

## Note 15 - Measurement of fair value of financial instruments

Financial instruments at fair value are classified at various levels.

**Level 1:** Valuation based on quoted prices in an active market

Fair value of financial instruments that are traded in the active markets is based on market price on the balance sheet date. A market is considered active if market prices are easily and regularly available from a stock exchange, dealer, broker, industry group, price-setting service or regulatory authority, and these prices represent actual and regularly occurring market transactions at an arm's length. This category also includes quoted shares and treasury bills.

**Level 2:** Valuation based on observable market data

Level 2 consists of instruments that are valued by the use of information that does not consist in quoted prices, but where the prices are directly or indirectly observable for the assets or liabilities concerned, and which also include quoted prices in non-active markets.

**Level 3:** Valuation based on other than observable data

If valuation data are not available for level 1 and 2, valuation methods are applied that are based on non-observable information.

The following table presents the Group's assets and liabilities measured at fair value at 30 September 2014:

<b>Assets (NOKm)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit/loss				
Derivatives	269	4,211	-	4,480
Bonds and money market certificates	4,111	11,124	-	15,235
Equity instruments	46	-	615	661
Fixed interest loans	-	-	2,624	2,624
Financial assets available for sale				
Equity instruments	-	-	33	33
<b>Total assets</b>	<b>4,426</b>	<b>15,335</b>	<b>3,273</b>	<b>23,034</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
Derivatives	265	3,600	-	3,866
<b>Total liabilities</b>	<b>265</b>	<b>3,600</b>	<b>-</b>	<b>3,866</b>

The following table presents the Group's assets and liabilities measured at fair value at 30 September 2013:

<b>Assets (NOKm)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit/loss				
Derivatives	68	2,541	-	2,609
Bonds and money market certificates	346	18,696	-	19,042
Equity instruments	100	-	832	932
Fixed interest loans	-	-	2,701	2,701
Financial assets available for sale				
Equity instruments	-	-	46	46
<b>Total assets</b>	<b>514</b>	<b>21,237</b>	<b>3,579</b>	<b>25,329</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
Derivatives	66	1,908	-	1,975
<b>Total liabilities</b>	<b>66</b>	<b>1,908</b>	<b>-</b>	<b>1,975</b>

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2013:

<b>Assets (NOKm)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial assets at fair value through profit/loss				
Derivatives	111	2,939	-	3,050
Bonds and money market certificates	4,003	11,539	-	15,542
Equity instruments	67	-	909	976
Fixed interest loans	-	-	2,648	2,648
Financial assets available for sale				
Equity instruments	-	-	40	40
<b>Total assets</b>	<b>4,181</b>	<b>14,477</b>	<b>3,597</b>	<b>22,256</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Financial liabilities through profit/loss				
Derivatives	334	1,961	-	2,295
<b>Total liabilities</b>	<b>334</b>	<b>1,961</b>	<b>-</b>	<b>2,295</b>

The following table presents the changes in the instruments classified in level 3 as at 30 September 2014:

<b>(NOKm)</b>	<b>Fixed interest loans</b>	<b>Equity instruments through profit/loss</b>	<b>Equity instruments available for sale</b>	<b>Total</b>
Opening balance 1 January	2,648	909	40	3,598
Investment in periode	241	28	-	268
Disposals in the periode	-263	-329	-4	-596
Gain or loss on financial instruments	-1	8	-3	4
<b>Closing balance 30 September 2014</b>	<b>2,624</b>	<b>615</b>	<b>33</b>	<b>3,273</b>

The following table presents the changes in the instruments classified in level 3 as at 30 September 2013:

(NOKm)	Fixed interest loans	Equity instruments through profit/loss	Equity instruments available for sale	Total
Opening balance 1 January	2,585	601	46	3,231
Investment in periode	369	249	-	618
Disposals in the periode	-242	-12	-	-254
Gain or loss on financial instruments	-11	-6	-	-17
<b>Closing balance 30 September 2013</b>	<b>2,701</b>	<b>832</b>	<b>46</b>	<b>3,579</b>

The following table presents the changes in the instruments classified in level 3 as at 31 December 2013:

(NOKm)	Fixed interest loans	Equity instruments through profit/loss	Equity instruments available for sale	Total
Opening balance 1 January	2,585	601	46	3,231
Investment in periode	413	388	-	801
Disposals in the periode	-343	-151	-	-495
Gain or loss on financial instruments	-6	72	-6	61
<b>Closing balance 31 December 2013</b>	<b>2,648</b>	<b>909</b>	<b>40</b>	<b>3,597</b>