



Norske
tog



Quarterly report **Q3 2023**

About Norske tog

Norske tog **procures**, **owns** and **manages** vehicles for passenger train transport in Norway. The company leases train sets to train operators with an operating agreement with the Norwegian Railway Directorate. This structure facilitates 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, 3rd quarter 2023

- As part of Arendalsuka, on 16 August 2023, Norske tog invited to a debate around the ambitions of the railway and what it would take for more people to choose to travel by train.
- By commission from the Norwegian Ministry of Transport and Communications, Norske tog has been working on alternative solutions for improved universal design in new long-distance trains.
- At the start of September, Norske tog invited passengers, operators, and train enthusiasts to test seats for the new long-distance trains. The feedback was subsequently used as the basis for the final selection of the seat supplier.
- The Norwegian Railway Directorate has been commissioned by the Norwegian Ministry of Transport and Communications to assess initiatives for improved train maintenance and workshop development. This work will be conducted in close collaboration with Norske tog and Bane NOR and the response deadline is 31 January 2024.

Financial key figures

Financial key figures (MNOK)	Third quarter 2023	Third quarter 2022	Year 2022
Operating profit	332	249	307
Pre-tax profit	194	134	144
Profit/loss for the period	151	105	106
Net cash flow	67	-157*	-244
Working capital	-459	-865	-804
Equity	3,595	3,418	3,410
Equity ratio	25.9 %	25.4 %	25.6 %
Return on book equity**	4.5 %	3.9 %	3.2 %

* 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 at Norske tog

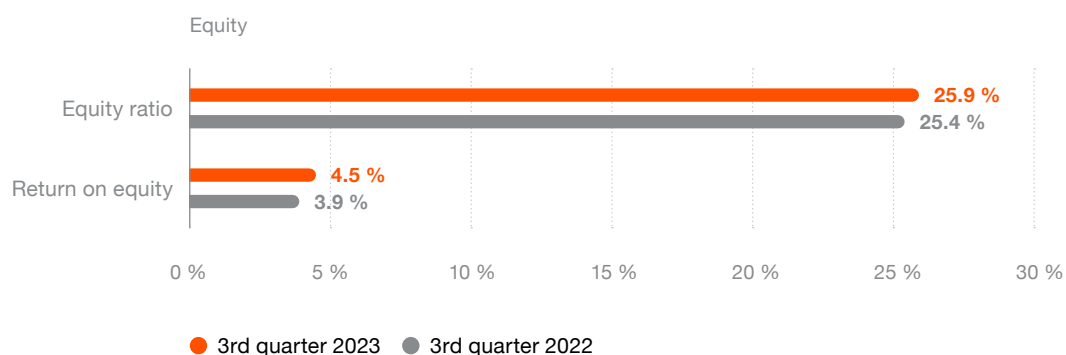
For the 3rd quarter of 2023, Norske tog achieved a net profit before tax of 194 MNOK (134 MNOK). Compared with the same period last year, this is an increase of 60 MNOK, which is primarily due to increased revenues of 120 MNOK, higher operating costs of 38 MNOK and higher financial costs of 23 MNOK.

The result gives a rolling 12-month return on book equity value of 4.5 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. Through these investments, the company is giving a significant boost to the Norwegian railway sector. Norske Tog's annual return will fluctuate in line with the scale of planned investment projects.

Equity

The equity ratio for Norske tog increased from 25.4 per cent in the third quarter of 2022 to 25.9 per cent in the third quarter of 2023. This increase is mainly due to the repayment of debts.



Financing

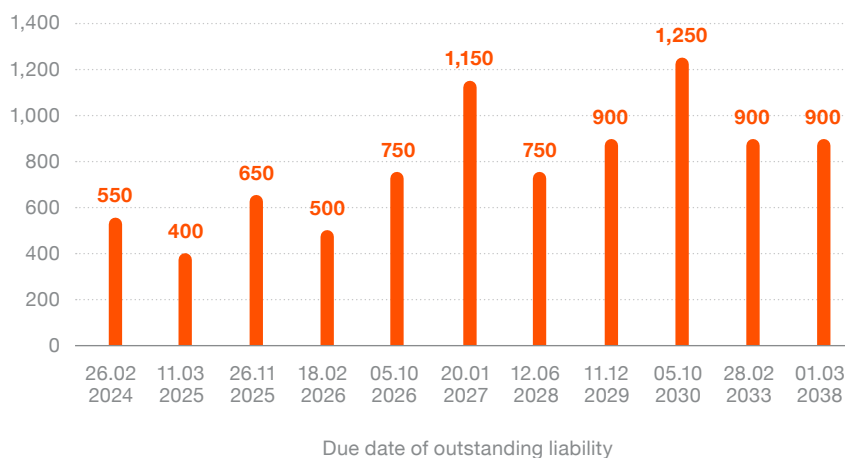
Norske Tog has good creditworthiness. Standard & Poor's has given the company a credit rating for long-term borrowing of A+ (stable).

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 30/09/23, Norske tog has two bond loans due to mature over the next 12 months. The next maturity date relates to a loan worth 550 MNOK, which will fall due in February 2024.

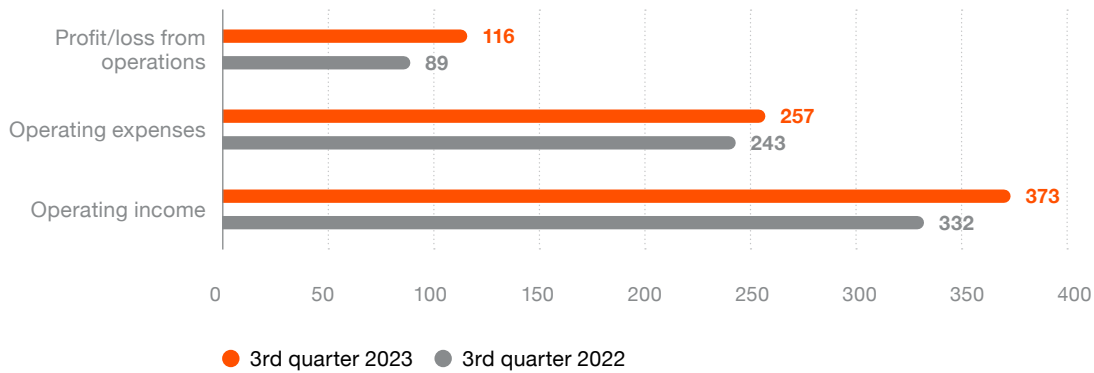
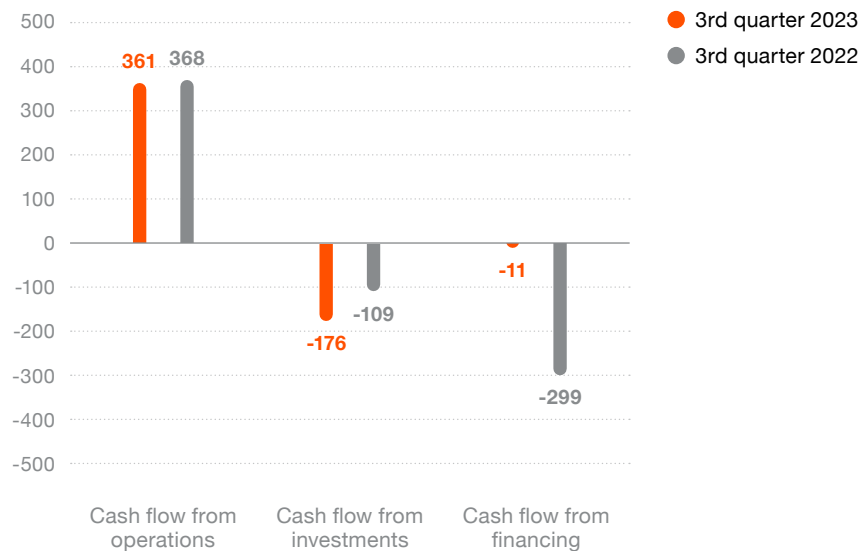
Noncurrent liabilities

Amounts outstanding in MNOK



Profit/loss**Profit/loss, 3rd quarter**

All figures in MNOK

**Cash flow****Cash flow, 3rd quarter**

Net cash flow from operations is 901 MNOK (1,147 MNOK). Net cash flow used for investments is 1,616 MNOK (1,326 MNOK), with the funds having primarily been used to pay for trains in planning and development.

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.

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 long-distance trains, as well as the right to exercise option 1, has been entered into in EUR and the contract will 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 that regulate the proportion of loans that shall be interest-adjusted for a twelve-month period, as well as 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.

The ongoing global turmoil continues to make access to raw materials challenging across the globe. Norske tog has several ongoing projects that depend on a number of 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. It is difficult to quantify the extent to which Norske tog will be affected by the situation. Any delays will be handled through ongoing dialogue with the company's suppliers and customers. In addition, the company maintains close dialogue with the Norwegian Railway Directorate and Bane NOR to ensure that any adjustments to finances and schedules 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 thereby 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 against their original schedule. ERTMS is a complex project encompassing all lines and all trains in Norway. 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. The National Signalling Plan 2023 says that the phasing-in of ERTMS for Norwegian trains has been postponed by two years. This means that the completion of the implementation has now been postponed from 2032 to 2034. The postponement means that Norske tog has more time to complete the installation of onboard equipment for ERTMS on trains.



Significant events

The third 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 management projects.

Train debate during Arendalsuka

On Wednesday 16 August, Norske tog invited to a debate to discuss what it would take for even more people to choose to travel by train. The new local and long-distance trains were presented and a train debate with politicians and train enthusiasts subsequently followed. Four things in particular were highlighted during the debate: 1) The railway will be crucial in achieving an efficient, environmentally friendly and safe transport system across Norway. It will be particularly important to ensure operational stability and increased capacity, 2) Investments in the railway – close to NOK 30 billion (approximately 40 per cent) of the Norwegian Ministry of Transport and Communications' budget is earmarked for trains, 3) Excellent comfort on board and good network coverage are crucial in order for passengers to choose to travel by train and 4) The market share for trains in Norway is much lower than in many other countries. This means that there is great potential to increase the number of passengers that choose to travel by train in Norway going forward.

Study on the solutions for universal design in new long-distance trains

The new long-distance trains will constitute a significant improvement compared to the current long-distance offering and will be significantly better adapted for wheelchair users than the current long-distance trains. Nevertheless, Norske tog has been criticised for poor accessibility for wheelchair users on the new long-distance trains. In response to this criticism, Norske tog and the Norwegian Railway Directorate were tasked by the Norwegian Ministry of Transport and Communications on 25 August with assessing alternative solutions for the new long-distance trains to ensure that the trains had a universal design.

User testing of seats and selection of a seat supplier for the new long-distance trains

At the start of September, Norske tog invited passengers, operators, and train enthusiasts to trial seats for the new long-distance trains. Seats from different suppliers were tested. The feedback from the test panel was relatively unanimous and the ability to adjust the seat, as well as the back and neck supports, to ensure a comfortable sitting and sleeping position on long journeys was a recurring theme in the feedback received. Based on the feedback, Norske tog and the train manufacturer Stadler have now chosen a seat supplier that the two companies will work with to develop the best possible seat for the greatest possible number of people on long journeys.

Assessment of initiatives to improve maintenance

On 9 October, the Norwegian Railway Directorate was commissioned by the Norwegian Ministry of Transport and Communications to assess initiatives to

improve train maintenance and the development of workshops. The purpose of the work is to ensure that the Norwegian train fleet's assets are safeguarded in the best possible manner from a life cycle perspective, while also improving operational stability. Additionally, there is a need to define initiatives to ensure the necessary development of workshops in order to have sufficient and appropriate capacity to manage the expected volume of trains and to receive new train classes. This work will be conducted in close collaboration with Norske tog and Bane NOR and the response deadline is 31 January 2024.

Outlook

With two major procurement processes taking place, there is a high level of activity in the company. The work on the local train procurement is well under way. The final train design has been completed and production of the train carriages is scheduled to start during the fourth quarter of 2023. Work on the long-distance train procurement process in partnership with manufacturer Stadler is also in full swing. In November, a large group of stakeholders will travel to Stadler's workshop to take a first look at certain aspects of the new long-distance train.

The work of looking at alternative solutions for universal design for the 17 long-distance trains that have been ordered will require significant resources from the organisation in the short term. Together with the train manufacturer Stadler, Norske tog has initiated the work to identify solutions that will ensure that the long-distance train provides the best possible experience for as many passengers as possible.

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 third 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 third quarter of 2023 have not been audited by the company's auditor.

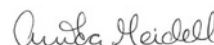
Oslo, 8 December 2023



Jan Morten Ertsaas
Chair of the Board



Espen Opedal
Board Member



Anita Meidell
Board Member



Berit Gjeruldsen
Board Member/
Employee representative



Vidar Larsen
Board Member/
Employee representative



Øystein Risan
CEO

Income statement

(All figures in TNOK)	Notes	3 rd quarter 2023	3 rd quarter 2022	Year to date 2023	Year to date 2022	Year 2022	Last 12 months
Leasing revenue		372,620	331,813	1,086,521	966,296	1,302,424	1,343,231
Other revenue		10	-	1,405	463	35	45
Operating revenue		372,630	331,813	1,087,925	966,759	1,302,459	1,343,276
Payroll and related expenses		16,670	13,953	37,798	31,901	46,486	52,383
Depreciation and impairment		189,192	190,461	559,179	569,960	760,068	749,287
Other operating expenses		54,109	38,776	159,371	115,838	188,961	232,494
Total operating expenses		256,971	243,190	756,349	717,699	995,515	1,034,164
Operating profit		115,659	88,623	331,576	249,060	306,944	309,112
Financial posts							
Financial income		26,420	24,329	85,766	48,193	73,302	110,875
Financial expenses		-67,313	-65,043	-224,832	-180,365	-253,889	-296,356
Unrealised fair value changes	1	-2,326	-1,257	1,183	17,248	18,027	1,962
Net financial items		-43,219	-41,971	-137,883	-114,924	-162,560	-185,519
Profit before income tax		72,440	46,652	193,693	134,135	144,384	203,942
Income tax expense		15,936	10,263	46,612	29,510	37,987	51,089
Profit for the period		56,504	36,389	151,081	104,625	106,397	152,853
Attributable to							
Equity holders		56,504	36,389	151,081	104,625	106,397	152,853
Other comprehensive income							
Profit for the year		56,504	36,389	151,081	104,625	106,397	152,853
Items that will not be reclassified to profit or loss							
Currency hedging-realised	5	-26,016	4,742	45,241	18,262	4,109	31,088
Tax related to items that will not be reclassified	5	5,724	-1,044	-9,953	-4,018	-904	-6,839
Deviation retirement benefit obligations						364	364
Tax related to items that will not be reclassified						-80	-80
Total comprehensive income for the period		36,212	40,087	186,368	118,869	109,886	177,386
Attributable to							
Equity holders		36,212	40,087	186,368	118,869	109,886	177,386

Statement of financial position

Balance sheet (All figures in TNOK)	Notes	30.09.2023	30.09.2022	31.12.2022
Assets				
Property, plant and equipment	3	13,197,643	12,152,989	12,077,287
Total non-current assets		13,197,642	12,152,989	12,077,287
Trade and other receivables		32,419	36,840	103,990
Derivative financial assets		28,084	637,382	585,610
Cash and bank deposits		616,735	622,097	538,207
Total current assets		677,238	1,296,319	1,227,807
Total assets		13,874,881	13,449,308	13,305,094
Equity and liabilities				
Ordinary shares and share premium		2,400,000	2,400,000	2,400,000
Hedge accounting		1,182,352	1,029,215	1,031,270
Retained earnings		13,021	-10,992	-21,000
Total equity		3,595,373	3,418,224	3,410,270
Borrowings	4	8,217,446	7,002,778	6,993,873
Deferred tax obligation		882,812	825,160	830,603
Retirement benefit obligations		1,364	2,643	1,614
Other accruals		41,285	38,760	37,133
Total long term liabilities		9,142,908	7,869,340	7,863,223
Trade and other payables		168,034	90,035	220,999
Borrowings	4	961,232	2,055,537	1,775,776
Derivative financial instruments		7,334	16,172	34,827
Total short term liabilities		1,136,600	2,161,744	2,031,601
Total equity and liabilities		13,874,881	13,449,308	13,305,094

Oslo, 8 December 2023


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Board member/
Employee representative

Vidar Larsen
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Øystein Risan
CEO

Cash flow

Cash flow statement (All figures in TNOK)	3 rd quarter 2023	3 rd quarter 2022	Year to date 2023	Year to date 2022	Year 2022
Profit for the period before income tax expense	72,440	46,652	193,693	134,135	144,384
Net financial items	-8,950	-918	102,318	128,947	209,186
Other financial items	50,099	37,745	40,042	-24,374	-61,145
Depreciation and impairment in the income statement	186,192	190,461	559,179	569,960	760,068
Gain/loss on sale of assets*	-2,538	6,864	-2,538	9,796	15,419
Proceeds from sale of assets	2,538	-	2,538	-	-
Net changes to obligations and retirement benefit obligations	-	-149	-250	237	-1,156
Changes to working capital*	61,376	87,307	6,036	328,790	391,808
Net cash flow from operating activities	361,156	367,962	901,018	1,162,069	1,458,563
Purchase of PPE	-175,149	-109,162	-1,616,223	-1,325,917	-1,424,292
Net cash flow from investment activities	-175,149	-109,162	-1,616,223	-1,325,917	-1,424,292
Interest paid on borrowings	-21,234	-9,069	-207,499	-169,370	-266,842
Interest income	9,846	9,986	58,165	40,423	38,506
Proceeds from borrowings	200,000	-	2,550,000	1,300,000	1,600,000
Repayment of borrowings	-200,000	-300,000	-1,618,750	-1,150,000	-1,650,000
Net cash flow from financial activities	-11,388	-299,083	781,916	21,053	-278,336
Net change in cash and bank deposits for the period	174,619	-40,283	66,712	-157,373	-244,065
Cash and bank deposits as at the beginning of the period	434,660	662,394	538,207	787,493	787,493
Foreign exchange gain/loss on cash and bank deposits	7,456	-14	11,816	-8,023	-5,220
Cash and bank deposits as at the end of the period	616,735	622,097	616,735	622,097	538,207

*These lines have been moved to operational activities compared to the third quarter report for 2022.

Equity

30.09.2023 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 st of January 2022	100,000	2,300,000	-21,000	1,031,270	3,410,270
Profit for the year	-	-	-	151,081	151,081
From other comprehensive income	-	-	35,288	-	35,288
Reclassified to asset under construction after tax	-	-	-1,266	-	-1,266
Equity 30th of September 2023	100,000	2,300,000	13,021	1,182,352	3,595,373

30.09.2022 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 st of January 2022	100,000	2,300,000	-27,861	924,590	3,296,370
Profit for the year	-	-	-	104,625	104,625
From other comprehensive income	-	-	14,244	-	14,244
Reclassified to asset under construction after tax	-	-	2,625	-	2,625
Equity 30th of September 2022	100,000	2,300,000	-10,992	1,029,215	3,418,224

2022 (All figures in TNOK)	Share capital	Share premium	Specification hedge accounting reserves	Retained earnings	Total
Equity 1 st of January 2022	100,000	2,300,000	-27,861	924,590	3,296,730
Profit for the year	-	-	-	106,397	106,397
From other comprehensive income	-	-	3,205	284	3,489
Reported directly to hedge reserve	-	-	3,655	-	3,655
Equity 31st of 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 third 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 changes in value	3 rd quarter 2023	3 rd quarter 2022	Year to date 2023	Year to date 2022	30.12.2022
Unrealised value changes derivatives used for hedging	-2,326	81,225	-562,863	167,660	113,083
Unrealised value changes bonds	-	-82,482	564,046	-150,412	-95,056
Total unrealised value changes financial items	-2,326	-1,257	1,183	17,248	18,027

2. Sales analysis by category

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

Information about major 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 1st of January 2023						
Accumulated acquisition cost	142,253	15,393,562	602,922	133,888	58,651	16,331,276
Accumulated depreciation	-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
3rd quarter 2023						
Opening net book value	62,822	11,236,232	602,922	133,888	41,423	12,077,287
Additions	6,037	2,997	1,400,411	206,778	17,940	1,634,164
Balance sheet interest	-	-	-	48,081	-	48,081
Train for recycling	-454	-5,438	-	-	-	-5,892
Train for recycling - depreciation	454	5,438	-	-	-	5,892
Disposals	-	-	-	-	-6,897	-6,897
Accum. Depr. Disposals	-	-	-	-	4,186	4,186
Transfers within PPE	5,802	174,862	-123,461	-57,203	-	0
Depreciation	-18,099	-533,399	-	-	-7,682	-559,179
Total	56,563	10,880,692	1,879,872	331,545	48,971	13,197,642
Balance 30th September 2023						
Accumulated acquisition cost	153,639	15,565,983	1,879,872	331,545	69,694	18,000,732
Accumulated depreciation	-97,077	-4,685,290	-	-	-20,723	-4,803,090
Total	56,563	10,880,692	1,879,872	331,545	48,971	13,197,642

	Machinery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
At 1st of January 2022						
Accumulated acquisition cost	130,079	13,893,869	192,628	710,890	59,280	14,986,746
Accumulated depreciation	-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
3rd quarter 2022						
Opening balance	69,850	10,384,953	192,628	710,890	48,509	11,406,830
Additions	-3,267	41,034	1,012,951	268,496	6,703	1,325,917
Disposals	-164	-69,595	-	-	-	-69,759
Disposals accumulated Depreciation	139	59,824	-	-	-	59,963
Transfers within PPE	4,792	1,380,053	-535,499	-843,774	-5,572	-
Depreciations for the year	-13,043	-552,042	-	-	-4,875	-569,960
Total	58,307	11,244,226	670,080	135,612	44,764	12,152,989
Balance 30th September 2022						
Accumulated acquisition cost	131,440	15,245,360	670,080	135,612	60,411	16,242,904
Accumulated depreciation	-73,133	-4,001,134	-	-	-15,646	-4,089,913
Total	58,307	11,244,226	670,080	135,612	44,764	12,152,989

	Machinery and equipm.	Trans- portation	Partially delivered trains	Assets under con- struction	Right-to- use other assets	Total
Balance 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 - acc. 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 31st 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	30.09.2023	30.09.2022	31.12.2022
Bonds measured at fair value	74,070	109,402	100,497
Bonds measured at amortized cost	8,143,376	6,893,376	6,893,376
Total interest bearing debt - long term	8,217,446	7,002,778	6,993,873
Interest bearing debt – short term	30.09.2023	30.09.2022	31.12.2022
Bonds measured at fair value	211,232	1,555,537	1,368,128
Bonds measured at amortized cost	550,000	-	-
Other loans	200,000	500,000	407,648
Total interest bearing debt – short term	961,232	2,055,537	1,775,776
Total interest bearing debt	9,178,678	9,058,315	8,769,648
Nominal values	30.09.2023	30.09.2022	31.12.2022
Bonds measured at fair value	-	768,750	768,750
Certificate loan at amortized cost	200,000	500,000	300,000
Bonds measured at amortized cost	8,693,376	6,893,376	6,893,376
Total interest bearing debt – nominal values	8,893,376	8,162,126	7,962,126

Financial assets and liabilities at fair value through profit or loss as at 30th September 2023	Level 1	Level 2	Level 3	Total
Derivatives	-	28,084	-	28,084
Total assets	-	28,084	-	28,084
Borrowings and accrued interest	-	109,402	-	109,402
Derivatives	-	7,334	-	7,334
Total liabilities	-	116,736	-	116,736

Financial assets and liabilities at fair value through profit or loss as at 30th September 2022	Level 1	Level 2	Level 3	Total
Derivatives	-	637,382	-	637,382
Total assets	-	637,382	-	637,382
Borrowings and accrued interest	-	1,660,013	-	1,660,013
Derivatives	-	16,172	-	16,172
Total liabilities	-	1,676,185	-	1,676,185

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

As of 30 September 2023, the fair value of bond loans at amortised cost is 8,693,376 TNOK (30 September 2022: 6,893,376 TNOK).

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 30 September 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	43,195	11,231	3,132	2,804	5,294
Liabilities	EUR	NOK	13,498	3,217	1,913	1,304	0

As of 30 September 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	52,644	3,090	-	-	3,090
Liabilities	EUR	NOK	1,350	-12,302	-773	-911	-10,618

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 3rd quarter 2023	As at 3rd quarter 2022	Year 2022
Balance as at 1st of January	-21,000	-27,861	-27,861
Change in fair value	45,241	18,262	4,109
Reclassified to assets under construction when paid	-1,266	2,625	4,686
Deferred tax	-9,953	-4,018	-1,935
Balance at end of period	13,021	-10,992	-21,000

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