

INTERIM FINANCIAL REPORT

2nd quarter and first half of 2024



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About Avinor

Avinor has two primary business areas, operation of a nationwide network of airports, and the national air navigation services for civil and military aviation. In total, this includes 43 airports as well as control towers, control centres and other technical infrastructure for safe air navigation. In addition to the aviation-operative activities, commercial earnings are facilitated through airport hotels, parking facilities, tax-free stores, restaurants and other services for air passengers.

Avinor is a group where the operational activities are partly organised in divisions and in partly in legal entities (subsidiaries). Financially, the overall operations are run as a single aviation system. The air navigation services finance themselves by pricing the services in accordance with international provisions. The Group has approximately 2,700 employees and usually annual operating revenues of NOK 11 billion.

The shares in Avinor AS are wholly owned by the Norwegian state as represented by the Ministry of Transport and Communications.

The Ministry of Transport and Communications manages the Norwegian state's ownership of Avinor, and stipulates e.g. the tasks imposed on the Group to safeguard the general interests of Norwegian society, the required rate of return and dividends. In addition, the Ministry of Transport and Communications regulates the aviation fees. The Ministry of Transport and Communications is the highest authority for Norwegian aviation and also stipulates the Civil Aviation Authority's regulations, which have consequences for Avinor's operations.

Avinor has issued bonds that are listed on the Oslo and Luxembourg Stock Exchange. The Group's corporate governance must adhere to the Oslo Stock Exchange's recommendations for corporate governance to the extent applicable. The principles complement the government's focus on corporate governance in the management of the Norwegian state's shareholdings.

Avinor's head office is located in Oslo.

Main Figures – Avinor Group

Amounts in MNOK

	APRIL-JUNE		JANUARY-JUNE		YEAR
	2024	2023	2024	2023	2023
Income airport operations *	2 744	2 552	4 895	4 543	9 676
Income air navigation services *	589	562	1 143	1 066	2 214
Other income, others and eliminations	(186)	(66)	(384)	(105)	(376)
Total group operating income	3 147	3 048	5 654	5 504	11 514
EBITDA group **	1 286	946	1 608	1 406	3 559
Adjusted EBITDA group **	1 056	904	1 447	1 247	3 307
Group profit/loss after tax	427	191	51	(146)	304
Total assets			52 896	47 359	47 814
Equity			13 523	13 299	13 461
Equity/total assets **			25,6 %	28,1 %	28,2 %
Net debt to equity ratio **			38,1 %	38,5 %	39,2 %
Number of passengers (in 1000)	13 513	12 802	24 319	23 242	49 015
Number of aircraft departures (in 1000)	163	163	303	308	624
Number of service units (in 1000)	627	594	1 171	1 093	2 329
Punctuality **/**			83 %	84 %	83 %
Regularity **/**			98 %	98 %	99 %

* Traffic income, commercial income and inter-segment income

** See further description and calculation in the appendix "Alternative performance measures"

*** Past 12 months

Board of Directors' Report

HIGHLIGHTS

During the first half of 2024 a total of 24.3 million passengers travelled through Avinor's airports, an increase of 4.6 per cent compared to the corresponding period in 2023. For the second quarter, passenger growth was 5.6 per cent.

The Group's revenues (adjusted for other income) in the first half of 2024 ended at NOK 5 635 million, an increase of 6.4 per cent as a result of passenger development. The Group's operating expenses (adjusted for other costs) increased by 3.5 per cent in the same period, largely explained by increased personnel costs due to wage settlements. While the first quarter of 2024 was characterised by winter operations with demanding weather conditions which resulted in close down of several airports for short periods, the second quarter has been characterised by a build-up towards summer season for airlines with high activity at the airports.

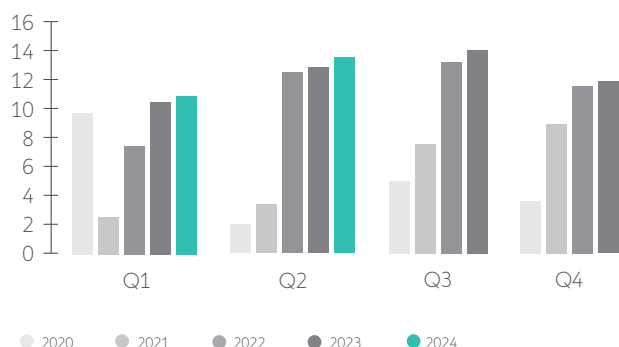
In May 2024, Avinor issued 10-year bonds for a total of EUR 500 million (NOK 5.8 billion). The bonds were issued to refinance existing debt and partly to finance the Group's investment projects.

Measures to improve revenues and results remain a high priority within the Group. There is a dialogue with the owner regarding measures that can and should be implemented to continue to ensure sustainable financial conditions for Avinor.

TRAFFIC DEVELOPMENT

24.3 million passengers travelled through Avinor's airports during the first half of 2024, an increase of 4.6 per cent compared to the first half of 2023. In the second quarter of 2024, 13.5 million passengers travelled through the airports, an increase of 5.6 per cent compared to the second quarter of 2023. International traffic is driving passenger growth and accounts for 41 per cent of passenger traffic in the first half of 2024, up from 39 per cent in the first half of 2023.

The table below shows the quarterly development in passengers for the last five years.



Compared to the first half of 2023, passenger growth for international traffic has been 9.4 per cent, while domestic traffic has increased by 1.8 per cent. For the second quarter, passenger growth for international traffic was 9.3 per cent, while domestic traffic decreased by 2.7 per cent.

The number of passengers was distributed between the airports as follows:

NUMBER OF AIR PASSENGERS, JANUARY - JUNE

PASSENGERS (1000)	2024	2023	CHANGE
Gardermoen	12 395	11 792	5,1 %
Flesland	3 074	2 994	2,7 %
Sola	1 919	1 885	1,8 %
Værnes	1 976	1 949	1,4 %
Others	4 955	4 622	7,2 %
Avinor group	24 319	23 242	4,6 %

The number of aircraft movements overall has decreased by 1.9 per cent in the first half of 2024 compared to the corresponding period in 2023. International aircraft movements has increased by 6.3 per cent, while domestic aircraft movements have decreased by 4.3 per cent.

The airlines' summer program runs between March 31 and October 26 and entails an increase in the number of aircraft movements and an increase in traffic in the second and third quarters. A lot of the traffic growth is due to increased foreign passenger traffic to Norway, partly driven by favourable exchange rates for foreigners visiting Norway.

In the first half of 2024, offshore traffic has seen a decrease in the number of passengers of 7.7 per cent and a decrease of 9.3 per cent in the number of aircraft movements compared to the first half of 2023. On 28 February 2024, a helicopter crashed outside Bergen. Helicopter traffic on the Norwegian shelf was suspended until 1 March 2024 as a result of the accident.

Although the number of passengers has gone up in 2024, there is a decrease in the number of aircraft movements. As a result, the number of passengers per flight is increasing.

Over the last 12 months, Avinor's network of airports recorded an average punctuality of 83 per cent and an average regularity of 98 per cent.

AIR SAFETY

In 2024, there have been no aviation accidents or other serious aviation incidents in which Avinor has been a contributing party.

FINANCIAL PERFORMANCE

Avinor Group

AMOUNTS IN MNOK	APRIL-JUNE			JANUARY-JUNE		
	2024	2023	CHANGE	2024	2023	CHANGE
Operating income	3 147	3 048	3,3 %	5 654	5 504	2,7 %
Operating expenses	(1 861)	(2 102)	-11,4 %	(4 046)	(4 098)	-1,3 %
EBITDA *	1 286	946		1 608	1 406	
Operating profit (loss)	720	393		477	294	
Operating margin	22,9 %	12,9 %		8,4 %	5,3 %	
Profit (loss) after tax	427	191		51	(146)	
Adjusted operating income *	3 132	2 960	5,8 %	5 635	5 295	6,4 %
Adjusted operating expenses *	(2 076)	(2 056)	1,0 %	(4 189)	(4 048)	3,5 %
Adjusted EBITDA *	1 056	904		1 447	1 247	
Adjusted operating profit (loss) *	490	351		316	134	
Adjusted operating margin *	15,6 %	11,8 %		5,6 %	2,5 %	

* Defined and calculated in the appendix "Alternative performance measures"

The Group's total operating revenues for the first half of 2024 amounted to NOK 5 654 million, an increase of NOK 150 million compared to the corresponding period in 2023. The Group's total reported operating expenses decreased by NOK 52 million in the same period to NOK 4 046 million. The first half of 2024 includes other items corresponding to a net cost reduction of NOK 142 million compared to a net cost of NOK 50 million in the first half of 2023.

Adjusted revenue growth in 2024 compared to 2023 was 5.8 per cent for the second quarter and 6.4 per cent for the first half of the year. This is entirely related to higher passenger volumes and the number of aircraft movements. In the first half of 2023, the group had other revenues of NOK 209 million, mainly due to insurance settlements for the construction of a new parking garage at Stavanger Airport, compared to NOK 20 million in 2024 (see note 5).

Compared to 2023, adjusted operating expenses increased by 1 per cent for the second quarter and 3.5 per cent for the first half of the year. This is mainly due to wage settlements. The Group's general wage growth has been in line with the collective bargaining negotiations ("frontfagsmodellen"). The Group is actively working to replace the hiring of consultants by permanent employees, especially within technology. Other operating costs in the first half of 2024 were relatively stable compared to the first half of 2023 despite demanding winter operation in 2024. The Group has applied for a refund of employer's national insurance contribution based on lower rates for employees who are not covered by the sector exemption for differentiated employer's national insurance contribution. The refund has been approved, and the refund amount of NOK 231 million has been recognized as a receivable in the second quarter 2024. The effect of the refund is presented in the income statement as a cost reduction in Employee benefit expenses. In the first half of 2024, the Group expensed NOK 89 million related to provisions for environmental commitments (see Note 13) and severance agreements (see Note 5).

Avinor works continuously to optimise costs in its day-to-day operations. At the same time, a high proportion of the Group's

cost base is relatively fixed and necessary to maintain safe and stable operations as required in the social mission.

The Group's adjusted EBITDA for the first half of 2024 was NOK 1 447 million, an increase of NOK 200 million compared to NOK 1 247 million in the first half of 2023.

Total depreciation and amortisation for the Group in the first half of 2024 amounted to NOK 1 131 million (NOK 1 112 million in the first half of 2023).

The Group's net financial result was minus NOK 413 million (minus NOK 481 million in the first half of 2023). In May 2024, the Group issued bonds at a total of EUR 500 million (NOK 5.8 billion). An increase in loans, increased cash holdings and higher interest rates result in an increase in both financial income and financial expenses. Realised and unrealised effects related to derivatives contributed to an improved financial result in the first half of 2024 compared to the first half of 2023.

For the first half of 2024, the Group had a profit after tax of NOK 51 million (minus NOK 146 million in the first half of 2023). The second quarter showed a profit after tax of NOK 427 million, an improvement of NOK 236 million compared to the second quarter of 2023.

Airport operations

AIR OPERATIONS - RESULTS, JANUARY - JUNE

AMOUNTS IN MNOK	2024	2023	CHANGE
Adjusted operating income *	4 895	4 543	7,7 %
Adjusted operating expenses *	(4 171)	(4 000)	4,3 %
Adjusted operating profit (loss) *	724	543	
Adjusted operating margin *	14,8 %	11,9 %	

* Defined and calculated in the appendix "Alternative performance measures"

Adjusted operating revenues amounted to NOK 4 895 million in the first half of 2024, an increase of 7.7 per cent compared to the corresponding period last year. Both an increase in the number of passengers and profit per passenger contributed to the income growth. Passenger growth in the period was 4.6 per cent. Commercial revenues account for 55.4 per cent of total operating revenues for airport operations in the first half of 2024, compared to 53.0 per cent in the corresponding period in 2023.

Adjusted operating expenses were NOK 4 171 million in the first half of 2024, an increase of 4.3 per cent compared to the first half of 2023. This is mainly due to wage settlements, while other operating expenses were relatively stable. The Group has applied for a refund of employer's national insurance contribution based on lower rates for employees who are not covered by the sector exemption for differentiated employer's national insurance contribution. NOK 139 million of the refund is presented as a cost reduction in Employee benefit expenses for airport operations.

The cost per passenger decreased by 3.7 per cent in the first half of 2024 compared to the first half of 2023.

Adjusted profit for the first half of 2024 was NOK 724 million, compared to NOK 543 million in the corresponding period in 2023. An increase in the number of passengers and higher earnings per passenger explain both the improved operating margin and operating profit in the first half of 2024 compared to the first half of 2023.

Air navigation services

AIR NAVIGATION SERVICES - RESULTS, JANUARY - JUNE

MNOK	2024	2023	ENDRING
Adjusted operating income *	1 143	1 066	7,2 %
Adjusted operating expenses *	(1 204)	(1 116)	7,9 %
Adjusted operating profit (loss) *	(61)	(49)	
Adjusted operating margin *	-5,3 %	-4,6 %	

* Defined and calculated in the appendix "Alternative performance measures"

Adjusted operating revenues were NOK 1 143 million in the first half of 2024, an increase of 7.2 per cent compared to the first half of 2023. The revenue growth is entirely related to the increase in the number of service units of 7.1 per cent in the first half of 2024 compared to the corresponding period in 2023.

Adjusted operating expenses were NOK 1 204 million, an increase of 7.9 per cent compared to the first half of 2023. The increase is due to payroll and intercompany costs. Air navigation is carrying out several extensive government-mandated technology projects that entail increased project costs. The Avinor Group has applied for a refund of employer's national insurance contribution based on lower rates for employees who are not covered by the sector exemption for differentiated employer's national insurance contribution. NOK 92 million of the refund is presented as a cost reduction in Employee benefit expenses for air navigation services.

Adjusted profit for the first half of 2024 was a loss of NOK 61 million, compared to a loss of NOK 49 million in the corresponding period in 2023.

Financial position

KEY FIGURES - FINANCIAL POSITION

AMOUNTS IN MNOK	30 JUNE 2024	31 DECEMBER 2023	CHANGE
Non-current assets	43 889	44 666	(777)
Current assets	9 007	3 149	5 858
Total assets	52 896	47 814	5 081
Equity	13 523	13 461	61
Provisions	5 947	6 060	(113)
Non-current liabilities	25 060	22 916	2 144
Current liabilities	8 366	5 377	2 989
Equity and liabilities	52 896	47 814	5 081
Interest-bearing debt *	29 173	24 556	4 617

* Defined and calculated in the appendix "Alternative performance measures"

Total assets as of 30 June 2024 ended at NOK 52.9 billion, an increase of 10.6 per cent since 31 December 2023. The increase in the total balance sheet is mainly explained by increased holdings of cash and cash equivalents as a result of the issue of bonds in May 2024. The increase in short-term debt is largely due to the reclassification from long-term to short-term debt of bonds maturing in the second quarter of 2025.

There is a continuous focus on prioritization in the project portfolio and close follow-up of ongoing projects. The Group has several large ongoing investment projects. In particular, investments to upgrade baggage handling facilities at Oslo Airport and government-mandated projects related to the renewal of systems for control and surveillance of airspace contribute to high investments.

The Group's book equity as of 30 June 2024 was NOK 13.5 billion and equity in relation to total assets was 25.6 per cent. This is a decrease of 2.6 percentage points compared to 31 December 2023 and is due to the issuance of new bonds in May 2024. Equity under the articles of association (equity as a percentage of total equity and net interest-bearing liabilities, defined and calculated in the appendix alternative performance measures) as of 30 June 2024 ended at 38.1 per cent. At an Extraordinary General Meeting on 18 December 2023, the Group was granted a time-limited permit to deviate from Article 5 of the Articles of Association from an equity requirement of at least 40.0 per cent to a minimum of 35.0 per cent.

The Group has a substantial net pension liability recognised in the balance sheet. Parts of the Group's pension assets are linked to the return on the Government Pension Fund Global (GPF). Positive value development for the GPF in the first half of the year results in a decrease in net pension liabilities. See Note 8 for further details of the period's movement in net pension liabilities. Other liabilities are mainly related to the liabilities recognised in the balance sheet for environmental clean-up costs. Reference is made to Note 13 for further information on the environmental commitment.

The Group's interest-bearing debt as of 30 June 2024 amounts to NOK 29.2 billion, of which NOK 5.2 billion is short-term.

Cash flows

CASH FLOWS, JANUARY - JUNE

AMOUNTS IN MNOK	2024	2023	CHANGE
Cash flow from operating activities	1 312	1 290	22
Cash flow from investing activities	(1 642)	(1 357)	(285)
Cash flow from payment of interests	(512)	(468)	(44)
Cash flow before changes in debt	(842)	(535)	(307)

In the first half of 2024, the Group had a cash flow from operational activities of NOK 1 312 million, while the cash flow from investment activities amounted to minus NOK 1 642 million. After interest payments of NOK 512 million, the Group's cash flow before changes in debt amounted to minus NOK 842 million.

In May 2024, the Group issued bonds of NOK 5.8 billion. During the first half of the year, the Group has repaid long-term debt by NOK 505 million and has reduced certificate debt by a net NOK 350 million. The increase in the Group's holdings of cash and cash equivalents in the first half of 2024 was NOK 4 084 million.

As of 30 June 2024, the Group had a liquidity reserve of NOK 9.8 billion. This is divided into NOK 5.5 billion in cash and cash equivalents and NOK 4.3 billion in unused drawing rights.

EMPLOYEES

In the last 12 months, the H1 value (frequency lost-time injuries) amounted to 1.7 for the Group, a reduction from 2.2 that was reported as the accumulated H1 value at the end 2023. The H2 value (frequency, injuries with and without absence) amounted to 4.1 (a decrease from 4.8 reported at the end of 2023). The N-value (frequency of reported near misses) ended at 50.2 at the end of June 2024, which is a decrease from 66.3 per the end of 2023.

RISK FACTORS

Avinor is exposed to a wide range of risks that may affect the Group's operations, financial results and financial position. Factors that may lead to loss of air traffic volume may have a significant negative impact on Avinor. These include, for example,

changes in geopolitical conditions, travel habits and regulatory conditions.

Safe and stable operations with a risk-based approach is one of the Group's long-term priorities and governs all activities in the Group.

Reference is made to chapter 6 "Risk factors" in the Group's Annual and Sustainability Report for 2023 for further descriptions of the most significant risks and uncertainties that may affect Avinor's operations. As of the presentation of this interim report, no factors have been identified that significantly alter the risk factors.

OUTLOOK

Avinor sees low, stable growth in traffic development in the next few years until 2030, where the estimated number of passengers is 57 million based on forecasts prepared by the Transport Economics Institute (TØI). Foreign passenger traffic to Norway is still expected to have good growth, while domestic traffic appears to be stabilizing with low growth.

In the work on the National Transport Plan 2025-2036, Avinor has responded to assignments regarding the need for facilitation at the airports when phasing in zero- and low-emission aircraft. In the National Transport Plan 2025-2036, the Government prioritises an economic frame of NOK 1 billion to accelerate the transition to zero- and low-emission aviation. In order to strengthen the professional and regulatory facilitation, and the development of necessary infrastructure at the airports, increased resources are prioritised to the Civil Aviation Authority of Norway and Avinor as part of the economic frame. The Civil Aviation Authority of Norway and Avinor have entered into a cooperation agreement on the establishment of Norway as an international testing arena to reduce barriers to testing and demonstration, representing the agreement parties' plan to achieve the government's goal of accelerated phase-in.

Avinor's consolidated financial statements as of 30 June 2024 have been prepared based on the conclusion that no impairment of the assets is required. As explained in the impairment assessments in Note 7, the assumptions include a combination of a real increase in airport fees, improved commercial conditions, payment for services provided by Avinor to other state actors, as well as operational efficiency. A letter from the Ministry of Transport and Communications dated 16 November 2023 describes relevant measures which the authorities believe supports Avinor's list of measures. Realisation of significant parts of these measures is central to still ensure sustainable financial conditions for Avinor.

CONDENSED CONSOLIDATED INCOME STATEMENT

Amounts in MNOK

		APRIL-JUNE		JANUARY-JUNE		YEAR
	NOTE	2024	2023	2024	2023	2023
Traffic income	4	1 500,2	1 413,0	2 753,5	2 590,3	5 400,8
Commercial income	4	1 632,1	1 547,1	2 881,1	2 704,5	5 893,3
Other income	5	14,9	87,8	19,5	209,2	219,6
Total operating income		3 147,2	3 047,9	5 654,1	5 504,1	11 513,7
Raw materials and consumables used		(38,5)	(60,3)	(71,2)	(97,1)	(191,7)
Employee benefit expenses	8	(930,9)	(1 104,3)	(2 042,6)	(2 102,9)	(3 996,5)
Other operating expenses	12	(876,0)	(891,8)	(1 843,6)	(1 848,3)	(3 799,0)
Other expenses	5	(15,9)	(45,3)	(88,8)	(49,7)	33,0
Total operating expenses		(1 861,3)	(2 101,6)	(4 046,2)	(4 097,9)	(7 954,3)
Operating profit before depreciation, amortisation and impairment charges (EBITDA)		1 285,9	946,3	1 608,0	1 406,2	3 559,5
Depreciation, amortisation and impairment charges	6	(566,3)	(553,1)	(1 130,5)	(1 112,4)	(2 256,9)
Operating profit (loss)		719,6	393,2	477,5	293,8	1 302,5
Finance income		23,8	14,4	37,8	26,1	65,0
Finance expenses		(214,0)	(177,9)	(405,4)	(352,4)	(736,2)
Net effect currency and derivatives		17,4	14,7	(45,5)	(154,3)	(233,2)
Finance result		(172,7)	(148,8)	(413,1)	(480,7)	(904,3)
Profit (loss) before income tax		546,8	244,4	64,4	(186,9)	398,2
Income tax expense	2	(120,1)	(53,7)	(13,8)	41,4	(94,1)
Profit (loss) after tax		426,7	190,7	50,6	(145,5)	304,1
Attributable to:						
Owner of parent		426,7	190,7	50,6	(145,5)	304,1

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in MNOK

	APRIL-JUNE		JANUARY-JUNE		YEAR
	2024	2023	2024	2023	2023
Profit (loss) after tax	426,7	190,7	50,6	(145,5)	304,1
Other comprehensive income:					
Actuarial gains (losses) on post employment benefit obligations	(19,3)	74,9	220,9	74,9	(417,4)
Tax effect	4,2	(16,5)	(48,6)	(16,5)	91,2
Total items that will not be reclassified to profit or loss, net of tax	(15,1)	58,5	172,3	58,5	(326,2)
Cash flow hedges	(310,9)	274,1	(207,2)	36,5	161,0
Tax effect	68,4	(60,3)	45,6	(8,0)	(35,4)
Total items that may be subsequently reclassified to profit or loss, net of tax	(242,5)	213,8	(161,6)	28,5	125,6
Other comprehensive income, net of tax	(257,6)	272,2	10,6	86,9	(200,6)
Total comprehensive income	169,1	462,9	61,2	(58,6)	103,5
Attributable to:					
Owner of parent	169,1	462,9	61,2	(58,6)	103,5

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION - ASSETS

Amounts in MNOK

	NOTE	30 JUNE 2024	30 JUNE 2023	31 DECEMBER 2023
ASSETS				
Non-current assets				
Deferred tax assets		1 887,4	1 959,5	1 904,3
Other intangible assets	6,7	611,8	599,0	607,7
Intangible assets under construction	6,7	1 227,7	1 009,8	1 113,6
Total intangible assets		3 726,9	3 568,3	3 625,6
Property, plant and equipment		33 918,2	33 853,9	34 468,4
Assets under construction		4 247,2	3 867,4	3 580,2
Right of use assets		307,6	341,4	327,6
Total property, plant and equipment	6,7	38 473,0	38 062,7	38 376,2
Derivative financial instruments	10	1 633,6	2 614,1	2 624,8
Other financial assets		55,2	76,7	39,2
Total financial assets		1 688,8	2 690,8	2 664,0
Total non-current assets		43 888,7	44 321,8	44 665,8
Current assets				
Inventories		56,1	53,7	61,6
Trade and other receivables	11	2 602,6	2 074,6	1 640,8
Derivative financial instruments	10	841,3	16,9	23,1
Cash and cash equivalents	9	5 507,0	891,6	1 423,3
Total current assets		9 007,1	3 036,8	3 148,7
Total assets		52 895,7	47 358,6	47 814,5

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES

Amounts in MNOK

	NOTE	30 JUNE 2024	30 JUNE 2023	31 DECEMBER 2023
EQUITY AND LIABILITIES				
Equity				
Share capital		5 400,1	5 400,1	5 400,1
Retained earnings		11 031,5	10 531,3	10 981,0
Other components of equity		(2 909,1)	(2 632,1)	(2 919,7)
Total equity		13 522,6	13 299,3	13 461,4
Liabilities				
Retirement benefit obligations	8,13	5 037,4	5 347,6	5 207,7
Other provisions	13	909,6	1 019,7	852,3
Total provisions		5 947,0	6 367,3	6 060,0
State loan	9,10	-	83,3	-
Other non-current loans	9,10	23 653,7	21 914,9	21 865,0
Derivative financial instruments	10	1 107,5	1 045,6	734,5
Lease liabilities	9,10	298,7	322,2	316,2
Total non-current liabilities		25 059,9	23 365,9	22 915,7
Commercial papers	9,10	1 150,0	749,9	1 499,9
Trade payables		561,9	425,6	767,5
Public duties payable		318,4	383,0	331,0
Derivative financial instruments	10	56,8	3,1	25,5
First annual installment on long-term liabilities	9,10	4 029,7	971,5	832,6
Lease liabilities	9,10	40,7	48,1	42,1
Other current liabilities	11	2 208,9	1 744,9	1 878,8
Total current liabilities		8 366,3	4 326,1	5 377,4
Total liabilities		39 373,1	34 059,3	34 353,1
Total equity and liabilities		52 895,7	47 358,6	47 814,5

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amount in MNOK

	NOTE	SHARE CAPITAL	RETAINED EARNINGS	ACTUARIAL GAINS (LOSSES)	HEDGE RESERVES	OTHER COMPONENTS OF EQUITY	TOTAL
Equity 1 January 2023		5 400,1	10 676,9	(2 137,1)	(581,8)	(2 719,1)	13 357,9
Profit (loss) after tax			(145,5)				(145,5)
Actuarial gains (losses) on post employment benefit obligations, net of tax				58,5	-	58,5	58,5
Cash flow hedges, net of tax					28,5	28,5	28,5
Total comprehensive income			(145,5)	58,5	28,5	86,9	(58,6)
Equity 30 June 2023		5 400,1	10 531,3	(2 078,6)	(553,3)	(2 632,1)	13 299,3
Equity 1 January 2024		5 400,1	10 981,0	(2 463,3)	(456,2)	(2 919,7)	13 461,4
Profit (loss) for the year			50,6				50,6
Actuarial gains (losses) on post employment benefit obligations, net of tax				172,3		172,3	172,3
Cash flow hedges, net of tax					(161,6)	(161,6)	(161,6)
Total comprehensive income			50,6	172,3	(161,6)	10,6	61,2
Equity 30 June 2024		5 400,1	11 031,5	(2 291,0)	(617,8)	(2 909,1)	13 522,6

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Amount in MNOK

	NOTE	APRIL-JUNE		JANUARY-JUNE		YEAR
		2024	2023	2024	2023	2023
Cash flow from operating activities						
Profit/(loss) before taxes		546,8	244,4	64,4	(186,9)	398,2
Depreciation, amortisation and impairment losses		566,3	553,1	1 130,5	1 112,4	2 256,9
Net (gains)/losses from disposals of non-current assets		2,4	0,4	1,6	(0,2)	0,1
Net changes in fair value and other losses/(gains)		(13,2)	(28,7)	(15,2)	(85,4)	(114,4)
Net financial (income)/expenses		172,7	148,8	413,1	480,7	904,3
Net foreign exchange gains/(losses) related to operating activities		(17,8)	31,2	10,9	73,3	9,4
Changes in inventories, trade receivables and trade payables		(93,0)	(195,5)	(269,2)	(500,7)	(110,9)
Difference between expensed pension and payments	8	5,1	80,8	50,6	108,6	(523,7)
Changes in other working capital items		(294,6)	43,3	(112,9)	261,1	467,0
Interest received		22,2	14,6	38,2	27,0	66,8
Net cash flow from operating activities		896,8	892,4	1 311,9	1 289,9	3 353,8
Cash flow from investing activities						
Purchases of property, plant and equipment, intangible assets and prepayments for right-of-use assets		(1 208,1)	(666,9)	(2 446,5)	(1 372,2)	(4 327,4)
Proceeds from investment grants		357,3	-	815,8	-	1 525,0
Proceeds from sale of property, plant and equipment, intangible assets and right-of-use assets		3,7	0,9	4,6	5,5	10,5
Net proceeds/(payments) from other investments		(15,5)	10,1	(16,0)	9,9	(8,4)
Net cash flow from investing activities		(862,7)	(655,9)	(1 642,1)	(1 356,8)	(2 800,4)
Cash flow from financing activities						
Proceeds from borrowings	9	5 780,9	-	5 780,9	-	-
Repayments of borrowings	9	(495,3)	(499,0)	(504,7)	(511,5)	(1 020,6)
Proceeds from commercial papers	9	1 650,0	749,9	1 650,0	1 499,9	3 000,0
Repayments of commercial papers	9	(2 000,0)	(750,0)	(2 000,0)	(750,0)	(1 500,1)
Interest paid		(313,1)	(275,9)	(512,3)	(468,4)	(798,1)
Net cash flow from financing activities		4 622,5	(775,0)	4 413,9	(230,0)	(318,7)
Net change in cash and cash equivalents		4 656,7	(538,5)	4 083,8	(296,9)	234,7
Cash and cash equivalents 1 January		850,3	1 430,1	1 423,3	1 188,6	1 188,6
Cash and cash equivalents end of reporting period		5 507,0	891,6	5 507,0	891,6	1 423,3

NOTES

NOTE 1 General information

Avinor Group consists of Avinor AS and subsidiaries. The purpose of the Group is to own, manage and develop aviation infrastructure and systems by facilitating safe and efficient aviation, render services within the same areas as well as other activities to support the Group's main business, including commercial development of the business and airport areas. The headquarter is located in Oslo, Drammensveien 144.

The interim financial report for the second quarter and first half of 2024 has not been audited and has not been subject to limited audit review.

The Board of Directors approved the interim financial report on 28 August 2024.

NOTE 2 Accounting principles

The interim financial statements for the second quarter and first half of 2024 are prepared in accordance with IAS 34 Interim financial reporting. The interim financial statements does not provide information to the same extent as the annual financial statements and should therefore be read in context with the annual financial statements for 2023, which are included in Avinor's annual and sustainability report for 2023. The same principles have been applied in the preparation of the interim financial statements as in the preparation of the annual financial statements.

Income tax expense in the interim financial statements

The income tax expense in the income statement consists of the estimated tax payable on the tax result and changes in deferred tax. Tax expenses related to items recorded through other comprehensive income are presented on separate lines in the statement of other comprehensive income.

Deferred tax assets are calculated based on items where there is a difference between tax and accounting values, as well as the expected tax rate to be used when the tax position is realised.

The Group has losses carried forward for tax purposes.

NOTE 3 Segment information

Amount in MNOK

The Group is organised in an airport operations segment and air navigation services segment. To better the evaluation of the airport operations, the airports at Oslo, Bergen, Stavanger, Trondheim and other airports are presented separately, in addition to property development and hotels. Property development and hotels consists of rental income from hotels and office buildings.

JANUARY-JUNE 2024

	AIRPORT OPERATIONS	AIR NAVIGATION SERVICES	OTHERS	ELIMINATION	TOTAL
Traffic income	2 100,8	652,7	-		2 753,5
Commercial income	2 710,9	98,2	72,0		2 881,1
Other income	-	-	19,5		19,5
Inter-segment income	83,4	392,5	767,3	(1 243,2)	-
Total income	4 895,1	1 143,4	858,8	(1 243,2)	5 654,1
Employee benefit expenses ¹⁾	(795,3)	(674,2)	(573,1)		(2 042,6)
Other operating expenses	(1 372,2)	(120,6)	(422,0)		(1 914,9)
Other expenses	-	-	(88,7)		(88,7)
Inter-segment expenses	(851,0)	(295,7)	(96,5)	1 243,2	-
Total expenses	(3 018,5)	(1 090,5)	(1 180,4)	1 243,2	(4 046,2)
EBITDA	1 876,6	52,9	(321,5)		1 608,0
Depreciation, amortisation and impairment charges	(1 013,8)	(21,4)	(95,3)		(1 130,5)
Operating profit (loss)	862,8	31,5	(416,8)		477,5
Assets*	33 070,6	399,3	1 060,1		34 530,0

1) The Avinor Group has applied for a refund of employer's national insurance contribution based on lower rates for employees who are not covered by the sector exemption for differentiated employer's national insurance contribution. The refund has been approved, and the refund amount of NOK 231 million has been recognized as a receivable in the second quarter 2024. The effect of the refund is presented in the income statement as a cost reduction in Employee benefit expenses, and allocated with NOK 139 million to the segment airport operations (regional airports) and NOK 92 million to the segment air navigation services.

AIRPORT OPERATIONS JANUARY - JUNE 2024

	OSLO AIRPORT	BERGEN AIRPORT	STAVANGER AIRPORT	TRONDHEIM AIRPORT	OTHER AIRPORTS	PROPERTY DEV. AND HOTELS	TOTAL AIRPORT OPERATIONS
Traffic income	1 014,4	283,4	207,2	170,7	425,1	-	2 100,8
Commercial income	1 650,9	278,5	216,0	166,7	313,3	85,4	2 710,9
Other income	-	-	-	-	-	-	-
Inter-segment income	7,9	0,2	3,9	1,7	57,0	12,6	83,4
Total income	2 673,2	562,2	427,1	339,2	795,3	98,0	4 895,1
Employee benefits expenses	(326,3)	(68,3)	(57,0)	(56,3)	(287,5)	(0,0)	(795,3)
Other operating expenses	(586,0)	(121,1)	(89,7)	(79,2)	(491,4)	(5,0)	(1 372,2)
Other expenses	-	-	-	-	-	-	-
Inter-segment expenses	(221,3)	(74,7)	(60,4)	(47,1)	(447,0)	(0,4)	(851,0)
Total expenses	(1 133,6)	(264,1)	(207,0)	(182,6)	(1 225,8)	(5,4)	(3 018,5)
EBITDA	1 539,6	298,1	220,1	156,6	(430,5)	92,6	1 876,6
Depreciation, amortisation and impairment charges	(463,2)	(135,4)	(70,9)	(58,1)	(264,6)	(21,6)	(1 013,8)
Operating profit (loss)	1 076,5	162,7	149,2	98,5	(695,1)	71,0	862,8
Assets*	16 971,4	4 783,0	1 903,6	1 493,7	7 017,1	901,8	33 070,6

* Assets includes other intangible assets and excludes assets under construction.

JANUARY-JUNE 2023

	AIRPORT OPERATIONS	AIR NAVIGATION SERVICES	OTHERS	ELIMINATION	TOTAL
Traffic income	1 970,1	620,3	-		2 590,3
Commercial income	2 508,7	92,5	103,3		2 704,5
Other income	188,5	-	20,7		209,2
Inter-segment income	64,3	353,6	622,3	(1 040,2)	-
Total income	4 731,5	1 066,4	746,3	(1 040,2)	5 504,1
Employee benefits expenses	(848,8)	(736,1)	(518,0)		(2 102,9)
Other operating expenses	(1 386,9)	(122,5)	(435,9)		(1 945,3)
Other expenses	-	-	(49,7)		(49,7)
Inter-segment expenses	(772,5)	(234,3)	(33,4)	1 040,2	-
Total expenses	(3 008,2)	(1 092,8)	(1 037,0)	1 040,2	(4 097,9)
EBITDA	1 723,3	(26,5)	(290,7)		1 406,2
Depreciation, amortisation and impairment charges	(992,0)	(22,9)	(97,5)		(1 112,4)
Operating profit (loss)	731,4	(49,4)	(388,2)		293,8
Assets*	33 097,3	347,8	1 007,9		34 452,9

AIRPORT OPERATIONS JANUARY - JUNE 2023

	OSLO AIRPORT	BERGEN AIRPORT	STAVANGER AIRPORT	TRONDHEIM AIRPORT	OTHER AIRPORTS	PROPERTY DEV. AND HOTELS	TOTAL AIRPORT OPERATIONS
Traffic income	945,8	272,1	197,9	164,9	389,3	-	1 970,1
Commercial income	1 517,1	262,5	205,6	164,5	282,7	76,2	2 508,7
Other income	-	-	188,5	-	-	-	188,5
Inter-segment income	1,1	0,3	4,0	1,7	45,7	11,5	64,3
Total income	2 464,0	534,9	596,0	331,2	717,7	87,7	4 731,5
Employee benefits expenses	(283,0)	(64,4)	(53,5)	(52,9)	(395,1)	-	(848,8)
Other operating expenses	(614,3)	(136,5)	(87,4)	(79,1)	(462,2)	(7,4)	(1 386,9)
Other expenses	-	-	-	-	-	-	-
Inter-segment expenses	(198,5)	(66,3)	(55,3)	(42,5)	(409,5)	(0,4)	(772,5)
Total expenses	(1 095,7)	(267,2)	(196,2)	(174,5)	(1 266,7)	(7,9)	(3 008,2)
EBITDA	1 368,2	267,7	399,9	156,7	(549,0)	79,8	1 723,3
Depreciation, amortisation and impairment charges	(465,2)	(135,8)	(62,4)	(57,9)	(249,1)	(21,6)	(992,0)
Operating profit (loss)	903,0	131,9	337,5	98,9	(798,1)	58,3	731,4
Assets*	17 231,7	4 959,3	1 594,4	1 559,3	6 807,6	945,1	33 097,3

*Assets includes other intangible assets and excludes assets under construction.

NOTE 4 Operating income

Amount in MNOK

Operating income for the Avinor Group consists of traffic income and commercial income. Traffic income include all charges related to the use of airports and services necessary to operate flights to/from and within Norway. Commercial income consists of income from the sale of goods and services and rental income.

The Avinor Group recognises revenues in accordance with IFRS 15 and IFRS 16.

Revenues from contracts with customers (IFRS 15).

Revenues from contracts with customers consists of traffic income and income from the sale of goods and services. The revenues are recognised to reflect the transfer of agreed goods or services to customers, to an amount to which the Group is expected to be entitled in exchange for these goods /services.

Traffic income

As regards traffic income, delivery obligations are fulfilled by the completion of the relevant flights. Traffic income consist of en route charges and airport charges.

- The en route charges are included in the Air Navigation segment and includes control and monitoring of flights in Norwegian airspace. The en route charge is considered a separate delivery obligation and is calculated on the basis of the weight of the aircraft combined with the distance flown.
- Airport charges are included in the airport operations segment and consists of:
 - o **takeoff charges** for the necessary services/infrastructure to be able to complete a flight from one of Avinor's airports. The takeoff charge is calculated on the basis of the weight of the aircraft.
 - o **terminal charges** for necessary infrastructure as well as the provision of services to passengers on arrival, departure, transit or connecting flights at Avinor's airports. The passenger tax is calculated on the basis of departure passengers on the flight.
 - o **security charges** for necessary services/infrastructure to be able to carry out security checks at Avinor's airports in accordance with applicable regulations. The security charge is calculated on the basis of the number of passengers less the number of transfer passengers on flight.
 - o **terminal navigation charges** for necessary services/infrastructure related to monitoring and control during takeoff, landing and aircraft movements to/from gate. The fee is calculated based on the weight of the aircraft.

Income from the sale of goods and services

Income from the sale of goods and services consists of income from other goods and services that Avinor supplies to airlines and other end-users. Major sources of income in this category are deliveries of aviation fuel in Svalbard, operation of fast-track and other transport services, delivery of networks and other IT services to tenants and deicing services at airports.

Rental income (IFRS 16)

Rental income consists of income from rental of property with fixed rental amounts or turnover-based remuneration based on signed lease agreements and reporting of turnover.

Rental contracts related to duty-free, parking, catering/kiosks/shops and other sale of goods are turnover-based agreements where turnover-based remuneration constitutes the substantial part of income while fixed remuneration constitutes a smaller part. The agreements have established thresholds for payment of minimum remuneration. Pure lease agreements for different tenants at airports are based on fixed remuneration. These agreements constitute a minor part of the rental income in the Avinor Group.

SPESIFICATION	APRIL-JUNE		JANUARY-JUNE		YEAR
	2024	2023	2024	2023	2023
Revenue from contracts with customers:					
En route charges	342,2	336,0	652,7	620,3	1 312,4
Takeoff charges	336,8	292,2	619,6	542,9	1 106,8
Terminal charges	356,5	320,2	640,0	581,2	1 217,8
Security charges	339,1	335,5	611,4	606,0	1 273,0
Terminal navigation charges	125,5	129,2	229,9	240,0	490,9
Total traffic income	1 500,2	1 413,0	2 753,5	2 590,3	5 400,8
Income from the sale of goods and services	239,9	262,0	441,4	435,1	914,5
Total revenue from contracts with customers	1 740,1	1 675,0	3 195,0	3 025,5	6 315,3
Rental income					
Duty free	657,3	633,0	1 109,7	1 041,8	2 342,8
Parking	285,7	263,0	503,8	491,1	1 029,4
Catering, kiosks and shops	250,1	228,3	446,7	402,2	858,6
Other	199,2	160,8	379,4	334,3	748,0
Total rental income	1 392,2	1 285,1	2 439,7	2 269,4	4 978,8
Other income (note 5)	14,9	87,8	19,5	209,2	219,6
Total operating income	3 132,3	2 960,1	5 654,1	5 504,1	11 513,7
Traffic income	1 500,2	1 413,0	2 753,5	2 590,3	5 400,8
Commercial income *	1 632,1	1 547,1	2 881,1	2 704,5	5 893,3
Other income (note 5)	14,9	87,8	19,5	209,2	219,6
Total operating income	3 147,2	3 047,9	5 654,1	5 504,1	11 513,7

* Commercial income consists of income from the sale of goods and services as well as rental income.

NOTE 5 Other income and other expenses

Amount in MNOK

Other income and other expenses include gains and losses on disposal of fixed assets and other intangible assets, government grants, insurance settlements, changes in environmental provisions, and restructuring costs.

Government grants

Government grants are recognised in accordance with IAS20 Accounting for Government Grants and Disclosure of Government Assistance. Public grants are recognised when there is reasonable certainty that the company will both meet the conditions associated with the grants and receive the grants.

Government grants related to the acquisition of assets are deducted when determining the carrying amount of the asset, while grants related to expenses incurred are presented in the income statement as part of the line other income. Grants recognised but not yet received are presented as receivables in the statement of financial position. Receivables from government grants beyond incurred expenses eligible for grants are not recognised. Grants received in excess of related expenses eligible for grants are presented as current liabilities in the statement of financial position.

See also note 12 regarding the construction of new airports in Bodø and Mo i Rana.

SPESIFICATION	APRIL-JUNE		JANUARY-JUNE		YEAR
	2024	2023	2024	2023	2023
Other income					
Profit from disposal of non-current assets	3,0	1,4	3,9	6,4	9,5
Government grants/refunds	11,9	7,9	15,6	14,4	21,6
Insurance settlement	-	78,5	-	188,5	188,5
Total other income	14,9	87,8	19,5	209,2	219,6
Other expenses					
Loss from disposal of non-current assets	(5,5)	(1,8)	(5,5)	(6,2)	(9,6)
Change in provision for environmental pollution (note 13)	(10,5)	(43,5)	(58,2)	(43,5)	42,6
Accrual severance packages	-	-	(25,0)	-	-
Total other expenses	(15,9)	(45,3)	(88,8)	(49,7)	33,0

The insurance settlement recognised in the income statement is entirely related to the construction of a new parking garage at Stavanger Airport to replace the parking garage that was completely damaged in a fire in January 2020. The new parking garage was opened on 15 June 2023.

Changes in environmental provisions recognised in the income statement consist of changes in liabilities and calculated net present value effects. Please refer to Note 13 for further information.

During the quarter of 2024, the Group's employees were informed that they can apply for a voluntary severance agreement or gift pension. Avinor has the right to decide on each individual application. The process has not been completed as of 30 June 2024. The provision recognised is based on the management's best estimate per presentation of the interim report.

NOTE 6 Property, plant and equipment and other intangible assets

Amount in MNOK

	OTHER INTANGIBLE ASSETS	PROPERTY, PLANT AND EQUIPMENT	ASSETS UNDER CONSTRUCTION	RIGHT OF USE ASSETS	TOTAL
Net book amount 1 January 2023	531,7	34 373,9	4 097,7	504,6	39 507,9
Additions	-	-	1 420,3	-	1 420,3
Reclassification *	101,1	539,7	(640,8)	-	-
Disposals	(0,4)	(9,8)	-	(134,2)	(144,3)
Depreciation charge	(33,5)	(1 049,9)	-	(29,0)	(1 112,4)
Net book amount 30 June 2023	599,0	33 853,9	4 877,1	341,4	39 671,4
Classified as intangible	599,0	-	1 009,8	-	1 608,8
Net book amount 1 January 2024	607,7	34 468,4	4 693,7	327,6	40 097,5
Additions	-	-	1 351,7	-	1 351,7
Reclassification *	42,1	528,5	(570,6)	-	-
Disposals	-	(6,3)	-	-	(6,3)
Depreciation charge	(38,0)	(1 072,5)	-	(20,0)	(1 130,5)
Net book amount 30 June 2024	611,8	33 918,2	5 474,8	307,7	40 312,5
Classified as intangible	611,8	-	1 227,7	-	1 839,4

* Completed assets under construction are reclassified to the relevant asset categories.

NOTE 7 Impairment of property, plant and equipment & intangible assets

Amount in MNOK

Avinor has significant investments in infrastructure, buildings and other real estate required to own, operate and develop airport operations and air navigation services. Avinor has defined two cash-generating units: airport operations and air navigation services. For the airport operation, Avinor's financial model is based on the authorities' mandate of full co-financing between profitable and unprofitable airports, and that commercial profits will subsidise airport charges (the "single till" principle). Based on this, the Group's total airport operations are defined as one cash-generating unit.

Impairment indicators are assessed at each reporting date for individual assets and cash-generating units, and impairment testing is performed if any indicators have been identified. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a discount rate based on the weighted average capital cost (WACC) rate. The WACC reflects current market assessments of time value of money and risks specific for the asset or the cash-generating unit to which the asset belongs.

The cash-generation unit of airport operations is sensitive to changes in traffic patterns. Both the digitalisation trend that emerged during the Covid pandemic, in particular for business travellers, and increased attention on climate, environment, and sustainability, imply a risk of permanent changes in travel habits. This may result in fewer passengers or lower traffic growth than anticipated, leading to lower revenues for the Group's airport operations. The geopolitical and economic developments in the world add to further uncertainties in projections for future traffic and revenues. At 30 June 2024, the risk of a permanent reduction in the number of passengers with corresponding lower revenues is considered to be an impairment indicator for the airport operations.

The cash-generating unit navigation services is not to the same extent sensitive to changes in traffic patterns as the regulations of en-route charges are designed to support, over time, coverage of actual costs in Avinor and a required rate of return, subject to certain performance measures being met. At 30 June 2024, it is considered that there are no impairment indicators for the air navigation services.

Key judgements and estimates for airport operations

As a result of identified impairment indicators for the airport operations CGU, an updated impairment test has been carried out as of 30 June 2024. The impairment test takes into consideration the updated forecasts for traffic development, which is the basis for estimated future airport charges, commercial revenues, costs and required investments level. It is assumed that the government will ensure Avinor has a future sustainable financial model which will support the carrying asset values. In a letter to Avinor dated 16 November 2023, the Minister of Transport has confirmed that the Government recognises the demanding financial situation in Avinor and outlines relevant measures the Government intends to work on to contribute to a lasting, annual improvement in results. In this context, an independent strategic, financial, and managerial company review of Avinor has been conducted on behalf of the Ministry of Transport from February to April 2024. The company review did not reveal any issues that contradict the already established dialogue with the government regarding Avinor's long-term financial conditions. The company review will serve as a basis for the specific measures for the Government to consider strengthening the financial position of Avinor.

The airport operation are carried out entirely in Norway. To estimate the value-in-use, the present value of future cash flows is estimated in NOK and discounted based on a relevant WACC rate for the airport operations. July 2024 to 2029 is used as the forecast period in the impairment test. From the terminal year in 2030, it is assumed that revenues and costs have a fixed growth factor. The value-in-use is calculated as the total of the discounted cash flows in the forecast period and the terminal value.

Most of the value-in-use for airport operations is derived from the terminal value. Hence, assumptions applied in the terminal value are considered the most critical ones for the impairment test. These are set out below and represent management's best estimate of the likely outcome:

KEY ASSUMPTIONS	AIRPORT OPERATION
Key assumptions	
Number of passengers terminal year 2030 (millions)	57,0
Result improvement terminal year 2030 (NOK billion) *	1,7
Growth in terminal value	2,0 %
Post-tax rate of return requirement	5,9 %

* Improvement in operating result in 2030 in excess of estimated result with consumer price index adjustment of the airport charges for 2024. The improvement in results is necessary to have a reasonable return on invested capital. The improvement in results is assumed realised through an increase in airport charges, changes in commercial conditions in general and/or other measures to improve results that may reduce the need for an increase in airport charges.

Key assumptions for the value-in-use of the airport operations

Number of passengers in terminal year 2030

The number of passengers of 57.0 million in 2030 is estimated based on Avinor's traffic projections in the forecast period and a projected growth of 2 per cent as of the terminal year. The estimated traffic development from July 2024 is based on Avinor's internal analysis, and thereafter the expected annual traffic growth for the years 2025-2029 based on forecasts prepared by The Institute of Transport Economics (TØI). Expected increase in CO₂-costs (affecting both charges and quota prices) are included in the forecasts from TØI. Avinor's forecast for 2024 is based on registered route schedules from the airlines, the latest development in traffic numbers and an assessment of how macroeconomic conditions are expected to influence the traffic numbers in 2024. For the years 2025 to 2029, the traffic growth from the most recent forecast prepared by TØI has been used, but then with Avinor's own traffic analysis for 2024 as the starting point for annual growth in the years 2025 to 2029.

Result improvement terminal year 2030

Based on the forecast as of 30 June 2024, Avinor has calculated a need for a result improvement, including increased airport charges, of around NOK 1.7 billion in the terminal year in excess of what revenues would have been with consumer price index adjustments of the 2024 airport charges. For the years 2025 to 2029, the corresponding total cumulative effect of the assumed improvement in profit in the cash flow forecasts is in the order of NOK 7.6 billion, distributed over the various years.

The necessary result improvement can be realised through a combination of measures such as higher increase in airport charges than inflation, improved commercial conditions, payments for services that Avinor provides to other governmental departments and continued operating efficiency improvements in Avinor. Of these measures, increased airport charges is the most significant one. Airport charges shall be regulated according with the "single till" principle (commercial revenues are incorporated when determining the airport charges). This implies that Avinor, over time, should achieve a result margin in line with the owners' required rate of return, and that the airport charges should be set accordingly.

As the assumed need for improvement in earnings indicates a significant increase from the current level of airport charges, Avinor has been in dialogue with the state since the second half of 2023 about possible adjustments to the commercial conditions that can reduce the need for an increase in airport charges. Based on this dialogue, Avinor assumes that the necessary increase in airport charges will be implemented to ensure that Avinor is self-financed. Additionally, it is expected that other measures will be implemented to Avinor's operating conditions which will improve the cash flows, reduce the increase in airport charges and ensuring that the total burden of charges on the airlines remains reasonable. The letter to the Board from the Ministry of Transport dated 16 November 2023 supports the assumptions applied in Avinor's impairment test.

Growth rates in terminal value

Cash flows in the terminal value is extrapolated with an eternal growth of 2 per cent based on expectations in future travel activity and inflation. Investments in the terminal value is set to give a yearly increase in invested capital of approximately 2 per cent.

Discount rate after tax

The discount rate after tax of 5.9 per cent (7.5 per cent before tax) as of 30 June 2024 is based on market expectations for risk-free interest rates and debt rates, as well as an assessment of the return on equity expected for this type of business.

Conclusion regarding impairment test of airport operations

The impairment test performed as of 30 June 2024 shows that the value-in-use exceeds the carrying value of assets. Consequently, the Group has concluded that no impairment of assets for the cash-generating unit airport operations shall be recognised as of 30 June 2024.

Sensitivity analysis for the impairment test of airport operations

The impairment test is sensitive to changes in the key assumptions. Should the Management's best estimates not be met, it could lead to significant impairment losses. In particular, the value-in-use will be adversely affected if Avinor's improvement in earnings, including airport charges, is not adjusted as assumed in accordance with the "single till" principle. Improved results of only 50 per cent of the cash flows used in the forecast period and terminal value, would imply a negative change of the value-in-use of approximately NOK 12.8 billion and impairment requirements of assets of approximately NOK 9.9 billion. If no result improvement, the negative change in value-in-use would have been NOK 25.6 billion, resulting in impairments of NOK 22.8 billion.

In addition, sensitivity analyses have been carried out based on other key assumptions that is considered by the management to be reasonable likely downside scenarios. The analyses have been prepared to illustrate the uncertainty in management's assessments.

The calculation shows the value-in-use changes and the necessary result improvement in terminal value, beyond what is required and already included in the key assumption necessary to support the carrying values in the different scenarios. Changes in operating conditions or other profit increasing measures, like payments for services provides to other governmental departments by Avinor or reduced service levels, can reduce the need for an increase in airport charges. In the scenarios assuming reduced growth in terminal value, the level of investments is kept unchanged compared to the level used in the impairment test.

Furthermore, as an illustration, the estimated impairment is shown as if Avinor were only able to cover 50 per cent of the necessary amount in excess of NOK 1.7 billion annually through profit improvements, including airport fees, in the terminal value.

IMPAIRMENT TESTS - RESULTS		VALUE	CHANGE IN VALUE	NEEDED RESULT IMPROVEMENT	IMPAIRMENT IF 50 PER CENT OF NEEDED RESULT IMPROVEMENT
Passengers terminal year (millions)					
Change number of passengers terminal year					
0 %	57,0	40 979	-	-	-
- 5 %	54,2	32 065	(8 914)	405	3 011
- 10 %	51,3	23 151	(17 828)	1 000	7 403
Growth in terminal value					
Change growth in terminal value					
0,0 %	2,0 %	40 979	-	-	-
- 0,5 %	1,5 %	36 697	(4 284)	110	707
- 1,0 %	1,0 %	33 295	(7 684)	410	2 375
Rate of return requirement					
Change in post-tax required rate of return requirement					
0,0 %	5,9 %	40 979	-	-	-
+ 0,5 %	6,4 %	36 145	(4 834)	155	981
+ 1,0 %	6,9 %	32 313	(8 666)	510	2 897

NOTE 8 Pensions*Amount in MNOK*

Avinor uses pension assumptions prepared by the Norwegian Accounting Standards Board as a starting point when calculating pension liabilities. The latest update from the Norwegian Accounting Standards Board was as of 31 December 2023.

Financial assumptions used to calculate the Group's pension liabilities represent management's best estimate of long-term future levels of return and remuneration.

ASSUMPTIONS USED TO CALCULATE THE GROUP'S PENSION LIABILITIES	30 JUNE		31 DECEMBER
	2024	2023	2023
Discount rate and future return on plan assets	3,30 %	3,20 %	3,30 %
Future salary increases	3,50 %	3,50 %	3,50 %
Future pension increases	2,80 %	2,60 %	2,80 %
Future increases in the social security base rate (G)	3,25 %	3,25 %	3,25 %

PENSION OBLIGATION	30 JUNE		31 DECEMBER
	2024	2023	2023
Net pension obligation at 1. January	5 207,7	5 313,9	5 313,9
Pension cost	200,7	203,3	347,3
Payment of pensions and premiums (incl. soc. sec. cost)	(150,0)	(94,7)	(870,9)
Actuarial gains/losses	(220,9)	(74,9)	417,4
Net pension obligation at the end of the period	5 037,4	5 347,6	5 207,7

In addition to the pension costs in the table above, a defined contribution pensions cost of NOK 104.7 million has been recognised for the period January-June 2024 (NOK 89.7 million in the corresponding period in 2023), as well as costs for private AFP of NOK 25.1 million (NOK 12.7 million in 2023).

NOTE 9 Borrowings and lease liabilities*Amount in MNOK*

	30 JUNE		31 DECEMBER
	2024	2023	2023
Long term borrowings and lease liabilities	23 952,4	22 320,3	22 181,2
Short term borrowings and lease liabilities	5 220,4	1 769,6	2 374,6
Total	29 172,8	24 089,9	24 555,8
Movement in borrowings and lease liabilities			
Opening net book amount	24 555,8	22 259,0	22 259,0
Proceeds from borrowings	5 780,9	-	-
Repayment of borrowings	(485,7)	(485,8)	(966,4)
Reduction of lease liabilities	(18,9)	(25,7)	(54,1)
Proceeds from short term borrowings (commercial papers)	1 650,0	1 499,9	3 000,0
Repayment of short term borrowings (commercial papers)	(2 000,0)	(750,0)	(1 500,1)
Net changes in borrowings	4 926,3	238,4	479,4
Other changes in lease liabilities	8,8	(139,0)	(122,6)
Changes in value	¹⁾ (318,1)	1 731,5	1 940,0
Closing net book amount	29 172,8	24 089,9	24 555,8

¹⁾ Changes in debt as a result of changes in the EUR/NOK exchange rate are neutralised by Avinor having purchased currency hedging instruments for the entire debt in foreign currency.

Overdraft facilities

Avinor Group has a revolving overdraft facility in the amount of NOK 4 000 million (maturity 2026) and an overdraft facility of NOK 300 million linked to the Group bank account arrangement in Nordea Bank. There have never been withdrawals made on these facilities.

NOTE 10 Financial instruments

Amount in MNOK

Fair value estimation

The fair value of interest rate swaps, foreign exchange forward contracts and power price derivatives are based on market value at the balance sheet date.

The carrying amount of cash and bank overdrafts is approximately equal to the fair value due to the short maturity of these instruments. Similarly, the carrying amount of trade payables is approximately equal to fair value as they are entered into under "normal" conditions. This also applies to accounts receivables except for customer relationships where there are significant overdue, unpaid outstanding and where outstanding receivables are valued at fair value. 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 risk. The fair value of commercial papers is set equal to the principal amount.

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

FAIR VALUE ESTIMATION

	30 JUNE 2024		30 JUNE 2023		31 DECEMBER 2023	
	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Interest-bearing debt						
State loan	83,3	82,0	527,7	511,9	305,5	298,7
Bonds	24 462,9	23 022,4	18 791,4	17 043,1	19 000,2	17 902,6
Bank borrowings	3 088,4	3 083,1	3 615,5	3 581,3	3 351,9	3 345,3
Commercial papers	1 150,0	1 150,0	750,0	750,0	1 499,9	1 501,7
Other long-term debt	48,8	48,8	35,0	35,0	40,0	40,0
Lease liabilities	339,4	339,4	370,3	370,3	358,3	358,3
Total	29 172,8	27 725,7	24 089,9	22 291,6	24 555,8	23 446,7

DERIVATIVE FINANCIAL INSTRUMENTS

	30 JUNE		31 DECEMBER
	2024	2023	2023
Assets			
Interest rate swaps	2 466,6	2 607,2	2 624,8
Forward foreign exchange contracts	8,3	23,8	23,1
Total assets	2 474,8	2 631,0	2 647,9
Liabilities			
Interest rate swaps	1 107,5	1 045,6	734,5
Forward foreign exchange contracts	0,1	1,5	0,1
Forward energy contracts	56,7	1,5	25,4
Total liabilities	1 164,3	1 048,7	760,0

Fair value valuation method

The tables below show fair value by valuation method. The different levels are defined as follows:

- Quoted price in an active market for an identical asset or liability (level 1)
- Valuation based on observable factors either directly (price) or indirectly (derived from prices) other than the quoted price (used in level 1) of the asset or liability (level 2)
- Valuation based on factors not derived from observable markets (unobservable assumptions (level 3))

Overview over the Group's assets and liabilities measured at fair value:

AT 30 JUNE 2024	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Derivatives at fair value through profit or loss		8,3		8,3
Derivatives used for hedging		2 466,6		2 466,6
Total assets	-	2 474,8	-	2 474,8

Liabilities				
Derivatives at fair value through profit or loss		7 466,1		7 466,1
Derivatives used for hedging		1 107,5		1 107,5
Total liabilities	-	8 573,5	-	8 573,5

AT 30 JUNE 2023	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Derivatives at fair value through profit or loss		23,8		23,8
Derivatives used for hedging		2 607,2		2 607,2
Total assets	-	2 631,0	-	2 631,0

Liabilities				
Derivatives at fair value through profit or loss		2 963,6		2 963,6
Derivatives used for hedging		1 045,6		1 045,6
Total liabilities	-	4 009,1	-	4 009,1

AT 31 DECEMBER 2023	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Derivatives at fair value through profit or loss		23,1		23,1
Derivatives used for hedging		2 624,8		2 624,8
Total assets	-	2 647,9	-	2 647,9

Liabilities				
Derivatives at fair value through profit or loss		3 123,9		3 123,9
Derivatives used for hedging		734,5		734,5
Total liabilities	-	3 858,4	-	3 858,4

NOTE 11 Trade and other receivables & other current liabilities*Amount in MNOK*

SPECIFICATION OF TRADE AND OTHER RECEIVABLES & OTHER CURRENT RECEIVABLES

	30 JUNE		31 DECEMBER
	2024	2023	2023
Trade and other receivables			
Trade receivables	1 347,0	1 332,7	1 278,1
Accrued income	192,6	83,3	68,3
Prepaid expenses	162,9	150,3	108,2
Receivables grants new airports (note 12)	430,8	461,1	110,7
Other short-term receivables	469,3	47,2	75,5
Total trade and other receivables	2 602,7	2 074,6	1 640,8

	30 JUNE		31 DECEMBER
	2024	2023	2023
Other current liabilities			
Wages and social security (incl. holiday allowance)	556,3	511,7	419,9
Accrued operating and investment costs	1 052,4	870,2	901,8
Accrued interest costs	265,3	213,1	319,7
Advance from customers	162,0	146,2	193,8
Other short-term liability	173,0	3,8	-
Total other current liabilities	2 208,9	1 744,9	1 878,8

NOTE 12 Major construction projects

New airport Bodø

In December 2021, the Norwegian parliament approved the construction of a new airport in Bodø. The project involves moving the current airport to free up areas for further development of the city. The new airport is scheduled to be put into operation in 2029-2030. The project is financed by Avinor, the state and Bodø municipality.

The construction of the new airport is carried out by two turnkey contracts with collaboration: "Airside facility" and "Terminal building". The airside facility contract was awarded to Peab Anlegg in June 2023 and signed at the start of July 2023. After completing phase 1 (development/optimisation), Avinor and Peab Anlegg have reached agreement on the target price and the contract for phase 2 (implementation phase) was signed in April 2024. The contract for terminal building has been awarded to HENT and was signed in April 2024, which initiates phase 1 of the contract (development/optimisation).

For a more detailed description of the project, including agreed financial limits and financing, reference is made to Avinor's Annual and Sustainability Report 2023. Grants/contributions from the state are accounted for in accordance with IAS 20 ("Accounting for Government Grants and Disclosure of Government Assistance").

Financial status

Specification of how New Airport Bodø is reflected in the financial statements as of first quarter 2019 excluding purchase of premises:

			APRIL-JUNE		ACCUMULATED	
	PRESENTATION IN INCOME STATEMENT/STATEMENT OF FINANCIAL POSITION	NOTE	2024	2023	2019-2024	2019-2023
Capitalised project expenses						
Gross capitalised project expenses	Asset under construction	6	165,3	44,8	511,4	156,5
Reduction due to recognition of grants	Asset under construction	6	(165,3)	(44,8)	(511,4)	(156,5)
Net capitalised project expenses			-	-	-	-
Project expenses recognised in the income statement						
Project expenses recognised	Operating expenses		1,4	2,3	156,1	145,5
Grants recognised	Other operating income	5	(1,4)	(2,3)	(156,1)	(145,5)
Net project expenses in the income statement			-	-	-	-
Total project expenses						
Accrued project expenses			166,7	47,1	667,5	302,1
Grants recognised			(166,7)	(47,1)	(667,5)	(302,1)
Net total project expenses			-	-	-	-
Receivables related to grants - end of period						
Grants recognised - accumulated					667,5	302,1
Grants received - accumulated					(543,3)	-
Receivables grants - end of period	Receivables	11			124,2	302,1

New airport Mo i Rana

In June 2021, the Norwegian parliament approved the construction of a new airport in Mo i Rana, which will replace the current airport at Røssvoll. The new airport will be financed by the state as well as contributions from Rana municipality and local businesses.

For a more detailed description of the project, including agreed financial limits and financing, reference is made to Avinor's Annual and Sustainability Report 2023. Grants/contributions from the state are accounted for in accordance with IAS 20 ("Accounting for Government Grants and Disclosure of Government Assistance").

Financial status

Specification of how New Airport Mo i Rana is reflected in the financial statements:

			APRIL-JUNE		ACCUMULATED	
	PRESENTATION IN INCOME STATEMENT/STATEMENT OF FINANCIAL POSITION	NOTE	2024	2023	2019-2024	2019-2023
Capitalised project expenses						
Gross capitalised project expenses	Asset under construction	6	315,0	123,5	1 360,2	365,9
Reduction due to recognition of grants	Asset under construction	6	(315,0)	(123,5)	(1 360,2)	(365,9)
Net capitalised project expenses			-	-	-	-
Project expenses recognised in the income statement						
Project expenses recognised	Operating expenses		1,9	1,8	55,2	47,1
Grants recognised	Other operating income	5	(1,9)	(1,8)	(55,2)	(47,1)
Net project expenses in the income statement			-	-	-	-
Total project expenses						
Accrued project expenses			316,9	125,3	1 415,4	413,0
Grants recognised			(316,9)	(125,3)	(1 415,4)	(413,0)
Net total project expenses			-	-	-	-
Receivables related to grants - end of period						
Grants recognised - accumulated					1 415,4	413,0
Grants received - accumulated					(1 108,8)	(254,0)
Receivables grants - end of period	Receivables	11			306,6	159,0

NOTE 13 Contingent outcomes and uncertain liabilities/estimates

Equity according to the articles of association

Article 5 of Avinor's Articles of Association sets out limitations for financing: "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 net long-term interest-bearing debt plus equity". Lease liabilities are not included in the net interest-bearing debt when the calculating net debt to equity ratio set in the Articles of Association.

At an extraordinary general meeting on 18 December 2023, the Group was granted a time-limited permit to deviate from Article 5 of the Articles of Association from an equity requirement of at least 40 per cent to a minimum of 35 per cent. The general meeting's resolution is valid until 31 December 2024.

External environment

In accordance with requirements from the Norwegian Environment Agency, a preliminary survey of possible environmental obligations related to PFAS pollution (fire foam) was carried out in 2019 at Avinor airports (except for Evenes airport, Kristiansand airport, Oslo airport and Svalbard airport where there are already ongoing cases).

PFAS are fluor-organic compounds that were previously legally added to firefighting foam. This has been spread to the ground at the airports and the pollution can pose an environmental and health risk. In recent years, Avinor has received demands from the Norwegian Environment Agency with requirements for mapping, preparation of action plans and implementation of clean-up measures. Supplementary surveys and mappings of soil, water, sediment and biota have been carried out at priority sites.

Avinor has booked a provision for future environmental obligations. There is inherent uncertainty in the allocation, as the preparation of action plans and the implementation of clean-up projects at Avinor's airports may be more extensive than the current best estimate. In addition, there is uncertainty related to limit values for clean-up, areas, mass and volume that are contaminated. Similarly, new information and new methods of action may enable clean-up at some airports at a lower cost. This will require acceptance from the Norwegian Environment Agency. Avinor is actively working to reduce uncertainties by delimiting the contaminants, maintaining a close dialogue with companies who can offer more cost-effective mitigation methods and testing of new methods.

The provision for future environmental clean-up costs is based on the management's at any time best cost estimate for the specific sites and is calculated at present value to reflect that the clean-up work is carried out over time.

CHANGE IN PROVISION FOR ENVIRONMENTAL CLEAN UP

AMOUNT IN MNOK	30 JUNE		31 DECEMBER
	2024	2023	2023
Provision at 1 January	842,9	1 006,9	1 006,9
Change in accrual due to new information	76,9	43,5	13,5
Effect present value calculation	(18,7)	-	(56,1)
Performed clean up	(27,2)	(37,3)	(121,4)
Provision at the end of the period	873,9	1 013,1	842,9

New act on public occupational scheme

The new Act on public occupational pension scheme, with effect from 1 January 2020, was adopted by the Norwegian Parliament (Stortinget) in June 2019. The accounting consequences of the new law are, to the extent there are sufficient basis, recorded as of 30 June 2024. Regulation related to a new AFP scheme and special retirement pension are not included in the new law.

From 2025 it is decided that early retirement scheme (AFP) in public sector will be changed to a lifelong supplement scheme that comes in addition to the national pension scheme. This will apply to both public and private retirement schemes.

The Government and the parties in public sector have reached an agreement regarding new rules for employees with special age limits. The entire rules for calculation and financing of the new early retirement schemes and retirement schemes for employees with special age limits are not complete. Therefore, the full accounting consequences of the new regulation cannot be calculated until the final regulation have been adopted. No decision has been made yet on how Avinor will address the new regulations for employees who are not formally affiliated with the public pension scheme.

NOTE 14 Events after the reporting period

There have been no events in the period after 30 June 2024 that affect the interim financial report for the second quarter and the first half of 2024.

Statement from the Board of Directors and the CEO

We confirm to the best of our knowledge that:

- The interim report, which covers the period 1 January to 30 June 2024, has been prepared in accordance with IAS 34 Interim Financial Reporting, and that the information in the report gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss as a whole.
- The interim report for the period 1 January to 30 June 2024 provides a true and fair view of important events in the accounting period and their impact on the interim financial statements, as well as a description of the most important risks and uncertainties facing the Group in the next accounting period.

Oslo, 28 August 2024
The Board of Directors of Avinor AS

Tone Wille
Chair of the Board

Ola H. Strand
Vice-chair

Rolf G. Roverud
Director

Inger Lise Strøm
Director

Fridtjof Berents
Director

Mari Halvorsen Sundgot
Director

Heidi Anette Sørum
Director

Sverre Ivar Elsbak
Director

Abraham Foss
CEO

Alternative performance measures (APM)

Avinor prepares group accounts in accordance with International Financial Reporting Standards (IFRS) as determined by the EU. Alternative performance measures are target figures that are not defined or specified in IFRS. Avinor uses alternative performance measures to provide supplementary information on operations and financial position. The alternative performance measures are consistently calculated over time and derived from financial figures calculated in accordance with IFRS.

OPERATING PROFIT BEFORE DEPRECIATION, AMORTISATION AND IMPAIRMENT CHARGES/ EBITDA

The profit target shows profit before financial items, tax, depreciation, amortisations and write-downs.

Avinor uses EBITDA as an alternative performance measure, as this is an approach to calculating free cash flow from operations.

EBITDA can be directly reconciled against and is specified on a separate line in the income statement.

ADJUSTED OPERATING REVENUES, OPERATING EXPENSES, EBITDA AND OPERATING PROFIT

As of the second quarter of 2024, Avinor shows operating revenues, operating expenses, EBITDA and operating profit adjusted for other income/expenses as shown below. Comparison periods are calculated correspondingly.

ADJUSTED OPERATING INCOME, OPERATING EXPENSES, EBITDA AND OPERATING PROFIT	SOURCE	APRIL-JUNE		JANUARY-JUNE		31 DECEMBER
		2024	2023	2024	2023	2023
Adjusted operating income						
Total operating income	Income statement	3 147,2	3 047,9	5 654,1	5 504,1	11 513,7
Other income (note 5)	Income statement	(14,9)	(87,8)	(19,5)	(209,2)	(219,6)
Total adjusted operating income		3 132,3	2 960,1	5 634,6	5 294,8	11 294,1
Adjusted operating expenses						
Total operating expenses	Income statement	(1 861,3)	(2 101,6)	(4 046,2)	(4 097,9)	(7 954,3)
Other expenses (note 5)	Income statement	15,9	45,3	88,8	49,7	(33,0)
Refund employer's national insurance contribution (note 3)		(230,7)	-	(230,7)	-	
Total adjusted operating expenses		(2 076,1)	(2 056,3)	(4 188,1)	(4 048,2)	(7 987,2)
Adjusted EBITDA						
		1 056,2	903,8	1 446,5	1 246,6	3 306,9
Depreciation, amortisation and impairment charges	Income statement	(566,3)	(553,1)	(1 130,5)	(1 112,4)	(2 256,9)
Adjusted operating profit		489,9	350,7	316,0	134,3	1 049,9

INTEREST-BEARING DEBT

Avinor uses interest-bearing debt as an alternative performance measure to provide information on the level and development of interest-bearing debt in the Group.

		30 JUNE		31 DECEMBER
CALCULATION AND RECONCILIATION OF INTEREST-BEARING DEBT	SOURCE	2024	2023	2023
Long term interest-bearing debt				
State loan	Statement of financial position	-	83,3	-
Other non-current loans	Statement of financial position	23 653,7	21 914,9	21 865,0
Lease liabilities	Statement of financial position	298,7	322,2	316,2
Total long term interest-bearing debt		23 952,4	22 320,3	22 181,2
Short term interest-bearing debt				
Commercial papers	Statement of financial position	1 150,0	749,9	1 499,9
First annual installment on long-term liabilities	Statement of financial position	4 029,7	971,5	832,6
Lease liabilities	Statement of financial position	40,7	48,1	42,1
Total short term interest-bearing debt		5 220,4	1 769,6	2 374,6
Interest-bearing debt		29 172,8	24 089,9	24 555,8

NET INTEREST-BEARING DEBT

Net interest-bearing debt is the starting point for calculating the equity ratio which is the basis for equity covenants in loan agreements and the company's articles of association.

CALCULATION AND RECONCILIATION OF NET INTEREST-BEARING DEBT	SOURCE	30 JUNE		31 DECEMBER
		2024	2023	2023
Interest-bearing debt	APM	29 172,8	24 089,9	24 555,8
Interest swaps - liabilities	Note 10	1 107,5	1 045,6	734,5
Interest swaps - assets	Note 10	(2 466,6)	(2 607,2)	(2 624,8)
Cash and cash equivalents	Statement of financial position	(5 507,0)	(891,6)	(1 423,3)
Net interest-bearing debt		22 306,7	21 636,7	21 242,2

EQUITY COVENANTS LOAN AGREEMENTS

Avinor provides information about the equity ratio related to loan agreements to inform about the company's compliance with covenants that lenders have set in connection with loans granted to Avinor.

Equity covenants are specified in loan agreements with the European Investment Bank, the Nordic Investment Bank and on unused credit facilities. According to the loan agreements, the Group must have an equity ratio that does not fall below 30 per cent of total equity and net interest-bearing debt.

CALCULATION AND RECONCILIATION OF EQUITY RATIO LOAN AGREEMENTS	SOURCE	30 JUNE		31 DECEMBER
		2024	2023	2023
Equity	Statement of financial position	13 522,6	13 299,3	13 461,4
Net interest-bearing debt	APM	22 306,7	21 636,7	21 242,2
Total equity and interest-bearing debt		35 829,3	34 935,9	34 703,6
Equity ration loan agreements *		37,7 %	38,1 %	38,8 %

* Equity as a percentage of total equity and net interest-bearing debt

EQUITY RATIO (ACCORDING TO ARTICLE 5 OF THE COMPANY'S ARTICLES OF ASSOCIATION)

In paragraph 5 of the articles of association, Avinor has an explicit requirement for an equity ratio, which is referred to as the equity ratio according to the company's articles of association.

Avinor uses the equity ratio according to the company's articles of association as an alternative performance measure as this is a key figure for assessing the Group's solidity and external borrowing capacity.

Paragraph 5 of the articles of association: Long-term loans for financing fixed assets can only be entered into within limits that ensures that the Group's equity does not fall below 40 per cent of the sum of the Group's net interest-bearing debt and equity at any time. When entering into long-term loan agreements, a pledge cannot be placed on certain assets in Avinor AS or subsidiaries that are part of the Group's core operations.

The accounting standard for calculating lease liabilities related to financial leases (IFRS 16) was implemented after paragraph 5 of the articles of association was established. In the management's opinion, implementation of new accounting standards should not affect the equity ratio according to the company's articles of association, and thus rental liabilities are subtracted from net interest-bearing debt when calculating the equity ratio.

CALCULATION AND RECONCILIATION OF EQUITY RATIO ACCORDING TO THE COMPANY'S ARTICLES OF ASSOCIATION	SOURCE	30 JUNE		31 DECEMBER
		2024	2023	2023
Net interest-bearing debt	APM	22 306,7	21 636,7	21 242,2
Lease liabilities, long term	Statement of financial position	(298,7)	(322,2)	(316,2)
Lease liabilities, short term	Statement of financial position	(40,7)	(48,1)	(42,1)
Net interest-bearing debt - exclusive lease liabilities		21 967,3	21 266,4	20 883,9
Equity	Statement of financial position	13 522,6	13 299,3	13 461,4
Total equity and net interest-bearing debt - exclusive lease liabilities		35 489,9	34 565,6	34 345,3
Equity ratio (according to article 5 of the company's Articles of Association) *		38,1 %	38,5 %	39,2 %

* Equity as a percentage of total equity and net interest-bearing debt - exclusive lease liabilities

EQUITY RATIO

Avinor uses equity ratio as an alternative performance measure to provide information about the Group's solvency.

CALCULATION AND RECONCILIATION OF EQUITY RATIO	SOURCE	30 JUNE		31 DECEMBER
		2024	2023	2023
Equity	Statement of financial position	13 522,6	13 299,3	13 461,4
Total equity and liabilities	Statement of financial position	52 895,7	47 358,6	47 814,5
Equity ratio		25,6 %	28,1 %	28,2 %

CASH FLOW BEFORE CHANGES IN DEBT

Avinor uses cash flow before changes in debt as an alternative performance measure to provide information on the level of cash flows that are generated excluding the effects of increasing or reducing debt. This provides information on the Group's liquidity development before repayments on loans and gives an indication of the need for additional capital through borrowing.

CALCULATION AND RECONCILIATION OF CASH FLOW BEFORE CHANGES IN DEBT	SOURCE	30 JUNE		31 DECEMBER
		2024	2023	2023
Net cash flow from operating activities	Statement of cash flows	1 311,9	1 289,9	3 353,8
Net cash flow from investing activities	Statement of cash flows	(1 642,1)	(1 356,8)	(2 800,4)
Interest paid	Statement of cash flows	(512,3)	(468,4)	(798,1)
Cash flow before changes in debt		(842,5)	(535,3)	(244,6)

NON-FINANCIAL MEASURES

Avinor also uses non-financial measures to provide information on operations. Non-financial measures are not derived from financial measures calculated in accordance with IFRS. Non-financial measures are consistently defined over time. Key non-financial measures are described below.

Regularity

Regularity indicates the proportion of scheduled flights that are actually carried out.

Punctuality

Punctuality indicates the proportion of flight departures that were on schedule or less than 15 minutes late.



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