

Annual report 2022

Avinor AS

Company and group financial statements

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Income statement

Avinor AS			Avinor Group		
2021	2022	All amounts in MNOK	Note	2022	2021
<i>Operating income:</i>					
2 101,8	3 748,7	Traffic income	4,5	4 947,8	2 922,9
3 800,0	0,0	Government grants	4,5	0,0	3 800,0
2 412,1	5 328,4	Other operating income	4,5	5 470,7	2 591,3
8 313,9	9 077,1	Total operating income		10 418,5	9 314,1
<i>Operating expenses:</i>					
154,4	159,7	Raw materials and consumables used	4	214,1	204,8
2 159,6	2 179,7	Employee benefits expense	4,6	3 681,0	3 562,7
2 889,5	3 878,9	Other operating expenses	4,7	3 454,8	2 586,9
5 203,5	6 218,2	Total operating expenses		7 350,0	6 354,5
3 110,5	2 859,0	EBITDA		3 068,5	2 959,7
2 039,9	2 102,8	Depreciation, amortisation and impairment charges	10,11,13	2 258,7	2 196,6
1 070,6	756,2	Operating profit/(loss)		809,8	763,1
732,6	1 039,5	Finance income	8	370,6	95,3
1 229,8	681,5	Finance costs	8,11,20	628,4	590,3
-497,2	358,0	Net finance costs		-257,9	-494,9
573,4	1 114,2	Profit before income tax		551,9	268,2
138,5	110,6	Income tax expense	9	125,0	60,1
434,9	1 003,6	Profit for the year		426,9	208,1
Attributable to:					
434,9	1 003,6	Owners of the parent		426,9	208,1

Statement of other comprehensive income

Avinor AS			Avinor Group		
2021	2022	All amounts in MNOK	Note	2022	2021
434,9	1 003,6	Profit for the year		426,9	208,1
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss:</i>					
-644,4	880,1	Actuarial gains/(losses) on post employment benefit obligations	17	1 498,6	-1 245,1
141,8	-193,6	Tax effect	9	-330,0	274,0
-502,6	686,5	Total items that will not be reclassified to profit or loss, net of tax		1 168,6	-971,2
<i>Items that may be subsequently reclassified to profit or loss:</i>					
60,6	-908,8	Cash flow hedges	16	-908,8	60,6
-13,3	200,0	Tax effect	9	200,0	-13,3
47,3	-708,9	Total items that may be subsequently reclassified to profit or loss, net of tax		-708,9	47,3
-455,4	-22,4	Other comprehensive income for the year, net of tax		459,7	-923,9
-20,5	981,1	Total comprehensive income for the year		886,7	-715,8
Attributable to:					
-20,5	981,1	Owners of the parent		886,7	-715,8

Statement of financial position

Avinor AS		Avinor Group			
31.12.2021	31.12.2022	All amounts in MNOK	Note	31.12.2022	31.12.2021
ASSETS					
Non-current Assets					
<i>Intangible assets:</i>					
1 409,3	1 445,6	Deferred tax assets	9	1 942,6	2 197,0
374,3	517,8	Other intangible assets	10	531,7	453,9
0,0	704,8	Assets under construction, intangible	12	704,8	724,0
1 783,6	2 668,2	Total intangible assets		3 179,0	3 374,9
<i>Property, plant and equipment:</i>					
30 727,4	32 858,4	Property, plant and equipment	10	34 373,9	32 414,6
3 632,8	3 147,4	Assets under construction	12	3 392,9	4 662,7
532,0	494,6	Right-of-use assets	13	504,6	568,4
34 892,3	36 500,4	Total property, plant and equipment		38 271,4	37 645,7
<i>Financial assets:</i>					
1 575,6	1 553,4	Investments in subsidiaries	20	0,0	0,0
365,0	330,0	Loans to group companies	22	0,0	0,0
1 381,3	1 378,9	Derivative financial instruments	16	1 378,9	1 381,3
183,5	86,4	Other financial assets	16	86,7	184,7
3 505,5	3 348,7	Total financial assets		1 465,6	1 566,1
40 181,3	42 517,4	Total non-current assets		42 916,0	42 586,6
Current Assets					
27,0	38,7	Inventories		65,5	32,9
1 387,8	1 566,0	Trade and other receivables	19	1 624,3	1 043,9
54,4	141,0	Derivative financial instruments	16	141,0	56,0
2 656,2	1 188,6	Cash and cash equivalents	16	1 188,6	2 657,4
4 125,5	2 934,4	Total current assets		3 019,4	3 790,1
44 306,8	45 451,7	Total assets		45 935,4	46 376,7

Avinor AS		Avinor Group			
31.12.2021	31.12.2022	All amounts in MNOK	Note	31.12.2022	31.12.2021
EQUITY AND LIABILITIES					
Equity					
<i>Restricted equity:</i>					
5 400,1	5 400,1	Share capital	21	5 400,1	5 400,1
5 400,1	5 400,1	Total restricted equity		5 400,1	5 400,1
<i>Retained earnings:</i>					
7 726,6	7 910,2	Other equity		7 957,8	7 071,1
7 726,6	7 910,2	Total retained earnings		7 957,8	7 071,1
13 126,7	13 310,3	Total equity		13 357,9	12 471,2
Liabilities					
<i>Provisions:</i>					
3 634,3	2 842,4	Pension liabilities	17	5 313,9	6 895,1
943,9	910,9	Other provisions	18	1 010,6	945,8
4 578,2	3 753,3	Total provisions		6 324,5	7 840,9
<i>Non-current liabilities:</i>					
749,8	305,5	State loan	16	305,5	749,8
20 747,3	20 447,0	Other non-current liabilities	16	20 447,0	20 747,3
851,1	1 591,0	Derivative financial instruments		1 587,3	851,1
489,5	457,3	Lease liabilities	13,16	472,2	525,3
22 837,7	22 800,7	Total non-current liabilities		22 811,9	22 873,6
<i>Current liabilities:</i>					
419,1	546,7	Trade payables		650,1	500,4
171,6	184,9	Public duties payable		285,8	296,9
11,2	0,2	Derivative financial instruments	16	2,0	12,5
891,5	971,5	First annual installment on long-term liabilities	16	971,5	891,5
66,7	72,7	Lease liabilities	13,16	62,8	63,4
2 204,3	3 811,6	Other current liabilities	18,19	1 468,9	1 426,3
3 764,2	5 587,4	Total current liabilities		3 441,0	3 191,0
31 180,2	32 141,4	Total liabilities		32 577,5	33 905,4
44 306,8	45 451,7	Total equity and liabilities		45 935,4	46 376,7

Oslo, 28 March 2023

Anne Carine Tanum
Chair of the Board

Ola H. Strand
Vice Chair

Rolf G. Roverud

Inger Lise Strøm

Linda Bernander Silseth

Bjørn Tore Mikkelsen

Heidi Anette Sørum

Olav Aadal

Abraham Foss
CEO

The notes (note 1 to 25) are an integral part of these consolidated financial statements.

Statement of changes in equity

All amounts in MNOK	Avinor AS			
	Share capital	Other reserves	Other equity	Total equity
Balance at 1 January 2021	5 400,1	-1 363,8	9 110,9	13 147,2
Profit for the year	0,0	0,0	434,9	434,9
Actuarial gain/(loss) on pension liabilities - net of tax	0,0	-502,6	0,0	-502,6
Cash flow hedge - net of tax	0,0	47,3	0,0	47,3
Total comprehensive income for the year	0,0	-455,4	434,9	-20,5
Balance at 31 December 2021	5 400,1	-1 819,2	9 545,8	13 126,7
Profit for the year	0,0	0,0	1 003,6	1 003,6
Actuarial gain/(loss) on pension liabilities - net of tax	0,0	686,5	0,0	686,5
Cash flow hedge - net of tax	0,0	-708,9	0,0	-708,9
Total comprehensive income for the year	0,0	-22,4	1 003,6	981,1
<i>Transactions with owners</i>				
Business combinations (note 3)	0,0	0,0	-797,5	-797,5
Total transactions with owners	0,0	0,0	-797,5	-797,5
Balance at 31 December 2022	5 400,1	-1 841,6	9 751,8	13 310,3

All amounts in MNOK	Avinor Group			
	Share capital	Other reserves	Other equity	Total equity
Balance at 1 January 2021	5 400,1	-2 254,9	10 041,9	13 187,1
Profit for the year	0,0	0,0	208,1	208,1
Actuarial gain/(loss) on pension liabilities - net of tax	0,0	-971,2	0,0	-971,2
Cash flow hedge - net of tax	0,0	47,3	0,0	47,3
Total comprehensive income for the year	0,0	-923,9	208,1	-715,8
Balance at 31 December 2021	5 400,1	-3 178,8	10 249,9	12 471,2
Profit for the year	0,0	0,0	426,9	426,9
Actuarial gain/(loss) on pension liabilities - net of tax	0,0	1 168,6	0,0	1 168,6
Cash flow hedge - net of tax	0,0	-708,9	0,0	-708,9
Total comprehensive income for the year	0,0	459,7	426,9	886,7
Balance at 31 December 2022	5 400,1	-2 719,1	10 676,9	13 357,9

Statement of cash flows

Avinor AS				Avinor Group		
2021	2022	All amounts in MNOK	Footnote	Note	2022	2021
Cash flow from operating activities						
573,4	1 114,2	Profit before income tax			551,9	268,2
2 039,9	2 102,8	Depreciation			2 258,7	2 196,6
-9,3	0,3	(Profit)/loss on disposals of non-current assets	1)		0,2	6,2
-59,8	209,6	Changes in value and other losses/(gains) - net (unrealised)			182,3	-59,9
497,2	-358,0	Net finance costs			257,9	494,9
51,3	1,0	Foreign exchange gain/-loss on operating activities			20,4	36,8
		Change in inventories, trade receivables and trade payables				
-85,2	-93,8	payables			-82,9	-111,9
-47,8	-72,7	Difference between pension cost and amount paid/received			-82,6	27,6
247,8	-293,4	Change in other working capital items			-302,4	356,6
-1 025,8	-57,2	Change in group receivables and payables			0,0	0,0
24,4	38,7	Interest received			42,3	26,1
6,6	0,0	Income tax paid			0,0	14,7
2 212,6	2 591,4	Net cash generated from operating activities			2 845,8	3 255,9
Cash flow from investing activities						
-1 993,6	-2 918,7	Investments in property, plant and equipment (PPE)			-3 105,0	-2 543,1
0,0	-0,9	Investments in group companies			0,0	0,0
0,0	254,0	Investment grants		12	254,0	0,0
21,7	6,8	Proceeds from sale of PPE, including assets under construction	1)		7,4	21,8
-135,0	35,0	Group loans			0,0	0,0
-1,3	-25,7	Group interests			0,0	0,0
649,5	71,7	Net group contribution/dividend			0,0	0,0
22,7	97,1	Other investments			98,1	21,3
0,0	-2,2	Business combinations			0,0	0,0
-1 436,0	-2 482,9	Net cash used in investing activities			-2 745,5	-2 500,0
Cash flow from financing activities						
-3 416,4	-927,1	Repayment of borrowings		16	-939,0	-3 427,8
-17,0	-18,0	Intra group repayment of lease liabilities			0,0	0,0
-685,8	-631,0	Interest paid			-630,2	-688,6
-4 119,2	-1 576,1	Net cash generated/used in financing activities			-1 569,2	-4 116,4
-3 342,5	-1 467,6	Net (decrease)/increase in cash, cash equivalents and bank overdrafts			-1 468,9	-3 360,5
5 998,7	2 656,2	Cash, cash equivalents and bank overdrafts at beginning of year			2 657,4	6 017,9
2 656,2	1 188,6	Cash, cash equivalents and bank overdrafts at end of year		13	1 188,6	2 657,4

1) In the cash flow statement, proceeds from sale of property, plant and equipment comprise:

12,4	7,1	Net book amount			7,6	28,0
9,3	-0,3	Profit/(loss) on disposals of property, plant and equipment			-0,2	-6,2
21,7	6,8	Proceeds from disposal of property, plant and equipment			7,4	21,8

Notes to the financial statements

Note 1. General information

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

The Avinor Group's headquarters are located in Oslo, Dronning Eufemias gate 6.

The company and group financial statements for Avinor AS for the financial year 2022 were approved by the Board of Directors on 28 March 2023.

Note 2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below and in each note to the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The accounting policies set out below do also apply to the preparation of the financial statements of Avinor AS.

Basis of preparation

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

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

The whole of Avinor Group's operations is defined as two cash-generating units (CGU), one en-route service unit and one airport operation unit including property development and hotels.

For the airport operation unit, the group's economic model assumes that there is full cross-subsidization between profitable and unprofitable airports as well as all areas of operations ("single till"). Commercial activities are included in the airport operation unit and shall be developed in order to contribute to the financing of unprofitable activities (social considerations/responsibilities) and reduce the level of traffic charges. Revenues from commercial activities are consequently included in the basis for Avinor's revenue regulation. Based on this, the group's operations, exclusive of the en-route services, is considered as one cash generating unit (airport operations).

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Non-monetary assets and liabilities measured at historical cost denominated in foreign currencies are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities measured at fair value denominated in foreign currencies are translated using the exchange rate at the balance sheet date. Exchange rate changes are recognized in the income statement on an ongoing basis during the accounting period.

The functional currency of the group companies is NOK.

Note 3. Significant assumptions, key conditions and reorganization

Significant assumptions

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Situations or changes in market conditions may arise which may lead to changed estimates, and thus affect the group's assets, liabilities, equity and profit. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in particular.

The group's most significant accounting estimates and judgements are related to the following items, specified further in each individual note:

- Value in use of property, plant and equipment
- Depreciation of property, plant and equipment
- Net pension obligation
- Provisions for environmental pollution

Key conditions

Increased focus on climate, environment and sustainability is contributing to pressure on restructuring for aviation and changes in travel habits. The war in Ukraine and the consequences it has for world markets contribute to increased uncertainty around expectations of future income. In addition, the group's result and solvency were strongly negatively affected by the corona pandemic from 2020 until the first quarter of 2022.

Impairment tests

Pressure on restructuring for aviation because of increased focus on climate, environment and sustainability, risk of permanent changes in travel habits and the after-effects of the corona pandemic have been assessed as impairment indicators for the group's two cash-generating units. In addition, the war in Ukraine and its consequences for world markets have contributed to increased uncertainty around expectations of future income.

As of 31 December 2022, no impairments are recognized.

Further information is presented in note 14 regarding impairment tests.

Equity according to the articles of association

The group has conditions related to the equity ratio set in the articles of association and on covenants on some of the debt issued. The group complies with all debt covenants on 31 December 2022, and the group is in dialogue with the owner to implement necessary measures to ensure compliance with the equity ratio set in the articles of association.

The group has and considers implementing several measures to safeguard the financial solidity. Measures considered includes additional cutting in costs and investments, sale of assets and increased aviation charges.

In the Annual Report of the Board of Directors, there is a more detailed description of the statutory equity ratio and measures taken in this regard.

Climate and sustainability

Climate changes and consequences of public measures implemented to reduce the emission of greenhouse gases and form a basis for the establishment of low carbon and climate adjusted economies, poses significant risks but also possibilities for Avinor.

Risk and possibilities are integrated in the groups risk management and strategy processes. Risk reducing measures and new business areas are considered and developed, and relevant scenario analyses are continuously developed.

The risks for Avinor related to climate changes can be classified as transaction risk and physical risk:

- Transaction risk is risk arising from the transition to a low carbon and climate adjusted economies.
- Physical risk is risk arising from climate change.

Transaction risk and physical risk may affect Avinor in several ways and result in significant changes in the assessment of value of assets. This implies that thorough assessments must be carried out to estimate such effects. Preliminary mapping involves the risk of a reduction in the lifetime of assets, reduced income as a result of a decline in travel activity and increased costs and investments as a result of the green shift. Estimated effects that are known are incorporated into the forecasts that form the basis of the impairment tests, discussed in more detail in note 14.

At year-end 2022, the future financial consequences of such changes are very uncertain. Avinor works actively with further mapping and quantification of such effects. Further information is provided in the Sustainability Report, which is part of Avinor's annual report.

Avinor has initiated measures to reduce the climate footprint from own operations. This includes:

- Development of own energy production
- Streamlining the airspace to reduce greenhouse gas emissions
- Be a driving force behind new energy carriers in tomorrow's airline fleet
- Contribute to increased production of sustainable aviation fuel (SAF)

Further information is given in the Sustainability report, which is part of the annual report for Avinor.

Reorganization

In 2022, organizational changes have been made within the group, and the parent company Avinor AS has been involved in the changes. In addition, parts of the business in the subsidiary Avinor Flysikring AS have been merged into Avinor AS.

The organizational changes affect the company accounts of the parent company Avinor AS. Business combinations with unchanged ownership are unregulated under IFRS. Avinor has chosen to continue on group values during the reorganizations, consequently they do not have effects in Avinor's consolidated accounts.

Business combinations

The following business combinations have taken place in the Avinor Group during 2022:

- On 1 January 2022, business associated with 25 employees with project expertise in technology projects were sold from Avinor Flysikring AS to Avinor AS.
- On 1 February 2022, business associated with 18 employees/staff were sold from Avinor Flysikring AS to Avinor AS.
- On 1 March 2022, AFIS operations (Aerodrome Flight Information Service) were sold from Avinor AS and Svalbard lufthavn AS to Avinor Flysikring AS.
- On 1 October 2022, FNT operations (operation and maintenance of air navigation services) on Svalbard were sold from Avinor Flysikring AS to Svalbard lufthavn AS.

In the group, a total of 165 people were affected by the business combinations through a change of employer. The business transfers have resulted in a reduction of 70 employees in Avinor AS.

The valuation of the business combinations are determined based on fair value. As it is a reorganization with unchanged ownership, the business combinations have been carried out by continuing the group values. The difference between the valuation at fair value and book values transferred is recognized in other equity.

For tax purposes, the business combinations are treated as transactions.

Merger

On 1 October 2022, business related to flight navigation services (FNT) was transferred by the business being demerged from Avinor Flysikring AS and merged into Avinor AS.

During the transfer, 205 employees were transferred from Avinor Flysikring AS to Avinor AS.

As it is a reorganization with unchanged ownership, the transfer has been carried out with accounting continuity. There are thus book values in the company accounts of Avinor Flysikring AS which have been carried forward in the company accounts of Avinor AS.

The transfer has been carried out with continuity for tax purposes.

Note 4. Segment information

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

The Avinor Group's operations include aviation security services and 45 airports including Oslo Airport. The operating segments are determined based on the reports used by the group management to evaluate presentations and profitability at a strategic level. The segment information shows the operating profit/(loss) distributed according to the internal organization of the group.

For management purpose the group is organized as air navigation services and the airport operations. To better the evaluation of the airport operations, the management has chosen to present the airports in Oslo, Bergen, Stavanger, Trondheim and the rest in addition to property development and hotels separately. Property developments and hotels consists of rental income from office buildings and hotels.

Sales between segments are carried out according to the arm's length principle. The revenue from external parties reported to group management is measured consistent with that in the income statement.

Revenue from the three main customers were of approximately NOK 2.16 billion, NOK 1.23 billion and NOK 1.22 billion, total NOK 4.61 billion in 2022 (2021: NOK 0.76 billion, NOK 0.66 billion and NOK 0.58 billion, total NOK 2.00 billion). This is approximately 44 per cent of total operating income in 2022 (2021: 36 per cent of total operating income, exclusive government grants). Revenue from the largest customer (second largest in 2021) is attributable to Oslo Airport, Bergen Airport, Stavanger Airport and Trondheim Airport. Revenue from the second largest (third largest in 2021) and third largest (largest in 2021) customers are attributable to all segments.

Avinor Group as of 31 December 2022

The segment information provided to the group management for the reportable segments for the year ended 31 December 2022 is as follows:

Avinor Group as at 31 December 2022:

All amounts in MNOK	Oslo	Bergen	Stavanger	Trondheim	Other	Property
	Airport	Airport	Airport	Airport	airports	development and hotels
Traffic income	1 785,8	531,8	378,2	315,2	751,8	0,0
Government grants	0,0	0,0	0,0	0,0	0,0	0,0
Other operating income	2 992,0	503,4	409,5	295,8	796,0	131,5
Inter-segment income	5,0	0,5	8,2	3,5	76,1	22,6
Total income	4 782,8	1 035,7	795,9	614,4	1 623,9	154,1
Employee benefits expenses	470,5	109,3	93,5	90,6	701,9	0,0
Other operating expenses	1 190,3	268,3	139,0	148,8	1 085,8	8,2
Inter-segment expenses	373,5	136,8	115,4	89,7	752,9	1,5
Total expenses	2 034,3	514,3	347,9	329,0	2 540,6	9,7
EBITDA	2 748,5	521,3	448,0	285,4	-916,7	144,4
Depreciation and amortisation	961,5	286,0	134,1	116,4	461,0	41,1
Operating profit/(loss)	1 787,1	235,4	313,9	169,0	-1 377,7	103,3
Property, plant and equipment*	17 487,2	5 036,5	1 638,8	1 601,0	6 790,5	966,9

cont.

All amounts in MNOK	Total airport	Air navigation	Others	Elimination	Total
	operations	services			
Traffic income	3 762,8	1 185,0	0,0		4 947,8
Government grants	0,0	0,0	0,0		0,0
Other operating income	5 128,2	181,4	161,0		5 470,7
Inter-segment income	115,8	755,3	887,1	-1 758,2	0,0
Total income	9 006,8	2 121,7	1 048,1	-1 758,2	10 418,5
Employee benefits expenses	1 465,8	1 474,9	740,4		3 681,0
Other operating expenses 1)	2 840,3	259,3	569,4		3 668,9
Inter-segment expenses	1 469,8	192,8	95,7	-1 758,2	0,0
Total expenses	5 775,8	1 927,0	1 405,4	-1 758,2	7 349,9
EBITDA	3 231,0	194,7	-357,2		3 068,5
Depreciation and amortisation	2 000,1	127,7	130,9		2 258,7
Operating profit/(loss)	1 230,9	67,0	-488,2		809,7
Property, plant and equipment*	33 520,9	355,7	1 029,0		34 905,6

* Inclusive other intangible assets, exclusive assets under construction.

Avinor Group as of 31 December 2021

The segment information provided to the group management for the reportable segments for the year ended 31 December 2021 is as follows:

Avinor Group as at 31 December 2021:

All amounts in MNOK	Oslo	Bergen	Stavanger	Trondheim	Other	Property
	Airport	Airport	Airport	Airport	airports	development and hotels
Traffic income	842,5	320,6	228,1	181,3	536,9	0,0
Government grants	0,0	0,0	0,0	0,0	0,0	0,0
Other operating income	1 303,6	221,7	162,3	134,8	376,3	97,2
Inter-segment income	3,5	0,5	8,6	3,5	71,6	21,5
Total income	2 149,6	542,8	399,0	319,5	984,7	118,7
Employee benefits expenses	437,1	106,3	92,4	85,6	749,6	0,0
Other operating expenses	804,6	180,5	128,5	97,7	843,4	16,2
Inter-segment expenses	347,7	115,5	94,7	74,0	573,3	0,9
Total expenses	1 589,4	402,4	315,6	257,3	2 166,3	17,1
EBITDA	560,2	140,5	83,4	62,2	-1 181,6	101,6
Depreciation and amortisation	948,0	302,5	122,7	109,5	437,3	33,2
Operating profit/(loss)	-387,8	-162,0	-39,4	-47,3	-1 618,9	68,5
Property, plant and equipment*	16 283,4	5 171,1	1 669,9	1 626,3	6 201,7	692,1

cont.

All amounts in MNOK	Total airport	Air navigation	Others	Elimination	Total
	operations	services			
Traffic income	2 109,3	813,6	0,0		2 922,9
Government grants	0,0	0,0	3 800,0		3 800,0
Other operating income	2 295,9	173,8	121,6		2 591,3
Inter-segment income	109,1	588,2	676,7	-1 374,0	0,0
Total income	4 514,3	1 575,6	4 598,2	-1 374,0	9 314,1
Employee benefits expenses	1 471,0	1 375,2	716,6		3 562,7
Other operating expenses 1)	2 070,9	343,3	377,6		2 791,8
Inter-segment expenses	1 206,1	105,2	62,7	-1 374,0	0,0
Total expenses	4 748,0	1 823,6	1 156,9	-1 374,0	6 354,5
EBITDA	-233,7	-248,1	3 441,3		2 959,6
Depreciation and amortisation	1 953,2	138,9	104,6		2 196,6
Operating profit/(loss)	-2 186,8	-387,0	3 336,8		763,0
Property, plant and equipment*	31 644,5	848,2	375,8		32 868,5

* Inclusive other intangible assets, exclusive assets under construction.

Note 5. Operating income and other income

Revenue from contract with customers (IFRS 15)

Traffic income, income from sale of goods and services and income from sale of property is recognised to reflect the transfer of promised goods or services to customers in an amount that reflects what the entity expect to receive in exchange for those goods or services.

Rental income (IFRS 16)

Revenue from property leases with fixed lease payment is recognised in the period the services are provided, using a straight-line basis over the term of the contract. Revenue from property leases with revenue-based lease payments is recognised when it is earned.

Government grants (IAS 20)

Government grants are recognised in accordance with IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance). Government grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received

Government grants (corona pandemic)

In 2021 Avinor received government grants directly from the Government to compensate for revenue losses that were a consequence of the coronavirus pandemic. The grants were considered receivable and given for the purpose of providing immediate financial support without future associated expenses or future conditions attached to it. The government grants were recognized in the income statement at the time they were paid out and presented on a separate line in the income statement ("Government grants").

Other government 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 recognized but not yet received are presented in the balance sheet as part of the line "trade and other receivables". Receivables from government grants beyond incurred expenses eligible for grants are not recognized. Grants received in excess of related expenses eligible for grants are presented in the balance sheet as part of the line "other current liabilities".

Traffic income

Traffic income encompasses all charges related to infrastructure and services necessary to carry out flights to/from Norway as well as domestic flights and is considered as one delivery obligation. En-route charges will in addition include flights across Norwegian air space (separate delivery obligation). The delivery obligations are met when the actual flights are carried out.

Traffic income encompasses airport charges and air navigation charges. Airport charges includes take-off charges for essential services/infrastructure for operating a departure from one of Avinor's airports, terminal charges for essential infrastructure and provision of services to passengers on arrival, at departure, during transit, or corresponding flight services at Avinor's airports and security charges for essential services/infrastructure for carrying out security checks at Avinor's airports in line with applicable regulations. The take-off charge is calculated based on the weight of the aircraft, the terminal charge on the number of passengers departed and the security charge on the number of passengers on the actual flight less passengers in transit. Air navigation charges includes en-route charges for services provided during the in-flight/en-route stage (between take-off and landing destination) in the air space of which Avinor is responsible, and terminal charges for services related to monitoring and control during take-off, landing and movement to/from gate. The en-route charge is calculated based on the weight of the aircraft in combination with the distance travelled, while the terminal navigation charge is calculated based on the weight of the aircraft.

The traffic charges are invoiced when the actual flight is carried out, in accordance with regulations set by the Ministry of Transport and Communication. Normally, the charges are invoiced weekly with payment terms of 30 days. The en-route charges are collected by Eurocontrol on behalf of the member countries.

Traffic income, except for the en-route charges, is distributed to the segments under airport operations. The en-route charges are allocated in its entirety to the segment Air Navigation Services.

Other operating income

Avinor AS and the group have income from sale of goods and services directly to the customer or through rental income from the same use of the areas. This includes duty free, kiosk, parking, shops, serving/refreshments, advertising, aviation fuel, handling services, hotels and infrastructure etc.

Sale of goods and services

Includes both cash and credit sale. The credit sale is invoiced consecutively with payment term 30 days from invoice date.

Rental income

Includes fixed lease payments and revenue-based lease payments, based on lease agreements entered into, and consecutively reports of revenue.

Lease agreements related to duty free, parking, restaurants and other sales of goods are turnover-based agreements where turnover-based lease constitutes the most significant part of the income, while fixed lease constitutes a smaller part. The lease agreements have established thresholds for payment on minimum lease. In connection with the corona pandemic in 2021, reductions have been established for revenue-based lease and minimum lease. Pure rental agreements for various tenants at the airport are based on fixed lease payment. These lease agreements compose a smaller proportion of Avinor's rental income.

Fixed lease payments are invoiced in advance and recognized when earned. Revenue-based lease payments are reported and invoiced weekly. Payment term is normally 30 days from invoice date.

Specification of operating income

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Traffic income				
Takeoff charges	1 018,9	690,0	1 023,0	692,8
Terminal charges	1 062,5	522,9	1 066,9	525,1
En route charges	0,0	0,0	1 185,0	813,6
Security charges	1 163,5	562,5	1 169,0	565,1
Terminal navigation charges	503,8	326,4	503,8	326,4
Total traffic income	3 748,7	2 101,8	4 947,8	2 922,9
Government grants	0,0	3 800,0	0,0	3 800,0
Other operating income				
Revenue from contracts with customers:				
Duty free	68,3	12,1	68,3	12,1
Parking	0,1	0,1	0,2	0,2
Other	1 051,0	614,9	998,6	709,6
Total revenue from contracts with customers	1 119,4	627,1	1 067,1	721,9
Rental income:				
Duty free	2 068,8	594,4	2 068,8	594,4
Parking	854,4	436,2	854,4	436,2
Other	1 285,8	754,5	1 480,4	838,8
Total rental income	4 209,0	1 785,0	4 403,6	1 869,3
Total other operating income	5 328,4	2 412,1	5 470,7	2 591,3
Total income from contracts with customers	4 868,2	2 728,9	6 014,9	3 644,8
Total rental income	4 209,0	1 785,0	4 403,6	1 869,3
Government grants	0,0	3 800,0	0,0	3 800,0
Total operating income	9 077,1	8 313,9	10 418,5	9 314,1

Note 6. Salaries and personnel costs, number of employees, remunerations

All amounts in MNOK	Avinor AS		Avinor group	
	2022	2021	2022	2021
Salaries and personnel costs				
Salaries	1 539,0	1 511,9	2 618,2	2 500,9
Payroll tax	242,1	231,0	401,7	386,2
Pension costs (exclusive plan amendments)	324,6	361,1	554,0	592,8
Other personnel costs	73,9	55,5	107,2	82,9
Total	2 179,6	2 159,6	3 681,0	3 562,8
Reduction of total salaries and personnel costs:				
Salaries and personnel costs recognised in the balance sheet	124,6	80,3	185,6	190,7
Average number of man-years employed	1 861	1 900	2 642	2 830

Group management

The group has a management group with defined executive vice presidents. The executive vice presidents are the CEO, the directors of staffs and divisions as well as the general manager of the largest subsidiary, Avinor Fysikring AS.

On termination or changes in conditions of employment or board appointment no obligations exist to give the group management or the board any distinct compensation. Nor are there any arrangements concerning bonuses, profit sharing or share-based payments.

No loans or guarantees have been given to the members of the group management, the board or other corporate bodies. None of the members of the group management have received any remunerations or economic benefits from other companies in the group, other than shown in the table below. There is no additional remuneration to executives for special services other than normal operations.

Remunerations to group management and board 2022

All amounts in NOK	Board fee	Salary	Other benefits	pension cost	Total
Group management					
Abraham Foss, CEO	0	3 457 999	8 252	299 542	3 765 793
Mari Hermansen, Executive Vice President organisation and corporate support	0	2 016 851	12 188	525 706	2 554 745
Knut Holen, Executive Vice President regional airports *	0	1 733 248	8 252	317 636	2 059 136
Torgeir Landevaag, Executive Vice President sustainability, concept and infrastructure development *	0	2 406 314	8 252	203 981	2 618 547
Petter Johannessen, Executive Vice President strategy and corporate governance/CFO	0	2 124 170	11 420	739 565	2 875 155
Joachim Lupnaav Johnsen, Executive Vice President commercial	0	2 079 064	8 252	242 284	2 329 600
Anders Kirsebom, Executive Vice President sustainability, concept and infrastructure development *	0	2 536 862	13 952	518 816	3 069 629
Lars Vågsdal, Executive Vice President IT and technology (as of 01.04.2022)	0	2 049 059	6 189	206 040	2 261 288
Stine Ramstad Westby, Executive Vice President major airports	0	2 538 206	8 252	388 034	2 934 492
John-Ragnar Aarset, Executive Vice President communication (as of 15.02.2022)	0	1 685 400	7 564	213 955	1 906 919
Jan Gunnar Pedersen, Executive Vice President air navigation	0	2 310 329	7 412	263 865	2 581 606
Total	0	24 937 501	99 984	3 919 426	28 956 911
Board					
Anne Carine Tanum, chair of the board	514 500	0	0	0	514 500
Ola H. Strand, Vice-chair	291 000	0	0	0	291 000
Rolf Gunnar Røverud, board member	280 500	0	0	0	280 500
Linda Bernander Silseth, board member	260 500	0	0	0	260 500
Inger Lise Strøm, board member (as of 16.06.2022)	158 500	0	0	0	158 500
Eli Skrøvset, board member (until 15.06.2022)	153 000	0	0	0	153 000
Olav Aadal, employee elected board member	238 000	1 710 016	7 412	239 276	2 194 704
Heidi Anette Sørum, employee elected board member	280 500	886 458	8 252	200 819	1 376 029
Bjørn Tore Mikkelsen, employee elected board member	260 500	1 106 105	8 252	446 161	1 821 018
Total	2 437 000	3 702 580	23 916	886 256	7 049 751

* From 15 August 2022, Torgeir Landevaag is on leave (with pay) from his position as Executive Vice President Sustainability, Concept and Infrastructure Development in order to carry out an education program. From the same time, Anders Kirsebom has been on leave from his position as Executive Vice President Regional Airports to act as Executive Vice President Sustainability, Concept and Infrastructure Development. Knut Holen acts from the same time as Executive Vice President regional airports.

Remunerations for management and board - 2021

All amounts in NOK	Board fee	Salary	Other benefits	pension cost	Total
Group management *					
Abraham Foss, CEO (as of 15.02.2021)	0	2 886 381	12 293	124 317	3 022 991
Dag Falk-Petersen, CEO (until 14.02.2021) **	0	657 053	20 425	475 144	1 152 622
Øyvind Hasaas, Executive Vice President operations and infrastructure	0	2 306 755	18 849	750 723	3 076 327
Stine Ramstad Westby, Airport Director Oslo airport	0	2 444 737	22 841	368 268	2 835 845
Helge Eidsnes, Airport Director Bergen airport	0	1 898 228	12 125	135 272	2 045 624
Anette Sigmundstad, Airport Director Stavanger airport	0	1 906 034	13 625	185 502	2 105 161
Marit Helene Stigen, Airport Director Trondheim airport	0	1 969 970	22 241	135 272	2 127 482
Mari Hermansen, Executive Vice President HR, legal and business support	0	1 943 369	31 173	500 482	2 475 023
Petter Johannessen, Executive Vice President strategy and business management/CFO	0	2 039 953	37 786	708 802	2 786 541
Anders Kirsebom, Managing Director Avinor Flysikring AS	0	2 391 018	18 601	476 730	2 886 348
Thorgeir Landevaag, Executive Vice President national, regional and local airports	0	2 114 552	12 125	168 004	2 294 681
Joachim Lupnaav Johnsen, Executive Vice President commercial	0	1 932 202	22 195	135 272	2 089 669
Egil Thompson, Executive Vice President communications and marketing (until 31 October 2021)	0	1 946 302	21 281	453 452	2 421 035
Total	0	26 436 551	265 560	4 617 239	31 319 350
Board					
Anne Carine Tanum, chair of the board	498 500	0	0	0	498 500
Ola H. Strand, Vice-chair	281 500	0	0	0	281 500
Rolf Gunnar Roverud, board member (from 1 July 2021)	138 000	0	0	0	138 000
Herlof Nilssen, board member (until 30 June 2021)	134 000	0	0	0	134 000
Linda Bernander Silseth, board member	252 000	0	0	0	252 000
Eli Skråvset, board member	301 500	0	0	0	301 500
Olav Aadal, employee elected board member	230 500	1 690 863	7 088	201 374	2 129 825
Heidi Anette Sørum, employee elected board member	272 000	856 792	12 125	215 013	1 355 930
Bjørn Tore Mikkelsen, employee elected board member	252 000	1 067 788	12 125	435 117	1 767 030
Total	2 360 000	3 615 443	31 338	851 504	6 858 285

* The management group as of 31 December 2021.

** Dag Falk-Petersen was employed as a senior consultant in the Avinor Group from the time he resigned as CEO on 14 February 2021 until his retirement on 31 August 2021. Salary stated in the table applies to the entire period from 1 January 2021 to 31 August 2021.

Note 7. Other operating expenses

Specification of other operating expenses

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Other operating expenses				
Management/maintenance buildings	1 006,1	635,8	1 059,0	687,1
Repairs, maintenance operational materials	425,3	341,3	479,2	394,4
Control/security/guard services	646,8	489,5	651,3	492,0
Meteorological services	2,7	3,0	53,3	60,7
Consulting services	207,1	230,2	214,6	240,8
Other external services	403,4	310,0	429,0	336,7
Losses on receivables	6,2	-58,1	5,1	-70,2
Other operating expenses	342,0	285,4	563,4	445,4
Inter-company expenses	839,1	652,4	0,0	0,0
Total	3 878,9	2 889,5	3 454,8	2 586,9

Fees paid to auditor Ernst & Young AS (all amounts are excl. VAT)

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Statutory audit fee	1,8	1,8	2,6	2,4
Other attestation services	0,5	0,3	0,6	0,5
Tax advisory services	0,0	0,0	0,0	0,0
Other services	0,5	0,1	0,5	0,1
Total	2,9	2,2	3,7	2,9

Note 8. Finance income and costs

Dividend income and group contribution

Dividend income and group contribution are recognised when the right to receive payment is established. Accounting principles regarding finance items are described in note 16.

Specification of finance income and costs

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Finance income				
Interest income (excluding group receivables)	38,0	26,4	41,8	28,1
Interest income on loans to group companies	10,2	8,4	0,0	0,0
Group contributions	71,7	631,4	0,0	0,0
Changes in value on foreign currency	3,2	0,0	5,7	1,2
Changes in fair value of financial instruments (energy and foreign currency)	295,7	65,3	322,0	65,6
Reversal of impairment of investment in subsidiary (see note 20)	620,0	0,0	0,0	0,0
Other finance income	0,7	1,1	1,1	0,5
Total finance income	1 039,5	732,6	370,6	95,3
Finance costs				
Interest expense	674,7	609,0	665,5	608,0
Interest expense on loans from group companies	33,4	5,0	0,0	0,0
Interest expense on lease liabilities	15,5	14,8	16,2	13,7
Other borrowing expenses	4,7	7,0	4,7	7,0
Borrowing costs capitalised (see note 11)	-55,6	-53,9	-87,8	-81,6
Other finance costs	0,0	14,0	20,9	14,3
Impairment of investment in subsidiary (see note 20)	0,0	620,0	0,0	0,0
Changes in value on foreign currency	8,8	14,0	8,9	28,9
Net fair value gains/losses on bank borrowings including derivatives	490,7	167,2	490,7	167,2
Fair value loss on financial instruments (see note 16)				
- interest rate swaps: cash flow hedges, transfer from equity	0,0	0,0	0,0	0,0
- interest rate swaps: fair value hedges	-490,7	-167,2	-490,7	-167,2
Total finance costs	681,5	1 229,8	628,4	590,3
Finance income/(costs) - net	358,0	-497,2	-257,9	-495,0

Changes in fair value of energy derivatives

The group uses derivative financial instruments related to the purchase of energy. These derivatives are not included in hedge accounting for Avinor. Unrealized and realized effects of the energy derivatives are classified as financial items.

Note 9. Taxes

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised. Deferred income tax assets are assessed against future taxable income and are evaluated separately.

Net deferred tax asset

The group has significant temporary differences between the carrying amounts of assets and liabilities and its tax base. This has resulted in a significant deferred tax asset. An analysis made of the group's tax position shows that it is probable that this asset may be utilised by the group.

Loss carried forward

Svalbard lufthavn AS have a loss carried forward of NOK 92.8 million. The tax effect of the loss is not included due to the uncertainty regarding the utilization of the loss.

Income tax expense

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Income tax expense				
Current tax on profit for the year	0,0	61,2	0,0	0,0
Current tax on adjustments in respect of prior years	0,0	-6,6	0,1	-13,2
Current tax on group contributions	-12,9	-1,4	0,0	0,0
Deferred tax on origination and reversal of temporary differences	123,5	85,3	124,9	73,3
Total income tax expense	110,6	138,5	125,0	60,1
Effective tax rate reconciliation				
Profit before income tax	1 114,2	573,4	551,9	268,2
22 % tax on profit before income tax	245,1	126,2	121,4	59,1
Effect of adjustments prior years	0,0	0,0	0,0	0,0
Permanent differences	-134,5	12,4	3,6	1,0
Income tax expense	110,6	138,5	125,0	60,1
Effective tax rate	9,9 %	24,2 %	22,6 %	22,4 %

Avinor AS: Specification of deferred tax assets and liabilities

All amounts in MNOK	At 1 January 2022	Recognized in			At 31 December 2022
		Recognized in the income statement	other com- prehensive income	Merger/ business combinations	
Receivables	3,7	-1,6	0,0	0,0	2,1
Non-current assets	-457,2	92,0	0,0	10,5	-354,7
Right-of-use assets	117,0	-13,8	0,0	5,6	108,8
Lease liabilities	-122,4	11,8	0,0	-6,0	-116,6
Borrowings	-81,7	-36,6	0,0	0,0	-118,3
Provisions	-230,2	24,0	0,0	0,0	-206,3
Pension benefits	-799,5	20,6	193,6	-40,1	-625,3
Group contributions (payables)	45,4	0,0	-74,1	0,0	-28,7
Profit and loss account	-10,5	1,1	0,0	4,6	-4,8
Derivative financial instruments	126,2	58,1	-200,0	0,0	-15,7
Loss carried forward	0,0	-32,0	0,0	-54,0	-86,0
Deferred tax asset(-)/liability (net)	-1 409,3	123,5	-80,5	-79,3	-1 445,6

All amounts in MNOK	At 1 January 2021	Recognized in		At 31 December 2021
		Recognized in the income statement	other com- prehensive income	
Receivables	-32,7	36,4	0,0	3,7
Non-current assets	-459,4	2,2	0,0	-457,2
Right-of-use assets	108,3	8,7	0,0	117,0
Lease liabilities	-112,9	-9,5	0,0	-122,4
Borrowings	-387,5	305,7	0,0	-81,7
Provisions	-238,5	8,3	0,0	-230,2
Pension benefits	-668,3	10,5	-141,8	-799,5
Group contributions (payables)	-14,4	0,0	59,8	45,4
Profit and loss account	-6,3	-4,2	0,0	-10,5
Derivative financial instruments	409,4	-296,6	13,3	126,2
Loss carried forward	-23,7	23,7	0,0	0,0
Deferred tax asset(-)/liability (net)	-1 426,0	85,3	-68,6	-1 409,3

	2022	2021
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	-1 321,5	-1 471,4
Deferred tax asset to be recovered within 12 months	-235,0	-230,2
Total deferred tax assets	-1 556,5	-1 701,6
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	108,8	243,2
Deferred tax liability to be recovered within 12 months	2,1	49,1
Total deferred tax liabilities	110,9	292,3
Deferred tax asset(-)/liability (net)	-1 445,6	-1 409,3

Avinor Group: Specification of deferred tax assets and liabilities

All amounts in MNOK	Recognized in			At 31 December 2022
	At 1 January 2022	Recognized in the income statement	other com- prehensive income	
Receivables	-6,1	-3,1	0,0	-9,2
Non-current assets	-388,3	73,6	0,0	-314,6
Right-of-use assets	119,6	-13,2	0,0	106,4
Lease liabilities	-124,3	11,3	0,0	-113,0
Borrowings	-81,7	-36,6	0,0	-118,3
Provisions	-232,1	8,9	0,0	-223,8
Pension benefits	-1 515,3	17,3	330,0	-1 167,9
Profit and loss account	-12,5	10,0	0,0	-2,5
Derivative financial instruments	126,2	58,4	-200,0	-15,3
Loss carried forward	-82,6	-1,6	0,0	-84,2
Deferred tax asset(-)/liability (net)	-2 197,0	124,9	130,1	-1 942,6

All amounts in MNOK	Recognized in			At 31 December 2021
	At 1 January 2021	Recognized in the income statement	other com- prehensive income	
Receivables	-47,4	41,3	0,0	-6,1
Non-current assets	-394,9	6,6	0,0	-388,3
Right-of-use assets	94,5	25,2	0,0	119,6
Lease liabilities	-98,5	-25,8	0,0	-124,3
Borrowings	-387,5	305,7	0,0	-81,7
Provisions	-241,8	9,7	0,0	-232,1
Pension benefits	-1 234,9	-6,4	-274,0	-1 515,3
Profit and loss account	-6,7	-5,8	0,0	-12,5
Derivative financial instruments	409,4	-296,5	13,3	126,2
Loss carried forward	-101,8	19,2	0,0	-82,6
Deferred tax asset(-)/liability (net)	-2 009,7	73,3	-260,6	-2 197,0

	2022	2021
Deferred tax assets		
Deferred tax asset to be recovered after more than 12 months	-1 815,9	-2 191,4
Deferred tax asset to be recovered within 12 months	-233,0	-251,4
Total deferred tax assets	-2 049,0	-2 442,8
Deferred tax liabilities		
Deferred tax liability to be recovered after more than 12 months	106,4	245,8
Deferred tax liability to be recovered within 12 months	0,0	0,0
Total deferred tax liabilities	106,4	245,8
Deferred tax asset(-)/liability (net)	-1 942,6	-2 197,0

Note 10. Intangible assets

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

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

The useful life of an intangible asset is either finite or indefinite. Intangible assets with finite useful life are amortised using the straight-line method to allocate the cost over their estimated useful lives. Method of amortisation and estimated useful life is reviewed at least at the end of each reporting period. Changes in method and/or estimated useful life is accounted for as changes in estimates.

Computer software

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

Specification of intangible assets

Intangible assets consist of air navigation management systems.

All amounts in MNOK	Avinor AS	Avinor Group
At 1 January 2021		
Cost	409,7	691,5
Accumulated amortisation and impairment	-74,9	-283,9
Net book amount	334,8	407,5
Year ended 31 December 2021		
Opening net book amount	334,8	407,5
Additions	79,0	121,8
Disposals	0,0	-22,4
Amortisation charge	-39,5	-53,0
Closing net book amount	374,3	453,8
At 31 December 2021		
Cost	488,8	790,8
Accumulated amortisation and impairment	-114,5	-337,0
Net book amount	374,3	453,8
Year ended 31 December 2022		
Opening net book amount	374,3	453,8
Additions cost - business combinations	234,4	0,0
Additions	135,9	138,3
Disposals	0,0	0,0
Additions amortisation - business combinations	-178,6	0,0
Amortisation charge	-48,3	-60,5
Closing net book amount	517,8	531,6
At 31 December 2022		
Cost	859,1	929,1
Accumulated amortisation and impairment	-341,3	-397,5
Net book amount	517,8	531,6
Estimated useful life	10 years	10 years
Method of depreciation	Straight-line	Straight-line

Note 11. Property, plant and equipment

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

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

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use.

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

Land and housing are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

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

The assets' residual values and useful lives are estimated based on experience, history and judgements, and adjusted if appropriate. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Public grants

Public grants are accounted for at fair value when there is reasonable certainty that the company will both fulfil the conditions relating to the grants and receive the grants. Investment grants are recognized in the balance sheet in a systematic way over the useful life of the asset. Investment grants are recognized by deducting the grant when determining the asset's balance sheet value.

Borrowing costs

Property plant and equipment includes borrowing costs when the construction period of major asset is longer than one year.

Capitalized borrowing costs for Avinor AS and the group in 2022 amounted to NOK 55.6 million and NOK 87.8 million, respectively (2021: NOK 53.9 million and NOK 81.5 million).

The average capitalization rate for Avinor AS and the group was 3.12 per cent in 2022 (2021: 2.62 per cent).

Collaterals

In accordance with the articles of association, there is no opportunity to pledge assets related to the core operations of the group.

Property, plant and equipment, Avinor AS

All amounts in MNOK	Land	Buildings	Runways and other related assets	Vehicles	Furniture, fittings and equipment	Infra-structure	Total
At 1 January 2021							
Cost	1 138,1	24 428,6	14 846,9	1 658,6	7 934,8	3 470,3	53 477,4
Accumulated depreciation	-1,8	-8 608,3	-5 395,3	-715,6	-5 502,8	-1 585,8	-21 809,6
Net book amount	1 136,3	15 820,3	9 451,6	943,0	2 431,9	1 884,5	31 667,8
Year ended 31 December 2021							
Opening net book amount	1 136,3	15 820,3	9 451,6	943,0	2 431,9	1 884,5	31 667,8
Additions	5,8	300,6	307,0	160,1	195,6	42,6	1 011,6
Disposals	0,0	-7,3	0,0	-3,2	-1,7	-0,2	-12,4
Depreciation charge	0,0	-762,2	-458,6	-97,5	-512,2	-109,1	-1 939,6
Closing net book amount	1 142,1	15 351,5	9 300,0	1 002,4	2 113,6	1 817,8	30 727,4
At 31 December 2021							
Cost	1 143,9	24 673,0	15 151,6	1 776,9	7 478,3	3 511,9	53 735,5
Accumulated depreciation	-1,8	-9 321,5	-5 851,6	-774,5	-5 364,7	-1 694,1	-23 008,1
Net book amount	1 142,1	15 351,5	9 300,0	1 002,4	2 113,6	1 817,8	30 727,4
Year ended 31 December 2022							
Opening net book amount	1 142,1	15 351,5	9 300,0	1 002,4	2 113,6	1 817,8	30 727,4
Additions cost - business combinations	0,0	161,1	0,0	45,9	1 331,1	0,0	1 538,1
Additions	9,2	2 327,7	501,4	105,5	394,9	96,5	3 435,2
Disposals	0,0	-1,9	0,0	-0,9	-4,3	0,0	-7,1
Additions amortisation - business combinations	0,0	-3,5	0,0	-34,6	-805,4	0,0	-843,5
Amortisation charge	0,0	-846,6	-479,2	-102,6	-449,1	-114,1	-1 991,7
Balansført verdi 31.12.	1 151,3	16 988,2	9 322,2	1 015,6	2 580,8	1 800,2	32 858,4
At 31 December 2022							
Cost	1 153,1	27 092,2	15 643,1	1 903,8	9 069,4	3 607,6	58 469,3
Accumulated depreciation	-1,8	-10 104,0	-6 320,9	-888,2	-6 488,6	-1 807,4	-25 610,9
Net book amount	1 151,3	16 988,2	9 322,2	1 015,6	2 580,8	1 800,2	32 858,4
Estimated useful life		10 - 50 years	15 - 50 years	10 - 20 years	5 - 15 years	5 - 40 years	
Method of depreciation	NA	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

Property, plant and equipment, Avinor Group

All amounts in MNOK	Land	Buildings	Runways and other related assets	Vehicles	Furniture, fittings and equipment	Infra-structure	Total
At 1 January 2021							
Cost	1 802,6	25 038,9	14 383,9	1 761,2	9 460,2	3 114,5	55 561,2
Accumulated depreciation	-2,4	-8 630,0	-4 946,9	-772,4	-6 550,7	-1 338,0	-22 240,4
Net book amount	1 800,2	16 408,9	9 437,0	988,7	2 909,4	1 776,5	33 320,8
Year ended 31 December 2021							
Opening net book amount	1 800,2	16 408,9	9 437,0	988,7	2 909,4	1 776,5	33 320,8
Additions	5,8	326,1	309,1	160,5	392,6	42,7	1 236,8
Disposals	0,0	-7,3	0,0	-3,2	-43,6	-0,2	-54,3
Depreciation charge	0,0	-808,1	-462,6	-103,0	-604,8	-110,2	-2 088,7
Closing net book amount	1 806,0	15 919,6	9 283,5	1 043,1	2 653,7	1 708,8	32 414,6
At 31 December 2021							
Cost	1 808,4	25 308,8	14 690,7	1 879,1	9 025,2	3 156,2	55 868,4
Accumulated depreciation	-2,4	-9 389,2	-5 407,2	-836,0	-6 371,6	-1 447,4	-23 453,8
Net book amount	1 806,0	15 919,6	9 283,5	1 043,1	2 653,7	1 708,8	32 414,6
Year ended 31 December 2022							
Opening net book amount	1 806,0	15 919,6	9 283,5	1 043,1	2 653,7	1 708,8	32 414,6
Additions	14,9	2 875,7	501,5	107,8	508,0	101,1	4 108,9
Disposals	0,0	-2,1	0,0	-2,9	-4,3	0,0	-9,3
Depreciation charge	0,0	-909,2	-483,3	-107,2	-525,2	-115,4	-2 140,3
Closing net book amount	1 820,9	17 884,1	9 301,6	1 040,7	2 632,1	1 694,5	34 373,9
At 31 December 2022							
Cost	1 823,3	28 114,5	15 182,2	1 958,0	9 336,1	3 256,5	59 670,7
Accumulated depreciation	-2,4	-10 230,4	-5 880,6	-917,3	-6 704,0	-1 562,0	-25 296,8
Net book amount	1 820,9	17 884,1	9 301,6	1 040,7	2 632,1	1 694,5	34 373,9
Estimated useful life		10 - 50 years	15 - 50 years	10 - 20 years	5 - 15 years	5 - 40 years	
Method of depreciation	NA	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

Note 12. Assets under construction

Avinor AS and the group have several construction projects under construction, of varying size and duration. The largest projects included in assets under construction at the end of 2022 are the development of future air navigation management systems, a new baggage facility at Oslo Airport, the development of remote-controlled towers and the reconstruction of a new parking garage in Stavanger. In the group, these four projects represent over half of the assets under construction on the balance sheet.

All amounts in MNOK	Avinor AS	Avinor Group
At 1 January 2021		
Cost	2 789,6	4 171,7
Accumulated depreciation	0,0	0,0
Net book amount	2 789,6	4 171,7
Classified as intangible	0,0	565,6
Year ended 31 December 2021		
Opening net book amount	2 789,6	4 171,7
Additions	1 933,9	2 573,6
Reclassification *	-1 090,6	-1 358,6
Closing net book amount	3 632,8	5 386,7
At 31 December 2021		
Cost	3 632,8	5 386,7
Accumulated depreciation	0,0	0,0
Net book amount	3 632,8	5 386,7
Classified as intangible	0,0	724,0
Year ended 31 December 2022		
Opening net book amount	3 632,8	5 386,7
Additions - business combinations	1 051,7	0,0
Additions	2 738,8	2 958,2
Reclassification *	-3 571,2	-4 247,2
Closing net book amount	3 852,1	4 097,7
At 31 December 2022		
Cost	3 852,1	4 097,7
Accumulated depreciation	0,0	0,0
Net book amount	3 852,1	4 097,7
Classified as intangible	704,8	704,8

* Reclassification of assets under construction relates to completed assets/projects. The completed assets/projects are presented as additions in the relevant asset categories.

Major construction projects

New airport Bodø

In December 2021, the Norwegian Parliament approved the building 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 completed in 2029.

The Board of Directors of Avinor approved the project in December 2022 with a maximum cost target ("kostnadsramme") and a management cost target ("styringsmål") of NOK 7,200 million (2022 value) and NOK 6,100 million (2022 value), respectively, excluding purchase of land and financing costs. The adopted maximum cost means that Avinor will contribute NOK 2,600 million (2022 value), while the rest is financed by the state and Bodø municipality.

Except for preparatory works, the building of the new airport cannot start until the financing has been approved by EFTA's monitoring body (ESA). The approval is expected to be available during 2023.

Avinor is the builder (“byggherre”) and shares the risk equally with the state for any exceeding of the management cost target up to the maximum cost target. Avinor has all the risk of any exceeding of the maximum cost target. The maximum cost target (“P85”) corresponds to a limit for total project expenses that Avinor expects to stay within with an 85 percent probability. For the management cost target (“P50”), the corresponding probability level is 50 percent.

In the National Budget for 2023, NOK 450 million was allocated to cover accrued project expenses in the period 2019 - 2023. The first payment of state grants will take place when the funding of the project has been approved by ESA, while further state grants will be paid out monthly based on accrued project expenses.

For the period 2019 – 2022, gross project expenses for the project amount to NOK 229.4 million. After recognition of grants, based on the adopted national budget for 2023, net total project expenses in the project amounts to NOK 0,0 million.

Specification of how the construction project is reflected in the financial statements:

	Presentation in income statement/statement of financial position	Note	2019-2021	2022	Total
Capitalised project expenses at 31 December					
Gross capitalised project expenses	Asset under construction		28,0	59,9	87,9
Reduction due to recognition of grants	Asset under construction		0,0	-87,9	-87,9
Gross capitalised project expenses at 31 December			28,0	-28,0	0,0
Project expenses recognised in the income statement					
Project expenses recognised	Operating expenses		136,1	5,4	141,5
Grants recognised	Other operating income	5	0,0	-141,5	-141,5
Net project expenses in the income statement			136,1	-136,1	0,0
Total project expenses					
Total accrued project expenses			164,1	65,3	229,4
Grants recognised			0,0	-229,4	-229,4
Net total project expenses			164,1	-164,1	0,0
Receivables related to grants at 31 December					
Grants recognised			0,0	229,4	229,4
Grants received			0,0	0,0	0,0
Receivables related to grants at 31 December	Receivables	19	0,0	229,4	229,4

New airport Mo i Rana

In June 2021, the Norwegian Parliament approved the building of a new airport in Mo i Rana, which will replace the current airport at Røssvoll. The new airport is expected to open for commercial traffic during 2027.

The project has been approved within a maximum cost target (“kostnadsramme”) of NOK 3,320 million (2021 value). The new airport is to be financed by the state as well as a fixed grant/contribution of NOK 600 million from Rana municipality and the local business community. Avinor is the builder (“byggherre”) and bears the risk of any maximum cost target being exceeded. The maximum cost target (“P85”) corresponds to a limit for total project expenses that Avinor expects to stay within with an 85 percent probability.

EFTA's monitoring body, ESA, approved the financing plan for the project in June 2022 and the contribution from the local business community (NOK 150 million) was received in July 2022. The municipal contribution (NOK 450 million) will be paid in connection with the start of construction for the overall contract in spring 2023. Subsidy from local business, the municipality and the state are accounted for in accordance with IAS 20 (“Accounting for Government Grants and Disclosure of Government Assistance”).

The first government grant of NOK 104 million, which applies to incurred expenses up to and including 2022, was paid out in December 2022. Future government grants will be paid out monthly

after the contribution from the local business community and Rana municipality has been spent and will be based on incurred project expenses.

As of 31 December 2022, total accrued project expenses for New Airport Mo i Rana amount to NOK 190 million. Grants received from local business community and the state amount to NOK 254 million, of which NOK 190 million have been recorded as a reduction of accrued project expenses. This means that net project expenses as of 31 December 2022, after considering local and state grants, amount to NOK 0,0 million.

Specification of how the construction project is reflected in the financial statements:

	Presentation in income statement/statement of financial position	Note	2014-2021	2022	Total
Capitalised project expenses at 31 December					
Gross capitalised project expenses	Asset under construction		3,1	144,5	147,6
Reduction due to recognition of grants	Asset under construction		0,0	-147,6	-147,6
Gross capitalised project expenses at 31 December			3,1	-3,1	0,0
Project expenses recognised in the income statement					
Project expenses recognised	Operating expenses		42,6	-0,2	42,4
Grants recognised	Other operating income	5	0,0	-42,4	-42,4
Net project expenses in the income statement			42,6	-42,6	0,0
Total project expenses					
Total accrued project expenses			45,7	144,3	190,0
Recognition of grants			0,0	-190,0	-190,0
Net total project expenses			45,7	-45,7	0,0
Liabilities related to grants at 31 December					
Grants recognised			0,0	190,0	190,0
Grants received			0,0	-254,0	-254,0
Liabilities related to grants at 31 December	Other current liabilities	19	0,0	-64,0	-64,0

Note 13. Leases – right-of-use assets and lease liabilities

The group as lessee - capitalized leases

The group recognises a lease as a right of use with an associated lease obligation, when the asset becomes available for the group. Each rental payment is allocated between financial cost and lease liabilities. The finance cost is recognised in the income statement over the lease period based on an interest rate which results in a constant periodic interest on the remaining capitalized lease liability for each period. Right-of-use assets are amortised over the shortest of the contract period and the useful life of the asset using a linear method.

Estimated rental liability is calculated as the present value of the expected rental payments over the rental period. The lease liability includes the net fair value of fixed lease payments in the agreed period as well as the probable exercise of renewal options. Rental payments are indexed where applicable. A discount rate equal to the group's incremental borrowing rate is used. Right-of-use assets are measured at cost and equal to the amount at initial recognition of the lease liability.

Lease payments for short-term leases and low value leases are expensed as incurred. The group has used the option in IFRS 16.4 and does not apply IFRS 16 for intangible assets.

The group as lessor - operating leases

A significant portion of Avinor's commercial income consists of rental income that is recognised in accordance with IFRS 16. The rental income consists of fixed rental amounts as well as turnover-based rent that is recognised as income over the lease period in line with the delivery.

The group presents assets that are leased as fixed assets in the balance sheet.

Capitalized leases

The group's assets under capitalized leases mainly include buildings and other real estate, runways and land. The group's total lease obligation of NOK 535.0 million, includes the rent of office premises in Bjørnvika, Oslo (head office) amounting to NOK 244.8 million and the rental of Bodø Airport from Forsvarsbygg amounting to NOK 154.2 million. The corresponding numbers for 2021 were 256.6 and 169.5, respectively. The rental agreement for Bodø Airport was at the end of 2021 extended until at the maximum 31. December 2030. In connection with the building of a new airport in Bodø, the leased land area is to be purchased from Forsvarsbygg. See note 12 for further information about the new airport in Bodø.

In addition to the rental payments, the group has obligations due to operation/maintenance and insurance of the assets, which are considered as service contracts and not recognized in the lease obligation. The lease agreements do not contain restrictions on the company's dividend policy or financing options. The group does not have any substantial residual value guarantees attached to its leases.

New lease agreements are recognized with a discount rate equal to the group's incremental borrowing rate at the time of establishment of the lease. Avinor and the group's incremental borrowing rate on 31 December 2022 is estimated at 3.49 per cent (2021: 2.70 per cent).

Right-of-use assets, Avinor AS

All amounts in MNOK	Land	Buildings	Runways and other related assets	Furniture, fittings and equipment	Infra- structure	Total
At 1 January 2021						
Cost	26,0	480,4	102,2	4,8	0,8	614,0
Accumulated depreciation	-3,3	-84,5	-31,1	-2,4	-0,2	-121,6
Net book amount	22,8	395,8	71,0	2,3	0,5	492,5
Year ended 31 December 2021						
Opening net book amount	22,8	395,8	71,0	2,3	0,5	492,5
Additions	6,4	8,5	84,8	0,0	0,6	100,3
Reclassification	0,0	0,0	0,0	0,0	0,0	0,0
Depreciation charge	-0,9	-42,7	-15,7	-1,4	-0,1	-60,8
Closing net book amount	28,3	361,6	140,2	0,9	1,0	532,0
At 31 December 2021						
Cost	32,4	488,8	187,0	4,8	1,4	714,4
Accumulated depreciation	-4,1	-127,3	-46,8	-3,8	-0,3	-182,3
Net book amount	28,3	361,6	140,2	0,9	1,0	532,0
Year ended 31 December 2022						
Opening net book amount	28,3	361,6	140,2	0,9	1,0	532,0
Additions cost - business combinations	2,6	41,1	0,0	0,0	0,0	43,8
Additions	0,0	-0,1	0,0	0,0	0,0	-0,1
Disposals	0,0	0,0	0,0	0,0	0,0	0,0
Additions depreciations - business combinations	-1,0	-17,3	0,0	0,0	0,0	-18,3
Depreciation charge	-0,9	-44,1	-17,0	-0,7	-0,1	-62,9
Closing net book amount	29,0	341,2	123,2	0,3	0,9	494,6
At 31 December 2022						
Cost	35,1	529,9	187,0	4,8	1,4	758,1
Accumulated depreciation	-6,1	-188,7	-63,7	-4,5	-0,5	-263,5
Net book amount	29,0	341,2	123,2	0,3	0,9	494,6
Estimated useful life	3 - 20 years	1 - 16 years	8 year	1 year	8 year	
Method of depreciation	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

Right-of-use assets, Avinor Group

All amounts in MNOK	Land	Buildings	Runways and other related assets	Furniture, fittings and equipment	Infra- structure	Total
At 1 January 2020						
Cost	23,4	405,4	102,2	4,8	0,8	536,5
Accumulated depreciation	-1,9	-69,3	-31,1	-2,4	-0,2	-105,0
Net book amount	21,5	336,1	71,0	2,3	0,5	431,5
Year ended 31 December 2020						
Opening net book amount	21,5	336,1	71,0	2,3	0,5	431,5
Additions	6,6	99,6	84,8	0,0	0,6	191,7
Reclassification	0,0	0,0	0,0	0,0	0,0	0,0
Depreciation charge	-1,0	-36,6	-15,7	-1,4	-0,1	-54,8
Closing net book amount	27,1	399,1	140,2	0,9	1,0	568,4
At 31 December 2020						
Cost	30,1	505,0	187,0	4,8	1,4	728,2
Accumulated depreciation	-2,9	-105,9	-46,8	-3,8	-0,3	-159,8
Net book amount	27,1	399,1	140,2	0,9	1,0	568,4
Year ended 31 December 2021						
Opening net book amount	27,1	399,1	140,2	0,9	1,0	568,4
Additions	0,0	0,6	0,0	0,0	0,0	0,6
Disposals	0,0	-6,2	0,0	0,0	0,0	-6,2
Depreciation charge	-1,0	-39,5	-17,0	-0,7	-0,1	-58,3
Closing net book amount	26,2	354,0	123,2	0,3	0,9	504,6
At 31 December 2021						
Cost	30,1	499,4	187,0	4,8	1,4	722,6
Accumulated depreciation	-3,9	-145,4	-63,8	-4,5	-0,5	-218,1
Net book amount	26,2	354,0	123,2	0,3	0,9	504,6
Estimated useful life	3 - 20 years	1 - 19 years	8 year	1 year	8 year	
Method of depreciation	Straight-line	Straight-line	Straight-line	Straight-line	Straight-line	

Lease liabilities

Specification of remaining estimated rental payments for capitalized leases and present value:

Avinor AS

All amounts in MNOK	Less than 1 year	Between 1- 5 years	Over 5 years	Total	Intra-group included in total
At 31 December 2022					
Rental agreement HQ Oslo (Oslo Atrium AS)	22,7	120,4	105,2	248,3	0,0
Rental agreement Bodø Airport (Forvarsbygg)	20,0	106,0	45,4	171,5	0,0
Rental agreements other premises	29,3	116,6	13,3	159,2	112,7
Other rental agreements	1,8	7,1	12,1	20,9	3,9
Total - rental payments at nominal value	73,7	350,0	176,1	599,9	116,6
Total - rental payments at present value	72,7	318,1	139,2	529,9	107,7
At 31 December 2021					
Rental agreement HQ Oslo (Oslo Atrium AS)	22,2	118,0	130,3	270,5	0,0
Rental agreement Bodø Airport (Forvarsbygg)	19,6	104,0	67,5	191,0	0,0
Rental agreements other premises	23,9	120,6	12,1	156,6	133,9
Other rental agreements	1,9	5,9	13,2	21,0	4,1
Total - rental payments at nominal value	67,6	348,4	223,1	639,1	138,0
Total - rental payments at present value	66,7	315,1	174,4	556,2	125,7

Avinor Group

All amounts in MNOK	Less than 1 year	Between 1- 5 years	Over 5 years	Total
31.12.2022				
Rental agreement HQ Oslo (Oslo Atrium AS)	29,8	146,5	105,2	281,5
Rental agreement Bodø Airport (Forvarsbygg)	20,0	106,0	45,4	171,5
Rental agreements other premises	12,4	50,9	92,3	155,6
Other rental agreements	1,6	6,0	9,5	17,0
Total - rental payments at nominal value	63,8	309,3	252,5	625,6
Total - rental payments at present value	62,8	280,6	191,5	535,0
31.12.2021				
Rental agreement HQ Oslo (Oslo Atrium AS)	29,1	150,6	130,3	309,9
Rental agreement Bodø Airport (Forvarsbygg)	19,6	104,0	67,5	191,0
Rental agreements other premises	13,6	59,3	103,3	176,2
Other rental agreements	2,0	6,3	10,7	19,0
Total - rental payments at nominal value	64,3	320,1	311,8	696,2
Total - rental payments at present value	63,4	290,0	235,3	588,7

Changes in lease liabilities

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Balance at 1 January	556,2	513,0	588,7	448,7
Additions - business combinations	27,3	0,0	0,0	0,0
Additions/changes in the period	0,1	95,1	0,6	186,3
Disposals	0,0	0,0	-6,7	0,0
Repayments	-53,6	-51,9	-47,6	-46,3
Interest payments	-15,5	-14,7	-16,2	-13,6
Finance cost on lease liabilities	15,5	14,7	16,2	13,6
Total lease liabilities at 31 December	529,9	556,2	535,0	588,7
Short-term lease liabilities	72,7	66,7	62,8	63,4
Long-term lease liabilities	457,2	489,5	472,2	525,3
Net cash-flow from lease liabilities	-69,1	-66,6	-63,8	-59,9

The group as a lessee - non-capitalized lease agreements

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Specification of current year's rental cost				
Operating expenses in the period related to short-term leases (including short-term low value leases)	14,5	7,6	15,9	8,8
Operating expenses in the period related to intangible assets (not applying IFRS 16)	189,7	170,9	217,5	202,9
Total lease cost presented as other operating expenses	204,2	178,5	233,4	211,7

Leases related to intangible assets are mainly licenses and maintenance agreements related to software. The group has used the option in IFRS 16.4 and does not apply IFRS 16 for intangible assets.

Practical solutions used

The Group also rents office machines/IT equipment and other machines and equipment with lease terms from 1 to 3 years. The group has decided not to recognise leases where the underlying asset has low value, and thus does not recognise lease obligations and right-of-use assets for any of these leases. Instead, the rental payments are expensed when they occur. The group also does not recognise lease obligations and rights-of-use assets for short-term leases.

Options to extend a lease and purchase options

As of 31 December 2022, there are no significant future potential lease payments that are not included in the lease obligations as a result of extension or purchase options.

Note 14. Impairment tests

Intangible assets, property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised if the recoverable amount of the group's assets is less than its carrying amount. The recoverable amount is the highest of the cash-generating unit's fair value less cost to sell and its value in use. If impairments have been made, the possibilities for reversal of previous impairments on non-financial assets will be assessed at each reporting date.

The group estimates value in use based on the present value of future cash flows. Value in use is the present value of future cash flows derived from existing assets. The assessment is based on the entire business of Avinor being defined as two cash flow generating units (CGUs), see also discussion in note 2.

The assessment requires a great degree of professional judgement. Among other things, an assessment must be made of how long a period of time the impairment may last, the estimation and valuation of future cash flows in addition to the financial position and expected development in the market, including operating and financing cash flows.

Assumptions used when calculating the recoverable amount

The corona pandemic has had major negative effects on Avinor and significantly affected the number of air passengers and the group's revenues from 2020 up until the first quarter of 2021. Increased attention on climate, environment and sustainability increases the pressure for development and adjustments in the airline industry and changes in travel habits. The outbreak of war in Ukraine and the consequences it has in the world markets increases the uncertainties regarding expectations for future income.

The negative effects are already considered as impairment indicators for the group's cash-generating unit. Consequently, management has performed updated impairment tests at the end of 2022 that consider new information and updated forecasts.

Uncertainty regarding the long-term effects of the pandemic, environmental risks, tensions in the world markets as a result of the war in Ukraine and the regulation of Avinor's revenues, increase the sensitivity to the assumptions used in the impairment assessments.

The group's cash-generating units (airport operations and en-route services) are regulated infrastructure business where a decrease in traffic in the short / medium term normally not will entail need for impairments. However, the uncertainty regarding the long-term changes in travel habits might require impairment of assets.

The group's operations are conducted entirely in Norway. The present value of cash flows is estimated in Norwegian kroner and discounted based on a weighted return requirement relevant to Avinor's operations.

The uncertainty regarding traffic forecasts is high. Hence, Avinor has relied on different scenarios in determining cash flows in the impairment assessments.

The most important assumptions used in the impairment tests as of 31 December 2022 are described below, and represent the most updated assessment of probable outcome:

	Airport operations	En-route services
Key assumptions		
Operating margin 2023	8,2 %	-3,9 %
Operating margin 2028	23,8 %	12,3 %
Revenues 2023 as a % of 2019 *	79,5 %	101,3 %
Revenues 2028 as a % of 2019 *	100,1 %	135,4 %
Operating expenses 2023 as a % of 2019 *	86,1 %	62,1 %
Operating expenses 2028 as a % of 2019 *	89,4 %	69,0 %
Eternal growth in terminal value	2,0 %	2,0 %
Post-tax rate of return requirement	5,4 %	5,0 %

* 2019 the last normal year before the pandemic. Changes includes expected growth in consumer price index.

- Cash flows in the first year in the measurement period is based on the management's best estimate.
- Cash flows for years 2 - 6 are calculated based on management approved forecasts, which are based on current regulations and updated forecasts for air traffic volume, related commercial revenues and cost level. Effects of the changes in tax-free quotas for tobacco products are incorporated into future cash flows.
- In the estimate for charges, an expectation of regulation of the charges in accordance with consumer price index through the entire measurement period is assumed.
- It is assumed that there will be a real increase in the fees that Avinor collects.
 - o For airport charges a cashflow in year 6 that provides a return on invested capital equal the required rate of return is assumed. Airport charges are regulated according to "single till" (cross-subsidization between airport charges and commercial income for all airports as a whole), which indicates a regulation giving Avinor, over time, a result margin corresponding to the required rate of return.
 - o For charges for en-route services, it is assumed that future benefit plans provide a return equivalent to the return requirement.
- Cash flow from year 6 onwards is extrapolated with an eternal growth of 2 per cent based on expectations in future travel activity and long-term inflation targets.
- The expectations are based on Avinor's own assessments as well as analysis from reputable industry- and analysis organizations.
- In Norway, aviation is in a strong position, with long distances and population structure and topography that indicate long-term growth.
- It is expected that climate and sustainability will lead to a lasting change in travel habits. This is considered in the forecasts through the expectation of higher CO2 costs (that will affect both fees and kvota prices for emissions). The estimate is that this will lead to an estimated decrease of 3.2 million passengers during the measurement period. The effects are expected to come gradually in the period from 2023 onwards.
- The required rate of return used for the cash generating units are assessed at the end of 2022 based on:
 - o The market expectations for risk-free interest rates and debt interest rates
 - o The assessments of required rate of return for equity expected for this type of business.

Impairment tests – results

The results of the impairment tests show that the value in use exceeds the book value of assets by NOK 5,650 million for airport operations and NOK 900 million for en-route services. Consequently, no impairment loss has been recognized at the end of 2022.

Impairment tests - sensitivity analyses

At the time of approval of the 2022 annual accounts there is still uncertainty regarding how increased focus on environment and sustainability, the war in Ukraine and increased turmoil in the world markets will affect future travel activity. Should managements current estimates and assumptions not be met, it could lead to significant impairment losses.

Sensitivity analyses has been carried out that represent different scenarios based on changes in the assumptions to which the impairment tests are most sensitive. The analyses have been prepared to illustrate the uncertainty in the management's assessments.

The sensitivity to changes in operating margin, income, terminal growth and post-tax rate of return is summarised in the table below:

All amounts in MNOK	Airport operations		En-route services	
	Value in use	Impairment	Value in use	Impairment
Changes in assumptions				
Operating margin: -1,0 %	40 000	0	2 150	0
Operating margin: -2,0 %	37 350	0	1 800	0
Operating income: -1,0 %	40 650	0	2 100	0
Operating income: -2,0 %	38 500	0	1 700	0
Terminal growth rate: -0,5 %	37 000	100	1 950	0
Terminal growth rate: -1,0 %	32 550	4 550	1 550	50
Post-tax rate of return requirement: +0,5 %	36 500	600	1 900	0
Post-tax rate of return requirement: +1,0 %	31 700	5 400	1 450	150

Note 15. Financial risk factors

The group's activities expose it to a variety of financial risks. Financial risks include liquidity risk, interest rate risk, foreign exchange risk, credit risk, energy price risk and refinancing risk. The group's overall risk management program seeks to minimize the volatility of the group's financial performance. The group uses derivative financial instruments in addition to borrowings with fixed interest rates to hedge certain risk exposures.

Financial risk management is carried out by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. Guidelines have been established that regulate the overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, energy trading, relief of financial risk when purchasing property and liability insurance as well as management of financing and excess liquidity.

For details about financial assets and liabilities including hedging, see note 16.

Market risk

Foreign exchange risk

The group is exposed to foreign exchange risk with respect to the value of NOK against currencies caused by income and expenses in foreign currency. The group uses forward contracts to reduce the foreign exchange risk in cash flow nominated in foreign currency. The group is mainly exposed to euros and US dollars as well as some exposure to Swedish kroner and British pounds.

The group's income from en-route charges is exposed to foreign exchange risk. For Avinor Flysikring AS the risk is connected to the transfer of the revenue to Norway. The period from the determination of the exchange rate to the actual payment is about three months. Revenue in foreign currency is sold forward to the extent that it is not hedged by cash outflow in the same currency. The group also has foreign exchange risk connected to contractual payments in foreign currency. Forward contracts are not recorded as accounting hedges.

Avinor AS has as part of the hedging of large investments, entered into forward foreign exchange contracts in connection with the development of the airport terminals. Foreign exchange rate derivatives do not normally qualify for hedge accounting.

The group's bond debt denominated in euros is secured through the purchase of interest rate and currency swap agreements. Avinor uses hedge accounting when accounting for interest rate and currency swap agreements.

As the foreign exchange risk in overall is assessed to be limited, the group has not estimated any sensitivities. For notional principal amount of the outstanding foreign exchange contracts, see note 16.

Interest rate risk

The group is exposed to interest rate risk through its financial activities (see note 16). Parts of the borrowings are issued at variable rates, which means that the group is influenced by the changes in the interest rates. For servicing loans with floating interest rates, the group uses interest rate swaps to secure its own cash flow against interest rate fluctuations. All interest rate swaps are recognized in the balance sheet at fair value.

The objective of the group's interest rate management is to keep the volatility of future interest costs within acceptable limits. Group policy is to interest rate hedge all long-term loans till at least 60 per cent of total debt at all times is hedged for at least 12 months. Considering interest derivatives, the group has 67 per cent of its interest-bearing debt at fixed interest for at least 12 months.

As of 31 December 2022, all interest derivatives are adapted to the maturity and other conditions of specific loans.

The group uses various derivatives to adjust the effective interest rate exposure.

The group's interest rate swap agreements have the following maturities and with the following average interest paid by Avinor:

Avinor AS and Avinor Group

Figures in percent	2022	2021
2025	3,55	3,55
2027	3,02	3,02
2030	3,38	3,38

As of 31 December 2022, the group has bond loans and bank loans totalling NOK 3,080 million (2021: NOK 3,200 million) with floating interest.

The following table shows sensitivity to changes in the interest rate level of 0.50 and 1.50 per cent per balance sheet date. The calculations consider all interest derivatives. An increase in the interest rate reduces the group's profit before tax.

Avinor AS and Avinor Group

All amounts in MNOK	Changes in interest levels in basis points	Impact on pre-tax profit	Impact on equity
2022	+50	-17,3	-21,8
	-50	17,3	21,8
	+150	-52,0	-65,5
	-150	52,0	65,5
2021	+50	-19,7	-26,6
	-50	19,7	26,6
	+150	-59,1	-79,8
	-150	59,1	79,8

Average interest on the group's various categories of debt financing per 31 December:

Avinor AS and Avinor Group

Figures in percent	2022	2021
At 31 December		
Overdraft	IA	IA
State Loan	1,62	1,35
Bonds	3,46	2,69
Bank Loan	3,63	2,26

The figures include interest hedging derivatives.

On 31 December 2022 Avinor AS had total borrowings amounting to NOK 22,248 million (2021: NOK 22,535 million) in addition to an unutilized revolving credit facility and a bank overdraft facility, of a total of NOK 4,300 million (2021: NOK 4,300 million).

Energy price risk

Avinor is exposed to fluctuations in the energy price through being a consumer of electricity. To assure financial predictability, the group enters into energy price derivatives. The time horizon for the energy price derivatives is the current year plus up to five years. The hedges are made through a mixture of daily hedges with a smaller volume as well as some hedges with a larger volume. The group's strategy is to fully hedge the expected energy consumption for the current year.

Bilateral physical energy contracts have been entered into with Statkraft Energi AS. The contracts are booked as financial instruments. As of 31 December 2022, contracts have been entered into that cover 100 per cent of expected consumption in 2023 at an average price equal to around 100 euros per MWh. The contracts are not part of any accounting hedging relationship.

Sensitivity analysis for energy contracts at the end of the year indicates the effect on profit before tax if the energy prices had increased by 20 per cent:

Avinor AS and Avinor Group

All amounts in MNOK	2022	2021
20 % increase in energy price (effect on pre-tax profit)	120,3	42,2

Credit risk

The group essentially has credit risk linked to airlines, lessees and aviation-related industries.

The group has credit risks related to three main customers. In a normal situation, the group assesses the risk that customers cannot fulfil their obligations as moderate.

The group has guidelines to limit exposure to possible losses.

The group has not made any third-party guarantees.

Maximum risk exposure is illustrated by the carried amount of the financial assets, including derivatives in the balance sheet. Since the opposite party in derivatives trading is normally banks, the credit risk connected to derivatives is assessed as small. The group enters into derivative contracts in accordance with its own policy.

The group's assessment is that the group's maximum credit exposure is illustrated by the carried amounts of trade receivables and other short-term assets. Reference is made to note 19 regarding trade receivables and associated provision for losses on receivables.

The group's main bank has external credit rating of Aa3 and AA- (Moody's and Standard & Poors).

Creditworthiness in trade receivables and intra-group accounts in detail

Credit risk in non-due financial instruments which have not been written down, may be evaluated by external sources (if available), or based on previous negative credit records.

Classification of historical information (unimpaired trade receivables):

- group 1 – new customers/related parties (in the last six months)
- group 2 – existing customers/related parties (for more than six months) with no history of default
- group 3 – existing customers/related parties (for more than six months) with a history of default

There have been several cases where repayment schemes have been agreed with customers to settle overdue debt.

All intra-groups accounts are classified in group 2. No part of the loans to related parties is overdue or impaired.

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations when they are due.

The group shall have a liquidity reserve sufficient, at any time, to maintain business for at least twelve months without raising new loans. See note 16 for discussion of liquidity reserves and unused drawing facilities.

The tables below provide an overview of the maturity structure for Avinor AS and the group's financial obligations as of 31 December, in nominal amounts. In the case where the opposite party may demand an earlier payment, the amount is presented in the earliest period the payment may be demanded. If payment may be demanded on request, the obligations are included in the first column (less than 1 month).

In addition to refinancing of the borrowings described below, the group will, the next few years, require financing of already initiated infrastructure projects and necessary investments. The gross financing requirement includes refinancing of existing borrowings as described below and other planned investment activities. See note 16 for information about long-term loans and credit facilities.

Avinor AS: Maturity structure of financial obligations

All amounts in MNOK	Remaining period					Total
	Less than 1 month	Between 1 - 3 months	Between 4 - 12 months	Between 1 - 5 years	Over 5 years	
At 31 December 2022						
State, bond and bank borrowings*	53,0	134,0	1 513,0	12 825,0	10 833,0	25 358,0
Lease liabilities (see note 13)	6,1	12,3	55,3	350,0	176,1	599,9
Other commitments (see note 18)	8,0	16,0	72,1	817,1	0,0	913,2
Trade payables	366,3	180,4	0,0	0,0	0,0	546,7
Other current liabilities	317,0	156,1	0,0	0,0	0,0	473,2
Total	750,4	498,8	1 640,4	13 992,1	11 009,1	27 890,9
At 31 December 2021						
State, bond and bank borrowings*	28,4	133,9	1 287,1	8 381,0	15 832,7	25 663,1
Lease liabilities (see note 13)	5,6	11,3	50,7	348,4	223,1	639,1
Other commitments (see note 18)	1,5	2,9	13,1	300,8	643,1	961,4
Trade payables	280,8	138,3	0,0	0,0	0,0	419,1
Other current liabilities	338,6	166,8	0,0	0,0	0,0	505,3
Total	654,9	453,2	1 350,9	9 030,3	16 698,8	28 188,1

* Commercial papers and derivatives included

Avinor Group: Maturity structure of financial obligations

All amounts in MNOK	Remaining period					Total
	Less than 1 month	Between 1 - 3 months	Between 4 - 12 months	Between 1 - 5 years	Over 5 years	
At 31 December 2022						
State, bond and bank borrowings*	53,0	134,0	1 513,0	12 825,0	10 833,0	25 358,0
Lease liabilities (see note 13)	5,3	10,6	47,8	309,3	252,5	625,6
Other commitments	16,3	32,7	147,1	817,2	0,0	1 013,3
Trade payables	435,6	214,5	0,0	0,0	0,0	650,1
Other current liabilities	346,0	170,4	0,0	0,0	0,0	516,4
Total	856,2	562,3	1 707,9	13 951,5	11 085,5	28 163,4
At 31 December 2021						
State, bond and bank borrowings*	28,4	133,9	1 287,1	8 381,0	15 832,7	25 663,1
Lease liabilities (see note 13)	5,4	10,7	48,2	320,1	311,8	696,2
Other commitments	1,9	3,8	17,0	301,1	644,7	968,5
Trade payables	335,3	165,1	0,0	0,0	0,0	500,4
Other current liabilities	357,8	176,3	0,0	0,0	0,0	534,1
Total	728,8	489,8	1 352,3	9 002,2	16 789,2	28 362,3

* Commercial papers and derivatives included

Fair value estimation

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

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 accounts payables is approximately equal to fair value as they are entered into under "normal" conditions. This also applies to accounts receivable, with the exception of customer relationships where there is significant overdue, unpaid outstanding. These overdue outstanding receivables are assessed 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 margin. The fair value of commercial papers equals principal amount.

Comparison of carrying amounts and fair value

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

Avinor AS	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
All amounts in MNOK				
Interest-bearing debt				
State loan	749,8	730,0	1 194,2	1 194,0
Bonds	17 095,1	15 607,0	16 868,2	17 874,4
Bank borrowings	3 879,0	3 884,0	4 326,1	4 435,7
Lease liabilities	529,9	529,9	556,2	556,2
Avinor Group				
All amounts in MNOK				
Interest-bearing debt				
State loan	749,8	730,0	1 194,2	1 194,0
Bonds	17 095,1	15 607,0	16 868,2	17 874,4
Bank borrowings	3 879,0	3 884,0	4 326,1	4 435,7
Lease liabilities	535,0	535,0	588,7	588,7

Financial instruments by level of fair value measurement hierarchy

The table below shows financial instruments at fair value by level of the following fair value measurement hierarchy:

- Quoted prices 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 (as prices) or indirectly (derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3)

The following table presents the groups, and in all essentials the company's, assets and liabilities that are measured at fair value, and assets and liabilities for which fair values are disclosed on 31 December 2022:

All amounts in MNOK	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contracts	0,0	1,2	0,0	1,2
Energy contracts	140,8	0,0	0,0	140,8
Derivatives used for hedging				
Interest rate contracts	0,0	1 377,9	0,0	1 377,9
Total assets	140,8	1 379,1	0,0	1 519,9
Liabilities				
Financial liabilities at fair value through profit or loss				
Bonds	0,0	3 419,8	0,0	3 419,8
Foreign exchange contracts	0,0	3,4	0,0	3,4
Derivatives used for hedging				
Interest rate contracts	0,0	1 585,8	0,0	1 585,8
Total liabilities	0,0	5 009,1	0,0	5 009,1
Liabilities for which fair values are disclosed				
Interest-bearing debt				
State loan	0,0	730,0	0,0	730,0
Bonds	0,0	15 607,0	0,0	15 607,0
Bank borrowings	0,0	3 884,0	0,0	3 884,0
Lease liabilities	0,0	535,0	0,0	535,0
Total	0,0	20 756,0	0,0	20 756,0

There were no transfers between levels in 2022.

The following table presents the groups, and in all essentials the company's, assets and liabilities that are measured at fair value, and assets and liabilities for which fair values are disclosed on 31 December 2021:

Beløp i MNOK	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at fair value through profit or loss				
Foreign exchange contracts	0,0	2,8	0,0	2,8
Energy contracts	53,2	0,0	0,0	53,2
Renteswapper	0,0	0,0	0,0	0,0
Derivatives used for hedging				
Valutaterminkontrakter	0,0	0,0	0,0	0,0
Interest rate contracts	0,0	1 381,3	0,0	1 381,3
Total assets	53,2	1 384,2	0,0	1 437,4
Liabilities				
Financial liabilities at fair value through profit or loss				
Energy contracts	0,0	0,0	0,0	0,0
Bonds	0,0	4 620,7	0,0	4 620,7
Foreign exchange contracts	0,0	12,5	0,0	12,5
Renteswapper	0,0	0,0	0,0	0,0
Derivatives used for hedging				
Interest rate contracts	0,0	851,1	0,0	851,1
Total liabilities	0,0	5 484,2	0,0	5 484,2
Liabilities for which fair values are disclosed				
Interest-bearing debt				
State loan	0,0	1 194,0	0,0	1 194,0
Bonds	0,0	17 874,4	0,0	17 874,4
Bank borrowings	0,0	4 435,7	0,0	4 435,7
Lease liabilities	0,0	588,7	0,0	588,7
Total	0,0	24 092,9	0,0	24 092,9

There were no transfers between levels in 2022.

Note 16. Financial assets and liabilities

Financial assets

Classification

The group classifies its financial assets in the following categories: At fair value through profit or loss and amortised cost. The classification is determined based on the contractual cash flow characteristic of the instrument and the business model the instrument is held within.

Financial assets at fair value through profit or loss

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

Amortised cost

Financial assets at amortised cost are assets where both the following conditions are met: The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are classified as "Trade and other receivables" in the balance sheet.

Other receivables consist of accruals of rental income.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the group commits to purchase or sell the assets. All financial assets that are not accounted for at fair value with change in fair value through profit or loss are initially recognized in the balance sheet at fair value with the addition of transaction costs, with the exception of trade receivables which are initially recognized in the balance sheet at the transaction price in accordance with IFRS 15. Thereafter they are carried at amortised cost. Financial assets carried at fair value through profit and loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Impairment of financial assets

With the exception of trade receivables, the group do not have any financial assets covered by the impairment rules.

For trade receivables without a significant financing component, the group has applied the standard's simplified approach and measure the loss allowance at an amount equal to lifetime expected credit loss for the asset from initial recognition. The group has established a provision model based on previous historical loss experiences, considering new information as well as special knowledge of individual debtors, industry and economic developments.

In note 19, age distribution and loss provisions for trade receivables are specified.

Financial liabilities

Classification

The group classifies its financial liabilities in the following categories: At fair value through profit or loss and amortised cost. The classification is determined based on the contractual cash flow characteristic of the instrument and the business model the instrument is held within.

Financial liabilities at fair value through profit or loss

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

Amortized cost

Financial liabilities at amortized cost are financial liabilities that have fixed payments, apart from derivatives. These financial obligations are not traded in an active market. The obligations are recognized in the balance sheet at fair value at the time the obligation is incurred. Subsequent measurements are accounted for at amortized cost using the effective interest method. They are classified as short-term liabilities, unless there is an unconditional right to defer payment of the debt for more than 12 months from the balance sheet date. If so, they are classified as long-term liabilities.

Derivate financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The group designates hedging derivatives as either

- Hedges of the fair value of recognised assets, liabilities or a firm commitment (fair value hedge) or
- Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge)

The company and the group have the following interest rate swap agreements as of 31 December 2022:

All amounts in MNOK	Nominal amount	Due date	Reference interest rate
At 31 December 2022			
Cash flow hedge	1 265	2025	EURIBOR OG NIBOR
Fair value hedge	1 265	2025	NIBOR
Cash flow hedge	4 440	2027	EURIBOR OG NIBOR
Cash flow hedge	3 000	2030	NIBOR
Fair value hedge	5 589	2030	EURIBOR OG NIBOR

The assessment of the hedge effectiveness is based on the economic relationship between the hedging instrument and the hedged item, and that the credit risk is not dominant in the change in fair value of the hedging instrument. The hedge effectiveness is assessed prospectively.

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

The group normally defines its derivatives financial instruments related to borrowing as hedging derivatives, and therefore uses hedge accounting as a general rule when it comes to these hedging derivatives.

The group uses economic hedging in connection with the purchase of energy and foreign currency. For energy, bilateral physical energy contracts with Statkraft Energi AS are used. These hedges do not normally qualify for hedge accounting. Changes in the fair value of energy price contracts are recognized within financial items.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The group applies fair value hedge for hedging activities where the group has entered into fixed interest rate borrowings in foreign currency that have been swapped to floating interest rates in NOK. The gain or loss relating to the effective portion of

interest rate swaps hedging fixed rate borrowings is recognized in the income statement within 'finance costs'. Changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk are recognized in the income statement within 'finance costs'.

Cash flow hedge

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

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within 'finance costs'.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Categories of financial instruments in the balance sheet

Avinor AS

All amounts in MNOK	Amortised cost	Fair value through profit or loss	Derivatives used for hedging	Total
At 31 December 2022				
Assets				
Loans and receivables to group companies	578,5	0,0	0,0	578,5
Derivative financial instruments	0,0	142,0	1 377,9	1 519,9
Other financial assets	86,4	0,0	0,0	86,4
Trade receivables	774,5	0,0	0,0	774,5
Other receivables	212,0	0,0	0,0	212,0
Cash and cash equivalents	1 188,6	0,0	0,0	1 188,6
Total assets	2 839,9	142,0	1 377,9	4 359,8
Liabilities				
State loan	749,8	0,0	0,0	749,8
Bonds	17 095,1	0,0	0,0	17 095,1
Bank borrowings	3 879,0	0,0	0,0	3 879,0
Loans and payables to group companies	2 520,9	0,0	0,0	2 520,9
Derivative financial instruments	0,0	5,3	1 585,8	1 591,1
Lease liabilities	0,0	529,9	0,0	529,9
Trade payables	546,7	0,0	0,0	546,7
Other liabilities	475,6	0,0	0,0	475,6
Total liabilities	25 267,1	535,2	1 585,8	27 388,1

All amounts in MNOK	Amortised cost	Fair value through profit or loss	Derivatives used for hedging	Total
At 31 December 2021				
Assets				
Loans and receivables to group companies	1 027,5	0,0	0,0	1 027,5
Derivative financial instruments	0,0	54,4	1 381,3	1 435,7
Other financial assets	183,5	0,0	0,0	183,5
Trade receivables	579,3	0,0	0,0	579,3
Other receivables	55,1	0,0	0,0	55,1
Cash and cash equivalents	2 656,2	0,0	0,0	2 656,2
Total assets	4 501,6	54,4	1 381,3	5 937,3
Liabilities				
State loan	1 194,2	0,0	0,0	1 194,2
Bonds	16 868,2	0,0	0,0	16 868,2
Bank borrowings	4 326,1	0,0	0,0	4 326,1
Loans and payables to group companies	1 115,1	0,0	0,0	1 115,1
Derivative financial instruments	0,0	11,2	851,1	862,3
Lease liabilities	0,0	556,2	0,0	556,2
Trade payables	419,1	0,0	0,0	419,1
Other liabilities	522,8	0,0	0,0	522,8
Total liabilities	24 445,6	567,4	851,1	25 864,1

Avinor Group

All amounts in MNOK	Amortised cost	Fair value through profit or loss	Derivatives used for hedging	Total
At 31 December 2022				
Assets				
Derivative financial instruments	0,0	142,0	1 377,9	1 519,8
Other financial assets	86,7	0,0	0,0	86,7
Trade receivables	1 045,8	0,0	0,0	1 045,8
Other receivables	216,5	0,0	0,0	216,5
Cash and cash equivalents	1 188,6	0,0	0,0	1 188,6
Total assets	2 537,6	142,0	1 377,9	4 057,4
Liabilities				
State loan	749,8	0,0	0,0	749,8
Bonds	17 095,1	0,0	0,0	17 095,1
Bank borrowings	3 879,0	0,0	0,0	3 879,0
Derivative financial instruments	0,0	3,4	1 585,8	1 589,3
Lease liabilities	0,0	535,0	0,0	535,0
Trade payables	650,1	0,0	0,0	650,1
Other liabilities	519,1	0,0	0,0	519,1
Total liabilities	22 893,1	538,4	1 585,8	25 017,5

All amounts in MNOK	Amortised cost	Fair value through profit or loss	Derivatives used for hedging	Total
At 31 December 2021				
Assets				
Derivative financial instruments	0,0	56,0	1 381,3	1 437,3
Other financial assets	184,7	0,0	0,0	184,7
Trade receivables	845,9	0,0	0,0	845,9
Other receivables	76,2	0,0	0,0	76,2
Cash and cash equivalents	2 657,4	0,0	0,0	2 657,4
Total assets	3 764,2	56,0	1 381,3	5 201,5
Liabilities				
State loan	1 194,2	0,0	0,0	1 194,2
Bonds	16 868,2	0,0	0,0	16 868,2
Bank borrowings	4 326,1	0,0	0,0	4 326,1
Derivative financial instruments	0,0	12,5	851,1	863,6
Lease liabilities	0,0	588,7	0,0	588,7
Trade payables	500,4	0,0	0,0	500,4
Other liabilities	556,8	0,0	0,0	556,8
Total liabilities	23 445,8	601,2	851,1	24 898,1

For information about the credit quality of financial assets - see note 15.

Derivative financial instruments

All amounts in MNOK	Avinor AS			Avinor Group		
	2021	2020	Change	2021	2020	Change
Assets						
Interest rate swaps - cash flow hedges	855,5	962,4	-107,0	855,5	962,4	-106,9
Interest rate swaps - fair value hedges	522,4	418,9	103,5	522,4	418,9	103,5
Forward foreign exchange contracts	1,3	1,2	0,1	1,2	2,8	-1,6
Forward energy contracts	140,8	53,2	87,6	140,8	53,2	87,6
Total assets	1 519,9	1 435,7	84,2	1 519,9	1 437,3	82,6
Liabilities						
Interest rate swaps - cash flow hedges	1 585,9	851,1	734,8	1 585,8	851,1	734,7
Interest rate swaps - fair value hedges			0,0			0,0
Forward foreign exchange contracts	5,3	11,2	-5,9	3,4	12,5	-9,1
Forward energy contracts	0,0	0,0	0,0	0,0	0,0	0,0
Total liabilities	1 591,2	862,3	728,9	1 589,2	863,6	725,6
Net change			-644,8			-643,0
Details of net change						
Changes in value and other losses/(gains)			93,5			95,1
Interest rate swaps - recognised in other comprehensive income			-908,8			-908,8
Interests rate swaps - changes in value			170,5			170,7

Avinor AS and Avinor Group

All amounts in MNOK	Carrying amount	Change in carrying amount	Recognised in OCI	Total hedging gain/loss(-) recognised in OCI
At 31 December 2022				
Derivative financial instruments				
Interest rate swaps - cash flow hedges	-730,4	-841,8	-1 287,7	-1 333,8
Interest rate swaps - fair value hedges	522,4	103,5	378,9	752,1
Total	-208,0	-738,3	-908,8	-581,7

All amounts in MNOK	Carrying amount	Change in carrying amount	Recognised in OCI	Total hedging gain/loss(-) recognised in OCI
At 31 December 2021				
Derivative financial instruments				
Interest rate swaps - cash flow hedges	111,4	-1 328,6	-310,4	-375,5
Interest rate swaps - fair value hedges	418,9	-6,3	371,0	502,6
Total	530,3	-1 334,9	60,6	127,0

Interest rate and currency swaps are linked to hedging of bond loans in euros. The group fully hedges currency risk from euros to Norwegian kroner. In addition, interest rate risk in euros is hedged at interest in Norwegian kroner. The interest payments are partially hedged at a fixed rate and the rest at a floating rate in Norwegian kroner.

	Maturity	Nominal amount	Interest in NOK
At 31 December 2022			
Interest rate and foreign currency swap	2025	EUR 150 million	2,86 percent p.a.
Interest rate and foreign currency swap	2025	EUR 150 million	NIBOR
Interest rate and foreign currency swap	2027	EUR 500 million	3,02 percent p.a.
Interest rate and foreign currency swap	2030	EUR 500 million	NIBOR
Interest rate swap	2030	NOK 1 000 million	2,20 percent p.a.
Interest rate swap	2030	NOK 1 000 million	2,22 percent p.a.
Interest rate swap	2030	NOK 1 000 million	3,57 percent p.a.

There has been no inefficiency in these hedging instruments.

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

The notional principal amount of the outstanding forward foreign exchange contracts on 31 December 2022 was NOK 21 million (2021: NOK 58 million).

The notional principal amount of the outstanding forward energy contracts on 31 December 2022 was NOK 481 million (2021: NOK 157 million).

Gains and losses recognized in comprehensive income on interest rate swaps as of 31 December 2022 will continuously reverse in the income statement until the bank loans are repaid.

The maximum exposure to credit risk at the reporting date is the fair value of the derivative assets in the balance sheet.

Other financial assets

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Other financial assets				
Other non-current receivables	86,4	183,5	86,7	184,7
Total	86,4	183,5	86,7	184,7

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdraft. Cash and cash equivalents include the following for the purpose of the statement of cash flows:

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Cash and bank at hand	1 188,6	2 656,2	1 188,6	2 657,4
Bank overdraft	0,0	0,0	0,0	0,0
Total	1 188,6	2 656,2	1 188,6	2 657,4

Drawing facilities

Avinor AS 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.

For the group's revolving drawing facility, there is a requirement for an equity share of at least 30 per cent of total equity and net interest-bearing debt. Lease liabilities are included in the calculation of net interest-bearing debt.

Group bank account system

The Avinor Group's liquidity is organized in a group bank account arrangement. Avinor AS is the formal holder of the bank account. The bank accounts of all subsidiaries are therefore formally receivables from Avinor AS, and these companies are jointly responsible for the withdrawals that the Avinor Group has made.

Bank guarantees

Bank guarantees have been established for withheld tax deductions for employees. The bank guarantees are NOK 113.8 million in Avinor AS and NOK 187.5 million in the Avinor Group. Bank guarantees provided exceed withheld tax withholding as of 31 December 2022.

Borrowings

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

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Non-current borrowings and lease liabilities				
State loan	305,5	749,8	305,5	749,8
Bonds	17 095,1	16 868,3	17 095,1	16 868,3
Bank borrowings	3 351,9	3 879,0	3 351,9	3 879,0
Lease liabilities	457,3	489,5	472,2	525,3
Total long-term	21 209,7	21 986,7	21 224,6	22 022,5
Current borrowings				
First year instalment on long-term debt	971,5	891,5	971,5	891,5
Lease liabilities	72,7	66,7	62,8	63,4
Total current	1 044,1	958,1	1 034,3	954,8
Total current and long-term borrowings and lease liabilities	22 253,8	22 944,8	22 259,0	22 977,3

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Changes in borrowings				
Opening net book amount at 1 January	22 944,8	27 663,2	22 977,3	27 598,9
Repayment of borrowings	-891,5	-3 381,5	-891,5	-3 381,5
Repayment of lease liabilities	-35,6	-51,9	-47,5	-46,2
Net changes in borrowings with cash flow effect	-927,1	-3 433,4	-939,0	-3 427,7
Other changes in lease liabilities	27,3	95,1	-6,1	186,3
Changes in value	208,8	-1 380,1	226,8	-1 380,1
Closing net book amount at 31 December	22 253,8	22 944,8	22 259,0	22 977,3

Repayment profile borrowings

All amounts in MNOK	2024	2025	2026	2027	2028	Thereafter	Total
State loan	305,5						305,5
Bonds		2 530,0	1 000,0	4 439,0	2 000,0	7 126,1	17 095,1
Bank borrowings	527,1	527,1	527,1	527,1	363,5	880,0	3 351,9
Closing net book amount at 31 December	832,6	3 057,1	1 527,1	4 966,1	2 363,5	8 006,1	20 752,5

State loan

The loan is divided into five equal debentures with different interest terms. The debentures have interest rates equal to the interest rate used by the State when lending to public sector enterprises (average interest rate on five-year government bonds in the period October-September) plus 30 basis points. The interest on one of the debentures is renewed each year. All interests are payable in arrears on 31 December. The loan had originally a payment period of 20 years starting 2002. The term of the loan has subsequently been extended so that the final maturity date is in 2024.

Bonds

Specification of Avinor AS and the group's bond loans as of 31 December 2022:

- Face value EUR 300 million maturity 2025 interest rate 1,00 per cent p.a.
- Face value NOK 1,000 million maturity 2026 interest rate NIBOR plus 1,20 per cent p.a.
- Face value EUR 500 million maturity 2027 interest rate 1,25 per cent p.a.
- Face value NOK 2,000 million maturity 2028 interest rate 4,45 per cent p.a.
- Face value EUR 500 million maturity 2030 interest rate 0,75 per cent p.a.
- Face value NOK 1,000 million maturity 2031 interest rate 2,38 per cent p.a.

There are no equity covenants for Avinor's issued bonds.

Bank borrowings

Specification of Avinor AS and the group's bank borrowings as of 31 December 2022:

- The European Investment Bank
 - Face value NOK 1,525 million maturity 2028 Fixed interest rate
 - Face value NOK 1,900 million maturity 2028 Fixed interest rate
- The Nordic Investment Bank
 - Face value NOK 1,000 million maturity 2035 Floating interest rate

In the loan agreements with the European Investment Bank and the Nordic Investment Bank, an equity share of at least 30 per cent of total equity and net interest-bearing debt is required. Lease liabilities are included in the calculation of net interest-bearing debt.

Commercial papers

Avinor AS does not have certificate loans as of 31 December 2022.

Note 17. Pension obligation

The company and the group are required by law to have a pension plan. The pension plans of the company and the group satisfies these requirements. The company and the group have generally been covered by a defined benefit pension scheme in the Norwegian Public Service Pension Fund (SPK), but with effect from 1 January 2019 this scheme is closed. As of the same date, a defined contribution pension scheme has been introduced in accordance with the Act on Defined Contribution

Occupational Pensions with voluntary/forced transfers for different groups of employees. As a result, the company and the group have two main pension schemes from 2019.

Defined benefit plan

A defined benefit pension plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, dependent on one or more factors such as years of service and salary level.

The pension liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries based on a principle of linear benefit earning. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflow using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Changes in assumptions, basis data and the benefits of the pension plan which have as an effect an accounting loss or gain will be recognised in equity through other comprehensive income in the period they occur.

A change in the benefits which refers to previous periods of earning implies a change in the pension plan which is a cost related to previous periods of earning. A negative cost occurs when the benefits are changed, and the present value of the projected benefits are reduced. Changes in the pension plans are recognised in the income statement as the changes are implemented.

The pension scheme comprises benefits in accordance with the act relating to the Norwegian Public Service Fund ("Pensjonsloven"). The benefits are retirement pension, disability pension and spouse and child pension. The retirement pension includes a special-age retirement pension for certain groups. The special-age retirement pension is funded partly through SPK and partly through operations. In addition, the calculations include a contractual pension right, which is a tariff - regulated early retirement scheme from 62 years of age (the public AFP scheme). The benefits under the regulations applicable up to 1 January 2020 were coordinated with the National Insurance Scheme and any previously earned right from public pension schemes. Gross pensions earned under old regulations have been guaranteed regardless of the National Insurance Scheme (the "gross guarantee").

The new Act on public occupational pension schemes, effective 1 January 2020, was adopted by the Norwegian Parliament (Stortinget) in June 2019. The benefits earned in the new scheme represents a percentage of the salary up to 12 G. This means that the "gross guarantee" is no longer present in the new regulations and that the pension is calculated regardless of the National Insurance Scheme. New regulations for coordination between public occupational pensions schemes and the National Insurance Scheme have been adopted and implemented in the accounts for 2019.

The new law does not contain provisions on a new public AFP scheme or complete rules for special-age retirement pension. As a result, the accounting effects cannot be calculated until final rules have been adopted. Further information is given in note 24.

Gift pension

The group uses gift pension as a tool for employees who are considering early retirement. The scheme is financed through operations (unsecured) and is included in the defined benefit obligation specified in the tables below.

Pension fund

The pension scheme in Norwegian Public Service Pension Fund is not directly funded. The pension payments are guaranteed by the Norwegian government (Section 1 of the Pensions Act). Management of the allocated fund (fictitious fund) is simulated as if the funds were invested in long - term government bonds. Approx. 30 per cent of the fund related to Avinor AS and approx. 35 per cent of the fund related to Avinor Flysikring AS is simulated as invested in the Government Pension Fund Global. The pension scheme is not movable in the same way as private pensions schemes, and it is assumed that the pension scheme will be continued in SPK. In the simulation it is assumed that the

bonds are held to maturity. The pension fund is therefore estimated at nominal value plus the return on the fund.

Net pension obligation

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

Defined contribution pension

A defined contribution pension scheme is a scheme where the employer commits to pay an agreed premium to the scheme and where the premium payments are recognised in profit and loss as incurred. The contribution represents a percentage of salary up to 12 G. The employer has no obligations beyond the contributions.

The private AFP scheme

From 1 January 2019, the group has been part of the private AFP scheme, which is a collective pension scheme for the tariff-based sector in Norway. The private AFP scheme is based on a tripartite collaboration between employer organizations, employee organizations and the state. The state covers one third of the expenses in the scheme, while two thirds are covered by the member companies.

For accounting purposes, the scheme is regarded as a defined benefit multi-enterprise scheme. At present, it is not possible, with sufficient degree of reliability, to calculate the group's share of the liabilities in the scheme. The scheme is therefore accounted for as a defined contribution scheme with ongoing expense recognition of premium payments.

The scheme is significantly underfunded. In addition, companies participating in the AFP scheme are jointly and severally responsible for two-thirds of future pension payments. Therefore, an increase in the premiums for the scheme is expected in the future. The 2023 premium will be 2.6 per cent (2.6 per cent in 2022 and 2,5 per cent in 2021) of a salary basis, which is further defined in the scheme's articles of association.

Pension cost

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
The amounts recognised in the income statement are as follows:				
Defined contribution pension and private AFP scheme	64,6	53,7	161,6	154,0
Current service cost	167,8	234,3	211,4	298,0
Interest cost	192,3	115,2	328,0	200,8
Return on plan assets	-126,0	-72,0	-198,7	-115,6
Contribution from the employees	-16,8	-17,5	-19,2	-20,5
Administration fee	2,5	2,7	2,9	3,2
Payroll tax, employers contribution	40,1	44,6	68,0	72,9
Total pension cost (Note 6)	324,6	361,1	554,0	592,8

Net pension obligations – defined benefit plan

Assumptions used when calculating the net pension obligation

Salary increases and pension regulation are based on the latest updated guidance from the Norwegian Accounting Standards Board (NASB). The discount rate is determined based on the market for bonds with preferential rights (OMF)

	2022	2021
Discount rate and expected return on plan assets	3,20 %	1,90 %
Future salary increases	3,50 %	2,75 %
Future pension increases	2,60 %	1,75 %
Expected increase in national Insurance scheme basic amount	3,25 %	2,50 %
Early retirement scheme	15,00 %	15,00 %
Average turnover rate (under 50 years of age)	3,00 %	3,00 %
Average turnover rate (over 50 years of age)	0,20 %	0,20 %

The probability of retiring by use of special age pensions in Avinor AS and Svalbard Lufthavn AS is estimated at 50% if >50 years, 35% if 55-40 years and 10% if <40 years. For Avinor Flysikring AS, corresponding estimates are 90% if >55 years, 40% if 55-40 years and 10% if <40 years.

The tariff K2013 have been used for calculating life and mortality expectancy, while the tariff K1963 multiplied by 200% have been used for determination of disability risk.

Age	Life expectancy		Mortality expectancy		Disability expectancy	
	Male	Female	Male	Female	Male	Female
20	81	85	0,023 %	0,009 %	0,115 %	0,172 %
40	82	86	0,058 %	0,034 %	0,264 %	0,524 %
60	84	87	0,428 %	0,288 %	1,406 %	2,404 %
80	89	91	4,304 %	2,947 %	IA	IA

The pension obligation's weighted average duration is 22.5 years for the group and 19.5 years for the company.

Pension obligations and plan assets

Avinor AS

All amounts in MNOK	2022			2021		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Change in gross pension obligation:						
Obligation at 1 January	7 409,4	236,3	7 645,7	6 780,1	183,3	6 963,5
Current service cost	164,6	8,1	172,8	123,9	70,4	194,3
Interest cost	188,1	4,2	192,3	113,6	1,6	115,2
Merger/demerger	383,1	0,0	383,1	0,0	0,0	0,0
Actuarial losses/(gains)	-634,2	7,5	-626,7	593,1	8,2	601,3
Benefits paid	-207,4	-32,2	-239,6	-201,3	-27,3	-228,7
Gross pension obligation at 31 December	7 303,5	224,0	7 527,5	7 409,4	236,3	7 645,7
Change in pension funds:						
Fair value at 1 January	4 460,5	0,0	4 460,5	4 296,5	0,0	4 296,5
Expected return on plan assets	126,0	0,0	126,0	72,0	0,0	72,0
Merger/demerger	224,0	0,0	224,0	0,0	0,0	0,0
Contributions	284,2	0,0	284,2	256,8	0,0	256,8
Actuarial (losses)/gains	144,6	0,0	144,6	36,5	0,0	36,5
Benefits paid	-207,4	0,0	-207,4	-201,3	0,0	-201,3
Fair value of plan assets at 31 December	5 031,9	0,0	5 031,8	4 460,5	0,0	4 460,5
Net pension obligation	2 271,7	224,0	2 495,6	2 948,9	236,3	3 185,2
Payroll tax, employers contribution	315,2	31,6	346,8	415,8	33,3	449,1
Net pension obligation recognised in the balance	2 586,9	255,6	2 842,4	3 364,7	269,6	3 634,3
Actual return on plan assets last year	190,7		190,7	122,1	0,0	122,1
Expected employer/employee contribution next year	337,6		337,6	269,1	0,0	269,1
Expected payment of benefits next year	-212,8		-212,8	-205,9	0,0	-205,9

Avinor Group

All amounts in MNOK	2022			2021		
	Funded	Unfunded	Total	Funded	Unfunded	Total
Change in gross pension obligation:						
Obligation at 1 January	12 477,0	719,3	13 196,2	11 320,4	582,5	11 903,0
Current service cost	192,9	23,2	216,1	139,1	115,9	255,0
Plan amendment incl. curtailment/settlement	0,0	0,0	0,0	0,0	0,0	0,0
Interest cost	313,8	14,2	328,0	192,8	8,0	200,8
Actuarial (losses)/gains	-1 165,9	-34,8	-1 200,7	1104,2	50,7	1 154,9
Benefits paid	-290,6	-43,4	-333,9	-279,5	-37,8	-317,2
Gross pension obligation at 31 December	11 527,1	678,6	12 205,7	12 477,0	719,4	13 196,3
Change in pension funds:						
Fair value at 1 January	7 149,3	0,0	7 149,3	6 967,6	0,0	6 967,6
Expected return on plan assets	198,7	0,0	198,7	115,6	0,0	115,6
Contributions	370,2	0,0	370,2	281,9	0,0	281,9
Actuarial (losses)/gains	113,3	0,0	113,3	63,7	0,0	63,7
Benefits paid	-290,6	0,0	-290,6	-279,5	0,0	-279,5
Fair value of plan assets at 31 December	7 541,0	0,0	7 541,0	7 149,3	0,0	7 149,3
Net pension obligation	3 986,1	678,6	4 664,6	5 327,6	719,4	6 047,0
Payroll tax, employers contribution	554,1	95,0	649,2	747,6	100,6	848,2
Net pension obligation recognised in the balance sheet at 31 December	4 540,2	773,6	5 313,9	6 075,2	820,0	6 895,2
Actual return on plan assets last year	316,6		316,6	207,8	0,0	207,8
Expected employer/employee contribution next year	269,1		269,1	356,8	0,0	356,8
Expected payment of benefits next year	-205,9		-205,9	-286,8	0,0	-286,8

Changes in the defined benefit obligation

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Change in the defined benefit obligation over the year:				
Obligation at 1 January	3 185,2	2 666,9	6 047,0	4 935,2
Pension cost charged to the income statement	157,1	237,6	263,1	340,2
Employer/employee contribution	-284,2	-259,5	-370,1	-285,1
Administration fee	2,5	2,7	2,9	3,2
Benefits paid - unfunded schemes	-32,2	-27,3	-43,4	-37,8
Merger/demerger	238,5	0,0	79,3	0,0
Actuarial (gains)/losses recognised in other comprehensive income	-771,3	564,8	-1 314,0	1 091,2
Liability in the balance sheet at 31 December	2 495,6	3 185,2	4 664,6	6 047,0

Determination of premium levels

The determination of premium levels and the calculation of provisions for pension obligations are based on ordinary actuarial principles.

Pension obligation - sensitivities

Change in pension obligation as a result of one percentage point changes in financial assumptions:

Avinor AS

All amounts in MNOK	2022		2021	
	+ 1	- 1	+ 1	- 1
Discount rate	-1 218	1 579	-1 361	1 794
Future salary increase	309	-264	395	-342
National Insurance scheme basic amount regulation	356	-265	457	-350
Pension regulation	793	-675	873	-720

Avinor Group

All amounts in MNOK	2022		2021	
	+ 1	- 1	+ 1	- 1
Discount rate	-2 205	2 906	-2 608	3 531
Future salary increase	408	-358	535	-456
National Insurance scheme basic amount regulation	597	-498	1 256	-987
Pension regulation	1 360	-1 152	1 602	-1 292

Note 18. Provisions for other liabilities and charges

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable (more likely than not) that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. When the effect is material, provisions are determined by discounting expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Avinor AS

All amounts in MNOK	Retirement pay	Environmental pollution	Total
At 1 January 2021	11,0	1 007,3	1 018,3
Change in provision	35,3	0,0	35,3
Used	-28,1	-64,2	-92,3
At 31 December 2021	18,3	943,1	961,4
<i>Short-term part</i>	17,5	0,0	17,5
<i>Long-term part</i>	0,8	943,1	943,9
At 1 January 2022	18,3	943,1	961,4
Change in provision	175,1	29,9	205,0
Used	-187,4	-65,9	-253,3
At 31 December 2022	6,0	907,2	913,2
<i>Short-term part</i>	2,4	0,0	2,4
<i>Long-term part</i>	3,7	907,2	910,9

Avinor Group

All amounts in MNOK	Retirement pay	Environmental pollution	Total
At 1 January 2021	17,5	1 009,4	1 027,0
Change in provision	46,3	0,0	46,3
Used	-40,0	-64,7	-104,7
At 31 December 2021	23,8	944,7	968,6
<i>Short-term part</i>	22,7	0,0	22,7
<i>Long-term part</i>	1,1	944,7	945,8
At 1 January 2022	23,8	944,7	968,6
Change in provision	175,1	129,4	304,5
Used	-192,6	-67,3	-259,8
At 31 December 2022	6,4	1 006,9	1 013,3
<i>Short-term part</i>	2,7	0,0	2,7
<i>Long-term part</i>	3,7	1 006,9	1 010,6

The short-term part of provisions for liabilities is included in other short-term liabilities.

Early retirement pay

This includes optional retirement pay in accordance with the group's policy related to restructuring.

Environmental pollution

A provision has been made for expected costs related to handling/clean-up of contaminated land.

It is expected that the price increase for input factors related to the clean-up of contaminated land will be higher than the discounting effect of the clean-up work being carried out over the next five years. In the line "change in provision" for 2022, there is thus included an estimated increase in the obligation of NOK 43 million in Avinor AS and NOK 44.9 million in the group related to the present value calculation of the clean-up work as of 31 December 2022.

See note 24 for further information.

Note 19. Receivables and other current liabilities

Receivables

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Trade receivables	774,5	579,3	1 045,8	845,9
Intercompany receivables	248,5	662,5	0,0	0,0
Accrued, not invoiced revenue	103,6	29,7	114,7	36,1
Prepaid operating expenses	101,7	90,9	132,6	121,8
Receivables government grants New airport Bodø (note 12)	229,4	0,0	229,4	0,0
Other short term receivables	108,4	25,4	101,8	40,0
Total	1 566,0	1 387,8	1 624,3	1 043,9

Other short-term liabilities

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Intercompany debt	2 520,9	1 115,1	0,0	0,0
Accrued salary-related costs (incl. holiday pay)	249,8	234,7	372,4	377,3
Accrued operating and investment costs	501,4	331,8	513,3	492,3
Accrued interest costs	293,4	262,8	293,4	262,8
Prepayments from customers	142,8	176,2	178,2	207,6
Liability related to grants received New airport Mo i Rana (note 12)	64,0	0,0	64,0	0,0
Other current liabilities	39,3	83,8	47,5	86,4
Total	3 811,6	2 204,3	1 468,9	1 426,4

Trade receivables

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

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Trade receivables	785,8	587,2	1 109,3	902,1
Provision for impairment of trade receivables	-11,3	-7,9	-63,5	-56,2
Trade receivables - net	774,5	579,3	1 045,8	845,9
Receivables written off during the year	2,9	86,9	-2,2	93,5

The fair value of trade receivables is approximately equal to the carrying amount.

Loss on trade receivables is classified as other operating expense in the income statement.

Changes in the provision for impairment of trade receivables

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
At 1 January	7,9	149,2	56,2	216,2
This years provisions for receivables impairment	3,4	5,5	7,3	8,2
Receivables written off during the year as uncollectible	-2,9	-86,9	2,2	-93,5
Unused amounts reversed	2,8	-59,9	-2,2	-74,6
At 31 December	11,3	7,9	63,5	56,2

Credit risk and currency risk regarding trade receivables are discussed in more detail in note 15, the method for valuing trade receivables is described in note 16.

Age analysis of accounts receivables

All amounts in MNOK	Total	Not due	<30 d	31-60 d	61-90 d	>90 d
Avinor AS						
2022	785,8	757,2	23,4	0,0	0,3	4,9
2021	587,2	564,1	11,9	0,0	0,5	10,7
Avinor Group						
2022	1 109,3	1 012,5	29,1	0,5	0,7	66,5
2021	902,1	802,7	14,3	0,9	1,0	83,2

Trade and other receivables in foreign currency

All amounts in MEUR	Avinor AS		Avinor Group	
	2022	2021	2022	2021
EUR	0,0	0,0	164,2	153,1
Total	0,0	0,0	164,2	153,1

Note 20. Subsidiaries

Avinor Group

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

As of 31 December 2022, all subsidiaries are wholly owned.

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

Parent company

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

Equity for subsidiaries is stated prior to the effect of proposed dividends and group contributions, which in accordance with IFRS are recognised as a liability in the financial statements in the period which the dividends and group contributions are approved by the shareholders.

The consolidated financial statement of the group includes the following subsidiaries as of 31 December 2022:

Directly owned

All amounts in MNOK	Home country	Business office	Main business	Ownership/ voting shares	Book value	Total equity 31.12.2022	Profit/ loss 2022
Svalbard Lufthavn AS	Norway	Longyearbyen	Airport operations	100 %	104,3	76,7	-65,6
Avinor Flysikring AS	Norway	Oslo	Air navigation services	100 %	775,0	545,2	63,0
Avinor Utvikling AS	Norway	Oslo	Real estate	100 %	674,1	590,7	0,1
Sum					1 553,4	1 212,6	-2,5

Indirectly owned subsidiaries

All amounts in MNOK	Home country	Business office	Main business	Ownership/ voting shares	Book value	Total equity 31.12.2022	Profit/ loss 2022
Flesland Eiendom AS	Norway	Oslo	Real estate	100 %	108,0	138,4	16,1
Værnes Eiendom AS	Norway	Oslo	Real estate	100 %	124,5	121,7	7,9
Sola Hotel Eiendom AS	Norway	Oslo	Real estate	100 %	86,7	143,4	16,1
Hell Eiendom AS	Norway	Oslo	Real estate	100 %	8,3	3,4	0,2
Hotell Østre AS	Norway	Oslo	Real estate	100 %	171,2	323,8	24,8
Flyporten AS	Norway	Oslo	Real estate	100 %	61,7	101,2	14,1
Total					560,5	831,9	79,1

All indirectly owned subsidiaries are owned via Avinor Utvikling AS.

The board proposes that the following allocations are made by the general meeting in 2023: Avinor Utvikling AS and Avinor Flysikring AS make contributions totalling NOK 108 million to Avinor AS.

Reversal of the impairment of investment in the subsidiary Avinor Flysikring AS

In connection with the reorganization process, a renewed valuation of the investment in Avinor Flysikring AS was carried out in 2022. Based on updated valuations, it was established that the value in use for the investment exceeds the original book value. The write-down of NOK 620 million carried out at year-end 2021 was thus fully reversed in 2022. The reversal is presented as financial income in the company accounts of Avinor AS.

The consolidated financial statement of the group includes the following subsidiaries as of 31 December 2021:

Directly owned

All amounts in MNOK	Home country	Business office	Main business	Ownership/ voting shares	Book value	Total equity 31.12.2021	Profit/ loss 2021
Svalbard Lufthavn AS	Norway	Longyearbyen	Airport operations	100 %	104,3	136,1	-2,7
Avinor Flysikring AS	Norway	Oslo	Air navigation services	100 %	797,2	-149,2	-305,1
Avinor Utvikling AS	Norway	Oslo	Real estate	100 %	670,0	593,6	0,7
Sjømatterterminalen AS	Norway	Oslo	Real estate	100 %	4,1	2,1	0,0
Total					1 575,6	582,7	-307,0

Indirectly owned subsidiaries

All amounts in MNOK	Home country	Business office	Main business	Ownership/ voting shares	Book value	Total equity 31.12.2021	Profit/ loss 2021
Flesland Eiendom AS	Norway	Oslo	Real estate	100 %	108,0	136,7	12,1
Værnes Eiendom AS	Norway	Oslo	Real estate	100 %	128,8	117,2	2,4
Sola Hotel Eiendom AS	Norway	Oslo	Real estate	100 %	86,7	144,5	16,0
Hell Eiendom AS	Norway	Oslo	Real estate	100 %	8,3	3,4	0,2
Hotell Østre AS	Norway	Oslo	Real estate	100 %	171,2	305,5	6,6
Flyporten AS	Norway	Oslo	Real estate	100 %	61,7	100,8	13,5
Total					564,8	808,0	50,7

All indirectly owned subsidiaries are owned via Avinor Utvikling AS.

In annual general meetings in 2022 the following dispositions will be suggested: Avinor Utvikling AS and Sjømatterterminalen AS will give group contributions of NOK 71.7 million to Avinor AS, and Avinor AS will give a group contribution of NOK 600 million to Avinor Flysikring AS.

Impairment of investment in the subsidiary Avinor Flysikring AS

Cost price of the investment in Avinor Flysikring AS has in 2020 and 2021 increased due to group contributions and debt conversion.

Impairment test performed at year end 2021 of the air navigation services as a cash generating unit, indicated that the value in use was lower than book value for investment in Avinor AS. Book value before impairment was NOK 1,417.2 million, and the investment had at year end an estimated value in use of NOK 797.2 million. An impairment of NOK 620 million was recognized in the financial statements for Avinor AS in 2021. The impairment is presented as finance cost in the income statement for Avinor AS.

Note 21. Share capital, shareholder information and dividend

Share capital

The company's share capital is comprised of 540,010 ordinary shares, each with a par value of NOK 0.01 million. Total share capital is NOK 5,400.1 million.

Shareholder information

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

Dividend distribution

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

It is not proposed to the general meeting to pay dividend related to the 2021 or 2022 financial statements.

Note 22. Related-party transactions

The Ministry of Transport and Communication

As the sole owner of Avinor AS the Norwegian State represented by the Ministry of Transport and Communication (SD) is a related party. The group has a long-term loan from the Norwegian State.

SD has the principal authority regarding the structure of the airport network and the traffic charges. Any closing down of an airport or other material changes in the airport structure shall be presented to SD. The final decision is made by the Norwegian Parliament (Stortinget). The charges regulation which decides the setting of air traffic charges shall be sanctioned by SD.

Group companies

Outstanding accounts between companies in the group.

Outstanding amounts are stated before effects of group contributions and dividends given within the group.

Avinor AS as of 31 December 2022:

All amounts in MNOK	Svalbard Lufthavn AS	Avinor Flysikring AS	Avinor Flyporten AS	Avinor Utvikling AS	Flesland Eiendom AS	Værnes Eiendom AS	Sola Hotel Eiendom AS	Hell Eiendom AS	Hotell Østre AS	Total
Loans to group companies	100,0	0,0	0,0	0,0	0,0	5,0	0,0	0,0	225,0	330,0
Intra-group receivables	20,2	222,6	4,3	0,0	0,0	0,0	0,0	0,3	1,2	248,5
Total	120,2	222,6	4,3	0,0	0,0	5,0	0,0	0,3	226,2	578,5
Other short-term intra-group liabilities	48,6	2 274,0	63,0	30,3	40,1	-1,9	25,2	2,1	39,7	2 520,9
Total	48,6	2 274,0	63,0	30,3	40,1	-1,9	25,2	2,1	39,7	2 520,9

Avinor AS as of 31 December 2021:

All amounts in MNOK	Svalbard Lufthavn AS	Avinor Flysikring AS	Avinor Flyporten AS	Avinor Utvikling AS	Flesland Eiendom AS	Værnes Eiendom AS	Sola Hotel Eiendom AS	Hell Eiendom AS	Hotell Østre AS	Sjømat- terminalen AS	Total
Loans to group companies	100,0	0,0	0,0	0,0	0,0	15,0	0,0	0,0	250,0	0,0	365,0
Intra-group receivables	16,2	623,5	21,3	0,0	0,0	0,1	0,0	0,2	1,3	0,0	662,6
Total	116,2	623,5	21,3	0,0	0,0	15,1	0,0	0,2	251,3	0,0	1 027,6
Other short-term intra-group liabilities	42,0	871,9	57,4	10,5	33,5	2,1	22,9	2,1	71,8	0,9	1 115,1
Total	42,0	871,9	57,4	10,5	33,5	2,1	22,9	2,1	71,8	0,9	1 115,1

Note 23. Commitments

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

Specification of contracted capital expenditure:

All amounts in MNOK	Avinor AS		Avinor Group	
	2022	2021	2022	2021
Property, plant and equipment	3 109,1	1 107,7	3 164,9	2 521,0
Total	3 109,1	1 107,7	3 164,9	2 521,0

Note 24. Contingencies and uncertainties

Air stations owned by the Defence

The Norwegian Parliament (Stortinget) decided on 15 November 2016 that Andøya military air station will be shut down when today's P-3 Orion surveillance aircrafts are phased out and that a main base for surveillance/advanced base for fighter aircraft at Harstad/Narvik airport Evenes will be established.

Operations with F35 fighter jets started at the turn of the year 2021/2022. The F35-activity causes very high noise levels, in some areas there is a risk of hearing damage if exposed to the noise. Work is conducted to assess measures to implement, this might include the need for the establishment of extensive building constructions to protect travellers and other visitors.

The shutdown at Andøya military air station will lead to changes in the operational responsibility at Andøya airport. Avinor will take over airport operator responsibility from The Norwegian Defence in mid-2023. The Norwegian Defence aims at ending the daily operational military activity at Andøya by mid-2023. The Norwegian Defence will deliver airport operation services until The Norwegian Defence' future ambition level and Avinor's operating concept has been established, planned for mid-2024. The implemented process will contribute to establishing framework conditions for the transfer of responsibility, where an important factor is the financing of the additional costs and investments Avinor incurs.

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 fluorine organic compounds that were previously added to fire foam, and which have spread to the ground at the airports where they are now leaking out to the surrounding natural environment. These pollutants pose a risk of damage to the local natural environment and human health. Norway has committed internationally to reducing emissions and leakage of these compounds. In recent years, Avinor has received several demands from the Norwegian Environment Agency requiring mapping, the preparation of action plans as well as the implementation of clean-up measures at several locations where there is PFAS contamination. Significant supplementary investigations and surveys of soil, water, sediment and biota have been carried out at priority locations.

During 2022, action plans have been submitted for clean-up at locations connected to Haugesund, Svalbard, Kirkenes and Stavanger airports, and work is underway to prepare action plans for Alta, Kristiansund, Ålesund, Kristiansand and Tromsø airports. During 2022, clean-up has been carried out at Rørvik Airport and at one of two fire training fields at Bergen Airport. The clean-up work at the second fire training field at Bergen Airport is to be completed by the summer of 2023.

Experience with the preparation of action plans and completed clean-up projects shows that the work at Avinor's airports can be more extensive than what was originally included in the accounting provision, if the traditional clean-up method of digging, transport and disposal at an approved landfill is chosen. New knowledge and documentation for new measures show that it may be possible to carry out the clean-up at several airports at a lower cost. This requires good documentation and acceptance by the environmental authorities. In addition, there is still uncertainty related to limit values for clean-up, areas and volumes of masses that are contaminated. Avinor works actively to reduce uncertainties by better defining the pollutants, having a close dialogue with actors who can offer more cost-effective measures and testing new methods, and updates the provisions.

The provision is based on an assessment of the clean-up cost at specific locations. The provision is updated as new knowledge about the expected clean-up cost becomes available as a result of further mapping and the preparation of action plans. A mark-up has also been made in the provision to consider uncertainties related to the extent of clean-up work at several locations. Estimated provision, including mark-up for uncertainty allowance, is calculated at present value to reflect that the clean-up work will be carried out in the future. It is expected that the price increase for input factors linked to the clean-up of contaminated land will be higher than the discounting effect of the clean-up work being carried out over the next few years.

Also see note 18 for specification of the movement in the provision for environmental pollution.

Pensions

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 31 December 2022. Regulation related to a

new AFP scheme and special retirement pension are not included in the new law. Therefore, the full accounting consequences of the new law cannot be calculated until the final regulation have been adopted.

Private AFP scheme

The group has been part of the private AFP scheme (early retirement) that applies to all employees who have transitioned from defined benefit pensions in the Norwegian Public Service Pension Fund (SPK) to defined contribution pensions. The scheme is based on a tripartite collaboration between employers' organizations, employee organizations and the state and is regarded as a defined benefit multi-enterprise scheme. At present, it is not possible, with a sufficient degree of reliability, to calculate the group's share of the obligations in the scheme. The scheme is therefore accounted for as a defined contribution scheme with ongoing expense recognition of premium payments.

Note 25. Events after the reporting period

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

Bankruptcy in Flyr AS

On 31 January 2023, Flyr AS announced that it is filing for bankruptcy and that all its flights are being cancelled.

The bankruptcy will not affect Avinor's position and results for 2022. It is expected that the bankruptcy will have a limited impact on Avinor's results for 2023.