

INTERIM FINANCIAL REPORT

Q1 2015

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 AVINOR

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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 46 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 3,300 employees and annual operating revenues of NOK 10 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	First quarter		Year
	2015	2014	2014
Traffic income	687,1	719,2	3 114,7
Security (cost based)	252,9	262,6	1 183,7
Sales and rental income - duty free	489,7	453,5	2 524,2
Sales and rental income - parking	191,9	196,4	880,3
Sales and rental income - other	435,3	417,7	1 691,3
Inter-group income	36,2	38,6	167,3
Total income airport operations	2 093,1	2 088,1	9 561,5
En route charges	237,7	232,3	1 008,2
Inter-group income approach and control tower services	191,5	188,9	772,4
Other income	55,2	48,4	234,3
Total income air navigation services	484,4	469,6	2 014,8
Other group income (a)	209,7	163,6	664,3
Elimination of inter-group income	-436,3	-385,3	-1 569,5
Total group income	2 350,9	2 336,0	10 671,0
Operating expenses airport operations (a)	-1 523,5	-1 466,8	-5 934,9
Operating expenses air navigation services	-500,8	-484,7	-1 728,6
Other operating expenses group	-271,1	-233,1	-928,8
Elimination of inter-group expenses	436,3	385,3	1 569,5
Total group expenses	-1 859,1	-1 799,3	-7 022,8
EBITDA airport operations	569,6	621,3	3 626,6
EBITDA air navigation services	-16,4	-15,1	286,2
EBITDA others	-61,4	-69,5	-264,5
EBITDA group	491,8	536,7	3 648,3
Depreciation, amortisation and impairment charges	-334,7	-325,1	-1 340,2
Changes in value and other (losses)/gains, net	-14,5	-7,6	-2,8
Operating profit/(loss)	142,6	204,2	2 305,3
Net finance income/(costs)	-91,0	-102,2	-368,6
Profit/(loss) before income tax	51,6	102,0	1 936,7
Income tax expense	-14,4	-27,6	-538,0
Profit/(loss) after tax	37,2	74,4	1 398,7
EBITDA-margin airport operations	27,2 %	29,8 %	37,9 %
EBITDA-margin air navigation services	-3,4 %	-3,2 %	14,2 %
EBITDA-margin others	20,9 %	23,0 %	34,2 %
Investments airport operations	1 102,6	697,9	4 195,3
Investments air navigation services	31,7	26,2	202,3
Investments others	79,0	86,1	314,1
Total investments	1 213,3	810,2	4 711,7
Distributed dividends	-	-	-445,4
Cash flow before borrowings	-1 164,5	-622,6	-2 093,5
Net interest-bearing debts	16 270,1	15 635,6	15 290,4
Total assets	34 559,5	32 834,0	33 736,5
Equity ratio	35,6 %	36,6 %	36,2 %
Return on total capital after tax			6,4 %
Number of passengers (in 1000)	10 859,2	11 040,9	50 106,8
Number of aircraft departures (in 1000)	168,9	178,7	738,1
Number of service units (in 1000)	560,6	508,7	2 219,0
Punctuality (b)	88 %	87 %	90 %
Regularity (b)	98 %	98 %	99 %

BOARD OF DIRECTORS REPORT

HIGHLIGHTS

In the first quarter of 2015 the Group experienced a fall in traffic measured in passenger numbers of 1.6 per cent compared with the same period last year. There was an especially sharp fall in traffic in January as a result of reduced production from airlines. March was a turbulent month due to strikes. There was a sharp fall in traffic in the first quarter within oil and gas-related traffic.

In the first quarter, the Group's operating income amounted to NOK 2,351 million with a profit of NOK 37 million after tax. This profit is half of that achieved in the same period last year due to weak traffic growth and increased costs related to pensions and employer national insurance contributions.

Over the past 12 months, average regularity has been recorded at 98 per cent, and average punctuality has been recorded at 88 per cent throughout Avinor's network of airports.

Through Single European Sky Air Traffic Management Research (SESAR), Avinor has agreed to participate in testing remotely operated towers. The aim of this initiative is to improve productivity in the air traffic service and in doing so achieve significant cost reductions. Avinor has tested the concept and a decision has been made in phase one to plan the establishment of a tower centre in Bodø. The ambition is for the centre to be completed in 2017.

Avinor began a modernisation programme in the autumn of 2014. The modernisation programme is Avinor's most important measure to achieve strategic goals related to efficiency and cost reduction. The primary objective of the programme is that Avinor will be the best option in the future by ensuring competitiveness that benefits both customers and society as a whole. The programme is currently in an analysis phase and initiatives will be decided on an ongoing basis going forwards. There is a target of cost savings

totalling NOK 1.5 billion in the period 2015 to 2018 compared with original plan.

Avinor has asked the Ministry of Transport and Communications to postpone Avinor's takeover of responsibility for airport operations at Bodø Airport from the Norwegian Armed Forces. The reason for this is that the Norwegian Armed Forces are considering a longer presence of the F16 fighter than had been expected, and that the Municipality of Bodø is seeking a study on a possible relocation of the airport. The conclusion is that the conditions for Avinor taking over airport operations are unclarified and that it is no longer socially, economically, or commercially appropriate to transfer responsibility from the Norwegian Armed Forces to Avinor within the original deadline set by the ministry.

Under the EMTN programme, as at 20 April 2015, Avinor has issued EUR 300 million in new ten-year bonds. The bonds run from 29 April 2015 to 29 April 2025.

On 11 February 2015, the Group's Board of Directors approved the listing of a hotel at Gardermoen for sale in order to strengthen the Group's equity, provided that an acceptable sale price is achieved. A plan to sell the hotel has been implemented, and the property has therefore been reclassified from a fixed asset to a current asset in the consolidated balance sheet.

01.01 - 31.03.15

MNOK	01.01-31.03.15	01.01-31.03.14	Change
Operating income	2 350,9	2 336,0	0,6 %
EBIT	142,6	204,2	-30,2 %
Profit for the year	37,2	74,4	-50,0 %
Investments	1 213,3	810,2	-49,8 %

Table 1: Key financial figures

During the first quarter of 2015, the Group had a profit after tax of NOK 37 million against NOK 74 million for the corresponding period in 2014.

This fall in profit is primarily due to reduced traffic volumes and reduced traffic revenues, as

well as increased costs related to pensions and employer national insurance contributions.

The Group's balance sheet has increased by NOK 0.8 billion since 31 December 2014, totalling NOK 34.6 billion as at 31 March 2015.

Operating income

The Group's operating income in the first quarter of 2015 amounted to NOK 2,351 million compared with NOK 2,336 million for the corresponding period last year. The year-on-year change amounts to 0.6 per cent. As a result of reduced traffic volumes, the Group's traffic revenues have fallen by 3.0 per cent from last year. Increased sales and rental income has compensated for the reduction in traffic revenues.

Operating income by business area is shown in table 2 below:

MNOK	01.01–31.03.15	01.01–31.03.14	Change
Airports operations	2 093,1	2 088,1	0,2%
Air traffic services	484,4	469,6	3,2%
Group services	278,3	263,8	5,5%
Consolidated items	(504,9)	(485,5)	4,0%
Avinor group	2 350,9	2 336,0	0,6%

Table 2: Operating income

Operating expenses

Total operating expenses in the first quarter of 2015 amounted to NOK 2,194 million compared with NOK 2,124 million for the corresponding period last year. The year-on-year change amounts to 3.3 per cent. Changes in economic assumptions for the calculation of pension costs and the loss of differentiated employer national insurance contributions from 1 July 2014 have contributed to increased costs in 2015 compared to 2014. In all the effect of these change have had a negative impact amounting to NOK 34 million compared with the corresponding period last year.

So far this year, NOK 56 million has been charged as an expense related to ensuring continued operations during the expansion of Oslo Airport. The corresponding figure for the same period last year was NOK 78 million.

Operating profit

The Group's operating profit in the first quarter amounted to NOK 143 million compared with an operating profit of NOK 204 million for the corresponding period last year. The change in the profit is attributed primarily to reduced traffic volumes.

Financial items and tax

The Group's net financial costs for the period 01.01 - 31.03.15 were NOK 91 million, compared with NOK 102 million in 2014. This change is primarily due to increased interest costs being counteracted by an increased scope of capitalising interest expenses. Based on the expected tax rate on an annual basis, tax costs for the year to date are estimated at NOK 14 million.

Investments

Recognised additions to property, plant, and equipment in the first quarter amounted to NOK 1,213 million, compared with NOK 810 million for the corresponding period last year.

The investments can be broken down into business areas as follows:

MNOK	01.01–31.03.15	01.01–31.03.14	Change
Airports operations	1 102,6	697,9	404,7
Air traffic services	31,7	26,2	5,6
Group services	20,2	32,2	-12,0
Consolidated items	58,8	54,0	4,8
Group	1 213,3	810,2	403,1

Table 3: Addition to PPE recognized in the balance sheet.

The development project at Oslo Airport is on schedule and is 72 per cent complete at the end of the first quarter. The airport is maintaining high rates of traffic growth, regularity, and punctuality despite the extensive concurrency between development and normal operations. The project has a cumulative injury absence value (H1-value) of 3.4 (H1-value is defined as number of injuries resulting in absence as per one million hour worked). The total budget for the project is unchanged and is consistent with Avinor's stock exchange announcement of 4 June 2013.



The development project at Bergen Airport, Flesland, has experienced good progress overall and is on schedule.

Cash flow, financing, and commitments

As a result of investment payments exceeding the contribution from current operations, the Group had a negative cash flow before changes in liabilities of NOK 1,165 million in the period 01.01 -31.03.15. The Group's total capital amounted to NOK 34.6 billion as at 31 March 2015, with an equity ratio of 35.6 per cent. Equity as a percentage of the sum of equity and interest-bearing liabilities was 44.3 per cent as at 31 March 2015.

As at 20 April 2015, Avinor issued EUR 300 million in new ten-year bonds. The bonds have coupons equal to a 1 per cent fixed interest rate. The bonds run from 29 April 2015 to 29 April 2025.

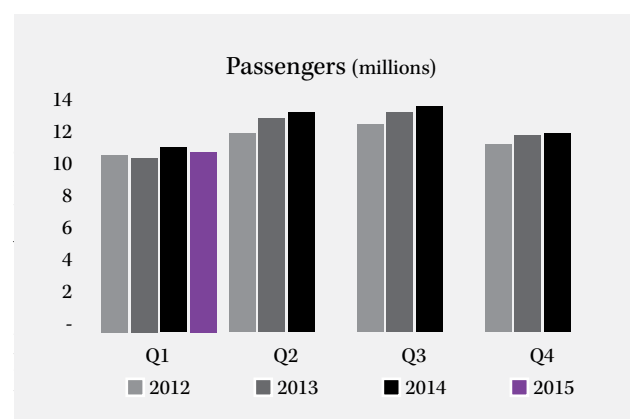
Interest-bearing liabilities as at 31 March 2015 amounted to NOK 16,270 million, which is an increase of NOK 980 million since 31 December 2014.

As at 31 March 2015, the Group's cash reserves amounted to NOK 6,632 million, distributed between NOK 832 million in bank deposits and NOK 5,800 million in unutilised bank overdrafts.

Traffic development and service goals

A total of 10.9 million passengers travelled via Avinor's airports in the period 01.01 – 31.03.15, which is a fall of 1.6 per cent compared with the

corresponding period in 2014. The figure below shows the trend in traffic on a quarterly basis for 2012–2015:



In comparison with the corresponding period last year, domestic traffic was 2.9 per cent lower, while international traffic increased by 1.1 per cent. Domestic traffic totalled 62 per cent of the total traffic volume as at March 2015. The volume of offshore helicopter traffic decreased by 13.0 per cent compared with last year.

Passenger volume was distributed between the airports as follows:

PAX (1000)	01.01–31.03.15	01.01–31.03.14	Change
Gardermoen	5 222	5 182	0,8 %
Flesland	1 284	1 358	-5,5 %
Sola	1 011	1 068	-5,3 %
Værnes	974	1 004	-3,0 %
Others	2 369	2 429	-2,5 %
Avinor group	10 859	11 041	-1,6 %

Table 4: No of passengers

The number of commercial air transport movements including offshore helicopter decreased by 5.5 per cent in comparison with the corresponding period the preceding year. The traffic volume for the en route service measured by the number of service units increased by 10.2 per cent for the year in comparison with last year.

Over the past 12 months, average regularity has been recorded at 98 per cent, and average punctuality has been recorded at 88 per cent throughout Avinor's network of airports.

AIR SAFETY AND HSE

So far this year, no aviation accidents have been registered, with or without personal injury, in which Avinor was a participant.

At the end of the first quarter of 2015, the Group had a total H1-value for injuries resulting in absence of 4.4 for the preceding 12 months, and a sick leave value of 4.5 per cent.

RISKS

The Group's operations are focused on safe air traffic management with procedures and measures to minimise both the risks and consequences of accidents and serious incidents. Developments with regard to national and international regulatory issues may have financial consequences for the Group.

Avinor safeguards national sectoral policy objectives. The Norwegian state sets guidelines for a number of conditions, including airport structure, emergency preparedness, aviation fees and corporate social responsibility. The scope and organisation of sectoral policy guidelines may change over time.

The organisation's capitalised infrastructure is long-term, and the management of operations is largely governed by regulations. As a result, Avinor has a high percentage of fixed costs that vary to a limited extent with changes in traffic volumes and capacity utilisation. The Group's financial performance and value is vulnerable

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

Oslo Airport, together with the airports in Bergen, Stavanger, and Trondheim, is a key source of funding for the rest of the airport network in Norway. The airports' earnings are exposed to economic cycles and competition from other airports.

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

Financial hedging instruments are used to limit risk related to interest, currency and energy prices. When investing the Group's surplus cash, emphasis is given to the issuer's solidity and the liquidity of the investment. The Group's liquid assets are deposited in a bank on negotiated terms.

There is disagreement between the Norwegian Armed Forces and Avinor regarding the apportionment of costs at airports where the parties have joint operations. Avinor has, based on estimates reflected this in the financial statements.

A petition for a discretionary court assessment to determine the purchase price or an annual user fee for aviation-critical areas that are owned by the Norwegian Armed Forces at Flesland and Værnes airports has been submitted to the court of appraisal. The decision is expected in the second quarter of 2015 and may have significant financial consequences, which are not reflected in the financial statements as at 31 March 2015.

As a consequence of the Norwegian Parliament's resolution on the establishment of a new fighter jet base for the Norwegian Armed

Forces in Ørland, Avinor has been tasked with preparing for taking over responsibility for airport operations at Bodø Airport by 1 August 2016. The financial terms for the takeover of operational responsibility, real estate, and other technical equipment from the Norwegian Armed Forces have not yet been determined. In March 2015, the Ministry of Transport and Communications tasked Avinor with conducting a socio-economic analysis of the benefits and costs of building a new airport in Bodø compared to those of upgrading the existing airport. The question of a possible new airport in Bodø will be presented in conjunction with the National Transport Plan in the first half of 2017.

In connection with the pension settlement in 2005, it was determined that public service pensions shall be adjusted for life expectancy and made subject to the new pension adjustment rules, but it did not include rules for coordination with national insurance rules. The regulations for coordination are not determined, and are therefore not reflected in the accounts.

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

OUTLOOK

The start of 2015 has shown clear signs of slower growth in air traffic. Consequently, Avinor is prepared for greater short-term uncertainty in the Group's earnings. This trend will be countered by measures related to increased efficiency and cost reductions. Meanwhile there is a need to continue necessary capacity-increasing measures. Remotely managed tower services will continue to be tested in 2015 with a view to achieving long-term efficiency.

Norway's size and challenging topography means that aviation is vital to Norwegian society. The Board is concerned with ensuring that Avinor contributes to national and regional development. This is taking place through efficient and safe aviation services, but also through active collaboration with local stakeholders and close dialogue with other relevant parties regarding airport development and development of the respective regions.

Oslo, 8 May 2015.

Board of Directors of Avinor AS

INCOME STATEMENT

Income statement

All amounts in MNOK	Notes	First quarter		Year
		2015	2014	2014
Operating income				
Traffic income		1 178,1	1 214,1	5 299,5
Other operating income		1 172,8	1 121,9	5 371,5
Total operating income		2 350,9	2 336,0	10 671,0
Operating expenses				
Raw materials and consumables used		39,9	28,4	198,5
Employee benefits expense	4	955,0	892,8	2 979,5
Depreciation, amortisation and impairment charges	4,6	334,7	325,1	1 340,2
Other operating expenses	4	864,2	877,9	3 841,9
Total operating expenses before changes in value and other losses/gains, net		2 193,8	2 124,2	8 360,1
Operating profit/(loss) before changes in value and other losses/gains, net		157,1	211,8	2 310,9
Changes in value and other (losses)/gains, net		(14,5)	(7,6)	(5,6)
Operating profit/(loss)		142,6	204,2	2 305,3
Finance income		6,0	8,3	48,5
Finance costs		97,0	110,5	417,1
Net finance income/(costs)		(91,0)	(102,2)	(368,6)
Profit/(loss) before income tax		51,6	102,0	1 936,7
Income tax expense	5	14,4	27,6	538,0
Profit/(loss) for the period		37,2	74,4	1 398,7

Avinor AS

Income statement

All amounts in MNOK	Notes	First quarter		Year
		2015	2014	2014
Operating income				
Traffic income		517,5	780,9	2 742,9
Other operating income		592,2	629,7	2 743,4
Total operating income		1 109,7	1 410,6	5 486,3
Operating expenses				
Raw materials and consumables used		19,3	18,1	123,0
Employee benefits expense		430,6	747,5	1 907,9
Depreciation, amortisation and impairment charges	6	157,5	167,6	655,9
Other operating expenses		627,4	563,7	2 505,6
Total operating expenses before changes in value and other losses/gains, net		1 234,8	1 496,9	5 192,4
Operating profit/(loss) before changes in value and other losses/gains, net		(125,1)	(86,3)	293,9
Changes in value and other (losses)/gains, net		(0,3)	(4,0)	(7,2)
Operating profit/(loss)		(125,4)	(90,3)	286,7
Finance income		63,7	60,5	373,0
Finance costs		93,6	94,5	382,5
Net finance income/(costs)		(29,9)	(34,0)	(9,5)
Profit/(loss) before income tax		(155,3)	(124,3)	277,2
Income tax expense	5	(41,9)	(33,6)	90,1
Profit/(loss) for the period		(113,4)	(90,7)	187,1

The Avinor AS figures for 2014 is inclusive of Avinor Flysikring AS. Avinor Flysikring AS was emerged from Avinor AS, as a wholly-owned subsidiary of Avinor AS as from 1 June 2014.

STATEMENT OF COMPREHENSIVE INCOME

Avinor Group
Statement of comprehensive income

Avinor AS				Avinor Group		
Year	First quarter			First quarter		Year
2014	2014	2015	All amounts in MNOK	2015	2014	2014
187,1	(90,7)	(113,4)	Profit/(loss) for the period	37,2	74,4	1 398,7
Other comprehensive income:						
Items that will not be reclassified to profit or loss in subsequent periods:						
(546,2)	-	-	Actuarial gains/(losses) on post employment benefit obligations	-	-	(893,0)
147,5	-	-	Tax effect	-	-	241,1
Items that may be subsequently reclassified to profit or loss:						
(48,9)	(17,0)	43,0	Cash flow hedges	46,1	(20,0)	(66,1)
13,2	4,6	(11,6)	Tax effect	(12,4)	5,5	17,8
(434,4)	(12,4)	31,4	Other comprehensive income, net of tax	33,7	(14,5)	(700,2)
(247,3)	(103,1)	(82,0)	Total comprehensive income	70,9	59,9	698,5
Attributable to:						
(247,3)	(103,1)	(82,0)	Owners of the parent	70,9	59,9	698,5

BALANCE

Avinor Group Balance sheet

Avinor AS					Avinor Group		
31 December	31 March				31 March		31 December
2014	2014	2015	All amounts in MNOK	Notes	2015	2014	2014
ASSETS							
Non-current assets							
Intangible assets							
1 475,7	1 670,6	1 506,0	Deferred tax assets	5	2 021,9	2 014,9	2 038,2
-	27,6	-	Other intangible assets	6	18,1	27,6	15,7
1 475,7	1 698,2	1 506,0	Total intangible assets		2 040,0	2 042,5	2 053,9
Property, plant and equipment							
9 843,6	9 620,7	9 958,1	Property, plant and equipment	6	20 799,1	20 116,5	21 040,9
3 074,0	2 759,1	3 240,8	Derivative financial instruments	6	8 799,7	5 950,8	7 913,6
12 917,6	12 379,8	13 198,9	Total property, plant and equipment		29 598,8	26 067,3	28 954,5
Financial assets							
1 226,9	853,1	1 226,9	Investments in subsidiaries		-	-	-
5 971,3	4 871,3	6 371,3	Loans to group companies		-	-	-
154,7	-	113,0	Derivative financial instruments		116,9	3,2	162,6
62,6	42,8	67,4	Other financial assets		204,7	135,8	188,2
7 415,5	5 767,2	7 778,6	Total financial assets		321,6	139,0	350,8
21 808,8	19 845,2	22 483,5	Total non-current assets		31 960,4	28 248,8	31 359,2
Current assets							
21,6	21,8	17,5	Inventories		17,5	21,8	21,6
1 057,7	1 447,3	1 251,5	Trade and other receivables		1 486,9	1 604,5	1 405,3
1,7	1,4	79,4	Derivative financial instruments		12,6	7,1	18,4
900,6	2 901,7	747,0	Cash and cash equivalents		832,0	2 951,8	932,0
-	-	-	Assets of disposal group classified as held for sale	7	250,1	-	-
1 981,6	4 372,2	2 095,4	Total current assets		2 599,1	4 585,2	2 377,3
23 790,4	24 217,4	24 578,9	TOTAL ASSETS		34 559,5	32 834,0	33 736,5
EQUITY AND LIABILITIES							
Equity							
5 400,1	5 400,1	5 400,1	Share capital		5 400,1	5 400,1	5 400,1
3 326,0	3 915,6	3 243,9	Other equity		6 893,4	6 629,3	6 822,5
8 726,1	9 315,7	8 644,0	Total equity		12 293,5	12 029,4	12 222,6
Provisions							
1 523,8	2 058,0	1 574,2	Retirement benefit obligations		2 951,5	2 392,9	2 831,5
111,1	154,5	108,9	Other provisions		209,9	255,6	218,8
1 634,9	2 212,5	1 683,1	Total provisions		3 161,4	2 648,5	3 050,3
Non-current liabilities							
-	-	-	State loan	8	3 416,1	3 860,4	3 416,1
14,8	36,4	12,9	Derivative financial instruments		114,1	132,6	128,5
9 300,0	8 403,1	9 215,2	Other non-current liabilities	8	10 410,7	9 632,0	10 522,4
9 314,8	8 439,5	9 228,1	Total non-current liabilities		13 940,9	13 625,0	14 067,0
Current liabilities							
800,0	1 200,0	1 900,0	Commercial papers	8	1 900,0	1 200,0	800,0
328,7	183,3	143,4	Trade payables		344,9	400,7	799,7
0,7	-	-	Tax payable		93,2	200,6	277,5
41,2	137,9	91,6	Public duties payable		206,6	175,0	186,6
9,9	11,0	9,5	Derivative financial instruments		17,7	19,7	27,0
8,7	404,0	6,8	First annual instalment on long-term liabilities	8	543,3	943,2	551,9
2 925,4	2 313,5	2 872,4	Other current liabilities		2 041,7	1 591,9	1 753,9
-	-	-	Liabilities of disposal group classified as held for sale	7	16,3	-	-
4 114,6	4 249,7	5 023,7	Total current liabilities		5 163,7	4 531,1	4 396,6
15 064,3	14 901,7	15 934,9	Total liabilities		22 266,0	20 804,6	21 513,9
23 790,4	24 217,4	24 578,9	TOTAL EQUITY AND LIABILITIES		34 559,5	32 834,0	33 736,5

STATEMENT OF CHANGES IN EQUITY

Avinor Group Statement of changes in equity

All amounts in MNOK	Share capital	Other reserves	Other equity	Total equity
Balance at 1 Januar 2014	5 400,1	(74,6)	6 643,9	11 969,4
Total comprehensive income		(14,5)	74,4	59,9
Dividends provided for or paid			-	-
Balance at 31 March 2014	5 400,1	(89,1)	6 718,3	12 029,4
Balance at 1 Januar 2015	5 400,1	(774,8)	7 597,3	12 222,6
Total comprehensive income		33,7	37,2	70,9
Dividends provided for or paid			-	-
Balance at 31 March 2015	5 400,1	(741,1)	7 634,5	12 293,5

Avinor AS Statement of changes in equity

All amounts in MNOK	Share capital	Other reserves	Other equity	Total equity
Balance at 1 Januar 2014	5 400,1	(56,1)	4 074,8	9 418,8
Total comprehensive income		(12,4)	(90,7)	(103,1)
Dividends provided for or paid			-	-
Balance at 31 March 2014	5 400,1	(68,5)	3 984,1	9 315,7
Balance at 1 Januar 2015	5 400,1	(490,5)	3 816,5	8 726,1
Total comprehensive income		31,4	(113,4)	(82,0)
Dividends provided for or paid			-	-
Balance at 31 March 2015	5 400,1	(459,1)	3 703,1	8 644,0

STATEMENT OF CASH FLOWS

Avinor Group Statement of cash flows

Avinor AS				Avinor Group		
Year	First quarter			First quarter		Year
2014	2014	2015	All amounts in MNOK	2015	2014	2014
Cash flow from operating activities						
277,2	(124,3)	(155,4)	Profit/(loss) before income tax	51,6	102,0	1 936,7
655,9	167,6	157,5	Depreciation	334,7	325,1	1 340,2
4,0	1,0	(2,8)	(Profit)/loss on disposals of non-current assets	(2,9)	0,7	2,6
(5,5)	(4,1)	1,3	Changes in value and other losses/(gains) - net (unrealised)	(8,8)	(3,7)	(2,8)
9,5	34,0	30,0	Net finance (income)/costs	91,0	102,2	368,6
193,6	(77,1)	(105,5)	Change in inventories, trade receivables and trade payables	(292,2)	(26,5)	125,8
(185,6)	39,3	50,4	Difference between post employment benefit expense and amount paid/received	120,1	45,0	(409,5)
(162,4)	(19,3)	94,6	Change in other working capital items	91,2	(64,7)	160,9
583,4	186,1	(244,1)	Change in group receivables and payables	-	-	-
27,2	8,2	0,7	Interest received	1,1	8,3	28,7
(5,2)	(72,3)	(2,5)	Income tax paid	(186,0)	(182,4)	(385,9)
1 392,1	139,1	(175,8)	Net cash generated from operating activities	199,8	306,0	3 165,3
Cash flow from investing activities						
(1 998,0)	(436,4)	(583,4)	Investments in property, plant and equipment (PPE)	(1 243,8)	(879,5)	(4 256,6)
24,4	9,1	-	Proceeds from government grants	-	9,1	24,4
7,1	0,9	3,3	Proceeds from sale of PPE, incl assets under construction	3,7	1,2	8,6
(1 400,0)	(300,0)	(400,0)	Group loans	-	-	-
199,0	0,7	11,4	Group interests	-	-	-
94,2	-	-	Net group contribution/dividend	-	-	-
(32,5)	(12,7)	(4,8)	Change in other investments	(4,8)	(12,7)	(31,0)
(3 105,8)	(738,4)	(973,5)	Net cash used in investing activities	(1 244,9)	(881,9)	(4 254,6)
Cash flow from financing activities						
3 190,0	2 490,0	-	Proceeds from borrowings	80,0	2 513,0	3 290,0
(403,7)	(1,6)	(1,9)	Repayment of borrowings	(115,5)	(12,3)	(938,2)
-	400,0	1 100,0	Net proceeds/repayment of short term borrowings (commercial papers)	1 100,0	400,0	-
(352,9)	(13,7)	(102,4)	Interest paid	(119,4)	(28,8)	(540,9)
(17,9)	(17,9)	-	Other borrowing charges	-	(17,9)	(17,9)
(445,4)	-	-	Dividends paid to owner	-	-	(445,4)
1 970,1	2 856,8	995,7	Net cash generated/used in financing activities	945,1	2 854,0	1 347,6
Net (decrease)/increase in cash, cash equivalents and bank overdrafts						
256,4	2 257,5	(153,6)		(100,0)	2 278,1	258,3
644,2	644,2	900,6	Cash, cash equivalents and bank overdrafts at the beginning of the period	932,0	673,7	673,7
900,6	2 901,7	747,0	Cash, cash equivalents and bank overdrafts at the end of the period	832,0	2 951,8	932,0

NOTES

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.

The interim financial information was approved for issue on 8 May 2015. The interim financial information has not been audited.

Note 2 - Basis of preparation and accounting policies

The interim financial statement for Avinor AS and Avinor Group for the fourth quarter, ended 31 March 2015, has been prepared in accordance with International Financial Reporting Standards (IFRS) and encompasses Avinor AS and all its subsidiaries.

The interim financial information has been prepared in accordance with IAS 34 Interim financial reporting. The interim financial information should be read in conjunction with the annual financial statement for the year ended 31 December 2014.

The accounting policies are consistent with those of the annual financial statement for the year ended 31 December 2014.

Note 3 - Segment information

AS from 1 April 2014 the internal organising of the group for management purpose is changed. The division "Other large airports" is now reported by airport (Bergen, Stavanger and Trondheim). The change has only minor effects on the other segments.

All corresponding and accumulated figures are restated.

Avinor Group

All amounts in MNOK	Oslo Airport	Bergen Airport	Stavanger Airport	Trondheim Airport	Other airports	Total airport operations
First quarter 2015						
Traffic income	424,1	123,6	105,2	81,5	205,6	940,0
Other income	680,1	130,0	109,7	64,7	132,4	1 116,8
Inter-segment income	9,8	1,5	18,1	2,3	4,5	36,3
Total income	1 114,0	255,1	233,0	148,6	342,4	2 093,1
Employee benefits expenses	150,2	36,4	28,5	26,6	232,2	474,0
Depreciation and amortisation	145,5	22,2	22,7	23,3	90,0	303,7
Other operating expenses	329,2	49,1	39,7	33,6	240,8	692,3
Inter-segment expenses	192,8	35,1	35,8	28,3	134,4	426,4
Total expenses	817,6	142,8	126,7	111,7	697,5	1 896,3
Net income/(expense)	296,5	112,3	106,3	36,8	(355,1)	196,8
Group adjustments depreciation (a)	44,1	(6,2)	(4,7)	(5,6)	(28,9)	(1,3)
Group adjustments lease (b)	68,6					68,6
Operating profit/(loss)	409,1	106,1	101,6	31,2	(384,0)	264,1
Assets*	8 447,6	1 898,7	1 490,9	1 913,4	6 297,0	20 047,6

All amounts in MNOK	Total airports operations	Air Navigation Services	Others	Elimination	Total
First quarter 2015 continued					
Traffic income	940,0	237,7	0,4		1 178,1
Other income	1 116,8	55,2	0,8		1 172,8
Inter-segment income	36,3	191,5	277,1	(504,9)	-
Total income	2 093,1	484,4	278,3	(504,9)	2 350,9
Employee benefits expenses	474,0	374,1	106,9		955,0
Depreciation and amortisation	303,7	17,6	12,1		333,3
Other operating expenses	692,3	113,2	113,1		918,7
Inter-segment expenses	426,4	27,0	51,5	(504,9)	-
Total expenses	1 896,3	531,9	283,6	(504,9)	2 206,9
Net income/(expense)	196,8	(47,5)	(5,3)	-	144,0
Group adjustments depreciation (a)	(1,3)	-	(0,1)		(1,4)
Group adjustments lease (b)	68,6		(68,6)		-
Operating profit/(loss)	264,1	(47,5)	(74,0)	-	142,6
Assets*	20 047,6	562,3	207,3		20 817,2

Note 3 - Segment information continued

Avinor Group

All amounts in MNOK	Oslo Airport	Bergen Airport	Stavanger Airport	Trondheim Airport	Other airports	Total airport operations
First quarter 2014						
Traffic income	433,3	133,0	110,6	84,7	220,2	981,9
Other income	653,9	113,7	112,6	66,1	121,4	1 067,7
Inter-segment income	16,2	2,7	8,6	5,9	5,2	38,6
Total income	1 103,4	249,5	231,9	156,8	346,8	2 088,2
Employee benefits expenses	145,3	34,7	26,2	23,7	214,6	444,6
Depreciation and amortisation	146,4	20,4	22,2	20,1	86,7	295,8
Other operating expenses	343,6	47,9	38,5	35,0	247,3	712,2
Inter-segment expenses	190,8	32,8	35,2	26,0	129,0	413,8
Total expenses	826,1	135,7	122,2	104,9	677,6	1 866,4
Net income/(expense)	277,3	113,8	109,6	51,9	(330,8)	221,8
Group adjustments depreciation (a)	45,4	(6,2)	(4,7)	(5,6)	(28,9)	-
Group adjustments lease (b)	100,2					100,2
Operating profit/(loss)	422,9	107,6	104,9	46,3	(359,7)	322,0
Assets*	8 547,2	1 878,4	1 463,4	1 476,0	6 037,3	19 402,3

All amounts in MNOK	Total airports operations	Air Navigation Services	Others	Elimination	Total
First quarter 2014 continued					
Traffic income	981,9	232,3	-		1 214,1
Other income	1 067,7	48,4	5,8		1 121,9
Inter-segment income	38,6	188,9	258,0	(485,5)	-
Total income	2 088,2	469,6	263,7	(485,5)	2 336,0
Employee benefits expenses	444,6	355,0	93,3		892,8
Depreciation and amortisation	295,8	21,1	8,1		325,0
Other operating expenses	712,2	105,2	96,6		913,9
Inter-segment expenses	413,8	24,5	47,2	(485,5)	-
Total expenses	1 866,4	505,6	245,1	(485,5)	2 131,7
Net income/(expense)	221,8	(36,1)	18,6	-	204,3
Group adjustments depreciation (a)	-	-	(0,2)		(0,2)
Group adjustments lease (b)	100,2		(100,2)		-
Operating profit/(loss)	322,0	(36,1)	(81,8)	-	204,2
Assets*	19 402,3	590,0	151,8		20 144,1

(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.

* Inclusive other intangible assets, exclusive assets under construction.

Note 4 - Impact on earnings - Terminal 2 project

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 re-assessed economic life.

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

Specification

All amounts in MNOK	First quarter 2015	2014	Year 2014
Employee benefits expense	7,3	9,6	24,5
Depreciation, amortisation and impairment charges	16,7	16,5	64,6
Other operating expenses	32,1	52,0	391,1
Total	56,1	78,1	480,2

Note 5 - Income tax expense

The income tax expense is calculated using the expected annual effective tax rate.

Expected annual effective tax rate is 27% and is in the interim financial statements as a whole booked against deferred tax asset. The distribution between tax payable and deferred tax is calculated at year end and presented in the annual financial statement.

Note 6 - Property, plant and equipment, other intangible assets

All amounts in MNOK	Avinor AS				Avinor Group			
	Other intangible assets	Property, plant and equipment	Assets under construction	Total	Other intangible assets	Property, plant and equipment	Assets under construction	Total
At 31 March 2014								
Opening net book amount	31,4	9 761,2	2 438,1	12 230,7	31,4	20 397,3	5 181,4	25 610,1
Additions	-	23,5	344,5	368,0	-	40,8	810,2	851,0
Reclassification	-	-	23,5	23,5	-	-	40,8	40,8
Disposals	-	0,2	-	0,2	-	0,2	-	0,2
Depreciation charge	3,8	163,8	-	167,6	3,8	321,3	-	325,1
Closing net book amount	27,6	9 620,7	2 759,1	12 407,4	27,6	20 116,6	5 950,8	26 095,0
At 31 March 2015								
Opening net book amount	-	9 843,6	3 074,0	12 917,6	15,7	21 040,9	7 913,6	28 970,2
Additions	-	272,5	439,3	711,8	3,1	324,2	1 213,3	1 540,6
Reclassification	-	-	272,5	272,5	-	231,0	327,3	558,3
Disposals	-	0,5	-	0,5	-	0,8	-	0,8
Depreciation charge	-	157,5	-	157,5	0,7	334,1	-	334,8
Closing net book amount	-	9 958,1	3 240,8	13 198,9	18,1	20 799,2	8 799,7	29 616,9

Measurement of recoverable amount

There are no significant changes affecting the recoverable amount of the group's assets in 2015.

Note 7 - Assets held for sale

The assets and liabilities related to Hotell Vestre AS have been presented as held for sale following the approval of the groups's board of directors on 11 February 2015 to sell the company. The completion date for the transaction is expected within 2015.

Specification

All amounts in MNOK	31 March	31 December
	2015	2014
Assets		
Property, plant and equipment	231,0	-
Receivables and other current assets	19,1	-
Total	250,1	-
Liabilities		
Provisions	10,5	-
Current liabilities	5,8	-
Total	16,3	-

Note 8 - Borrowings

	Avinor AS 31 March		Avinor Group 31 March	
	2015	2014	2015	2014
All amounts in MNOK				
Non-current	9 215,2	8 403,1	13 826,8	13 492,4
Current	1 906,8	1 604,0	2 443,3	2 143,2
Total	11 122,0	10 007,1	16 270,1	15 635,6
Movement in borrowings				
Opening net book amount	10 108,6	7 118,7	15 290,4	12 734,9
Proceeds from borrowings	-	2 490,0	80,0	2 513,0
Repayment of borrowings	(1,9)	(1,6)	(115,5)	(12,3)
Net proceeds/repayment of short term borrowings (commercial papers)	1 100,0	400,0	1 100,0	400,0
Changes in value	(84,7)	-	(84,7)	-
Closing net book amount	11 122,0	10 007,1	16 270,1	15 635,6

Avinor AS has on 20 April 2015 issued new bonds under the company's EMTN program, with a nominal value of Euro 300m, maturity of 10 years and a coupon of 1 percent fixed interest. The bonds are quoted at Luxembourg Stock Exchange.

Liquidity reserves

	Avinor AS 31 March		Avinor Group 31 March	
	2015	2014	2015	2014
All amounts in MNOK				
Cash and cash equivalents	747,0	2 901,7	832,0	2 951,8
Unused bank overdraft	800,0	800,0	800,0	800,0
Unused credit facility	5 000,0	4 000,0	5 000,0	4 000,0
Total	6 547,0	7 701,7	6 632,0	7 751,8

The group has, at the end of first quarter 2015, sufficient headroom to enable it to conform to covenants on existing borrowings. The groups liquidity reserves equals at least 12 months prognosticated liquidity requirement including repayment of borrowings, as set out in internal policies.

Note 9 - Financial instruments

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 risk. The fair value of commercial papers equals principal amount as at 31 March 2015.

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

All amounts in MNOK	Avinor AS		Avinor Group	
	31 March		31 March	
Interest-bearing debt	Carrying amount	Fair value	Carrying amount	Fair value
State loan	-	-	3 860,4	3 981,0
Bonds	6 158,9	6 959,1	6 158,9	6 959,1
Bank borrowings	3 025,3	3 550,8	4 313,0	4 838,5
Commercial papers	1 900,0	1 900,0	1 900,0	1 900,0

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 at 31 March 2015:

	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss	-	8,5	-	8,5
Derivatives used for hedging	-	121,0	-	121,0
Total assets	-	129,5	-	129,5
Liabilities				
Financial liabilities at fair value through profit or loss	17,4	13,0	-	30,4
Derivatives used for hedging	-	101,4	-	101,4
Total liabilities	17,4	114,4	-	131,8



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