

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 31 March 2015:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
Derivatives	377	6,964	-	7,340
Bonds and money market certificates	3,170	10,784	-	13,954
Equity instruments	53	-	611	664
Fixed interest loans	-	43	3,991	4,034
Financial assets available for sale				
Equity instruments	-	-	35	35
Total assets	3,600	17,790	4,638	26,028
Liabilities	Level 1	Level 2	Level 3	Total
Financial liabilities through profit/loss				
Derivatives	375	5,721	-	6,096
Total liabilities	375	5,721	-	6,096

The following table presents the Group's assets and liabilities measured at fair value at 31 March 2014:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
Derivatives	149	3,782	-	3,931
Bonds and money market certificates	4,120	13,558	-	17,679
Equity instruments	63	-	995	1,058
Fixed interest loans	-	43	2,572	2,614
Financial assets available for sale				
Equity instruments	-	-	36	36
Total assets	4,332	17,383	3,603	25,318
Liabilities	Level 1	Level 2	Level 3	Total
Financial liabilities through profit/loss				
Derivatives	409	2,611	-	3,020
Total liabilities	409	2,611	-	3,020

The following table presents the Group's assets and liabilities measured at fair value at 31 December 2014:

Assets (NOKm)	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit/loss				
Derivatives	326	7,551	-	7,877
Bonds and money market certificates	3,859	10,318	-	14,177
Equity instruments	48	-	625	673
Fixed interest loans	-	43	3,277	3,320
Financial assets available for sale				
Equity instruments	-	-	35	35
Total assets	4,233	17,911	3,937	26,082
Liabilities	Level 1	Level 2	Level 3	Total
Financial liabilities through profit/loss				
Derivatives	324	5,928	-	6,252
Total liabilities	324	5,928	-	6,252

The following table presents the changes in the instruments classified in level 3 as at 31 March 2015:

(NOKm)	Fixed interest loans	Equity instruments through profit/loss	Equity instruments available for sale	Total
Opening balance 1 January	3,277	625	35	3,937
Investment in periode	828	4	-	833
Disposals in the periode	-157	-20	-	-177
Gain or loss on financial instruments	43	2	-	45
Closing balance 31 March 15	3,991	611	35	4,638

The following table presents the changes in the instruments classified in level 3 as at 31 March 2014:

(NOKm)	Fixed interest loans	Equity instruments through profit/loss	Equity instruments available for sale	Total
Opening balance 1 January	2,656	909	40	3,605
Investment in periode	17	7	-	24
Disposals in the periode	-94	-71	-	-165
Gain or loss on financial instruments	-8	150	-3	139
Closing balance 31 March 14	2,572	995	36	3,603

The following table presents the changes in the instruments classified in level 3 as at 31 December 2014:

(NOKm)	Fixed interest loans	Equity instruments through profit/loss	Equity instruments available for sale	Total
Opening balance 1 January	2,656	909	40	3,605
Investment in periode	946	38	3	987
Disposals in the periode	-389	-341	-4	-733
Gain or loss on financial instruments	64	19	-4	79
Closing balance 31 December 14	3,277	625	35	3,937