

## 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 December 2015:

<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	39	7,485	-	7,524
-Bonds and money market certificates	2,207	13,545	-	15,752
-Equity instruments	803	-	574	1,377
-Fixed interest loans	-	43	4,405	4,447
Financial assets available for sale				
-Equity instruments	-	-	108	108
<b>Total assets</b>	<b>3,048</b>	<b>21,073</b>	<b>5,087</b>	<b>29,207</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	44	5,371	-	5,414
-Equity instruments	385	9	-	394
<b>Total liabilities</b>	<b>429</b>	<b>5,380</b>	<b>-</b>	<b>5,808</b>

The following table presents the Group's assets and liabilities measured at fair value at 31 December 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	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
<b>Total assets</b>	<b>4.233</b>	<b>17.911</b>	<b>3.937</b>	<b>26.082</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	324	5.928	-	6.252
<b>Total liabilities</b>	<b>324</b>	<b>5.928</b>	<b>-</b>	<b>6.252</b>

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

(NOKm)	Fixed interest loans	Equity instruments through profit/loss	Equity instruments available for sale	Total
Opening balance 1 January 15	3,277	625	35	3,937
Investment in periode	2,224	20		2,244
Disposals in the periode	-1,000	-63	-2	-1,065
Gain or loss on financial instruments	-33	-7	75	34
Change in discount factor in fair value model for fixed interest loans	-64	-	-	-64
<b>Closing balance 31 December 15</b>	<b>4,405</b>	<b>574</b>	<b>108</b>	<b>5,087</b>

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 14	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
<b>Closing balance 31 December 14</b>	<b>3,277</b>	<b>625</b>	<b>35</b>	<b>3,937</b>