



Norske
tog

First half-year 2022

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About Norske tog

Norske tog **procures, owns** and **manages** vehicles for rail passenger transport in Norway. The company enters into agreements with train operating companies that have a traffic agreement with the Norwegian Railway Directorate for the lease of train sets. This leads to the efficient procurement and management of trains and ensures that specialist expertise can be found in one place.

Norske tog AS is owned by the Ministry of Transport and Communications and is a category 3 company. The state's rationale for ownership of Norske tog is to have a provider of vehicles for rail passenger traffic on competition-neutral terms. The state's goal as owner is cost-effective procurement and leasing of trains.

This half-year report has not been audited.

Highlights, 1st half-year 2022

- Norske tog has completed the installation of reclining seats on trains operating on the Sørland and Dovre lines. The chairs were supplied by the Czech company Borcad, and were available for passenger use on the two routes on 16 May and 30 June respectively.
- Tenders for new long-distance trains have been received and the assessment process for the various tenders is now underway.
- Norske tog has received the last of 14 type 76 bimodal trains from the Swiss manufacturer Stadler. These trains will operate on the Trønder Line and replace the old diesel trains which have been in service for more than 30 years.
- Jan Morten Ertsaas was elected as a new shareholder-chosen board member at Norske tog's annual general meeting on 8 June.

Financial key figures

Financial key figures (MNOK)	First half-year 2022	First half-year 2021	Year 2021
Operating profit	160	162	336
Pre-tax profit	87	100	206
Profit/loss for the period	68	78	161
Net cash flow*	-117	97	497
Working capital	-994	-353	994
Equity	3,378	3,242	3,297
Equity ratio	25.0 %	28.2 %	25.3 %
Return on book equity**	4.7 %	5.0 %	4.9 %

* The negative net cash flow is due to an advance payment on new local trains and receipt of the new trains.

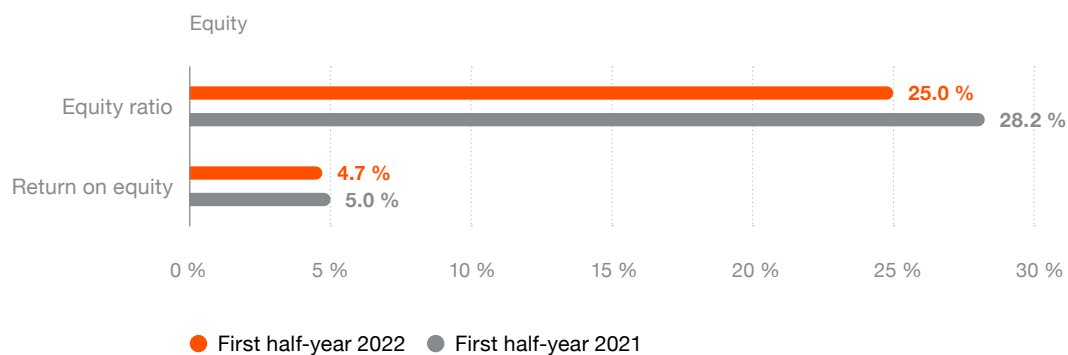
** Return on book equity is for the last 12 months.

Financial developments in Norske tog

For the first half-year 2022, Norske tog has had a net profit after tax of 68 MNOK (78 MNOK). Compared with the same period last year, this is a decrease of 10 MNOK. The primary reason for this difference is increased depreciation due to a high number of trains being brought into service.

The result gives a rolling 12-month return on book equity value of 4.7 per cent. In the long-term, the goal is to deliver a rolling 12-month return of 5 per cent.

Norske tog will commit considerable resources to upcoming train procurements. Norske tog is helping to boost services in the railway sector by means of these investments. Norske tog's annual return will fluctuate in line with the scale of planned investment projects.



The equity ratio for Norske tog decreased from 28.2 per cent in the first half-year 2021 to 25.0 per cent in the first half-year 2022. This is primarily due to an increase in planned investments in new 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, but there is an ownership clause stipulating that the state must own 100 per cent of Norske tog.

As of 30 June 2022, the company has one bond due in the next 12 months, the next maturity is a loan of 125 MCHF (Swiss francs) in May 2023.

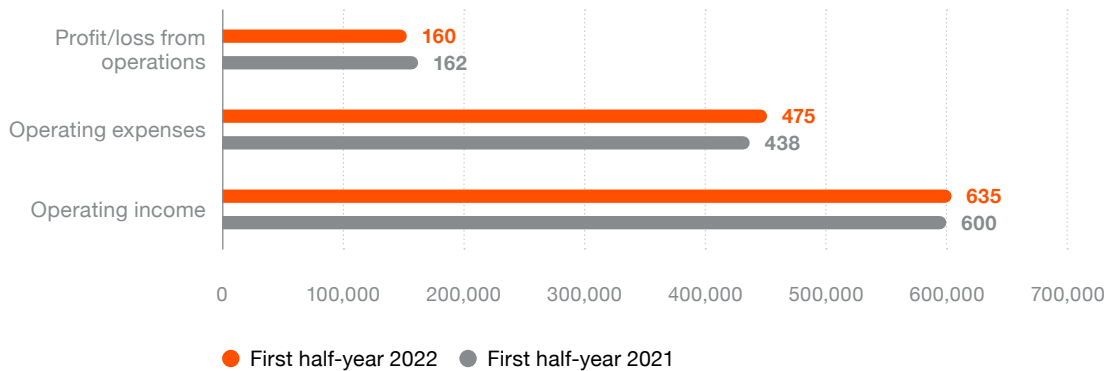
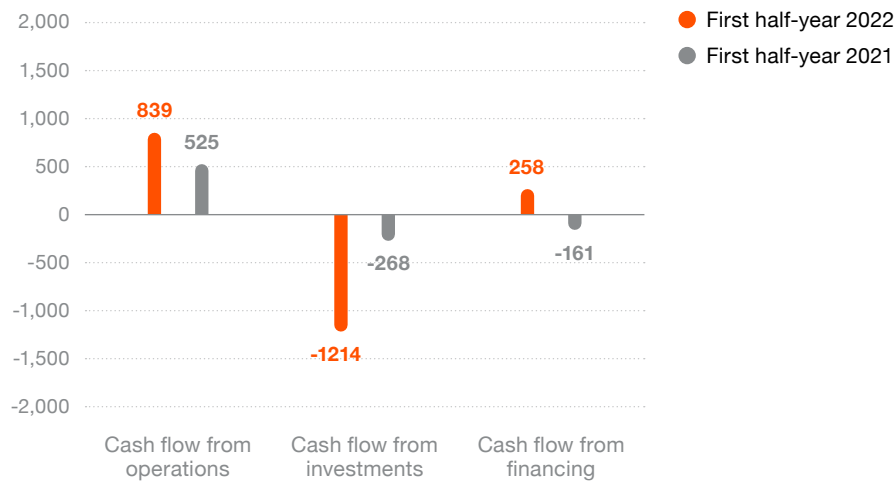
Noncurrent liabilities

Amounts outstanding in MNOK



Profit/loss**Profit/loss, 1st half-year**

All figures in MNOK

**Cash flow****Cash flow, 1st half-year**

Net cash flow from operations is 839 MNOK (525 MNOK). Net cash flow used for investments is 1,214 MNOK (268 MNOK), where the funds have mainly been used for entering into contracts for new local trains as well as for the purchase of new Flirt trains.

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.

The company has had limited exposure to foreign currency risk, as the majority of costs have been in NOK. The new contract for the procurement of local trains has been entered into in EUR. Contracts will not be subject to currency hedging, as the Norwegian government is a self-insurer and therefore the owner does not want the company to hedge procurements. Increased expenses due to exchange rate changes will be covered through increased lease income and adjusted residual value guarantees for the procurement.

The war in Ukraine has intensified the unrest in the world after the pandemic. Raw materials are harder to come by, prices are rising, exchange rates are unstable, and interest rates are on the rise. Europe is also experiencing an energy crisis which is increasing the cost of production and transport of raw materials.

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.

The shortage of raw materials may affect the economy of the company's projects and make it necessary to draw on the provision made for uncertainty in specific cost and management frameworks.

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 company has a target for free cash flow of approximately 300 MNOK.

Together with Norske tog's first green bond from 2019, when the company secured 1,200 MNOK, the bonds have secured financing for Norske tog to buy new electric local and regional trains.

Norske tog has prepared four indicators for the company's reporting in the future, thereby ensuring that the funds are invested according to their purpose. The four indicators Norske tog needs to report on are: The number of electric trains procured, increased passenger capacity, increased passenger mileage and reduced CO₂ emissions.

Infection prevention measures implemented by the authorities by means of recommendations not to travel on public transport have resulted in reduced revenues for operators over this period. Financial support from the state to operators has helped Norske tog continue to receive agreed lease income.

In the event that any operators encounter financial difficulties due to ongoing low passenger numbers, there is a risk that Norske tog will lose income.

The pricing model used by Norske tog to calculate lease prices for vehicles involves a risk due to insufficient cost coverage. Norske tog has appealed to the Ministry of Transport and Communications to change the pricing model to cover all known and expected costs and to ensure the best possible management.

Operational risk

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

Norske tog has an internal auditor who annually carries out audits with a particular focus on management and control. Two years of the Covid-19 pandemic, closely followed by the war in Ukraine, lead to several challenges, particularly related to access to raw materials and increased raw material prices. For Norske tog, there are particular challenges with deliveries of steel, aluminium and raw materials used in various types of electronic equipment that could affect operations. Therefore, there is a risk that planned updates, such as the installation of new the ERTMS digital management system, may be delayed and thus result in challenges in maintaining regular services. In addition, a shortage of raw materials may contribute to delaying the delivery time of the new trains. If the new trains are delayed, this will mean that efforts to reduce greenhouse gas emissions in the transport sector, including making the railways more environmentally friendly, will also be delayed.

Norske tog is closely monitoring the situation. At the present time, it is difficult to say how and to what extent the increased unrest in the world will affect Norske tog.



Significant events

The first half-year 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 projects.

The war in Ukraine still continues, and at the current time, it does not appear that there will be a swift resolution to the conflict which is intensifying unrest in the world after the pandemic. The supply of raw materials has declined, raw material prices have risen, exchange rates are unstable and interest rates are on the rise. 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.

New reclining seats on the Sørland and Dovre lines. In the second quarter, Norske tog completed the installation of reclining seats for the Sørland and Dovre lines. The seats were supplied by the Czech company Borcad. They are wide and comfortable, and can be reclined back to 45 degrees. From 16 May, Go-Ahead started offering passengers 60 reclining seats on its overnight trains running on the Sørland Line, allowing passengers to have a comfortable night's sleep on their journey without booking a sleeping compartment. The first departure featuring reclining seats on the Dovre Line set off on 30 June with SJ.

Competition for the delivery of new long-distance trains. On 3 June, the deadline for the tender on delivery of new long-distance trains passed. The aim of this was to procure 14 full-length trains, of which ten are electric, and four are bimodal. Additionally, three full-length trains will be procured, though it has not yet been decided whether they will be electric or bimodal. Norske tog is well underway in evaluating the tenders received. Signing of contract is expected to take place in 2023.

Final bimodal train delivered. In the second quarter, Norske tog received the last of 14 type 76 bimodal trains from the Swiss manufacturer Stadler. The train was then delivered to SJ and entered operation on the Trønder Line. The bimodal trains run on electricity on electrified lines and on diesel on other lines. The new trains will help to reduce per passenger carbon emissions by up to 30 per cent, and are an important contribution to reducing emissions from the transport sector, while also helping to make train travel more attractive.

New shareholder-chosen board member. Jan Morten Ertsaas was elected as a new shareholder-chosen board member at Norske tog's annual general meeting on 8 June. With the election of Ertsaas, the board has expanded by one member. Ertsaas has been CEO of the Store Norske Spitsbergen Kulkompani (SNSK) since 2018, and has long and broad experience, particularly in procurement.

Outlook

In the 2022 national budget, Norske tog was allocated an investment budget for the procurement of 17 new long-distance trains that will operate on the Dovre, Bergen, Sørland and Nordland lines. The tendering deadline passed on 3 June, and over the coming months, Norske tog will assess the tenders received. Signing the contract is expected to take place in 2023.

Norske tog's revenues come from lease income from train operators. Over the years, Norske tog has worked to develop proposals for a new leasing pricing model that would provide greater management and control for Norske tog and the owner, as well as provide greater predictability for operators. We are now working on getting the new pricing model approved. It is vital for the company to have this in place as quickly as possible.

It remains a challenge for Norske tog to get a hold of critical maintenance data from certain operators. This 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 lifespan. Norske tog increases its efforts to gain access to up-to-date maintenance data.

Events after the balance sheet date

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

Conclusion

This half-year 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 half-year 2022 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 half-year 2022 have not been audited by the company's auditor.

Oslo, 23. August 2022



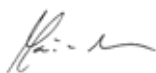
Annette Malm Justad
Chair of the Board



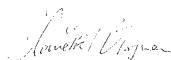
Espen Opedal
Board Member



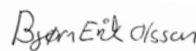
Jan Morten Ertsaas
Board Member



Marianne Abeler
Board Member



Henriette Torgersen
Board Member



Bjørn Erik Olsson
Board Member



Øystein Risan
CEO

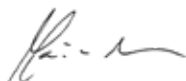
Income Statement

(All figures in TNOK)	Notes	1st half-year 2022	1st half-year 2021	2nd quarter 2022	2nd quarter 2021	Year 2021	Last 12 months
Operating income	2	634,946	599,945	325,142	300,075	1,230,464	1,265,465
Payroll and related expenses		17,948	20,237	7,579	8,622	41,008	38,719
Depreciation and impairment		379,499	349,492	191,196	174,888	708,574	738,581
Other costs		77,062	68,137	43,358	34,129	144,963	153,888
Total operating expenses		474,509	437,866	242,133	217,639	894,545	931,188
Operating profit		160,437	162,079	83,009	82,436	335,919	334,277
Financial items							
Financial revenues		23,864	30,308	10,744	9,282	59,704	53,260
Financial expenses		-115,322	-105,907	-52,488	-51,541	-213,254	-222,669
Net financial expense, pensions		-	-	-	-	-39	-39
Unrealised changes in value	1	18,505	13,442	4,553	2,288	23,841	28,904
Total financial items		-72,953	-62,157	-37,191	-39,971	-129,748	-140,544
Pre-tax profit/loss		87,484	99,922	45,818	42,465	206,170	193,732
Tax expense		19,247	21,983	10,081	9,343	45,381	42,645
Profit/loss for the period		68,237	77,939	35,737	33,122	160,789	151,087
Profit/loss for the period attributed to							
Shareholders in the parent company		68,237	77,939	35,737	33,122	160,789	151,087
Other comprehensive income							
Profit for the year		68,237	77,939	35,737	33,122	160,789	151,087
Items that will not be reclassified to profit or loss							
Hedging accounting - foreign currency		13,520		33,838		-36,250	-22,730
Tax related to items not to be reclassified		-2,974		-7,444		7,975	5,001
Deviation retirement benefit obligations						-28	-28
Tax related to items not to be reclassified						6	6
Total comprehensive income for the period		78,783	77,939	62,131	33,122	132,492	133,336
Total comprehensive income attributable to							
Shareholders in the parent company		78,783	77,939	62,131	33,122	132,492	133,336

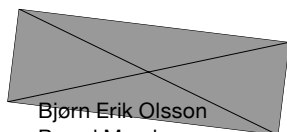
Statement of financial position

Balance sheet (All figures in TNOK)	Notes	30.06.2022	30.06.2021	31.12.2021	31.03.2022
Assets					
Property, plant and equipment	3	12,241,153	10,650,814	11,406,830	12,014,099
Total fixed assets		12,241,153	10,650,814	11,406,830	12,014,099
Accounts receivable and other receivables		39,628	37,193	359,214	55,328
Derivative instruments		553,068	428,370	476,499	442,364
Cash and bank deposits		662,394	386,976	787,493	382,600
Total current assets		1,255,090	852,539	1,623,206	880,292
Total assets		13,496,243	11,503,353	13,030,035	12,894,391
Equity and liabilities					
Share capital and share premium		2,400,000	2,400,000	2,400,000	2,400,000
Other retained earnings		978,137	841,762	896,730	913,381
Total equity		3,378,137	3,241,762	3,296,730	3,313,381
Borrowings	4	7,011,684	6,242,740	8,266,945	8,212,300
Deferred tax		813,853	775,067	790,601	795,298
Pension liabilities		2,792	2,523	2,406	2,257
Other provisions for liabilities		40,278	36,193	43,927	50,827
Total long-term liabilities		7,868,607	7,056,523	9,103,879	9,060,682
Accounts payable and other short-term debt		3,995	88,437	82,099	153,876
Borrowings	4	2,225,017	1,100,345	499,104	308,602
Derivative instruments		20,486	16,285	48,223	57,852
Total short-term liabilities		2,249,498	1,205,067	629,426	520,329
Total equity and liabilities		13,496,243	11,503,353	13,030,035	12,894,391

Oslo, 23. August 2022


Annette Malm Justad
Chair of the Board

Marianne Abeler
Board Member

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Henriette Torgersen
Board Member

Øystein Risan
CEO

Cash flow

	1st half-year 2022	1st half-year 2021	Year 2021
Cash flow statement (All figures in TNOK)			
Pre-tax profit for the year	87,484	99,922	206,170
Financial items	129,865	128,347	164,248
Depreciation and write-downs in the income statement	379,499	349,492	708,574
Net changes to obligations and retirement benefit oblig.	386	-112	-295
Changes to working capital*	241,483	-52,263	-372,887
Net cash flow from operating activities	838,717	525,386	705,810
Property, plant and equipment purchased	-1,216,755	-267,685	-1,388,790
Total sales	-	-	730
Loss/(Gain) from sale of PPE	2,932	-	5,278
Net cash flow from investment activities	-1,213,823	-267,685	-1,382,782
Interest paid on bonds	-160,301	-159,958	-215,768
Interest income	30,437	31,611	51,520
Other financial items	-62,120	-82,823	-61,350
Proceeds from borrowings	1,300,000	699,997	2,900,000
Repayment of short and long-term loans	-850,000	-650,000	-1,500,000
Net cash flow from financial activities	258,016	-161,173	1,174,402
Net change in cash and bank deposits for the period	-117,090	96,528	497,430
Cash and bank deposits at the beginning of the period	787,493	290,329	290,329
Foreign exchange gain/loss on cash and bank deposits	-8,009	119	-267
Cash and bank deposits at the end of the period	662,394	386,976	787,493

* This line shows the change in trade and other receivables as well as changes in accounts payable and other current liabilities (adjusted for changes in current liabilities arising from IFRS 16, as well as new leases according to IFRS 16).

Equity

30.6.2022 (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	-	-	-	68,237	68,237
From other comprehensive income	-	-	13,170	-	13,170
Equity 30 June 2022	100,000	2,300,000	-14,691	992,827	3,378,137

30.06.2021 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 January 2021	100,000	2,300,000	-	763,823	3,163,823
Profit for the year	-	-	-	77,939	77,939
From other comprehensive income	-	-	-	-	-
Equity 30 June 2021	100,000	2,300,000	-	841,761	3,241,761

2021 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 January 2021	100,000	2,300,000	-	763,823	3,163,823
Profit for the year	-	-	-	160,789	160,789
From other comprehensive income	-	-	-27,861	-22	-27,883
Equity 31 December 2021	100,000	2,300,000	-27,861	924,590	3,296,730

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 half-year 2022 are consistent with the accounting principles used for the financial statements in 2021.

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 Euro. 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 changes in value	1st half-year 2022	1st half-year 2021	31.12.2021
Unrealised value changes derivatives used for hedging	86,435	-54,318	-2,449
Unrealised value changes bonds	-67,930	67,760	26,289
Total unrealised value changes financial items	18,505	13,442	23,841

2. Sales analysis by category

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

Sales analysis by category	1st half-year 2022	1st half-year 2021	Year 2021	Last 12 months
Leasing revenue	634,482	599,153	1,225,206	1,260,535
Other operating income	463	792	5,258	4,929
Total	634,945	599,945	1,230,464	1,265,464

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

	Machin- ery 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	13,893,869	192,628	710,890	59,280	14,986,746
Accumulated depreciation and write-downs	-60,229	-3,508,916	-	-	-10,771	-3,579,916
Total	69,850	10,384,953	192,628	710,890	48,509	11,406,830

1st half-year 2022						
Opening balance	69,850	10,384,953	192,628	710,890	48,509	11,406,830
Additions	-3,267	6,034	725,817	485,910	2,261	1,216,755
Disposals	-17	-32,179	-	-	-	-32,196
Disposals accumulated Depreciation	4	29,260	-	-	-	29,264
Transfers within PPE	2,513	1,039,980	-326,516	-715,977	-	-
Depreciations for the year	-8,405	-367,844	-	-	-3,250	-379,499
Total	60,678	11,060,203	591,929	480,823	47,519	12,241,153

Balance sheet 30 June 2022						
Accumulated acquisition cost	129,309	14,907,703	591,929	480,823	61,541	16,171,305
Accumulated depreciation and write-downs	-68,630	-3,847,500	-	-	-14,021	-3,930,151
Total	60,678	11,060,203	591,929	480,823	47,519	12,241,153

	Machin- ery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
At 1 January 2021						
Accumulated acquisition cost	81,995	12,516,006	893,834	83,545	46,764	13,622,144
Accumulated depreciation and write-downs	-44,583	-2,839,651	-	-	-5,287	-2,889,521
Total	37,412	9,676,355	893,834	83,545	41,477	10,732,622
1st half-year 2021						
Opening balance	37,412	9,676,355	893,834	83,545	41,477	10,732,622
Additions	902	41	64,169	201,656	917	267,685
Transfers within PPE	37,839	29,929	-16,043	-51,726	-	-
Depreciations for the year	-6,794	-340,234	-	-	-2,464	-349,493
Total	69,359	9,366,091	941,960	233,475	39,930	10,650,814
Balance sheet 30 June 2021						
Accumulated acquisition cost	120,736	12,545,976	941,960	233,475	47,681	13,889,828
Accumulated depreciation and write-downs	-51,377	-3,179,885	-	-	-7,751	-3,239,014
Total	69,359	9,366,091	941,960	233,475	39,930	10,650,814

	Machin- ery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
At 1 January 2021						
Accumulated acquisition cost	81,995	12,516,006	893,834	83,545	46,764	13,622,144
Accumulated depreciation and write-downs	-44,583	-2,839,651	-	-	-5,287	-2,889,521
Total	37,412	9,676,355	893,834	83,545	41,477	10,732,622
Annual accounts 2021						
Opening balance	37,412	9,676,355	893,834	83,545	41,477	10,732,622
Additions	2,253	-1,161	256,177	1,119,005	12,516	1,388,790
Disposals	-	-24,187	-	-	-	-24,187
Disposals accumulated Depreciation		18,179				18,179
Transfers within PPE	45,831	1,403,212	-957,383	-491,659	-	-
Depreciations for the year	-15,646	-687,444	-	-	-5,484	-708,574
Total	69,850	10,384,954	192,628	710,891	48,509	11,406,830
At 31 December 2021						
Accumulated acquisition cost	130,079	13,893,870	192,628	710,891	59,280	14,986,747
Accumulated depreciation and write-downs	-60,229	-3,508,916	-	-	-10,771	-3,579,916
Total	69,850	10,384,954	192,628	710,891	48,509	11,406,830

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	30.06.2022	30.06.2021	31.12.2021
Bond loan measured at fair value	118,308	1,349,364	1,373,569
Bonds measured at amortised cost	6,893,376	4,893,376	6,893,376
Total interest-bearing debt – long-term	7,011,684	6,242,740	8,266,945
Interest-bearing debt – short-term	30.06.2022	30.06.2021	31.12.2021
Short-term portion of long-term liabilities	888,098	750,345	499,104
Other loans	1,336,919	350,000	-
Total interest-bearing debt – short-term	2,225,017	1,100,345	499,104
Total borrowings	9,236,701	7,343,084	8,766,048
Nominal values	30.06.2022	30.06.2021	31.12.2021
Bond loan measured at fair value	768,750	768,750	768,750
Certificate loan at amortised cost	800,000	350,000	-
Bonds measured at amortised cost	6,893,376	5,543,376	7,243,376
Total	8,462,126	6,662,126	8,012,126

Financial assets and liabilities at fair value through profit or loss as at 30 June 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	-	553,068	-	553,068
Total assets	-	553,068	-	553,068
Borrowings and accrued interest	-	1,461,664	-	1,461,664
Derivative instruments	-	20,486	-	20,486
Total liabilities	-	1,482,149	-	1,482,149

Financial assets and liabilities at fair value through profit or loss as at 30 June 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	-	428,370	-	428,370
Total assets	-	428,370	-	428,370
Borrowings and accrued interest	-	1,387,304	-	1,387,304
Derivative instruments	-	16,285	-	16,285
Total liabilities	-	1,403,589	-	1,403,589

Financial assets and liabilities at fair value through profit or loss as at 31 December 2021	Level 1	Level 2	Level 3	Total
Derivative instruments	-	476,455	-	476,455
Total assets	-	476,455	-	476,455
Borrowings and accrued interest	-	1,485,770	-	1,485,770
Derivative instruments	-	15,266	-	15,266
Total liabilities	-	1,501,036	-	1,501,036

The fair value of bond loans at amortised cost is 6,893,376 TNOK (30 June 2021: 5,543,376 TNOK) as at 30 June 2022.

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 at 30 June 2022, the company has recognised the following hedging instruments in the balance sheet:

Fair value Forward exchange	Maturity			Total
	1-6 months	6-12 months	More than 1 year	
Assets	0	-	-	-
Liabilities	-2,886	-1,112	-13,515	-17,513
Total	-2,886	-1,112	-13,515	-17,513

As at 30 June 2021, the company has recognised the following hedging instruments in the balance sheet:

Fair value Forward exchange	Maturity			Total
	1-6 months	6-12 months	More than 1 year	
Assets	-	-	-	-
Liabilities	-	-	-	-
Total	-	-	-	-

As of 31 December 2021, the company has recognised the following hedging instruments in the balance sheet:

Fair value Forward exchange	Maturity			Total
	1-6 months	6-12 months	More than 1 year	
Assets	0	-	-	-
Liabilities	44	-5,734	-27,233	-32,923
Total	44	-5,734	-27,233	-32,923

Specification hedging reserves	1st half-year 2022	1st half-year 2021	Year 2021
Balance as at 1 January	-27,744	-	-
Change in fair value	13,520	-	-36,250
Reclassified to assets under construction when paid	2,624	-	531
Deferred tax	-2,974	-	7,975
Balance at end of period	-14,575	-	-27,744

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