOK

AVINOR AS				AVINOR GROUP	
31.12.2014	31.12.2015		NOTE	31.12.2015	31.12.2014
		ASSETS			
		Non-current Assets			
		Intangible assets			
1 475.7	1 204.7	Deferred tax assets	15	1 508.9	2 038.2
0.0	41.7	Other intangible assets	16	117.2	15.7
1 475.7	1 246.4	Total intangible assets		1 626.1	2 053.9
		Property, plant and equipment			
9 843.6	11 237.3	Property, plant and equipment	17	22 507.1	21 040.9
3 074.0	3 343.0	Assets under construction	17	10 615.2	7 913.6
12 917.6	14 580.3	Total property, plant and equipment		33 122.3	28 954.5
		Financial assets			
1 226.9	1 523.0	Investments in subsidiaries	6	0.0	0.0
5 971.3	7 571.3	Loans to group companies	31	0.0	0.0
154.7	635.0	Derivative financial instruments	19	636.2	162.6
62.6	124.2	Other financial assets	20	306.0	188.2
7 415.5	9 853.5	Total financial assets		942.2	350.8
21 808.8	25 680.2	Total non-current assets		35 690.6	31 359.2
		Current Assets			
21.6	24.4	Inventories		24.4	21.6
1 057.7	730.6	Trade and other receivables	21	1 378.4	1 405.3
1.7	4.5	Derivative financial instruments	19	24.9	18.4
900.6	1 630.3	Cash and cash equivalents	22	1 666.7	932.0
1 981.6	2 389.8	Total current assets		3 094.4	2 377.3
23 790.4	28 070.0	Total assets		38 785.0	33 736.5

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

BALANCE SHEET

All amounts in MNOK

AVINOR AS				AVINOR GROUP	
31.12.2014	31.12.2015		NOTE	31.12.2015	31.12.2014
		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			
3 326.0	3 171.7	Other equity	24	9 432.0	6 822.5
3 326.0	3 171.7	Total retained earnings		9 432.0	6 822.5
8 726.1	8 571.8	Total equity		14 832.1	12 222.6
		Provisions and liabilities			
		Provisions			
1 523.8	1 085.3	Retirement benefit obligations	25	1 947.4	2 831.5
111.1	100.6	Other provisions	26	181.2	218.8
1 634.9	1 185.9	Total provisions		2 128.6	3 050.3
		Non-current liabilities			
0.0	0.0	State loan	27	2 971.7	3 416.1
14.8	7.4	Derivative financial instruments	19	88.2	128.5
9 300.0	13 095.6	Other non-current liabilities	27	14 123.8	10 522.4
9 314.8	13 103.0	Total non-current liabilities		17 183.7	14 067.0
		Current liabilities			
800.0	400.0	Commercial papers	27	400.0	800.0
328.7	230.1	Trade payables		441.1	799.7
0.7	1.0	Tax payable	14	335.9	277.5
41.2	86.2	Public duties payable		246.6	186.6
9.9	22.7	Derivative financial instruments	19	50.3	27.0
8.7	473.0	First annual instalment on long-term liabilities	27	994.2	551.9
2 925.4	3 996.3	Other current liabilities	26, 28	2 172.5	1 753.9
4 114.6	5 209.3	Total current liabilities		4 640.6	4 396.6
15 064.3	19 498.2	Total liabilities		23 952.9	21 513.9
23 790.4	28 070.0	Total equity and liabilities		38 785.0	33 736.5

Oslo, 30 March 2016
The Board of Directors of Avinor AS

Ola Mørkved Rinnan
Chairman of the Board

Ola H. Strand
Vice Chairman

Tone M. Lindberg

Eli Skrøvset

Mari Thjømøe

Herlof Nilssen

Bjørn Tore Mikkelsen

Per Erik Nordsveen

Heidi Anette Sørum

Grete Ovnerud

Dag Falk-Petersen
CEO

CHANGES IN EQUITY

All amounts in MNOK

	AVINOR AS			
	SHARE CAPITAL	OTHER RESERVES	OTHER EQUITY	TOTAL EQITY
Balance at 1 January 2014	5 400.1	-56.1	4 074.8	**9 418.8**
Profit for the year			187.1	**187.1**
Actuarial gain/(loss) on post employment benefit obligation - net of tax		-398.7		**-398.7**
Cash flow hedge		-35.7		**-35.7**
Total comprehensive income for the year	0.0	-434.4	187.1	**-247.3**
Transactions with owners:				
Demerger	-365.0		-2.2	**-367.2**
Non-cash share capital contribution	365.0		2.2	**367.2**
Dividends relating to 2013			-445.4	**-445.4**
Total transactions with owners	0.0	0.0	-445.4	**-445.4**
Balance at 1 January 2015	5 400.1	-490.5	3 816.5	**8 726.1**
Profit for the year			91.6	**91.6**
Actuarial gain/(loss) on post employment benefit obligation - net of tax		357.0		**357.0**
Cash flow hedge		-1.8		**-1.8**
Change in tax rate, effect deferred tax assets/-liabilities		-5.3		**-5.3**
Total comprehensive income for the year	0.0	349.9	91.6	**441.5**
Other				
Change in tax rate, effect deferred tax assets/-liabilities			-95.8	**-95.8**
Total others	0.0	0.0	-95.8	**-95.8**
Transactions with owners:				
Demerger	-289.0		-2.3	**-291.3**
Non-cash share capital contribution	289.0		2.3	**291.3**
Dividends relating to 2014			-500.0	**-500.0**
Total transactions with owners	0.0	0.0	-500.0	**-500.0**
Balance at 31 December 2015	5 400.1	-140.6	3 312.3	**8 571.8**

CHANGES IN EQUITY

All amounts in MNOK

	AVINOR GROUP			
	SHARE CAPITAL	OTHER RESERVES	OTHER EQUITY	TOTAL EQITY
Balance at 1 January 2014	5 400.1	-74.6	6 643.9	**11 969.4**
Profit for the year			1 398.7	**1 398.7**
Actuarial gain/(loss) on post employment benefit obligation - net of tax		-651.9		**-651.9**
Cash flow hedge		-48.3		**-48.3**
Total comprehensive income for the year	0.0	-700.2	1 398.7	**698.5**
Transactions with owners:				
Dividends relating to 2013			-445.4	**-445.4**
Total transactions with owners	0.0	0.0	-445.4	**-445.4**
Balance at 1 January 2015	5 400.1	-774.8	7 597.2	**12 222.6**
Profit for the year			2 449.0	**2 449.0**
Actuarial gain/(loss) on post employment benefit obligation - net of tax		759.9		**759.9**
Cash flow hedge		18.0		**18.0**
Change in tax rate, effect deferred tax assets/-liabilities		0.5		**0.5**
Total comprehensive income for the year	0.0	778.4	2 449.0	**3 227.4**
Other				
Change in tax rate, effect deferred tax assets/-liabilities			-117.9	**-117.9**
Total others	0.0	0.0	-117.9	**-117.9**
Transactions with owners:				
Dividends relating to 2014			-500.0	**-500.0**
Total transactions with owners	0.0	0.0	-500.0	**-500.0**
Balance at 31 December 2015	5 400.1	3.6	9 428.3	**14 832.1**

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

STATEMENT OF CASHFLOWS

All amounts in MNOK

AVINOR AS				AVINOR GROUP	
2014	2015		NOTE	2015	2014
		Cash flow from operating activities			
1 370.1	1 732.8	Cash generated from operations [1]		3 495.9	3 522.5
27.2	14.4	Interest received		19.0	28.7
-5.2	-0.7	Income tax paid		-280.1	-385.9
1 392.1	1 746.5	Net cash generated from operating activities		3 234.8	3 165.3
		Cash flow from investing activities			
-1 998.0	-2 114.4	Investments in property, plant and equipment (PPE)	16, 17	-5 165.7	-4 256.6
24.4	0.0	Proceeds from government grants		0.0	24.4
7.1	15.3	Proceeds from sale of PPE, including assets under construction		1 382.8	8.6
-1 400.0	-1 600.0	Group loans		0.0	0.0
199.0	227.6	Group interests		0.0	0.0
94.2	346.3	Net group contribution/dividend		1.7	0.0
-32.5	-51.0	Change in other investments		-47.9	-31.0
-3 105.8	-3 176.2	Net cash used in investing activities		-3 829.1	-4 254.6
		Cash flow from financing activities			
3 190.0	3 529.7	Proceeds from borrowings		3 609.7	3 290.0
-403.7	-8.4	Repayment of borrowings		-749.0	-938.2
0.0	-400.0	Net proceeds/repayment of short term borrowings (commercial papers)		-400.0	0.0
-352.9	-449.0	Interest paid		-618.8	-540.9
-17.9	-12.9	Other borrowing charges		-12.9	-17.9
-445.4	-500.0	Dividends paid to owner		-500.0	-445.4
1 970.1	2 159.4	Net cash generated/used in financing activities		1 329.0	1 347.6
256.4	729.7	Net (decrease)/increase in cash, cash equivalents and bank overdrafts		734.7	258.3
644.2	900.6	Cash, cash equivalents and bank overdrafts at beginning of year	22	932.0	673.7
900.6	1 630.3	Cash, cash equivalents and bank overdrafts at end of year		1 666.7	932.0

STATEMENT OF CASHFLOWS

All amounts in MNOK

1) CASH GENERATED FROM OPERATIONS

AVINOR AS			AVINOR GROUP	
2014	2015		2015	2014
277.2	131.8	Profit before income tax	2 903.9	1 936.7
655.9	708.2	Depreciation	1 459.3	1 340.2
4.0	-3.4	(Profit)/loss on disposals of non-current assets	-1 270.0	2.6
-5.5	10.0	Changes in value and other losses/(gains) - net (unrealised)	17.8	-2.8
9.5	-221.9	Net finance costs	328.6	368.6
193.6	-166.3	Change in inventories, trade receivables and trade payables	-186.2	125.8
-185.6	50.5	Difference between post employment benefit expense and amount paid/received	156.5	-409.5
-162.4	166.1	Change in other working capital items	86.0	160.9
583.4	1 057.8	Change in group receivables and payables	0.0	0.0
1 370.1	1 732.8	Cash generated from operations	3 495.9	3 522.5
		In the cash flow statement, proceeds from sale of PPE comprise:		
11.1	11.9	Net book amount	112.8	11.1
-4.0	3.4	Profit/(loss) on disposals of PPE	1 270.0	-2.5
7.1	15.3	Proceeds from disposal of PPE	1 382.8	8.6

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

NOTES TO THE ACCOUNTS

NOTE 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.

NOTE 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 AS and Avinor Group 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 are defined as two cash-generating unit (CGU). The Air Navigation Service is assesed as a own business area with cash flows that are mainly independent from the cash flows of the rest of the group. For the rest of the group, exclusive of the Air Navigation Services, 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). 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, exclusive of the Air Navigation Services, 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 managment 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

There are no relevant amendments or new standarsds adopted by the group for the first time for the financial year beginning on or after 1 January 2015.

(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 2016, and have not been applied in preparing these consolidated financial statement.

IFRS 9 'Financial instruments' replaces IAS 39 and addresses the classification, measurement and recognition of financial assets and financial liabilities and introduces new rules for hedge accounting. IFRS 9 require financial assets to be classified into three measurement categories: amortised cost, fair value through other comprehensive income and fair value through profit and loss. 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 new hedging rules align hedge accounting more closely with the group's risk management practice. AS a general rule it will be easier to apply hedge accounting going forward as the standard introduces a more principles - based approach. The new standard also introduces expanded disclosure requirements and changes in presentation. The group has not yet assessed how its own hedging arrangements would be affected by the new rule. IFRS 9 will be effective from 1 January 2018.

IFRS 15 'Revenue from Contracts with Customers' deals with revenue recognition and replaces all existing IFRS revenue requirements. The core principle of IFRS 15 is that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The standard applies with a few exceptions to all revenue contracts with customers and provides a model for the recognition and measurement of sales of some non-financial assets (e.g., disposals of property, plant and equipment).

The group has so fare no reason to expect that the new standard will have major impact on the the group's operating income.

The standard is effective for annual periods beginning on or after 1 January 2017.

IFRS 16 'Leases' replaces IAS 17.

IFRS 16 addresses the principles of recognition, measurement, presentation and disclosure of lease agreements for both parties in the agreement, the customer (lessee) and the offerer (lessor). The new standard demands that the lessee recognise assets and obligations for the majority of lease agreements, which is a material change from todays rules.

The standard is effective for annual periods beginning on or after 1 January 2019.

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 control.

The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred tothe group. They are deconsolidated from the date that control ceases.

As at 31 December 2015 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, presented within 'other expenses'.

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 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.

Each material component of an asset is evaluated separately for the object of depreciation. The materiality is assessed from the cost of a component in relation to the cost of the whole asset.

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 recognised 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 change 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.

Cost associated with maintaining computer software programs or maintaining future usage of computer software programs are expensed unless the changes enchance 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 deducting the 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 the purpose 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 assets. 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 remeasured 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 current asset 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 NordPool. 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 classification depends 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, unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date. 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 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 setteled.

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

PeThe 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 denomonated 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.

NOTE 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 in addition to borrowings with fixed interest rates to hedge certain risk exposures.

Financial 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, but there is a few exceptions.

Avinor AS and Oslo Airport AS have, as part of the hedging of larger aquisitions, entered into forward foreign exchange contracts in connection with the development of the airport terminals. 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.

The group has issued bond loans denominated in EUR. The loan is hedged by a combined interest rate and forward foreign exchange contract in which Avinor receive coupon payments and principal amount at maturity in EUR and pay a predetermined amount in NOK at the same point in time.

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 long-term loans till at least 60 per cent of total debt at all time is hedged for at least 12 months. The group manages its effective interest exposure risk by using various interest rate swaps. At 31 December 2015 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 75 per cent of its long-term borrowings at a fixed rate of interest for at least 12 months.

At 31 December 2015 the group had interest rate swaps instruments at a face value of MNOK 5,932 (2014: MNOK 3,689), where the group receives a variable rate and pays a fixed rate of 3.51 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 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 into consideration all interest rate derivatives.

AVINOR AS	CHANGES IN INTEREST LEVELS IN BASIS POINTS	IMPACT ON PRE-TAX PROFIT (MNOK)	IMPACT ON EQUITY (MNOK)
2015	+50	-14.7	-45.3
	-50	14.7	45.3
2014	+50	-1.7	2.2
	-50	1.7	-2.0

AVINOR GROUP	CHANGES IN INTEREST LEVELS IN BASIS POINTS	IMPACT ON PRE-TAX PROFIT (MNOK)	IMPACT ON EQUITY (MNOK)
2015	+50	-15.9	-33.4
	-50	15.9	33.8
2014	+50	-5.6	17.4
	-50	5.6	-17.1

Based on the financial instruments at 31 December 2015, 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 15.9 lower (2014: MNOK 5.6).

The average yield on financial instruments were as follows:

	2015 (%)	2014 (%)
Overdraft	NA	NA
State Loan	2.16	2.85
Debenture Loan	3.35	4.02
Bank Loan	3.91	4.77

The figures include interest hedging derivatives.

At 31 December 2015, Avinor AS had total borrowings amounting to MNOK 13,681.4 (2014: MNOK 10,068.9) in addition to a overdraft of MNOK 0.0 (2014: MNOK 0.0).

(iii) Power price risk

Avinor is a consumer of electrical power. Avinor has entered into financial power contracts via Nord Pool to hedge parts of its power consumption. At 31 December 2015 approximately 88 per cent of 2016'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 -43.3 (2014: MNOK -18.0) based on the exchange rate at year-end.

Sensitivity analysis of electrical power contracts at 31 December 2015 (impact on pre-tax profit (MNOK) as a consequense of a 20% increase in power price):

AVINOR AS	MARKET VALUE 31.12.15	IMPACT ON PRE-TAX PROFIT
	-22.7	8.9

AVINOR GROUP	MARKET VALUE 31.12.15	IMPACT ON PRE-TAX PROFIT
	-43.3	17.3

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 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 twelve 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 - 3 MONTH	BETWEEN 3 - 12 MONTHS	BETWEEN 1 - 5 YEARS	OVER 5 YEARS	TOTAL
31.12.2015						
State, bond and bank borrowings [1]		490.3	832.4	3 570.1	12 800.5	**17 707.1**
Other commitments		3.0	13.6	99.9	0.5	**118.5**
Trade payables		75.9	0.0	0.0	0.0	**230.1**
Other current liabilities		175.1	0.0	0.0	0.0	**530.7**
31.12.2014						
State, bond and bank borrowings [1]		490.3	832.4	3 570.1	12 800.5	**17 707.1**
Other commitments		3.0	13.6	99.9	0.5	**118.5**
Trade payables		75.9	0.0	0.0	0.0	**230.1**
Other current liabilities		175.1	0.0	0.0	0.0	**530.7**

1) Derivatives included

	REMAINING PERIOD					
AVINOR GROUP	LESS THAN 1 MONTH	BETWEEN 1 - 3 MONTH	BETWEEN 3 - 12 MONTHS	BETWEEN 1 - 5 YEARS	OVER 5 YEARS	TOTAL
31.12.2015						
State, bond and bank borrowings [1]	26.5	501.4	1 452.1	5 972.0	14 890.1	**22 842.1**
Other commitments	3.0	6.0	27.4	179.7	0.5	**216.6**
Trade payables	295.5	145.6	0.0	0.0	0.0	**441.1**
Other current liabilities	374.6	184.5	0.0	0.0	0.0	**559.1**
31.12.2014						
State, bond and bank borrowings [1]	43.1	886.3	956.1	5 525.8	11 478.2	**18 889.5**
Other commitments	0.8	1.6	7.0	218.0	0.5	**227.9**
Trade payables	535.8	263.9	0.0	0.0	0.0	**799.7**
Other current liabilities	290.9	143.3	0.0	0.0	0.0	**434.2**

1) 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 new terminals at Gardermoen and at Flesland 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 1.53 and 9.5 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 (according to article 11 of the company's Articles of Association)
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. Bonds with maturity date 2016 (Avinor03) requires equity of minimum 35 per cent of equity pluss interest-bearing debt. There are no equity requirement for the other bonds. The loan agreements with EIB and NIB requires equity of minimum 30 per cent of equity pluss net interest-bearing debt.

AVINOR AS	2015	2014
Interest-bearing debt	13 968.6	10 108.7
Equity	8 571.8	8 726.1
Total equity and interest-bearing debt	22 540.4	18 834.8
Gearing ratio	62.0 %	53.7 %
Equity ratio	38.0 %	46.3 %
Net debt to equity ratio	41.0 %	48.7 %

AVINOR GROUP	2015	2014
Interest-bearing debt	18 489.7	15 290.4
Equity	14 832.1	12 222.6
Total equity and interest-bearing debt	33 321.8	27 513.0
Gearing ratio	55.5 %	55.6 %
Equity ratio	44.5 %	44.4 %
Net debt to equity ratio	46.9 %	46.0 %

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 2015.

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

AVINOR AS	2015 CARRYING AMOUNT	2015 FAIR VALUE	2014 CARRYING AMOUNT	2014 FAIR VALUE
Interest-bearing debt:				
Bonds	9 256.2	9 777.0	6 243.7	6 947.9
Bank borrowings	4 025.3	4 380.1	3 025.3	3 526.2
Commercial papers	400.0	400.0	800.0	800.0

AVINOR GROUP	2015 CARRYING AMOUNT	2015 FAIR VALUE	2014 CARRYING AMOUNT	2014 FAIR VALUE
Interest-bearing debt:				
State loan	3 416.1	3 463.8	3 860.5	3 966.6
Bonds	9 256.2	9 777.0	6 243.7	6 947.9
Bank borrowings	5 130.4	5 485.1	4 346.6	4 847.5
Commercial papers	400.0	400.0	800.0	800.0

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 2015:

AVINOR GROUP	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contracts	0.0	14.6	0.0	14.6
Interest rate contracts	0.0	0.0	0.0	0.0
Derivatives used for hedging				
Foreign exchange contracts	0.0	11.3	0.0	11.3
Interest rate contracts	0.0	635.0	0.0	635.0
Total assets	0.0	660.9	0.0	660.9
Liabilities				
Financial liabilities at fair value through profit or loss				
Foreign exchange contracts	0.0	7.0	0.0	7.0
Power contracts	43.3	0.0	0.0	43.3
Interest rate contracts	0.0	7.4	0.0	7.4
Bonds	0.0	1 382.8	0.0	1 382.8
Derivatives used for hedging				
Interest rate contracts	0.0	80.7	0.0	80.7
Total liabilities	43.3	1 477.9	0.0	1 521.2
Liabilities for which fair values are disclosed				
Interest-bearing debt				
State loan	0.0	3 463.8	0.0	3 463.8
Bonds	0.0	9 777.0	0.0	9 777.0
Bank borrowings	0.0	5 485.1	0.0	5 485.1
Commercial papers	0.0	400.0	0.0	400.0
Total	0.0	19 125.9	0.0	19 125.9

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 liabilities for which fair values are disclosed at 31 December 2014:

AVINOR GROUP	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contracts	0.0	9.1	0.0	9.1
Interest rate contracts	0.0	0.0	0.0	0.0
Derivatives used for hedging				
Foreign exchange contracts	0.0	17.2	0.0	17.2
Interest rate contracts	0.0	154.7	0.0	154.7
Total assets	0.0	181.0	0.0	181.0
Liabilities				
Financial liabilities at fair value through profit or loss				
Foreign exchange contracts	0.0	9.1	0.0	9.1
Power contracts	18.0	0.0	0.0	18.0
Interest rate contracts	0.0	14.8	0.0	14.8
Derivatives used for hedging				
Interest rate contracts	0.0	113.7	0.0	113.7
Total liabilities	18.0	137.6	0.0	155.6
Liabilities for which fair values are disclosed				
Interest-bearing debt				
State loan	0.0	3 966.6	0.0	3 966.6
Bonds	0.0	6 947.9	0.0	6 947.9
Bank borrowings	0.0	4 847.5	0.0	4 847.5
Commercial papers	0.0	800.0	0.0	800.0
Total	0.0	16 562.0	0.0	16 562.0

There were no transfers between levels during the year.

Interest-bearing debt in level 2
The fair value estimation is collected from the groups treasury system and checked against fair value estimates from the main bank connecion. 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.

NOTE 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:

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 may be impaired. The group is identified as two cash-generating units (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 may will 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 been established for persons born in 1954 and thereafter. The regulations will be implemented in the accounts as soon as they are established.

NOTE 5 Segment information

Amounts 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, one airport division and the airports Oslo, Bergen, Stavanger and Trondheim. AS from 2015 the management prepare for a business model and a strategy for the development of property outside the airports normal operations/core business. Property development and hotels are therefore reported as a own segment. All corresponding and accumulated figures are restated.

The segment information provided to the Group Management for the reportable segments for the year ended 31 December 2015 is as follows:

AVINOR GROUP AS AT 31 DECEMBER 2015:

	OSLO AIRPORT	BERGEN AIRPORT	STAVANGER AIRPORT	TRONDHEIM AIRPORT	OTHER AIRPORTS	TOTAL AIRPORT OPERATIONS
Traffic income	1 946.9	557.6	455.9	359.8	903.1	4 223.3
Sales and rental income	3 052.6	600.6	473.2	306.7	615.7	5 048.8
Inter-segment income	42.3	13.3	45.9	29.1	21.4	152.0
Total income	5 041.8	1 171.5	975.0	695.6	1 540.2	9 424.1
Employee benefits expense	542.6	128.4	103.9	93.7	849.3	1 717.9
Depreciation and amortisation	604.0	83.8	100.3	90.1	413.6	1 291.8
Other operating expenses	1 404.1	280.9	192.4	127.5	958.1	2 962.9
Inter-segment expenses	749.2	144.2	147.8	114.4	557.2	1 712.8
Total expenses	3 299.9	637.4	544.3	425.6	2 778.2	7 685.4
Net income/(expense)	1 741.8	534.1	430.7	270.0	-1 238.1	1 738.7
Group adjustments depreciation (a)	172.5	-24.6	-18.9	-22.3	-115.5	-8.8
Group adjustments lease (b)	421.4					421.4
Operating profit/(loss)	2 335.8	509.5	411.8	247.7	-1 353.6	2 151.3
Assets	8 695.8	1 761.4	1 791.7	1 974.6	6 730.0	20 953.5

AVINOR GROUP AS AT 31 DECEMBER 2015 CONTINUED:

	TOTAL AIRPORT OPERATIONS	AIR NAVIGATION SERVICES	PROPERTY DEVELOPMENT AND HOTELS	OTHERS	ELIMINATION	TOTAL
Traffic income	4 223.3	1 024.8	-	-0.2		5 248.0
Sales and rental income	5 048.8	220.5	1 459.1	13.0		6 741.4
Inter-segment income	152.0	842.2	50.6	1 123.1	-2 167.8	0.0
Total income	9 424.1	2 087.4	1 509.7	1 135.9	-2 167.8	11 989.4
Employee benefits expense	1 717.9	1 369.5	0.0	379.1		3 466.6
Depreciation and amortisation	1 291.8	73.6	38.3	49.9		1 453.6
Other operating expenses	2 962.9	395.8	10.7	461.6		3 830.9
Inter-segment expenses	1 712.8	109.1	45.5	300.4	-2 167.8	0.0
Total expenses	7 685.4	1 948.0	94.4	1 191.0	-2 167.8	8 751.1
Net income/(expense)	1 738.7	139.4	1 415.3	-55.1	0.0	3 238.3
Group adjustments depreciation (a)	-8.8	-	-	4.1	-1.0	-5.7
Group adjustments lease (b)	421.4	-			-421.4	0.0
Operating profit/(loss)	2 151.3	139.4	1 415.3	-51.0	-422.4	3 232.5
Assets	20 953.5	622.1	857.7	191.0		22 624.3

The segment information provided to the Group Management for the reportable segments for the year ended 31 December 2014 is as follows (restated):

AVINOR GROUP AS AT 31 DECEMBER 2014:

	OSLO AIRPORT	BERGEN AIRPORT	STAVANGER AIRPORT	TRONDHEIM AIRPORT	OTHER AIRPORTS	TOTAL AIRPORT OPERATIONS
Traffic income	1 941.7	578.1	475.7	365.2	937.7	4 298.4
Sales and rental income	2 976.0	522.0	473.9	301.0	618.9	4 891.8
Inter-segment income	50.4	14.3	37.0	27.1	18.2	147.0
Total income	4 968.1	1 114.4	986.6	693.3	1 574.8	9 337.2
Employee benefits expense	450.6	115.0	86.8	77.9	719.9	1 450.2
Depreciation and amortisation	561.1	74.8	83.0	83.4	359.9	1 162.2
Other operating expenses	1 608.5	216.1	165.5	141.5	1 074.3	3 205.9
Inter-segment expenses	748.7	134.5	147.5	105.3	534.1	1 670.1
Total expenses	3 368.9	540.4	482.8	408.1	2 688.2	7 488.4
Net income/(expense)	1 599.2	574.0	503.8	285.2	-1 113.4	1 848.8
Group adjustments depreciation (a)	172.5	-24.6	-18.9	-22.3	-115.5	-8.8
Group adjustments lease (b)	408.0					408.0
Operating profit/(loss)	2 179.7	549.4	484.9	262.9	-1 228.9	2 248.0
Assets	8 200.4	1 762.1	1 342.7	1 523.0	6 366.1	19 194.3

AVINOR GROUP AS AT 31 DECEMBER 2014 CONTINUED:

	TOTAL AIRPORT OPERATIONS	AIR NAVIGATION SERVICES	PROPERTY DEVELOPMENT AND HOTELS	OTHERS	ELIMINATION	TOTAL
Traffic income	4 298.4	1 008.2	0.0	-7.1		5 299.5
Sales and rental income	4 891.8	234.3	204.0	41.4		5 371.5
Inter-segment income	147.0	772.4	20.1	1 038.7	-1 978.2	0.0
Total income	9 337.2	2 014.9	224.1	1 073.0	-1 978.2	10 671.0
Employee benefits expense	1 450.2	1 197.4	0.0	331.9		2 979.5
Depreciation and amortisation	1 162.2	85.5	49.4	42.5		1 339.6
Other operating expenses	3 205.9	418.9	7.5	413.7		4 046.0
Inter-segment expenses	1 670.1	103.1	14.7	190.3	-1 978.2	0.0
Total expenses	7 488.4	1 804.9	71.6	978.4	-1 978.2	8 365.0
Net income/(expense)	1 848.8	210.0	152.5	94.6	0.0	2 305.9
Group adjustments depreciation (a)	-8.8	0.0	9.2	-1.0		-0.6
Group adjustments lease (b)	408.0			-408.0		0.0
Operating profit/(loss)	2 248.0	210.0	161.7	-314.4	-	2 305.3
Assets	19 194.3	571.5	1072.5	218.3		21 056.6

(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 2.5 billions, 1.7 billions and 1.4 billions, total 5.5 billions (2014: NOK 2.4 billions, 1.7 billions and 1.4 billions, total 5.5 billions) and 52 per cent (2014: 52 per cent) of total operating income are derived from three main customers.

Revenue from the first customer is attributable to Oslo Airport, Bergen Airport, Stavanger Airport and Trondheim Airport.

Revenue from the two other customers are attributable to all segments.

NOTE 6 Subsidiaries

Amounts in MNOK

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

DIRECTLY OWNED SUBSIDIARIES	HOME COUNTRY	BUSINESS OFFICE	MAIN BUSINESS	OWNERSHIP/ VOTING SHARES	BOOK VALUE	TOTAL EQUITY 31.12.2015	PROFIT/ LOSS 2015
Avinor Flysikring AS	Norway	Oslo	Air navigation services	100 %	367.2	774.9	112.6
Oslo Lufthavn AS	Norway	Ullensaker	Airport operations	100 %	442.3	4 725.0	1 146.8
Avinors Parkeringsanlegg AS	Norway	Oslo	Parking	100 %	109.6	110.2	9.1
Flesland Eiendom AS	Norway	Oslo	Real estate	100 %	71.8	86.8	10.1
Værnes Eiendom AS	Norway	Oslo	Real estate	100 %	120.6	83.9	-0.4
Sola Hotel Eiendom AS	Norway	Oslo	Real estate	100 %	69.9	79.9	8.8
Hell Eiendom AS	Norway	Oslo	Real estate	100 %	24.6	18.0	0.3
Avinor Utvikling AS	Norway	Oslo	Real estate	100 %	317.0	1 724.7	1 267.9
Hotell Østre AS	Norway	Oslo	Real estate	100 %	40.5	44.3	10.3
Flyporten AS	Norway	Oslo	Real estate	100 %	29.5	28.9	1.0
Hotell Østre Tomteselskap AS	Norway	Oslo	Real estate	100 %	130.7	130.8	11.7
Flyporten Tomteselskap AS	Norway	Oslo	Real estate	100 %	32.2	32.2	2.4
Total					1 755.9	7 839.6	2 580.6

INDIRECTLY OWNED SUBSIDIARIES	HOME COUNTRY	BUSINESS OFFICE	MAIN BUSINESS	OWNERSHIP/ VOTING SHARES	BOOK VALUE	TOTAL EQUITY 31.12.2015	PROFIT/ LOSS 2015
Oslo Lufthavn Tele & Data AS	Norway	Ullensaker	Trade	100 %	6.9	6.6	4.9
Total					6.9	6.6	4.9

Oslo Lufthavn Eiendom AS merged with Oslo Lufthavn AS, as from 1 January 2015. Thereafter real estate property from Oslo Lufthavn Eiendom AS were demerged into the companies Hotell Vestre AS, Hotell Østre AS and Flyporten AS. This also as from 1 January 2015.

Part of Avinor's land at Gardermoen were demerged into the companies Hotell Vestre Tomteselskap AS, Hotell Østre Tomteselskap AS and Flyporten Tomteselskap AS, as from 1 January 2015.

Hotell Vestre AS and Hotell Vestre Tomteselskap AS were sold in december 2015.

NOTE 7 Operating income

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Traffic income				
Takeoff charges	677.0	702.7	1 179.4	1 197.3
Terminal charges	659.5	649.8	1 304.5	1 295.0
En route charges	0.0	393.3	1 023.6	1 008.2
Security charges	634.6	661.0	1 155.5	1 183.7
Terminal navigation charges	307.0	336.1	585.0	615.3
Total	2 278.1	2 742.9	5 248.0	5 299.5
Sales and rental income				
Duty free	844.3	880.9	2 512.0	2 526.1
Parking	455.0	472.1	868.4	884.0
Other	698.6	693.5	2 083.2	1 954.9
Total	1 997.9	2 046.5	5 463.6	5 365.0
Other operating income				
Intercompany services	700.7	692.1	0.0	0.0
Other	10.6	4.8	11.5	6.5
Total	711.3	696.9	11.5	6.5
Other income				
Profit on disposals of real estate property	0.0	0.0	1 266.3	0.0
Total	0.0	0.0	1 266.3	0.0
Total operating income	4 987.3	5 486.3	11 989.4	10 671.0

Sales and rental income from duty free and parking are mainly rental income.
Profit on disposals of real estate property is from the sale of Hotell Vestre AS og Hotell Vestre Tomteselskap AS.

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

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Salaries and personnel costs:				
Salaries	1 127.6	1 532.2	2 523.0	2 483.6
Payroll tax	165.2	193.7	370.6	327.7
Pension costs	216.2	100.0	463.8	44.3
Other personnel costs	45.1	82.0	109.1	123.9
Total	1 554.1	1 907.9	3 466.5	2 979.5
Reduction of total salaries and personnel costs:				
Salaries and personnel costs recognised in the balance sheet	83.5	70.2	125.8	139.9
Average number of man-years employed	1 701	1 689	3 327	3 327

Group Management:

The Group Management consists of the group CEO and the managing director of each division and the two largest subsidiaries in addition to the managing directors of each corporate staff.

2015

AMOUNT IN NOK	BOARD FEE	SALARY	OTHER BENEFITS	ESTIMATED PENSION COST	TOTAL
Group Management:					
Dag Falk-Petersen	0	2 546 579	104 449	728 279	**3 379 307**
Øyvind Hasaas	0	1 888 977	18 149	622 747	**2 529 873**
Aslak Sverdrup	0	1 576 516	12 843	276 850	**1 866 208**
Leif Anker Lorentzen	0	1 578 253	13 423	321 610	**1 913 286**
Lasse Bardal	0	1 638 559	13 691	351 959	**2 004 209**
Mari Hermansen	0	1 617 931	25 191	459 403	**2 102 525**
Petter Johannessen	0	1 718 590	32 499	483 512	**2 234 602**
Anders Kirsebom	0	1 974 309	20 306	400 680	**2 395 295**
Jon Sjølander	0	1 747 915	21 975	399 218	**2 169 109**
Margrethe Snekkerbakken	0	1 814 421	17 147	447 894	**2 279 463**
Egil Thompson	0	1 651 830	39 852	461 433	**2 153 115**
Total	0	19 753 878	319 527	4 953 586	**25 026 992**
Board:					
Ola Mørkved Rinnan	409 750	0	0	0	**409 750**
Ola H. Strand	258 500	920	0	0	**259 420**
Mari Thjømøe	225 500	0	0	0	**225 500**
Tone Merethe Lindberg	215 000	920	495	0	**216 415**
Dag Hårstad (until 02.06.2015)	119 000	0	510	0	**119 510**
Herlof Nilssen (from 02.06.2015)	108 500	0	0	0	**108 500**
Eli Skrøvset	266 500	0	0	0	**266 500**
Per Erik Nordsveen	209 000	750 639	5 692	86 449	**1 051 780**
Grete Ovnerud	241 500	1 022 266	5 214	264 774	**1 533 754**
Heidi Anette Sørum	209 000	700 857	10 044	113 315	**1 033 216**
Olav Aadal (until 02.06.2015)	121 500	1 413 511	5 214	226 639	**1 766 864**
Bjørn Tore Mikkelsen (from 02.06.2015)	106 000	916 964	10 487	282 840	**1 316 291**
Total	2 489 750	4 806 077	37 656	974 017	**8 307 500**

2014

AMOUNT IN NOK	BOARD FEE	SALARY	OTHER BENEFITS	ESTIMATED PENSION COST	TOTAL
Group Management:					
Dag Falk-Petersen	0	2 498 696	95 411	680 549	**3 274 656**
Nic Nilsen (until 11.08.2014)	0	1 774 698	135 426	38 263	**1 948 387**
Øyvind Hasaas (from 11.08.2014)	0	751 780	13 432	168 568	**933 781**
Signe Astrup Arnesen (until 31.03.2014)	0	658 038	5 586	66 641	**730 265**
Aslak Sverdrup	0	1 427 931	9 440	243 400	**1 680 770**
Leif Anker Lorentzen	0	1 470 942	9 440	298 905	**1 779 287**
Lasse Bardal	0	1 622 176	9 440	360 982	**1 992 597**
Mari Hermansen	0	1 560 507	9 440	525 581	**2 095 528**
Petter Johannessen	0	1 668 132	9 440	491 557	**2 169 128**
Anders Kirsebom	0	1 910 052	13 440	320 684	**2 244 176**
Jon Sjølander	0	1 700 860	9 662	428 670	**2 139 192**
Margrethe Snekkerbakken	0	1 766 640	10 341	480 822	**2 257 802**
Egil Thompson	0	1 615 429	9 440	547 703	**2 172 571**
Total	0	20 425 881	339 935	4 652 325	**25 418 141**
Board:					
Ola Mørkved Rinnan	403 500	0	0	0	**403 500**
Ola H. Strand	254 500	0	0	0	**254 500**
Anne Breiby (until 16.05.2014)	103 000	0	0	0	**103 000**
Mari Thjømøe (from 16.05.2014)	103 000	920	0	0	**103 920**
Tone Merethe Lindberg	201 000	0	1 485	0	**202 485**
Dag Hårstad	238 000	920	0	0	**238 920**
Eli Skrøvset	262 500	920	0	0	**263 420**
Per Erik Nordsveen	203 500	706 792	5 047	103 540	**1 018 879**
Grete Ovnerud	238 000	1 182 720	5 047	305 591	**1 731 358**
Heidi Anette Sørum	203 500	741 701	9 537	128 568	**1 083 306**
Olav Aadal	201 000	1 461 877	5 047	262 416	**1 930 340**
Total	2 411 500	4 095 850	26 163	800 115	**7 333 629**

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 table above. There is no additional remuneration to executives for special services other than normal operations, see note 9.

NOTE 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 in addition give an account of how the 'Government's policy for the remuneration of leading personnel in state-owned enterprises and companies' is followed up in the company's wholly-owned subsidiaries.

The declaration shall be handled at the company's ordinary general meeting. Reference is made to section 5-6 third paragraph of the Public Limited Companies Act and the Government's policy for the remuneration of leading personnel in state-owned enterprises and companies, as set out by the Ministry of Industry and Fisheries, effective as from 13.2.2015.

1. Employees covered by the declaration

This declaration covers executive employees of the group; Avinor AS and the wholly-owned subsidiary Avinor Flysikring AS. Oslo Lufthavn AS merged with Avinor AS at 11 January 2016. Managing Director of Oslo Lufthavn AS now holds the title of Airport Director Oslo Airport Gardermoen and is a member of the executive management team of Avinor AS.

At 11 January 2016 , the group's executive management team comprised the following employees, who are covered by this declaration:

Avinor AS:

- Dag Falk-Petersen, CEO
- Petter Johannessen, CFO
- Mari Hermansen, Executive Vice President HR, Legal and Procurement
- Egil Thompson, Executive Vice President Communications, Brand and Public Relations
- Jon Sjølander, Executive Vice President Strategy
- Margrethe Snekkerbakken, Executive Vice President Regional and Local Airports Division
- Øyvind Hasaas, Airport Director Oslo Airport Gardermoen
- Lasse Bardal, Airport Director Trondheim Airport Værnes
- Leif A. Lorentzen, Airport Director Stavanger Airport Sola
- Aslag Sverdrup, Airport Director Bergen Airport Flesland

Avinor Flysikring AS:

- Anders Kirsebom, Managing Director
- Jan-Gunnar Pedersen, Director Business Area En-Route
- Snorre Andresen, Director Business Area TWR/APP
- Håkan Olsson, Director CNS and ATM systems
- Tor-Øivind Skogseth, Assistent Managing Director and Director Customers and Public Relations
- Per Ingar Skaar, Director Development and Projects
- Jan Østby, Director Remote Services
- Marisa Luisa Ruiz Retamar, Director HR and Competence
- Kresten Lyngstad, CFO
- Anne-Kr. Aagaard Chavez, Director Safety and Quality

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 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 (as set out by the Ministry of Industry and Fisheries, effective as from 13.2.2015). 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, free newspapers/magazines, free phone, laptop, printer and free broadband service.

In the CEO's agreement, a car allowance may be replaced with a company car 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 basis for calculating pension entitlements shall not exceed 12G (where G = National Insurance Scheme's basic amount). The terms shall be similar to the terms that apply for other company employees. The age limit is 70 years. For executive employees; members of the group's executive management, Managing Director of Oslo Lufthavn AS and Managing Director of Avinor Flysikring AS the age limit is 67 years.

In the Agreement with the group's executive management, Managing Director of Oslo Lufthavn AS and Managing Director of Avinor Flysikring AS concluded before the guidelines from 15.2.2015, a defined-contribution retirement pension scheme for salaries exceeding 12G have been established, inclusive a disability pension scheme.

Retirement pensions are contribution-based for salaries exeeding 12G with different rates dependent on age and are administered through the company's operating budget until further notice. 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.

Payment of the supplementary pension is executed by Avinor's payroll department monthly once the age limit of 67 is reached. A condition of payment is that the employee has resigned from their position in the company. If the employee retires from the group before reaching their pensionable age, the severance agreement is to include a date for when payment of the pension is to start.

The following contribution plan applies:

For senior executives aged 60 and over:
- 30 % av pensionable income from 12G to 18G and
- 25 % av pensionable income over 18G

For senior executives aged 55 to 60:
- 25 % av pensionable income from 12G to 18G and
- 20 % av pensionable income over 18G

For senior executives aged 50 to 55:
- 20 % av pensionable income from 12G to 18G and
- 15 % av pensionable income over 18G

For senior executives aged up to 50:
- 15 % av pensionable income from 12G to 18G and
- 10 % av pensionable income over 18G

When moving up tp a new rate following a birthday, this takes effect from the first date of the month following the birthday.

The employer has the full right to manage their pension scheme for salaries exceeding 12G.

Annual disability pension amounts to (100 per cent disability) 38.4 per cent of salaries between 12G and 27G. The full annual disability pension presupposes that insured at retirement will get a time period of at least 20 years. If the length of services is less, the disability pension will be reduced proportionally.

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. The CEO and Managing Directors of subsidiaries have waived their employment protection under the Norwegian Working Environment Act. For these people severance pay equivalent to 12 months' fixed salary may be agreed, including the salary of any notice period.

Severance pay is calculated on the basis of the employee's regular monthly salary 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 severance package, for those employed after 01.01.2015, will be reduced by a proportional amount calculated on the basis of the new annual income in the event of appointment to a new position or if an income is received from an enterprise of which the employee concerned is an active owner.

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 employess being prosecuted for violation of the law.

The CEO has concluded such an agreement dated 14 January 2011.

A notice period of three months and a severance payment of 12 months have been agreed, which become payable upon termination by the Company. The agreement contains provisions for the deduction of income from a new employer, and ceases if the employee is entitled to a disability benefit or retirement pension under the agreement. The CEO is not entitled to pay after termination of employment if the employment is terminated due to circumstances which may result in grounds for dismissal.

For other executive employees, an advanced agreement for severance pay with finally determined compensation at retirement, can not be entered into. Instead, an advance agreement with a reasonable severance pay may be agreed on, effective only if the employee is not contesting dismissal. These agreements apply correspondingly to the agreements applicable to the CEO and Managing Directors of subsidiaries.

In the agreements with executive employees in the group, concluded before the new guidelines, severance pay is agreed on.

7. Executive remuneration policy and implementation of the guidelines in the preceding year

The salary policy for executive employees in 2015 has been conducted in accordance with the above guidelines and the guidelines discussed at the Annual General Meeting on 2 June 2015. This applies both to Avinor AS and Avinor Flysikring AS.

In connection with the wage settlement, the CEO's fixed salary was adjusted by 2.5 per cent. The basic salary of other senior personnel in Avinor AS was adjusted in average by 2.5 per cent.

The base salary of the Managing Director of Avinor Flysikring AS was adjusted by 2.5 per cent. Other senior personnel in Avinor Flysikring AS was adjusted in average 3.1 per cent. The wage settlement is based on evaluation of performance.

The total cost of the countribution-based pension scheme for salary exeeding 12G for senior personnel before 13 February 2015 was NOK 1,733,000 in 2015.

The scheme is administred by Avinor through day-to-day operations. The premium is taxable and dutiable. The scheme is closed for new senior personnel after 13 February 2015.

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.

The remuneration and other benefits received by executive employees in 2015 are provided in note 8 of the annual financial statement for 2015.

NOTE 10 Other operating expenses

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Specification:				
Rent - buildings/land	112.8	107.0	56.5	61.3
Management/maintenance - buildings	221.2	222.9	542.4	583.3
Repairs, maintenance operational materials	234.5	214.0	405.2	415.9
Control/security/guard services	578.0	580.9	957.1	944.0
Meteorological services	0.0	17.2	35.9	37.9
Consulting services	151.7	277.6	305.2	429.8
Other external services	365.4	366.5	595.6	781.0
Other operating expenses	947.6	719.5	618.1	588.7
Total	2 611.2	2 505.6	3 516.0	3 841.9

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Auditor's fee - fixed charge (VAT not included):				
Statutory audit fee	0.4	0.5	1.0	1.0
Other auditors's fees charged to profit and loss (VAT not included):				
Extended financial audit services	0.4	0.3	0.5	0.3
Other attestation assignments	0.5	0.6	0.6	0.8
Tax advisory services	0.0	0.0	0.0	0.0
Accounting assistance including IFRS	0.0	0.0	0.0	0.0
Total	0.9	0.9	1.1	1.1

NOTE 11 Impact on earnings – Terminal 2 project

Amounts 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. Part of the charges for extra costs is based on estimates that are continually updated.

SPECIFICATION	2015	2014
Employee benefits expense		
Payroll and other personnel expenses for operating personnel	52.2	24.5
Total	52.2	24.5
Depreciation, amortisation and impairment charges		
Higher depreciation as the result of scrapping portions of the terminal	60.5	64.6
Total	60.5	64.6
Other operating expenses		
Operational coordination	55.7	43.6
Security	13.4	13.1
More bussing	15.3	15.7
Consulting services	0.7	5.7
Staff/support	9.4	4.7
Demolishing expenses existing plant	-0.7	33.0
Additional contract costs related to maintenance of normal operations during the construction period	98.2	264.5
Other	3.2	10.8
Total	195.2	391.1
Total	307.9	480.2

NOTE 12 Other expenses

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Specification:				
Change in pension scheme	0.0	-204.1	0.0	-448.3
Changes in value and other losses/gains - net	16.2	7.2	42.9	5.6
Total	16.2	-196.9	42.9	-442.7
Changes in value and other losses/gains - net:				
Changes in value - unrealised (note 19)	10.0	-5.5	17.6	-2.8
Changes in value - realised energy contracts	8.7	11.2	35.7	25.1
Foreign currency translation gains/losses	-2.5	1.5	-10.3	-16.7
Total	16.2	7.2	42.9	5.6

NOTE 13 Finance income and costs

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Finance income				
Interest income on short-term bank deposits	27.0	45.4	31.7	47.0
Interest income on loans to group companies	257.5	224.4	0.0	0.0
Group contributions and dividends received	352.8	103.2	1.7	1.5
Gains on financial instruments (note 19)	6.4	0.0	6.4	0.0
Total	643.7	373.0	39.8	48.5
Finance costs				
Interest expense on bank borrowings	441.8	375.3	594.8	563.0
Interest expense on loans from group companies	28.9	22.6	0.0	0.0
Interest expense on others	10.0	7.2	19.5	8.8
Other borrowing expenses	24.9	30.3	25.5	31.7
Borrowing costs capitalised (note 17)	-76.5	-49.5	-274.8	-183.0
Net fair value gains/losses on bank borrowings including derivatives	0.0	0.0	0.0	0.0
Fair value loss on financial instruments (note 19)				
- interest rate swaps: cash flow hedges, transfer from equity	-7.3	-3.4	3.4	-3.4
- interest rate swaps: fair value hedges	0.0	0.0	0.0	0.0
Total	421.8	382.5	368.4	417.1
Finance income/(costs) - net	221.9	-9.5	-328.6	-368.6

NOTE 14 Income tax expense

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Income tax expense				
Current tax on profit for the year	0.9	0.7	334.5	277.5
Current tax on adjustments in respect of prior years	0.0	2.6	2.6	2.6
Current tax on group contributions	1.6	1.8	0.0	0.0
Deferred tax, adjustments prior years	0.0	0.2	-3.0	0.2
Deferred tax on origination and reversal of temporary differences	42.3	84.8	117.1	257.7
Change in tax rate, effect deferred tax assets/-liabilities	-4.6	0.0	3.6	0.0
Total	40.2	90.1	454.9	538.0
Effective tax rate reconciliation				
27% of profit before tax	35.6	74.8	784.1	523.0
Effect of adjustments prior years	0.0	2.6	-0.5	2.6
Change in tax rate, effect deferred tax assets/-liabilities	-4.6	0.0	3.6	0.0
Group contribution received (not subject to tax)	0.0	0.0	0.0	0.0
Dividends received	0.0	0.0	-0.4	-0.4
Permanent differences (27%)	0.3	0.4	-340.9	0.4
Permanent differences (27%) Spitzbergen	9.0	12.3	9.0	12.4
Income tax expense	40.2	90.1	454.9	538.0
Effective tax rate	30.5	32.5	15.7	27.8

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.

NOTE 15 Deferred income tax

Amounts in MNOK

AVINOR AS:
DEFERRED TAX ASSETS AND LIABILITIES

	AT 1 JANUARY 2015	DEMERGER	CHARGED/ CREDITED TO THE INCOME STATEMENT	CHARGED/ CREDITED TO OTHER COM-PREHENSIVE INCOME	AT 31 DECEMBER 2015	AT 1 JANUARY 2016
Receivables	-0.1	0.0	0.4	0.0	0.3	0.3
Group contributions (receivables)	-95.2	0.0	-11.5	0.0	-106.6	-98.7
Non-current assets	-834.3	1.0	85.5	0.0	-747.8	-692.4
Borrowings	-55.0	0.0	-130.3	0.0	-185.3	-171.6
Provisions	-112.9	0.0	-17.8	0.0	-130.6	-120.9
Pension benefits	-411.6	0.0	-13.7	132.1	-293.2	-271.5
Group contributions (payables)	1.8	0.0	0.0	-0.1	1.6	1.5
Profit and loss account	-4.2	0.0	0.0	0.0	-4.1	-3.8
Derivative financial instruments	35.7	0.0	129.6	-0.6	164.6	152.4
Deferred tax asset(-)/liability (net)	-1 475.7	1.0	42.3	131.4	-1 301.0	-1 204.7

Change in tax rate, deferred tax asset reduction	96.4

Presented as:	
Equity reduction	95.7
Other comprehensive income expense	5.3
Profit and loss expense (note 14)	-4.6

	AT 1 JANUARY 2014	DEMERGER	CHARGED/ CREDITED TO THE INCOME STATEMENT	CHARGED/ CREDITED TO OTHER COM-PREHENSIVE INCOME	AT 31 DECEMBER 2014
Receivables	-0.5	0.0	0.4	0.0	-0.1
Group contributions (receivables)	-27.8	0.0	-67.4	0.0	-95.2
Non-current assets	-935.7	-1.2	102.6	0.0	-834.3
Borrowings	0.0	0.0	-55.0	0.0	-55.0
Provisions	-112.3	3.4	-4.0	0.0	-112.9
Pension benefits	-545.2	231.0	50.1	-147.5	-411.6
Group contributions (payables)	2.5	0.0	0.0	-0.7	1.8
Profit and loss account	-4.9	0.0	0.7	0.0	-4.2
Derivative financial instruments	-8.5	0.0	57.4	-13.2	35.7
Deferred tax asset(-)/liability (net)	-1 632.4	233.2	84.8	-161.4	-1 475.7

	2015	2014
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	-1 139.3	-1 305.1
Deferred tax asset to be recovered within 12 months	-219.4	-208.1
	-1 358.7	-1 513.2
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	152.4	35.7
Deferred tax liability to be recovered within 12 months	1.5	1.8
	154.0	37.4
Deferred tax asset(-)/liability (net)	-1 204.7	-1 475.7

AVINOR GROUP:
DEFERRED TAX ASSETS AND LIABILITIES

	AT 1 JANUARY 2015	DISPOSALS	CHARGED/ CREDITED TO THE INCOME STATEMENT	CHARGED/ CREDITED TO OTHER COM-PREHENSIVE INCOME	AT 31 DECEMBER 2015	AT 1 JANUARY 2016
Receivables	-0.5	0.0	0.4	0.0	-0.1	-0.1
Non-current assets	0.0	0.0	0.0	0.0	0.0	0.0
Borrowings	-1 065.3	6.4	175.1	0.0	-883.8	-818.3
Provisions	-55.0	0.0	-130.3	0.0	-185.3	-171.6
Pension benefits	-147.5	0.0	-18.1	0.0	-165.6	-153.4
Group contributions (payables)	-764.6	0.0	-42.2	280.9	-525.8	-486.8
Profit and loss account	0.0	0.0	0.0	0.0	0.0	0.0
Derivative financial instruments	-12.5	0.0	1.7	0.0	-10.8	-10.0
Deferred tax asset(-)/liability (net)	7.0	0.0	127.5	6.7	141.2	130.8
Netto utsatt skattefordel(-)/utsatt skatt	-2 038.2	6.4	114.1	287.6	-1 630.1	-1 508.9

Change in tax rate, deferred tax asset reduction	**121.0**
Presented as:	
Equity reduction	117.9
Other comprehensive income expense	-0.5
Profit and loss expense (note 14)	3.6

	AT 1 JANUARY 2014	CHARGED/ CREDITED TO THE INCOME STATEMENT	CHARGED/ CREDITED TO OTHER COM-PREHENSIVE INCOME	AT 31 DECEMBER 2014
Receivables	-0.9	0.4	0.0	-0.5
Non-current assets	0.0	0.0	0.0	0.0
Borrowings	-1 224.4	159.1	0.0	-1 065.3
Provisions	0.0	-55.0	0.0	-55.0
Pension benefits	-139.5	-8.0	0.0	-147.5
Group contributions (payables)	-634.0	110.5	-241.1	-764.6
Profit and loss account	0.0	0.0	0.0	0.0
Derivative financial instruments	-6.6	-5.9	0.0	-12.5
Deferred tax asset(-)/liability (net)	-31.8	56.6	-17.8	7.0
Netto utsatt skattefordel(-)/utsatt skatt	-2 037.0	257.7	-258.9	-2 038.2

	2015	2014
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	-1 559.0	-1 936.2
Deferred tax asset to be recovered within 12 months	-153.6	-148.0
	-1 712.6	-2 084.2
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	203.7	45.9
Deferred tax liability to be recovered within 12 months	0.0	0.1
	203.7	46.0
Deferred tax asset(-)/liability (net)	-1 508.9	-2 038.2

NOTE 16 Intangible assets

Amounts in MNOK

AIR TRAFFIC MANAGEMENT SYSTEMS, AIRSPACE ORGANIZATION

	AVINOR AS	AVINOR GROUP
At 1 January 2014		
Cost	158.5	158.5
Accumulated amortisation and impairment	-127.1	-127.1
Net book amount	31.4	31.4
Year ended 31 December 2014		
Opening net book amount	31.4	31.4
Additions	0.0	0.0
Disposals	-25.1	-1.8
Amortisation charge	-6.3	-13.9
Closing net book amount	0.0	15.7
At 31 December 2014		
Cost	0.0	155.7
Accumulated amortisation and impairment	0.0	-140.0
Net book amount	0.0	15.7
Year ended 31 December 2015		
Opening net book amount	0.0	15.7
Additions	77.8	143.9
Disposals	0.0	0.0
Amortisation charge	-36.1	-42.4
Closing net book amount	41.7	117.2
At 31 December 2015		
Cost	77.8	299.6
Accumulated amortisation and impairment	-36.1	-182.4
Net book value	41.7	117.2
Estimated useful life	10 years	10 years
Method of depreciation	Straight-line	Straight-line

NOTE 17 Property, plant and equipment

Amounts in MNOK

AVINOR AS

	LAND	BUILDINGS	RUNWAYS AND OTHER RELATED ASSETS	VEHICLES	FURNITURE, FITTINGS AND EQUIPMENT	INFRA-STRUCTURE	TOTAL
At 1 January 2014							
Cost	754.0	4 374.3	4 758.8	791.9	2 812.7	596.1	14 087.8
Accumulated depreciation	0.0	-1 223.6	-898.1	-300.8	-1 647.1	-257.0	-4 326.6
Net book amount	754.0	3 150.7	3 860.7	491.1	1 165.6	339.1	9 761.2
Year ended 31 December 2014							
Opening net book amount	754.0	3 150.7	3 860.7	491.1	1 165.6	339.1	9 761.2
Additions	48.3	206.8	727.0	55.7	188.6	45.4	1 271.8
Disposals	-0.9	-198.2	-4.2	-17.7	-315.4	-3.5	-539.9
Depreciation charge	-1.0	-187.9	-188.1	-41.7	-195.7	-35.2	-649.6
Closing net book amount	800.4	2 971.4	4 395.4	487.4	843.1	345.8	9 843.6
At 31 December 2014							
Cost	801.4	4 359.5	5 465.2	799.4	2 121.8	636.6	14 183.9
Accumulated depreciation	-1.0	-1 388.1	-1 069.8	-312.0	-1 278.7	-290.8	-4 340.4
Net book amount	800.4	2 971.4	4 395.4	487.4	843.1	345.8	9 843.6
Year ended 31 December 2015							
Opening net book amount	800.4	2 971.4	4 395.4	487.4	843.1	345.8	9 843.5
Additions	298.5	832.9	577.6	60.8	213.9	94.6	2 078.3
Disposals	-0.9	-5.4	-0.9	-1.1	-4.1	0.0	-12.4
Depreciation charge	-0.7	-197.8	-207.2	-41.8	-196.3	-28.2	-672.1
Closing net book amount	1 097.3	3 601.1	4 764.9	505.3	856.6	412.2	11 237.3
At 31 December 2015							
Cost	1 099.0	5 183.3	6 041.3	855.0	2 278.6	727.9	16 185.1
Accumulated depreciation	-1.7	-1 582.2	-1 276.4	-349.7	-1 422.1	-315.7	-4 947.8
Net book amount	1 097.3	3 601.1	4 764.9	505.3	856.6	412.2	11 237.3

AVINOR GROUP

	LAND	BUILDINGS	RUNWAYS AND OTHER RELATED ASSETS	VEHICLES	FURNITURE, FITTINGS AND EQUIPMENT	INFRA-STRUCTURE	TOTAL
At 1 January 2014							
Cost	1 392.7	12 591.2	9 387.1	1 156.4	5 389.7	1 685.5	**31 602.8**
Accumulated depreciation	0.0	-4 144.7	-2 170.2	-486.5	-3 650.5	-753.6	**-11 205.5**
Net book amount	1 392.7	8 446.5	7 216.9	669.9	1 739.2	931.9	**20 397.3**
Year ended 31 December 2014							
Opening net book amount	1 392.7	8 446.5	7 216.9	669.9	1 739.2	931.9	**20 397.3**
Additions	48.8	392.5	893.9	74.7	347.1	222.4	**1 979.4**
Disposals	-1.0	-1.8	-0.3	-2.6	-0.3	-3.3	**-9.3**
Depreciation charge	-1.1	-541.9	-305.8	-61.8	-348.8	-66.9	**-1 326.3**
Closing net book amount	1 439.4	8 295.3	7 804.7	680.2	1 737.2	1 084.1	**21 040.9**
At 31 December 2014							
Cost	1 440.7	12 768.5	10 255.7	1 213.2	5 645.7	1 890.8	**33 214.6**
Accumulated depreciation	-1.3	-4 473.2	-2 451.0	-533.0	-3 908.5	-806.7	**-12 173.7**
Net book amount	1 439.4	8 295.3	7 804.7	680.2	1 737.2	1 084.1	**21 040.9**
Year ended 31 December 2015							
Opening net book amount	1 439.4	8 295.3	7 804.7	680.2	1 737.2	1 084.1	**21 040.9**
Additions	298.5	1 192.7	836.8	79.4	363.4	308.9	**3 079.7**
Disposals	-2.8	-173.5	-0.9	-1.4	-4.5	-13.5	**-196.6**
Depreciation charge	-0.8	-580.9	-337.8	-62.7	-365.3	-69.4	**-1 416.9**
Closing net book amount	1 734.3	8 733.6	8 302.8	695.5	1 730.8	1 310.1	**22 507.1**
At 31 December 2015							
Cost	1 735.5	13 708.9	11 090.9	1 283.9	5 949.7	2 177.4	**35 946.3**
Accumulated depreciation	-1.2	-4 975.3	-2 788.1	-588.4	-4 218.9	-867.3	**-13 439.2**
Net book amount	1 734.3	8 733.6	8 302.8	695.5	1 730.8	1 310.1	**22 507.1**
Estimated useful life		10 - 50 years	15 - 50 years	10 - 20 years	5 - 15 years	5 - 40 years	
Method of depreciation	NA	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

ASSETS UNDER CONSTRUCTION

	AVINOR AS	AVINOR GROUP
At 1 January 2014		
Cost	2 438.1	5 181.4
Accumulated depreciation	0.0	0.0
Net book amount	2 438.1	5 181.4
Year ended 31 December 2014		
Opening net book amount	2 438.1	5 181.4
Additions	2 178.7	4 736.0
Reclassification	-1 271.8	-1 979.4
Government grants	-24.4	-24.4
Disposals	-246.6	0.0
Closing net book amount	3 074.0	7 913.6
At 31 December 2014		
Cost	3 074.0	7 913.6
Accumulated depreciation	0.0	0.0
Net book amount	3 074.0	7 913.6
Year ended 31 December 2015		
Opening net book amount	3 074.0	7 913.6
Additions	2 091.2	5 421.3
Reclassification	-1 822.2	-2 719.7
Closing net book amount	0.0	0.0
	0.0	0.0
At 31 December 2015	3 343.0	10 615.2
Cost		
Accumulated depreciation		
Net book amount	3 343.0	10 615.2
Akkumulerte av- og nedskrivninger	0.0	0.0
Balanseført verdi 31.12.	3 343.0	10 615.2

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

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 274.8 in 2015 and MNOK 183.0 in 2014. The average capitalisation rate for 2015 was 3.93 per cent (2014: 4.34 per cent).

Finance leases
A legal discretionary assessment to determine the purchase price or annual user fee for aviation critical areas that are owned by the Norwegian Armed Forces at Trondheim Airport, Værnes was presented on 13 August 2015, and involve a one-off payment of MNOK 256.0 or an annual rent amount of MNOK 18.0.

The asset is classified as land and presented as an addition to property, plant and equipment with MNOK 256.0 in 2015.

Security
Bank borrowings are secured on land and buildings for the value of MNOK 0.0 (2014: MNOK 429.0).

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 previously been defined as one cash-generating unit (CGU). The Air Navigation Service has been assesed as a own business area with cash flows that are mainly independent from the cash flows of the rest of the group. As a result the group will, as from 2014, have two cash-generating units.

For the rest of the group, exclusive of the Air Navigation Services, 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). 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, exclusive of the Air Navigation Services, 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 2015 the discount rate is 6.9 per cent before tax.

As at 31 December 2015 the measurement of recoverable amount for the whole group 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 (2014 figures in brackets):

ALL FIGURES IN PER CENT	2016	2017	2018	2019	2020	2021
Passenger growth	2.5 (1.8)	3.4 (4.3)	3.1 (3.1)	3.0 (2.8)	2.6 (2.6)	2.2 (1.9)
Consumer price index	2.9 (2.0)	2.1 (1.7)	1.6 (2.0)	1.5 (2.0)	1.5 (2.0)	1.5 (2.0)

ALL FIGURES IN PER CENT	2022	2023	2024	2025	2026	2027 - 2031
Passenger growth	2.1 (2.1)	2.0 (2.0)	2.0 (2.0)	1.9 (2.0)	1.9 (2.0)	1.6-1.9 (1.6 -2.0)
Consumer price index	1.5 (2.0)	1.5 (2.0)	1.5 (2.0)	1.5 (2.0)	1.5 (2.0)	1.5 (2.0)

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 aconstant growth of 0.0 per cent and an estimated normalised investment level.

As at 31 December 2015 there are no indications that the recoverable amount is less than the carrying amount.

NOTE 18 Financial instruments by category

Amounts in MNOK

AVINOR AS

	LOANS AND RECEIVABLES	ASSETS AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	TOTAL
31 December 2015				
Assets as per balance sheet				
Loans and receivables to group companies	7 711.5			7 711.5
Derivative financial instruments		4.5	635.0	639.5
Other financial assets	124.2			124.2
Trade receivables	519.7			519.7
Other receivables	34.5			34.5
Cash and cash equivalents	1 630.3			1 630.3
Total	10 020.2	4.5	635.0	10 659.7

	LIABILITIES AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	OTHER FINANCIAL LIABILITIES	TOTAL
Liabilities as per balance sheet				
Loans and payables to group companies			2 778.1	2 778.1
Derivative financial instruments	30.1			30.1
Other long-term liabilities			13 095.6	13 095.6
Trade payables and other liabilities			1 633.8	1 633.8
Total	30.1	0.0	17 507.5	17 537.6

	LOANS AND RECEIVABLES	ASSETS AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	TOTAL
31 December 2014				
Assets as per balance sheet				
Loans and receivables to group companies	6 479.9			6 479.9
Derivative financial instruments		1.7	154.7	156.4
Other financial assets	62.6			62.6
Trade receivables	468.6			468.6
Other receivables	58.3			58.3
Cash and cash equivalents	900.6			900.6
Total	7 970.0	1.7	154.7	8 126.4

	LIABILITIES AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	OTHER FINANCIAL LIABILITIES	TOTAL
Liabilities as per balance sheet				
Loans and payables to group companies			1 800.2	1 800.2
Derivative financial instruments	24.7			24.7
Other long-term liabilities			9 300.0	9 300.0
Trade payables and other liabilities			1 551.5	1 551.5
Total	24.7	0.0	12 651.7	12 676.4

AVINOR GROUP

	LOANS AND RECEIVABLES	ASSETS AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	TOTAL
31 December 2015				
Assets as per balance sheet				
Derivative financial instruments		14.7	646.4	661.1
Other financial assets	306.0			306.0
Trade receivables	1 075.3			1 075.3
Other receivables	249.9			249.9
Cash and cash equivalents	1 666.7			1 666.7
Total	3 297.9	14.7	646.4	3 959.0

	LIABILITIES AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	OTHER FINANCIAL LIABILITIES	TOTAL
Liabilities as per balance sheet				
State loan			2 971.7	2 971.7
Derivative financial instruments	57.7	80.8		138.5
Other long-term liabilities			14 123.8	14 123.8
Trade payables and other liabilities			2 394.4	2 394.4
Total	57.7	80.8	19 489.9	19 628.4

	LOANS AND RECEIVABLES	ASSETS AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	TOTAL
31 December 2014				
Assets as per balance sheet				
Derivative financial instruments		9.1	171.9	181.0
Other financial assets	188.2			188.2
Trade receivables	1 199.9			1 199.9
Other receivables	157.1			157.1
Cash and cash equivalents	932.0			932.0
Total	2 477.2	9.1	171.9	2 658.2

	LIABILITIES AT FAIR VALUE THROUGH THE PROFIT AND LOSS	DERIVATIVES USED FOR HEDGING	OTHER FINANCIAL LIABILITIES	TOTAL
Liabilities as per balance sheet				
State loan			3 416.1	3 416.1
Derivative financial instruments	41.9	113.7		155.6
Other long-term liabilities			10 522.4	10 522.4
Trade payables and other liabilities			2 585.8	2 585.8
Total	41.9	113.7	16 524.3	16 679.9

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

NOTE 19 Derivative financial instruments

Amounts in MNOK

	AVINOR AS			AVINOR GROUP		
	2015	2014	MOVEMENT	2015	2014	MOVEMENT
Assets						
Interest rate swaps	635.0	154.7	480.3	635.0	154.7	480.3
Forward foreign exchange contracts	4.5	1.7	2.8	26.0	26.3	-0.3
Forward energy contracts	0.0	0.0	0.0	0.0	0.0	0.0
	639.5	156.4	483.1	661.0	181.0	480.0
Liabilities						
Interest rate swaps	7.4	14.8	-7.4	88.2	128.5	-40.3
Forward foreign exchange contracts	0.0	0.0	0.0	7.0	9.1	-2.1
Forward energy contracts	22.7	9.9	12.8	43.3	18.0	25.3
	30.1	24.7	5.4	138.5	155.6	-17.1
Net movement			477.7			497.1
Details of net movement:						
Changes in value and other losses/(gains) - net (note 12)			-10.0			-17.6
Forward foreign exchange contracts - recognised in other comprehensive income			0.0			-5.9
Interest rate swaps - recognised in finance costs (note 13)			7.3			-3.4
Interest rate swaps - recognised in other comprehensive income			-2.4			30.5
Interests rate swaps - changes in value			482.8			482.8
Interest rate swaps - termination value			0.0			10.7

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 2015 was MNOK 399.1 (2014: MNOK 430.2). The notional principal amount of the outstanding forward energy contracts at 31 December 2015 was MNOK 130 (2014: MNOK 102).

The notional principal amount of the outstanding interest rate swaps contracts at 31 December 2015 were MNOK 5,932 (2014: MNOK 3,689). At 31 December 2015, the fixed interest rates vary from 1.69% to 5.96% (2014: 3.41% to 5.96%). The main floating rate is NIBOR and fixed interest rate is Euro.
Gains and losses recognised in the hedging reserve in other comprehensive income (note 24) on interest rate swap contracts as of 31 December 2015 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.

NOTE 20 Other financial assets

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Other non-current receivables	124.2	62.6	306.0	188.2
Total	124.2	62.6	306.0	188.2

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.

NOTE 21 Trade and other receivables

Amounts in MNOK

TRADE RECEIVABLES

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Trade receivables	520.2	469.5	1 076.3	1 201.6
Less: Provision for impairment of trade receivables	-0.6	-0.9	-1.0	-1.7
Trade receivables - net	519.7	468.6	1 075.3	1 199.9
Receivables written off during the year	5.6	0.4	5.6	4.6

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 OF OF TRADE RECEIVABLES IS AS FOLLOWS:

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
At 1 January	0.9	4.0	1.7	5.0
This years provisions for receivables impairment	5.3	0.0	4.9	1.3
Receivables written off during the year as uncollectible	-5.6	-0.4	-5.6	-4.6
Unused amounts reversed	0.0	-2.7	0.0	0.0
At 31 December	0.6	0.9	1.0	1.7

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	30-60 D	60-90 D	>90 D
2015	520.2	454.9	45.3	4.0	1.2	14.8
2014	469.5	409.1	40.3	1.5	0.3	18.3

AT 31 DECEMBER THE AGING OF THE GROUP'S RECEIVABLES WAS AS FOLLOWS:

	TOTAL	NOT DUE	<30 D	30-60 D	60-90 D	>90 D
2015	1 076.3	922.9	76.5	15.3	21.2	40.4
2014	1 201.6	1 057.9	76.6	4.7	35.9	26.5

SPECIFICATION OF TRADE AND OTHER RECEIVABLES

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Trade receivables	519.7	468.6	1 075.3	1 199.9
Intra-group accounts	140.2	508.6	0.0	0.0
Accrued income	30.4	58.3	105.5	134.0
Prepaid expenses	36.2	22.2	53.2	48.3
Other short-term assets	4.1	0.0	144.4	23.1
Total	730.6	1 057.7	1 378.4	1 405.3

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		AVINOR GROUP	
	2015	2014	2015	2014
Euro	1.2	4.6	91.5	191.5
	1.2	4.6	91.5	191.5

NOTE 22 Cash and cash equivalents

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Cash and bank at hand	1 630.3	900.6	1 666.7	932.0
Short-term bank deposits	0.0	0.0	0.0	0.0
Total	1 630.3	900.6	1 666.7	932.0

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

Cash and cash equivalents	1 630.3	900.6	1 666.7	932.0
Bank overdrafts	0.0	0.0	0.0	0.0
Total	1 630.3	900.6	1 666.7	932.0

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 all subsidiaries are therefore formally receivables from Avinor AS, and these companies are jointly responsible for the withdrawals that the Avinor group has made.

NOTE 23 Share capital, shareholder information, dividend and results

Amounts in MNOK

	NUMBER OF SHARES	FACE VALUE	SHARE-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:

	2015	2014
NOK 824.9 per share in 2013		445.4
NOK 925.9 per share in 2014	500.0	
Total	500.0	445.4

Proposed dividend for approval in the general assembly (Not presented as a liability at 31 December):

	2015	2014
NOK 925.9 per share		500.0
NOK 925.9 per share	500.0	
Total	500.0	500.0

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

NOTE 24 Other reserves

Amounts in MNOK

AVINOR AS

	PENSIONS	HEDGES	TOTAL
At 1 January 2014	-56.1	-0.1	-56.2
Actuarial gains/(losses) on pensions	-546.2		-546.2
Tax effect	147.5		147.5
Fair value change cash flow hedge		-48.9	-48.9
Tax effect		13.2	13.2
At 31 December 2014	-454.8	-35.8	-490.6
Actuarial gains/(losses) on pensions	489.0		489.0
Tax effect	-132.0		-132.0
Fair value change cash flow hedge		-2.4	-2.4
Tax effect		0.6	0.6
Change in tax rate, effect deferred tax assets/-liabilities	-4.4	-0.9	-5.3
At 31 December 2015	-102.2	-38.5	-140.6

AVINOR GROUP

	PENSIONS	HEDGES	TOTAL
At 1 January 2014	-16.5	-57.9	-74.6
Actuarial gains/(losses) on pensions	-893.0		-893.0
Tax effect	241.1		241.1
Fair value change cash flow hedge		-66.1	-66.1
Tax effect		17.8	17.8
At 31 December 2014	-668.4	-106.2	-774.8
Actuarial gains/(losses) on pensions	1 040.9		1 040.9
Tax effect	-281.0		-281.0
Fair value change cash flow hedge		24.6	24.6
Tax effect		-6.6	-6.6
Change in tax rate, effect deferred tax assets/-liabilities	0.5	0.0	0.5
At 31 December 2015	92.0	-88.2	3.6

NOTE 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 50 per cent of the employees have an ordinary retirement age of 62 or 65 years.

Actuarial gains in 2015 (MNOK 1,040.9 for the group and MNOK 489.0 for the parent) were mainly caused by changes in financial assumptions and addition of plan assets.

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 %	NA	NA

The amounts recognised in the income statement are as follows:

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Current service cost	176.9	234.1	387.5	383.1
Interest cost	95.8	183.4	184.9	273.0
Change in pension adjustment	0.0	-72.3	0.0	-125.0
Change in life expectancy	0.0	-106.6	0.0	-267.9
Expected return on plan assets	-68.3	-127.0	-134.0	-188.3
Contribution from the employees	-20.7	-26.9	-45.1	-43.8
Administration fee	3.6	4.7	8.0	7.7
Payroll tax, employers contribution	29.0	10.4	62.5	5.6
Total pension cost (Note 8)	216.2	99.9	463.8	44.2

The movement in pension obligations and plan assets:

AVINOR AS

	FUNDED	UNFUNDED	2015 TOTAL	FUNDED	UNFUNDED	2014 TOTAL
Change in gross pension obligation:						
Obligation at 1 January	4 072.9	11.4	4 084.3	5 928.8	9.1	5 937.9
Current service cost	177.9	2.7	180.6	236.5	2.3	238.8
Interest cost	95.8	0.0	95.8	183.4	0.0	183.4
Change in life expectancy	0.0	0.0	0.0	-106.6	0.0	-106.6
Change in disability benefits	0.0	0.0	0.0	-72.3	0.0	-72.3
Demerger - Avinor Flysikring AS	0.0	0.0	0.0	-2 366.7	0.0	-2 366.7
Actuarial losses/(gains)	-411.4	0.0	-411.4	392.4	0.0	392.4
Benefits paid	-128.2	0.0	-128.2	-122.7	0.0	-122.7
Gross pension obligation at 31 December	3 806.9	14.1	3 821.0	4 072.9	11.4	4 084.3
Change in pension funds:						
Fair value at 1 January	2 747.5	0.0	2 747.5	4 110.3	0.0	4 110.3
Expected return on plan assets	68.3	0.0	68.3	127.0	0.0	127.0
Demerger - Avinor Flysikring AS	0.0	0.0	0.0	-1 617.0	0.0	-1 617.0
Employer contributions	161.0	0.0	161.0	277.9	0.0	277.9
Actuarial (losses)/gains	-74.6	0.0	-74.6	0.0	0.0	0.0
Actuarial (losses)/gains - addition of plan assets	91.7	0.0	91.7	-28.0	0.0	-28.0
Benefits paid	-128.2	0.0	-128.2	-122.7	0.0	-122.7
Fair value of plan assets at 31 December	2 865.7	0.0	2 865.7	2 747.5	0.0	2 747.5
Net pension obligation	941.2	14.1	955.3	1 325.4	11.4	1 336.8
Payroll tax, employers contribution	130.0	0.0	130.0	186.9	0.0	186.9
Net pension obligation recognised in the balance sheet at 31 December	1 071.2	14.1	1 085.3	1 512.3	11.4	1 523.7
Actual return on plan assets last year	85.8		85.8	114.3		114.3
Expected employer contribution next year	255.4		255.4	218.0		218.0
Expected payment of benefits next year	-150.1		-150.1	-129.0		-129.0

AVINOR GROUP

	FUNDED	UNFUNDED	2015 TOTAL	FUNDED	UNFUNDED	2014 TOTAL
Change in gross pension obligation:						
Obligation at 1 January	7 804.7	19.5	7 824.2	6 868.2	17.0	6 885.2
Current service cost	392.7	3.3	396.0	388.4	2.5	390.8
Interest cost	184.9	0.0	184.9	273.0	0.0	273.0
Change in life expectancy	0.0	0.0	0.0	-267.9	0.0	-267.9
Change in disability benefits	0.0	0.0	0.0	-125.0	0.0	-125.0
Actuarial losses/(gains)	-853.5	0.3	-853.2	807.6	0.0	807.6
Benefits paid	-160.6	0.0	-160.6	-139.6	0.0	-139.6
Gross pension obligation at 31 December	7 368.2	23.1	7 391.3	7 804.7	19.5	7 824.1
Change in pension funds:						
Fair value at 1 January	5 341.6	0.0	5 341.6	4 769.2	0.0	4 769.2
Expected return on plan assets	134.0	0.0	134.0	188.3	0.0	188.3
Employer contributions	302.4	0.0	302.4	440.5	0.0	440.5
Actuarial (losses)/gains	-112.3	0.0	-112.3	83.2	0.0	83.2
Actuarial (losses)/gains - addition of plan assets	170.7	0.0	170.7	0.0	0.0	0.0
Benefits paid	-160.6	0.0	-160.6	-139.6	0.0	-139.6
Fair value of plan assets at 31 December	5 675.8	0.0	5 675.8	5 341.6	0.0	5 341.6
Net pension obligation	1 692.4	23.1	1 715.5	2 463.1	19.5	2 482.5
Payroll tax, employers contribution.	231.9	0.0	231.9	347.4	1.6	349.0
Net pension obligation recognised in the balance sheet at 31 December	1 924.3	23.1	1 947.4	2 810.4	21.1	2 831.5
Actual return on plan assets last year	123.9		123.9	134.8		134.8
Expected employer/employee contribution next year	263.8		263.8	444.0		444.0
Expected payment of benefits next year	-163.0		-163.0	-153.0		-153.0

Movement in the defined benefit obligation over the year:

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Obligation at 1 January	1 336.8	1 827.6	2 482.5	2 116.0
Pension cost charged to the income statement	208.0	116.4	446.4	82.7
Employer/employee contribution	-164.5	-282.6	-310.4	-448.1
Administration fee	3.6	4.7	8.0	7.7
Demerger - Avinor Flysikring AS	0.0	-749.7	0.0	0.0
Actuarial (gains)/losses recognised in other comprehensive income	-428.5	420.4	-911.0	724.4
Liability in the balance sheet at 31 December	955.3	1 336.8	1 715.5	2 482.5
Actuarial (gains)/losses on post-employment benefit obligations				
Actuarial (gains)/losses	-428.6	1 336.8	-911.0	724.4
Payroll tax on actuarial (gains)/losses	-60.4	57.0	0.0	99.9
Effect change in payroll tax rate	0.0	68.7	0.0	68.7
Total actuarial (gains)/losses on post-employment benefit obligations	-489.0	1 462.5	-911.0	893.0

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 24 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.

	2015	2014
Discount rate	2.70 %	2.40 %
Future salary increases	2.50 %	2.75 %
Future pension increases	1.75 %	1.75 %
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 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. SPK has supplied Avinor with additional plan assets as at 1 January 2015. The addition covers the net one-time premium (net change in reserves) which is a consequence of the transition to a strengthened mortality tariff, and a new disability pension. The total addition of plan assets amounts to MNOK 170.7.

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 1,564/-1,188 (2014: MNOK 1,708/-1,406). 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 -735/640 (2014: MNOK -1,392/1,722).

NOTE 26 Provisions for other liabilities and charges

Amounts in MNOK

AVINOR AS

	SEVERANCE PAY	EARLY RETIREMENT PAY	ENVIRON-MENTAL POLLUTION	OTHER	TOTAL
At 1 January 2014	11.5	15.5	133.8	0.6	**161.4**
Additional provision 2014	0.0	0.0	0.0	0.0	**0.0**
Reversed 2014	-1.9	-12.7	0.0	0.0	**-14.6**
Used in 2014	-2.4	-2.8	-28.6	-0.4	**-34.1**
At 1 January 2015	11.5	15.5	133.8	0.6	**161.4**
Additional provision 2015	0.0	0.0	0.0	0.0	**0.0**
Reversed 2015	-1.9	-12.7	0.0	0.0	**-14.6**
Used in 2015	-2.4	-2.8	-28.6	-0.4	**-34.1**
At 31 December 2015	5.3	16.6	96.6	0.0	**118.5**

AVINOR GROUP

	SEVERANCE PAY	EARLY RETIREMENT PAY	ENVIRON-MENTAL POLLUTION	OTHER	TOTAL
At 1 January 2014	11.5	17.0	263.9	0.6	**293.0**
Additional provision 2014	0.0	2.9	6.2	0.0	**9.1**
Reversed 2014	-1.9	0.0	0.0	0.0	**-1.9**
Used in 2014	-2.4	-4.8	-64.8	-0.4	**-72.3**
At 1 January 2015	7.3	15.1	205.3	0.2	**227.9**
Additional provision 2015	0.0	37.0	0.0	0.0	**37.0**
Reversed 2015	-0.2	0.0	0.0	0.0	**-0.2**
Used in 2015	-1.8	-7.6	-38.4	-0.2	**-48.1**
At 31 December 2015	5.3	44.4	166.9	0.0	**216.6**

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

Severance 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.

Early retirement pay air navigation management

The group has entered into individual early retirement 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.

Early retirement pay others

This include optional retirement pay in accordance with the group's adjustmentpolicy.

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).

NOTE 27 Borrowings

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Non-current				
State loan	0.0	0.0	2 971.7	3 416.1
Bonds	8 856.1	6 243.7	8 856.1	6 243.7
Bank borrowings	3 961.7	3 025.3	4 989.9	4 247.7
Others	277.8	31.0	277.8	31.0
Total long-term	13 095.6	9 300.0	17 095.5	13 938.5
Current				
Commercial papers	400.0	800.0	400.0	800.0
First year instalment on long-term debt	473.0	8.7	994.2	551.9
Total current	873.0	808.7	1 394.2	1 351.9

All borrowings in NOK.

INFORMATION ABOUT STATE LOAN AND BANK BORROWINGS	CURRENCY	EFFECTIVE INTEREST RATE
State loan	NOK	2.16 %
Bonds, inclusive commercial papers	NOK/EUR	3.35 %
Bank borrowings	NOK	3.91 %

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:	2017	2018	2019	2020	2021	THEREAFTER	TOTAL
State loan	444.4	444.4	444.4	444.4	444.4	749.7	**2 971.7**
Bonds	0.0	0.0	700.0	450.0	2 880.9	4 825.2	**8 856.1**
Bank borrowings	204.3	204.7	265.0	325.4	325.8	3 664.7	**4 989.9**
Other	11.9	4.6	2.5	2.8	0.0	256.0	**277.8**

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 interest is 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
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 2014, are as follows:

- 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
- Face value MEUR 300, maturity date 20 March 2021, interest rate 1.75 per cent
- Face value MNOK 700, maturity date 30 October 2019, interest rate 3 months NIBOR pluss 0.37 per cent
- Face value MEUR 300, maturity date 29 April 2025, interest rate 1.00 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. Avinor AS raised in 2015 a loan of NOK 1.0 billion from the Nordic Investment Bank (NIB). The loan, distbursed in November 2015, has a term of 20 years and is irredeemable for 8 years. Avinors Parkeringsanlegg AS, Flesland Eiendom AS, Værnes Eiendom AS, Sola Hotel Eiendom AS, Hotell Østre AS and Flyporten AS have issued a negative pledge clause. 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 2020. 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 2015 raised several loans in commercial papers, amounting to MNOK 400 as at 31 December 2015.

NOTE 28 Other short-term liability

Amounts in MNOK

	AVINOR AS		AVINOR GROUP	
	2015	2014	2015	2014
Holiday allowance	**135.1**	184.0	**296.2**	295.0
Advance from customers	**135.9**	60.8	**180.9**	131.5
Wages and social security	**46.7**	49.5	**118.4**	116.4
Accruals	**369.8**	416.8	**1 017.9**	776.9
Intra-group liability	**2 778.1**	1 800.2	**0.0**	0.0
Other short-term liability	**530.7**	414.1	**559.1**	434.1
Total	**3 996.3**	2 925.4	**2 172.5**	1 753.9

NOTE 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.

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 as from 2010. The involved parties have been in contact regarding the local agreements, without reaching an understanding. The Norwegian Defence has formally broken the negotiations for the settlement of the years 2010-2014.

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. A legal discretionary assessment to determine the purchase price or annual user fee at Værnes was presented on 13 August 2015, and involve a one-off payment of MNOK 256.0 or an annual rent amount of MNOK 18.0. It is assumed that this discretionary assessment also will be instructive for the assessment at Flesland, which is expected in 2016.

The external environment:

Environmentally hazardous additives in fire extinguishing foam which have spread to the natural environment have been detected at several airports. Risk assessments have been conducted into the potential harm to persons and the external environment from these pollutants.

Work is currently being conducted to clarify the scope of the measures that will need to be implemented. The economic consequences of this depend on the extent of the localities that require measures to be implemented, as well as the authorities' requirements and the measures available. At Oslo airport measures are made, at the fire practice field, with cleansing of water from the autumn of 2015. 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. The government have decided that Evenes shall not be established as an advanced base before 2020. Bodø airport shall function as an advanced base after the close-down of Bodø main air station. This will be an intermediate solution until the new fighter planes are operational and have replaced the existing planes. Avinor shall take over the responsibility of the operation of Bodø airport from the 1st of August 2016. The takeover is being iniated, and will have financial consequences for Avinor with regard to future investments in property, plant and equipment and running operating expenses.

The head of Norwgian Defence has through his military counsil in the atumn of 2015, advised a close-down of Andøya air station and the establishment of a main air base for surveillance/advanced base for fighter planes at Harstad/Narvik airport, Evenes. If these advises are complied with, they might involve chages in the operational responsibilities at Andøya and at Bardufoss.

Approach services for Rygge, Sandefjord and Skien airports:

Avinor has demanded compensation for approach services rendered to Rygge, Sandefjord and Skien airports. According to a judgement in Sandefjord District Court, Avinor Flysikring AS has an obligation to deliver without the service recipient having a corresponding payment obligation. The judgement has been appealed and is expected to be tryed in 2016.

NOTE 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	
	2015	2014	2015	2014
Property, plant and equipment	929.1	1 175.6	2 131.7	4 419.9
Total	929.1	1 175.6	2 131.7	4 419.9

NOTE 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 2015

	AVINOR FLYSIKRING AS	OSLO AIRPORT AS	AVINORS PARKERINGS-SELSKAP AS	FLESLAND EIENDOM AS	VÆRNES EIENDOM AS	SOLA HOTEL EIENDOM AS	HELL EIENDOM AS
Loans to group companies	0.0	7 571.3	0.0	0.0	0.0	0.0	0.0
Intra-group receivables	95.6	25.1	25.4	0.3	0.2	0.2	0.2
Total	95.6	7 596.4	25.4	0.3	0.2	0.2	0.2
Other short-term intra-group liability	574.1	147.9	120.4	80.6	55.8	81.2	16.7
Total	574.1	147.9	120.4	80.6	55.8	81.2	16.7

AVINOR AS AT 31 DECEMBER 2015 CONT.

	AVINOR UTVIKLING AS	HOTELL ØSTRE AS	FLYPORTEN AS	HOTELL ØSTRE TOMTE-SELSKAP AS	FLYPORTEN TOMTE-SELSKAP AS	OSLO AIRPORT TELE & DATA AS	TOTAL
Loans to group companies	0.0	0.0	0.0	0.0	0.0	0.0	**7 571.3**
Intra-group receivables	-8.5	0.0	1.7	0.0	0.0	0.0	**140.2**
Total	-8.5	0.0	1.7	0.0	0.0	0.0	**7 711.5**
Other short-term intra-group liability	1488.2	23.5	8.2	146.2	35.3	0.0	**2 778.1**
Total	1 488.2	23.5	8.2	146.2	35.3	0.0	**2 778.1**

AVINOR AS AT 31 DECEMBER 2014

	AVINOR FLYSIKRING AS	OSLO AIRPORT AS	OSLO AIRPORT EIENDOM AS	AVINORS PARKERINGS-SELSKAP AS	FLESLAND EIENDOM AS
Loans to group companies	0.0	5 971.3	0.0	0.0	0.0
Intra-group receivables	6.6	474.9	1.6	24.4	0.3
Total	6.6	6 446.2	1.6	24.4	0.3
Other short-term intra-group liability	312.0	1 085.0	89.8	75.3	78.6
Total	312.0	1 085.0	89.8	75.3	78.6

AVINOR AS AT 31 DECEMBER 2014 CONT.

	VÆRNES EIENDOM AS	SOLA HOTEL EIENDOM AS	HELL EIENDOM AS	TOTAL
Loans to group companies	0.0	0.0	0.0	**5 971.3**
Intra-group receivables	0.3	0.3	0.2	**508.6**
Total	0.3	0.3	0.2	**6 479.9**
Other short-term intra-group liability	55.1	88.0	16.4	**1 800.2**
Total	55.1	88.0	16.4	**1 800.2**

The subordinated loan capital of Oslo Lufthavn AS amounts to MNOK 1371.3 at 31 December 2015. There have been no instalments on the loan. The interest on the loan has been 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 have been added. Loan from Avinor AS, financing the development of terminal 2 (T2) at Oslo Lufthavn AS, amounts to MNOK 6,200 at 31 December 2015. The interest on the loan has been based on the borrowing rate of Avinor AS. There have been no instalments on the loan.

Avinor AS charges Oslo Lufthavn AS a ground rent of MNOK 421.4.

NOTE 32 Events after balance sheet date

Oslo Lufthavn AS merged with Avinor AS, as from 11 January 2016.

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 2015 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, 30 March 2016
The Board of Directors of Avinor AS

Ola Mørkved Rinnan
Chairman of the Board

Ola H. Strand
Vice Chairman

Tone M. Lindberg

Eli Skrøvset

Mari Thjømøe

Herlof Nilssen

Bjørn Tore Mikkelsen

Per Erik Nordsveen

Heidi Anette Sørum

Grete Ovnerud

Dag Falk-Petersen
CEO

AUDITOR'S REPORT

Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av den norske revisorforening

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 2014, 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.

2

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 2015 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 statements on corporate governance and corporate social responsibility]
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 and corporate social responsibility] 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, 30 March 2016
ERNST & YOUNG AS

Jan Wellum Svensen
State Authorised Public Accountant (Norway)

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

AVINOR'S REPORTS

Quarterly and annual reports

Quarterly reports and annual reports contain financial statements, showing the key figures and accounts, as well as a brief statement on finances. Avinor's annual and quarterly reports are available at Avinor's website.

Article 10 plan

Article 10 of Avinor's articles of association state that the board shall prepare a report each year on the company's overall activities, including plans for the future, and submit this to the Ministry of Transport and Communications. The document is available to the public and is called the Article 10 plan. At least every fourth year – once every parliament election period – Avinor's Article 10 plan forms the basis for a report on Avinor's activities to Norway's parliament, the Storting.

Avinor's contribution to the national transport plan 2018-2027

The Norwegian National Transport Plan (NTP) presents the Norwegian government's transport policy. It forms the basis of comprehensive political assessments, efficient use of policy instruments and strengthened interaction between the various modes of transport. The NTP is considered by the Standing Committee on Transport and Communications, who presents its recommendation to the Norwegian Parliament. Aviation infrastructure is also addressed in the report, which is published on www.ntp.dep.no

Cover photo: Gaute Bruvik

Avinor is responsible for the 46 state-owned airports and air navigation services for civilian and military aviation in Norway. This network links Norway together - and links Norway to the world.

Avinor is a driving force in environmental work in aviation and a driving force to reduce the combined greenhouse gas emissions from Norwegian aviation. The company has a leading role in the work on developing and delivering biofuel for aircraft. Every year Avinor contributes to safe and efficient travel for around 50 million airline passengers. Around half travel to and from Oslo Airport.

More than 3,000 employees are responsible for planning, developing and operating airports and air navigation services. Avinor is funded by aviation fees and commercial sales at the airports.

Design and production: Artbox AS

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