



Norske
tog

Quarterly report **Q1 2023**

About Norske tog

Norske Tog **procures, owns** and **manages** vehicles for rail passenger transport in Norway. The company leases train sets to train operators with an operating agreement with the Norwegian Railway Directorate. This structure facilitates the efficient procurement and management of trains and gathers the associated specialist expertise in a single place.

Norske tog AS is owned by the Ministry of Transport and Communications and is a category 2 company. The rationale behind the state's ownership is a desire to ensure that there is a provider offering rolling stock for rail passenger transport on competitively neutral terms. As an owner, the state's goal is to ensure the cost-effective procurement and leasing of trains.

This quarterly report has not been audited.

Highlights, 1st quarter 2023

- On 10 January, Norske tog signed an agreement to trigger option 1 in its local trains contract. This agreement entails an order of a further 25 local and regional trains which will bring the total number of orders in the procurement to date to 55 trains.
- Norske tog has signed an agreement with the Swiss train manufacturer Stadler to purchase 17 new long-distance trains. Taking into account options, this deal means that Norske tog may purchase up to 100 trains in total.
- Norske tog has finalised its first sustainability report using the Global Report Initiative (GRI) framework. The reporting period covered is the 2022 calendar year.

Financial key figures

Financial key figures (MNOK)	First quarter 2023	First quarter 2022	Year 2022
Operating profit	98	77	307
Pre-tax profit	46	42	144
Profit/loss for the period	36	32	106
Net cash flow*	1,475	-397	-244
Working capital	242	360	-804
Equity	3,484	3,313	3,410
Equity ratio	23.0 %	25.7 %	25.6 %
Return on book equity**	3.3 %	4.6 %	3.2 %

* The positive net increase in cash flow is primarily due to borrowing.

** Return on book equity is for the last 12 months.

Financial developments at Norske tog

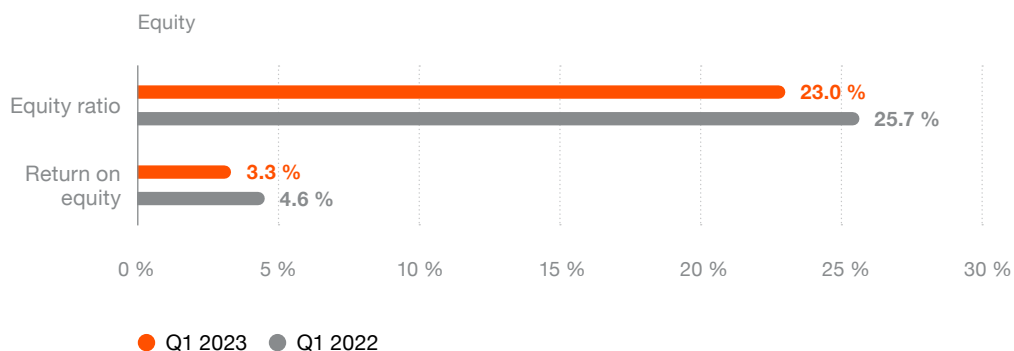
For the 1st quarter of 2023, Norske Tog achieved a net profit before tax of 46 MNOK (42 MNOK). Compared with the same period last year, this is an increase of 4 MNOK, which is primarily due to increased revenues of 44 MNOK, higher operating costs of -24 MNOK and higher financial costs of -16 MNOK.

The result gives a rolling 12-month return on book equity value of 3.3 per cent. In the long run, the goal is to deliver a rolling 12-month return of 5 per cent.

Norske tog is investing considerable time into the current train procurements in the belief that these investments will constitute a significant boost to the Norwegian rail sector. The company’s annual return will fluctuate in line with the scale of planned investment projects.

Equity

The equity ratio for Norske Tog decreased from 25.7 per cent in the first quarter of 2022 to 23.0 per cent in the first quarter of 2023. This is mainly due to increased borrowing as a result of planned investment in trains.



Financing

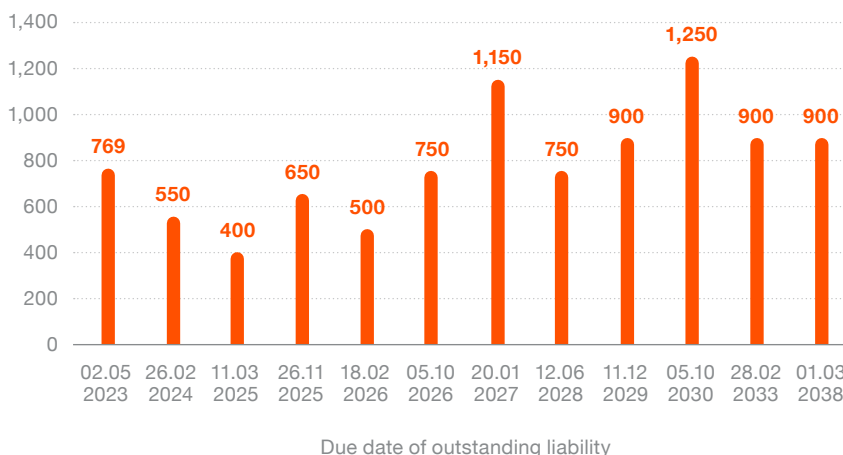
Norske Tog has good creditworthiness. Standard & Poor’s has given the company a credit rating for long-term borrowing of A+ (stable).

The company borrows through the Euro Medium Term Note (EMTN) programme. The EMTN programme does not include any financial requirements, although there is an ownership clause stipulating that the state must own 100 per cent of Norske tog.

As at 31.03.23, Norske tog has two bond loans due to mature over the next 12 months. The next maturity date relates to a loan worth 125 MCHF which will be due in May 2023, followed by another loan worth 550 MNOK due in February 2024.

Noncurrent liabilities

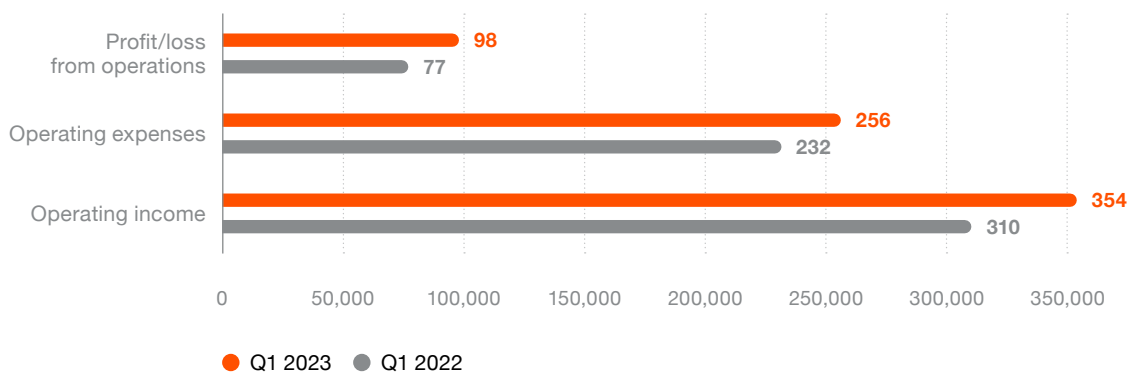
Amounts outstanding in MNOK



Profit/loss

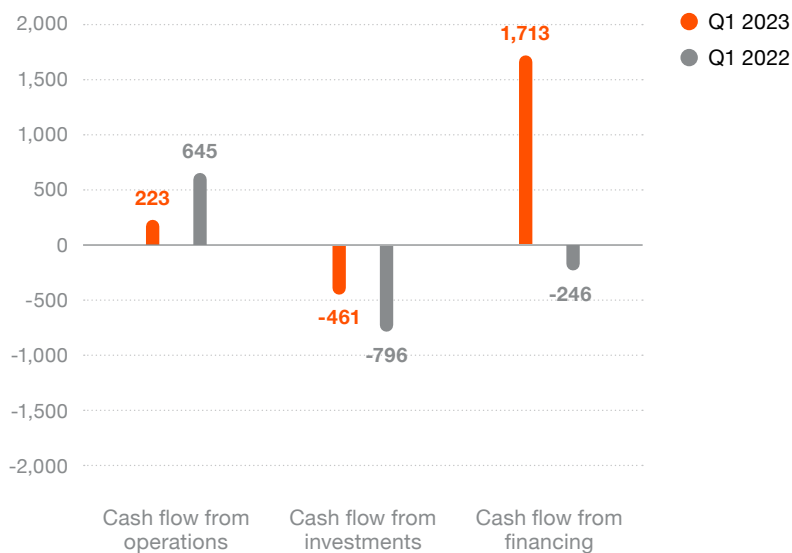
Profit/loss 1st quarter

All figures in MNOK



Cash flow

Cash flow, 1st quarter



Net cash flow from operations is 223 MNOK (645 MNOK). Net cash flows used for investments total 461 MNOK (796 MNOK), with the funds mainly used to exercise option 1 in the local trains contract.

Risk

Financial risk

The company's overall risk management plan focuses on the unpredictability of the capital markets and seeks to minimise the potential negative impact on the company's financial performance.

Norske tog takes out loans in the markets and currencies that are believed to provide the most favourable conditions overall. Loans in foreign currency are converted to NOK through combined interest rate and currency swaps. As a result, Norske tog is not exposed to foreign currency risk on debt.

The company makes purchases from foreign suppliers and is therefore exposed to foreign currency risk. The company's objective is to create predictability regarding future payments for larger procurements measured in NOK using financial hedging agreements or by the Norwegian State acting as the guarantor for any foreign currency risk and any increased expenses resulting from changes to foreign currency exchange rates. The contract for the procurement of local trains and the right to exercise option 1 has been entered into in EUR and the contract will not be subject to currency hedging. The contract for the procurement of long-distance trains has also been entered into in EUR and will similarly not be subject to currency hedging. Since Norske tog has the right to include realised foreign currency rates used in the procurement in the lease the company receives from train operators, the Ministry of Transport and Communications finds that there is no need for the procurement to be hedged in relation to foreign currency risk. The Board of Directors has taken this into account, as it is confident that the company will receive the necessary equity from the owner.

Norske tog is exposed to interest rate changes. The company uses interest rate swaps to reduce interest rate risk and to achieve the desired interest structure for the debt. Targets have been set regulating the proportion of loans that shall be interest adjusted for a twelve-month period, and for the fixed interest rate on the portfolio. The aim is to achieve a mix of approximately 70% at fixed and 30% at floating rates.

According to established targets, 150 per cent of the company's capital requirement in the next twelve-month period will be covered through free cash flow and established credit facilities.

The current leasing price model used to determine the lease from train operators creates challenges and there is a risk that the company's known and foreseeable costs will not be covered if the leasing price model is not changed. The work of putting in place a new, sustainable leasing model, in which known and foreseeable costs are covered by the lease revenue, will continue in 2023.

In 2022, Norske tog updated the company's framework for issuing green bonds. A detailed report has also been drawn up to describe the green investment projects that will be financed through green bonds, as well as the actual environmental and climate consequences of such projects. Norske tog strives to follow market best practice in its reporting and is working on an ongoing basis to improve the company's environmental impact reporting. The company is monitoring the EU's Green Bond Standard, and will work to transition from its current reporting practices in accordance with ICMA to the EU's Green Bond Standard once the latter framework is finalised.

Operational risk

Systematic analyses are conducted of operational risk and achievement of financial targets. Based on the risk analyses, control activities have been established to reduce identified risks, including automated controls, audits and extended follow-up, as well as analyses related to specific risk areas.

Norske tog is responsible for maintaining and, if necessary, extending the service life of the trains owned by the company. Lack of financing to maintain the service life by means of mid-life upgrades and other modifications represents a risk for the company. In order for Norske tog to deliver on the company's objectives and the owner's expectations, the company needs to have a financing model in place that provides adequate lease income and returns for the company to make the necessary procurements on time while also having the financial freedom to carry out necessary upgrades.

A large proportion of the company's fleet is aging and requires replacement. In order for the company to deliver better rail services in accordance with the expectations set out in the National Transport Plan (NTP) for 2022-2033, Norske Tog will be dependent on being able to exercise the options in existing procurement agreements. It takes a minimum of 18 months from exercising an option until new trains are delivered.

There is a limited risk that Norske tog will not have access to train sets at the right time to implement major upgrades or changes.

Norske tog is well under way with the largest train procurements in Norwegian history. Both new local trains and new long-distance trains will be procured. These are essential procurements for being able to maintain the current rail services and for making train travel more attractive. When a record number of trains need to be procured in such a short period of time, it is essential that Norske tog has the key expertise internally to properly follow up on the projects in terms of both efficiency and costs.

Two years of the COVID-19 pandemic, closely followed by the war in Ukraine, have contributed to increased unrest worldwide. The supply of raw materials has declined, raw material prices have risen, exchange rates are unstable and interest rates are on the rise. Additionally, there is currently an energy crisis in Europe. Norske tog has several ongoing projects, both for the procurement of new trains and the upgrading of vehicles that depend on good access to raw materials such as steel, aluminium and other sought-after raw materials that are needed in electronics. The situation will therefore affect both the economy and delivery time for the projects.

Norske tog is closely monitoring the situation. At the present time, it is difficult to say how and to what extent the growing unrest in the world will affect Norske tog. Any delays will be handled through ongoing dialogue with the company's suppliers. In addition, the company maintains close dialogue with rail operators, the Norwegian Railway Directorate and Bane NOR to ensure that any adjustments to finances and plans do not have an impact on regular traffic on the Norwegian rail network.

Project delays could result in it taking longer to reduce train delays and cancellations due to faults in the trains and improve customer experiences associated with such trains.

The mid-life upgrades to class 72 trains and the installation of ERTMS on trains are two major projects that are delayed compared to their original schedule. Additionally, there is a risk that these projects may incur further delay. ERTMS is a complex project encompassing all lines and all trains. The launch depends on both infrastructure, which is the responsibility of Bane NOR, and the modification of trains, which is the responsibility of Norske tog.



Significant events

The first quarter has been characterised by a high level of activity in the company with the procurement of new local and long-distance trains, as well as a number of other ongoing train management projects.

Buying 25 new Coradia Nordic trains

In January 2022, Norske tog signed a framework agreement with Alstom for an option to purchase a total of 200 local and regional trains. An order for 30 local trains was placed in 2022, and on 10 January 2023 Norske tog and Alstom signed an agreement for a further 25 new Coradia Nordic trains. This new agreement brings the total number of trains ordered from Alstom to 55.

The first order of 30 local trains is currently in production and deliveries will commence from late 2025. The new regional trains currently on order are scheduled to hit Norwegian rails in 2027. These new regional trains will operate to Moss, Rakkestad and Ski, and will be a crucial element in enhancing the travel experiences of many rail commuters in the Oslo region.

The Coradia Nordic trains ordered by Norske tog will be customised to the Norwegian rail network and local weather conditions. The regional trains on order have a top speed of 200 km/h. Each train set will consist of six high-capacity carriages.

Agreement signed for the delivery of new long-distance trains

On 8 March 2023, Norske tog signed an agreement with the Swiss train manufacturer Stadler to buy 17 new long-distance trains, with options for a total of 100 trains. Stadler won the competitive procurement process, which was subject to a cost framework of NOK 8 billion, following a full assessment of cost and quality in the bids submitted.

The new train type will be specially adapted to Norwegian conditions and has been named the FLIRT Nordic Express. The new trains will feature reclining seats, flexible sleeping compartments, bistros, family offerings and plenty of luggage space. All this will help to make rail the most attractive mode of travel in Norway.

The new trains will enter production in 2024 and will arrive in Norway for testing in 2025. The first trains are scheduled to enter service on the Bergen Line from 2026, replacing trains that are approaching the end of their lifespan. Trains are being acquired for use on all long-distance routes in Norway (the Bergen Line, the Sørland Line, the Dovre Line, and the Nordland Line).

First GRI-based sustainability report

In the first quarter of 2023, Norske tog worked to finalise its first sustainability report using the Global Report Initiative (GRI) framework. The sustainability report represents an important part of the company's wider sustainability work which was initiated and structured in 2022, which included the definition of a clear sustainability strategy with associated tangible measures.

The report provides a summary of Norske tog's activities and approach to sustainability, as well as the company's positive and negative impacts. The report will also highlight the areas Norske tog will continue to work on in the future. The reporting period covered is the 2022 calendar year.

Norske tog will continue to report on sustainability using the GRI standard until the company switches to reporting in accordance with the CSRD (Corporate Sustainability Reporting Directive), which is likely to occur from the 2024 financial year. The company will continue to publish its sustainability report at the same time as the annual accounts are published.

Outlook

With two major procurement processes taking place, there is a high level of activity in the company. Work on the local train procurement process is progressing well, with the design of the trains due to be completed during the course of 2023. Production is expected to begin during the second quarter of 2023. Work on the long-distance train procurement process in partnership with manufacturer Stadler is also in full swing.

Good financial performance and solid equity are important in ensuring the freedom to deliver on the company's mission going forward. Norske tog's income comes from lease revenue from train operators, who in turn earn their income from passengers and operating agreements with the government. Norske tog will continue its efforts to ensure the company has sufficient revenues to cover the company's known and foreseeable costs in the coming months and years.

Norske tog will intensify its work to obtain maintenance data from individual operators – this has posed a challenge to the company for some time. A lack of access to critical maintenance data makes it challenging for the company to follow up on systematic errors that involve major modifications to the train maintenance programme, or to set requirements for everyday maintenance and so ensure that trains have the longest possible service life.

Events after the balance sheet date

There have been no significant events after the closing date beyond those discussed in this report.

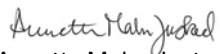
Conclusion

This quarterly report has been prepared in accordance with the requirements in IAS 34 Interim Financial Reporting.

In the best judgement of the Board of Directors and the CEO, the report reflects significant transactions conducted with related parties in the current period and the most important risk factors facing the business in the coming period.

In the best judgement of the Board of Directors and the CEO, the financial statements for the first quarter of 2023 have been prepared in accordance with applicable accounting standards, and the information in the financial statements gives an accurate picture of the company's assets, liabilities and financial position and overall results at the end of the period, as well as a fair overview of important events during the reporting period and their influence on the financial statements. The financial statements for the first quarter of 2023 have not been audited by the company's auditor.

Oslo, 11 May 2023



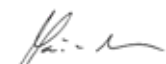
Annette Malm Justad
Chairperson



Espen Opedal
Board member



Jan Morten Ertsaas
Board member



Marianne Abeler
Board member



Ole Høgtun
Board member/
Employee
Representative



Vidar Larsen
Board member/
Employee
Representative



Øystein Risan
CEO

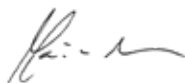
Income statement

Profit (All numbers in TNOK)	Notes	1 st quarter 2023	1 st quarter 2022	Year 2022	Last 12 months
Leasing revenue		353,622	309,341	1,302,424	1,346,705
Other revenue		485	463	35	57
Operating revenue		354,107	309,804	1,302,459	1,346,762
Payroll and related expenses		13,357	10,369	46,486	49,474
Depreciation and impairment		187,512	188,303	760,068	759,277
Other operating expenses		55,062	33,704	188,961	210,319
Total operating expenses		255,931	232,376	995,515	1,019,070
Operating profit		98,175	77,427	306,944	327,692
Financial items					
Financial revenues		31,426	13,120	73,302	91,608
Financial expenses		-81,785	-62,834	-253,889	-272,840
Unrealised changes in value	1	-2,039	13,952	18,027	2,036
Total financial items		-52,397	-35,762	-162,560	-179,196
Pre-tax profit/loss		45,778	41,665	144,384	148,497
Tax expense		10,071	9,166	39,987	38,892
Profit/loss for the period		35,707	32,499	106,397	109,605
Profit/loss for the period attributed to					
Shareholders in the parent company		35,707	32,499	106,397	109,605
Other comprehensive income					
Profit for the year		35,707	32,499	106,397	109,605
Items that will be reclassified to profit or loss					
Hedging accounting - foreign currency hedging	4	50,681	-20,318	4,109	54,790
Tax related to items to be reclassified	4	-11,150	4,470	-904	-12,054
Items that will not be reclassified to profit or loss					
Deviation retirement benefit obligations		-	-	364	-28
Tax related to items not to be reclassified		-	-	-80	6
Total comprehensive income for the period		75,238	16,651	109,886	152,319
Total comprehensive income attributable to					
Shareholders in the parent company		75,238	16,651	109,886	152,319

Statement of financial position

Balance sheet (All figures in TNOK)	Notes	31.03.2023	31.03.2022	31.12.2022
Assets				
Property, plant and equipment	3	12,378,140	12,014,099	12,077,287
Total fixed assets		12,378,140	12,014,099	12,077,287
Accounts receivable and other receivables		75,567	55,328	103,990
Derivative instruments		697,779	442,364	585,610
Cash and bank deposits		2,013,856	382,600	538,207
Total current assets		2,787,202	880,292	1,227,807
Total assets		15,165,342	12,894,391	13,305,094
Equity and liabilities				
Share capital and share premium		2,400,000	2,400,000	2,400,000
Other retained earnings		1,066,977	957,089	1,031,270
Hedge reserves		17,266	-43,709	-21,000
Total equity		3,484,243	3,313,381	3,410,270
Borrowings	4	8,235,161	8,212,300	6,993,873
Deferred tax		851,468	795,298	830,603
Pension liabilities		1,464	2,257	1,614
Other provisions for liabilities		47,868	50,827	37,133
Total long-term liabilities		9,135,960	9,060,682	7,863,223
Accounts payable and other short-term debt		139,205	153,876	220,999
Borrowings	4	2,404,798	308,602	1,775,776
Derivative instruments		1,136	57,852	34,827
Total short-term liabilities		2,545,139	520,329	2,031,601
Total equity and liabilities		15,165,342	12,894,391	13,305,094

Oslo, 11 may 2023


Annette Malm Justad
Chairperson

Marianne Abeler
Board member

Espen Opedal
Board member

Jan Morten Ertsaas
Board member

Ole Høgtun
Board member /
Employee Representative

Vidar Larsen
Board member /
Employee Representative

Øystein Risan
CEO

Cash flow

Cash flow statement (All figures in TNOK)	1 st quarter 2023	1 st quarter 2022	Year 2022
Profit for the period before income tax expense	45 778	41 665	144 384
Net financial items	78 180	96 145	209 186
Other financial items	-26 100	-63 834	-61 145
Depreciation and impairment in the income statement	187 512	188 303	760 068
Net changes to obligations and retirement benefit oblig.	-150	-149	-1 156
Gain/(loss) on sale of PPE	-	-	15 419
Changes to working capital	-61 917	382 563	391 808
Net cash flow from operating activities	223 304	644 693	1 458 563
Purchase of PPE	-461 182	-795 572	-1 424 292
Net cash flow from investment activities	-461 182	-795 572	-1 424 292
Interest paid on borrowings	-98 792	-102 090	-266 842
Interest income	11 469	5 945	38 506
Proceeds from borrowings	2 150 000	400 000	1 600 000
Repayment of borrowings	-350 000	-550 000	-1 650 000
Net cash flow from financial activities	1 712 677	-246 145	-278 336
Net change in cash and bank deposits for the period	1 474 799	-397 024	-244 065
Cash and bank deposits as at the beginning of the period	538 207	787 493	787 493
Foreign exchange gain/loss on cash and bank deposits	850	-7 869	-5 220
Cash and bank deposits as at the end of the period	2 013 856	382 600	538 207

Equity

31.03.2023 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 January 2023	100,000	2,300,000	-21,000	1,031,270	3,410,270
Profit for the year	-	-	-	35,707	35,707
From other comprehensive income	-	-	39,531	-	39,531
Reported directly to the hedge reserve	-	-	-1,265	-	-1,265
Equity 31 March 2023	100,000	2,300,000	17,266	1,066,977	3,484,243

31.03.2022 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 January 2022	100,000	2,300,000	-27,861	924,590	3,296,730
Profit for the year	-	-	-	32,499	32,499
From other comprehensive income	-	-	-15,848	-	-15,848
Equity 31 March 2022	100,000	2,300,000	-43,709	957,089	3,313,381

2022 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 January 2022	100,000	2,300,000	-27,861	924,590	3,296,730
Profit for the year	-	-	-	106,396	106,396
From other comprehensive income	-	-	3,205	284	3,489
Reported directly to the hedge reserve	-	-	3,655	-	3,655
Equity 31 December 2022	100,000	2,300,000	-21,000	1,031,270	3,410,270

Notes – reporting information

Policies and accounting principles

The financial statements for Norske Tog AS have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretation Committee (IFRIC) as adopted by the EU.

The financial statements have been prepared on the historical cost principle, except for financial derivatives and some financial assets and liabilities which are measured at fair value.

The company has noncurrent liabilities, financial derivatives and some financial assets recognised at fair value. The calculation of fair value uses estimates based mainly on observable prices which can change over time. Changed assumptions will result in changes in recognised values with the differences reported through profit/loss.

The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements must be viewed in conjunction with the company's most recent annual report, which contains a full description of the company's accounting principles.

The tax expenses for the period are based on the nominal tax rate in Norway. Accounting principles applied for the first quarter of 2023 are consistent with the accounting principles used for the financial statements in 2022.

Hedge accounting Description of principles

Foreign currency futures contracts have been entered into in order to currency-hedge future payments in accordance with the contract entered into for mid-life upgrades to Class 72 (local train) train sets entered into in EUR. The foreign currency futures contracts have been recognised at fair value. Hedge accounting managed through cash flow hedging is used in the company.

The part of the change in value of the hedging instrument considered to be effective hedging is recognised in other income and costs (extended profit and loss) and classified as cash flow hedging reserve in equity. Upon payment, the corresponding value change is reclassified from cash flow hedging reserve to Property, plant and equipment (classified as plant under construction until the mid-life upgrades have been completed).

Measurement of fair value

The company measures several financial assets and liabilities at fair value. For the classification of fair value, the company uses a system which reflects the significance of the input used to make the measurements, broken down as follows:

Level 1

Fair value is measured using quoted prices from active markets for identical assets or liabilities.

Level 2

Fair value is determined from input based on other observable factors, either direct (price) or indirect (derived from prices), than the quoted price (used in level 1) for the asset or liability.

Level 3

Fair value is measured using input which is not based on observable market data.

1. Unrealised changes in value

The breakdown of unrealised changes in the value of assets, liabilities and derivatives measured at fair value is shown below.

Unrealised fair value changes	1 st quarter 2023	1 st quarter 2022	31.12.2022
Unrealised value changes derivatives used for hedging	93,097	-31,981	113,083
Unrealised value changes bonds	-95,136	45,933	-95,056
Total unrealised value changes financial items	-2,039	13,952	18,027

2. Sales analysis by category

Norske Tog AS has only one operating segment – leasing of trains.

Information about key customers

The company has four customers for leasing of passenger rolling stock, VyGruppen AS, Go-Ahead AS, SJ Norge AS and Vy tog AS, which account for 100 per cent of the leasing income.

3. Property, plant and equipment

	Machinery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
At 1 January 2023						
Accumulated acquisition cost	142,253	15,393,562	602	133,888	58,651	16,331,276
Accumulated depreciation and write-downs	-79,431	-4,157,330	-	-	-17,227	-4,253,989
Total	62,822	11,236,232	602,922	133,888	41,423	12,077,287

1st quarter 2023						
Opening balance	62,822	11,236,232	602,922	133,888	41,423	12,077,287
Additions	4,506	354	362,233	94,089	17,659	478,841
Balance sheet interest	-	-	-	9,525	-	9,525
Transfers within PPE	38	28,482	-1,410	-27,110	-	-
Depreciations for the year	-6,837	-177,965	-	-	-2,709	-187,512
Total	60,528	11,087,102	963,745	210,393	56,373	12,378,140

Balance sheet 31 March 2023						
Accumulated acquisition cost	146,797	15,422,397	963,745	135,612	76,309	16,819,641
Accumulated depreciation and write-downs	-86,269	-4,335,295	-	-	-19,937	-4,441,501
Total	60,528	11,087,102	963,745	135,612	56,373	12,378,140

	Machinery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
At 1 January 2022						
Accumulated acquisition cost	130,079	13,889,127	192,628	710,890	59,280	14,986,746
Accumulated depreciation and write-downs	-60,229	-3,504,174	-	-	-10,771	- 3,579,916
Total	69,850	10,384,953	192,628	710,890	48,509	11,406,830

1st quarter 2022						
Opening balance	69,850	10,384,953	192,628	710,890	48,509	11,406,830
Additions	-	-	646,018	130,187	19,367	795,572
Transfers within PPE	581	400,175	-23,376	-374,380	-	-
Depreciations for the year	-4,540	-182,138	-	-	-1,625	-188,303
Total	65,891	10,602,990	812, 270	466,697	66,251	12,014,099

Balance sheet 31 March 2022						
Accumulated acquisition cost	130,660	14,294,044	812,270	466,697	78,647	15,782,318
Accumulated depreciation and write-downs	-64,769	-3,691,054	-	-	-12,396	-3,768,219
Total	65,891	10,602,990	812,270	466,697	66,251	12,014,099

	Machinery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
At 1 January 2022						
Accumulated acquisition cost	130,078	13,889,127	192,628	710,890	59,280	14,982,003
Accumulated depreciation and write-downs	-60,229	-3,504,174	-	-	-10,771	-3,575,174
Total	69,850	10,384,953	192,628	710,890	48,509	11,406,830
Year 2022						
Opening balance	69,850	10,384,953	192,628	710,890	48,509	11,406,830
Additions	951	41,034	1,059,210	323,097	6,073	1,430,365
Balance sheet interest	-	-	-	20,755	-	20,755
Train for recycling	-316	-101,531	-	-	-	-101,848
Train for recycling - depreciation	284	80,968	-	-	-	81,253
Transfers within PPE	11,540	1,502,435	-648,916	-858,357	-6,703	-
Interest carried on the balance sheet activated	-	62,497	-	-62,497	-	-
Depreciations for the year	-19,487	-734,125	-	-	-6,456	-760,068
Total	62,821	11,236,232	602,922	133,888	41,423	12,077,287
Balance 31 December 2022						
Accumulated acquisition cost	142,253	15,393,562	602,922	133,888	58,651	16,331,276
Accumulated depreciation and write-downs	-79,431	-4,157,330	-	-	-17,227	-4,253,989
Total	62,821	11,236,232	602,922	133,888	41,423	12,077,287

4. Financial instruments

Measurement of fair value

A comparison of the recognised values and the fair value of the company's interest-bearing debt is given below:

Interest-bearing debt - long-term	31.03.2023	31.03.2022	31.12.2022
Bond loan measured at fair value	91,785	1,318,924	100,497
Bonds measured at amortised cost	8,143,376	6,893,376	6,893,376
Total interest-bearing debt - long-term	8,235,161	8,212,300	6,993,873
Interest-bearing debt - short-term	31.03.2023	31.03.2022	31.12.2022
Short-term portion of long-term liabilities	2,104,798	308,602	1,368,128
Other loans	300,000	-	407,648
Total interest-bearing debt - short-term	2,404,798	308,602	1,775,776
Total borrowings	10,639,958	8,520,902	8,769,648
Nominal values	31.03.2023	31.03.2022	31.12.2022
Bond loan measured at fair value	768,750	768,750	768,750
Certificate loan at amortized cost	300,000	200,000	300,000
Bonds measured at amortised cost	8,693,376	6,893,376	6,893,376
Total	9,762,126	7,862,126	7,962,126

Financial assets and liabilities at fair value through profit or loss as at 31 March 2023	Level 1	Level 2	Level 3	Total
Derivative instruments	-	697,779	-	697,779
Total assets	-	697,779	-	697,779
Borrowings and accrued interest	-	1,569,693	-	1,569,693
Derivative instruments	-	1,136	-	1,136
Total liabilities	-	1,570,829	-	1,570,829

Financial assets and liabilities at fair value through profit or loss as at 31 March 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	-	442,364	-	442,364
Total assets	-	442,364	-	442,364
Borrowings and accrued interest	-	1,366,325	-	1,366,325
Derivative instruments	-	57,852	-	57,852
Total liabilities	-	1,424,177	-	1,424,177

Financial assets and liabilities at fair value through profit or loss as at 31 December 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	-	585,610	-	585,610
Total assets	-	585,610	-	585,610
Borrowings and accrued interest	-	1,478,551	-	1,478,551
Derivative instruments	-	34,827	-	34,827
Total liabilities	-	1,513,378	-	1,513,378

The fair value of bond loans at amortised cost is TNOK 8,693,376 (31 March 2022: TNOK 6,893,376) as at 31 March 2023.

All existing bond loan issues have been taken out under the Euro Medium Term Note (EMTN) programme. The EMTN programme does not include any financial covenants, but has an optional ownership clause stipulating that the State should own 100 per cent of Norske Tog AS. All bond loans are classified at level 2.

The fair value of the credit margin on bond loans is based on market observations from banks and the pricing/valuation of the bonds in the secondary market.

5. Hedge accounting

As of 31 March 2023, the company has recognised the following hedging instruments in the balance sheet:

	Currency bought	Currency sold	Nominal amount EUR	Total fair value	Maturity		
					1-6 months	6-12 months	More than 1 year
Forward exchange							
Assets	EUR	NOK	53,993	24,061	9,633	5,095	9,334
Liabilities	EUR	NOK	-	-	-	-	-

As of 31 March 2022, the company has recognised the following hedging instruments in the balance sheet:

	Currency bought	Currency sold	Nominal amount EUR	Total fair value	Maturity		
					1-6 months	6-12 months	More than 1 year
Forward exchange							
Assets	EUR	NOK	-	452	452	-	-
Liabilities	EUR	NOK	58,718	-51,802	-4,192	-5,892	-41,718

As of 31 December 2022, the company has recognised the following hedging instruments in the balance sheet:

	Currency bought	Currency sold	Nominal amount EUR	Total fair value	Maturity		
					1-6 months	6-12 months	More than 1 year
Forward exchange							
Assets	EUR	NOK	10,124	1,409	1,409	-	-
Liabilities	EUR	NOK	48,594	-24,627	-1,398	2,298	-20,931

Specification hedging reserve	As at 1 st quarter 2023	As at 1 st quarter 2022	Year 2022
Balance as at 1st of January	-21,000	-27,860	-27,860
Change in fair value	50,681	-20,318	4,109
Reclassified to assets under construction when paid	-1,265	-	4,686
Deferred tax	-11,150	4,470	-1,935
Balance at end of period	17,266	-43,709	-21,000

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