Annual accounts and notes

Annual Accounts Group 75

Consolidated statement of comprehensive income 75
Consolidated statement of financial position 76
Consolidated statement of cash flow 78
Consolidated statement of changes in equity 79

Notes Group 80

1 Accounting principles 80
2 Segment information 88
3 Management of capital structure and financial risk 90
4 Financial instruments 92
5 Use of estimates 95
6 Salaries and personnel costs 96
7 Pensions 98
8 Cost of goods sold and other operating costs 102
9 Financial items 103
10 Taxes 103
11 Earnings per share 105
12 Intangible assets 105
13 Property, plant and equipment 108
14 Interests in subsidiaries, associated companies and joint ventures 109
15 Accounts receivable 111
16 Other receivables 111
17 Bank deposits/guarantee liabilities 112
18 Share capital, shareholders etc. 112
19 Other current liabilities 113
20 Provisions 113
21 Leasing contracts 114
22 Classification of financial instruments and determination of fair value 116
23 Discontinued operations 118
24 Related parties 119
25 Disputes and other legal matters 119
26 Events after balance sheet date 119

Annual Accounts EVRY AS 120

Statement of comprehensive income 120
Statement of financial position 121
Statement of cash flow 122
Statement of changes in equity 123

Notes EVRY AS 124

1 Accounting principles 124
2 Salaries and personnel costs 124
3 Pensions 124
4 Income from investment in subsidiaries 125
5 Other operating costs 125
6 Financial items 126
7 Taxes 126
8 Guarantee liabilities 127
9 Shares in subsidiaries 128
10 Intra-group receivables and liabilities 128
11 Share capital, shareholders etc. 128
12 Financial instruments 129
13 Related parties 129

Auditor's report 130

GROUP
Consolidated statement of comprehensive income

1 January - 31 December

NOK million	Note	2015	2014
Operating revenue	2	12 859.5	12 773.1
Cost of goods sold	8	4 877.9	3 625.4
Salaries and personnel costs	6,7	7 097.6	6 448.7
Loss from sale of tangible assets	13	98.1	1.9
Depreciation and write-down of operating assets and in-house developed software	12,13,21	467.4	477.0
Other operating costs	8	1 724.0	1 677.5
Total operating costs		14 265.0	12 230.5
Operating profit/-loss before depreciation and write-down of intangible assets		-1 405.4	542.6
Depreciation of intangible assets	12	24.6	33.5
Write-down of intangible assets	12	135.9	1 164.3
Operating profit/-loss		-1 566.0	-655.2
Financial income	9,14	19.8	38.7
Financial expense	9,14	390.5	185.1
Net foreign exchange gain/-loss	9	40.2	59.0
Net financial items		-330.4	-87.4
Profit/-loss before tax from continuing operations		-1 896.4	-742.6
Taxes	10	-455.4	85.9
Profit/-loss for the year from continuing operations		-1 441.0	-828.5
Discontinued operations:			
Profit/-loss after tax for the year from discontinued operations	23	30.4	-42.3
Profit/-loss for the year		-1 410.7	-870.8
Comprehensive income			
Items which will not be reclassified over profit and loss (after tax):			
Actuarial gains/-losses on defined benefit pension plans		18.7	-46.0
Items which may be reclassified over profit and loss in subsequent periods (after tax):			
Cash flow hedges		138.2	-40.5
Currency translation differences		120.6	-6.2
Total comprehensive income	11	277.6	-92.7
Total profit/-loss for the year		-1 133.1	-963.4
Profit/-loss for the year is allocated as follows:			
Owners of the parent		-1 410.7	-871.1
Non-controlling interests		-	0.3
		-1 410.7	-870.8
Total profit/-loss for the year is allocated as follows:			
Owners of the parent		-1 133.1	-963.8
Non-controlling interests		-	0.3
		-1 133.1	-963.4
Earnings per share			
Earnings per share (NOK)	11	-5.28	-3.26

GROUP
Consolidated statement of financial position

As of 31 December

NOK million	Note	31.12.2015	31.12.2014
Non-current assets			
Goodwill	12	5 665.0	5 446.0
Deferred tax assets	10	477.6	3.7
Other intangible assets	12	464.7	545.5
Total intangible assets		6 607.3	5 995.2
Leased premises	13	41.1	50.1
Machinery, equipment and fixtures	13,21	482.1	785.4
Total tangible assets		523.2	835.5
Investments in associated companies and joint ventures	14	54.0	67.5
Other shareholdings		1.6	1.5
Other financial assets	4	196.1	-
Other non-current receivables	16	52.3	206.6
Total non-current financial assets		304.1	275.7
Total non-current assets		7 434.6	7 106.5
Current assets			
Inventories		50.2	39.2
Accounts receivable	15	1 673.5	1 966.3
Other current receivables	16	1 018.9	975.2
Bank deposits	3,17	900.2	615.6
Total current assets		3 642.9	3 596.3
Total assets	22	11 077.5	10 702.7

GROUP
Consolidated statement of financial position

As of 31 December

NOK million	Note	31.12.2015	31.12.2014
Equity			
Paid-in capital			
Share capital	18	467.8	467.8
Own shares	18	-	-0.5
Other paid-in capital		1 393.5	3 369.4
Total paid-in capital		1 861.3	3 836.7
Other equity		283.9	440.4
Total other equity		283.9	440.4
Non-controlling interests		0.3	0.3
Total equity and non-controlling interests		2 145.6	4 277.4
Liabilities			
Non-current interest bearing liabilities	3,4	4 779.6	3 181.3
Non-current non-interest bearing liabilities	4	90.1	80.6
Pension liabilities	7	211.6	242.1
Deferred tax	10	-	23.5
Other provisions for liabilities	20	316.1	8.2
Total non-current liabilities		5 397.4	3 535.7
Accounts payable		577.3	885.1
Tax payable	12	94.2	55.7
Deductions and duties payable		1 053.3	1 187.1
Other current liabilities	2,21,22,23	1 809.8	761.7
Total current liabilities		3 534.5	2 889.6
Total liabilities	24	8 931.9	6 425.3
Total equity and liabilities		11 077.5	10 702.7

London, UK, 21 April 2016, Board of Directors of EVRY AS

Salim Nathoo
Chairman of the Board

Ellen de Kreij

Rohan Haldea

Louise Sondergaard

Göran Lindahl

Francisco Menjibar

Jan Dahlström

Ingrid Lund

Eirik Bornø

Ola Hugo Jordhøy

Björn Ivroth
CEO

GROUP
Consolidated statement of cash flow

1 January - 31 December

NOK million	Note	2015	2014
Cash from/to operations:			
Profit/-loss before tax		-1 866.1	-782.1
Gain/-loss on sale of tangible assets		98.1	1.9
Tax paid in the period		-115.3	-63.0
Depreciation/write-downs	12,13	627.9	1 684.4
Net financial Items	9	330.4	73.1
Paid interests		-248.2	-144.1
Difference between pension cost and payments		-7.9	-1.9
Change in working capital		1 398.3	204.5
Net cash flow from operations		217.3	972.8
Cash from/to investments:			
Investment in tangible operating assets	13	-296.6	-397.7
Investment in in-house developed software	12	-146.7	-93.0
Sale of fixed operating assets (sales proceeds)		33.7	75.2
Investment in group companies		3.6	-48.6
Net cash flow from investments		-406.0	-464.0
Cash from/to financing:			
New borrowing (short and long-term)		4 681.5	400.0
Borrowings repaid		-3 233.7	-754.2
Dividends paid		-1 003.6	-106.8
Purchase/sale of own shares	18	4.8	-
Net cash flow from financing		449.0	-461.0
Net change in liquid assets over the year		260.3	47.8
Currency movement in liquid assets		24.4	9.8
Bank deposits at 1 January		615.6	558.0
Bank deposits at 31 December		900.2	615.6
Whereof restricted cash 31 December		-	-

GROUP

Consolidated statement of changes in equity

1 January - 31 December

	Owners of the parent								
NOK million	Share capital	Own shares	Paid-in other equity	Fair value reserves	Other equity	Translation differences	Total	Non-controlling interets	Total equity
Equity at 1 January 2014	467.8	-0.7	3 368.7	-57.1	1 438.7	128.8	5 346.4	-	5 346.4
Purchase of own shares		0.1	0.7		0.5		1.3	-	1.3
Dividend					-106.8		-106.8	-	-106.8
Comprehensive income				-40.5	-46.0	-6.2	-92.7	-	-92.7
Profit/-loss for the year 2014					-871.1		-871.1	0.3	-870.8
Equity at 31 December 2014	467.8	-0.5	3 369.4	-97.6	415.3	122.6	4 277.1	0.3	4 277.4
Purchase of own shares		0.5	4.3		-		4.8	-	4.8
Dividend					-1 003.6		-1 003.6	-	-1 003.6
Comprehensive income				138.2	18.7	120.6	277.6	-	277.6
Profit/-loss for the year 2015					-1 410.7		-1 410.7	-	-1 410.7
Allocation of equity			-1 980.2		1 980.2		-	-	-
Equity at 31 December 2015	467.8	-	1 393.5	40.6	-	243.2	2 145.2	0.3	2 145.6

GROUP
Notes to Financial Accounts

NOTE 1 ACCOUNTING PRINCIPLES

1. General information
EVRY AS is a Norwegian limited company, and is subject to the Limited Liability Companies Act. The company's registered office is at Snarøyveien 30A, NO- 1331 Fornebu. The company was converted from a public limited company to a limited company with effect from 22 February 2016. The company also changed its name from EVRY ASA to EVRY AS.

The main activities of the parent company EVRY AS and its subsidiaries (the 'Group') are the sale of software, IT solutions and consulting services, as well as the centralised and decentralised operation of computer systems. In addition, the Group offers outsourcing services and services related to data communication, data security and electronic publishing.

The consolidated accounts have been approved for issuance by the Board of Directors on 21 April 2016 and is subject to approval by the Annual General Meeting on 3 May 2016.

2. Significant accounting policies
2.1 Basis of presentation
In accordance with the Norwegian Accounting Act, the consolidated Annual Accounts of EVRY AS have been prepared in accordance with the International Financial Reporting Standards (IFRS) as published by IASB and approved by the EU. The accounts have been prepared on a historical cost basis with the exception of financial derivatives and share based investments, which are measured at fair value.

The Group's business is, for internal reporting requirements, divided into three strategic segments, each of which is separately organised and managed. Financial information about the segments and geographic areas of activity is presented in note 2: Segment information.

In preparing the accounts for the 2015 financial year, the Group has implemented all the new and revised standards and interpretations issued by IASB and approved by the EU that are relevant to its activities and that were in force for the accounting year commencing on 1 January 2015. A review of the standards and interpretations that had not come into force for the 2015 financial year but that may be relevant for the Group is provided at the end of the statement of accounting principles.

The accounting principles applied are consistent with the principles applied in the previous approved consolidated accounts. In 2015, the Group implemented the following new standards and interpretations issued by the IASB and approved by the EU that are relevant for its business activities and that came into force for the accounting year that commenced on 1 January 2015
- Annual Improvements to IFRSs (2011 – 2013) - Amendment to IFRS 3: Scope exceptions for joint ventures
- Annual Improvements to IFRSs (2011 – 2013) - Amendment to IFRS 13: Scope paragraph 52 (portfolio exception)

The implementation of the standards has not caused any material changes to the consolidated accounts for 2015.

The Group did not elect early adoption of any standards or interpretations for the accounting year 2015.

The SAP operations of EVRY Denmark A/S was decided to undergo controlled closure in 2014. Because of this, the operating result for the company has been stated separately in accordance with IFRS 5 and is shown as a separate line entry in the income statement: "Profit after tax from discontinued operations". The comparable figures in the income statement are restated accordingly. See note 23 to the consolidated accounts for further information.

2.2 Basis for consolidation
The consolidated accounts include the parent company EVRY AS and its subsidiaries as of 31 December 2015. Control is achieved when the Group is exposed or has rights, to variable returns from its involvement with the company and has the ability to affect those returns through its power over the company. Specifically, the Group controls a company if, and only if, the Group has:
a) Power over the company (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
b) Exposure, or rights, to variable returns from its involvement with the company
c) The ability to use its power over the company to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
a) The contractual arrangement with the other vote holders of the company
b) Rights arising from other contractual arrangements
c) The Group's voting rights and potential voting rights

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. If the Group ceases to have a controlling influence over a subsidiary, the subsidiary's assets, liabilities, non-controlling ownership interests and any accrued translation differences are reversed. The remaining investment at the time that the Group ceased to have a controlling influence is measured at fair value, and any gain or loss is recognised in the accounts.

The Group's comprehensive income is attributed to the parent company's owners and to the non-controlling interests, even where this causes non-controlling interests to be negative. At the time of acquisition, non-controlling ownership interests are calculated either as their portion of identified assets or to fair value. The choice of method is made at the date of acquisition for each business combination. The share of profits is calculated on the basis of the subsidiary's post-tax profit, as included in the consolidated accounts after internal netting.

All intra-group transactions and balances, purchases and sales between companies in the Group and unrealised internal gains are netted off in the accounts.

2.3 Summary of significant accounting policies

The material accounting principles used to prepare the annual accounts of EVRY AS are as follows:

Presentation and functional currency

The Group presents its accounts in Norwegian kroner (NOK). This is also EVRY AS's functional currency. The figures presented in the annual accounts are in millions of Norwegian kroner unless otherwise stated. Rounding differences may mean that amounts and percentages reported do not necessarily add up to the total shown.

Business combination and goodwill

Subsidiaries are accounted for in accordance with the acquisition method, whereby the acquisition cost of the shares is offset against the subsidiary's equity at acquisition date. Any excess value resulting from this treatment at the time of purchase is allocated to identifiable assets and is depreciated over their expected life. Excess value that cannot be attributed to identifiable assets and liabilities in subsidiaries at the date of acquisition is recognised as goodwill in the statement of financial position. Goodwill acquired in a business combination represents a payment made by the acquirer in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised.

Goodwill that arises as a result of a business combination is not amortised. Goodwill does not generate cash flows independently of other assets or groups of assets, and is assigned to the cash generating units that are expected to benefit from the synergy effects of the business combination that gave rise to the goodwill. Upon disposal of a business, the businesses proportion of goodwill based on fair value is taken into account in calculating the gain or loss on disposal.

The Group carries out goodwill impairment tests as required if there are any indications that suggest this is necessary, and in any case at least at the end of each year. If there are such indications, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is defined as the higher of value in use and net sales value. Value in use is calculated as net present value of future cash flow from continuing use, including cash flow arising from eventual disposal. A calculated WACC is applied as the discount rate used to calculate present value. Net sales value is calculated as the amount that the company would expect to obtain from the disposal of an asset in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal.

The smallest unit of a particular asset which can be separately assessed as a valuation unit for the purpose of determining whether there has been a fall in value is determined by the lowest level at which it is possible to identify incoming cash flow independent of cash flow from other groupings of the same class of asset. In most cases, the Group's business areas represent the smallest valuation unit for this purpose.

An asset is written down to the recoverable amount if the recoverable amount is less than the carrying value before write-down. The write-down is applied first to any goodwill and thereafter to the book value of the unit's other assets on a proportional basis relative to the book value of the unit's specific assets. Impairment losses are charged to profit and loss in the period the impairment loss is identified, and reduce the carrying value of the asset by an equivalent amount. Impairment of goodwill, may not subsequently be reversed, even though the reason for the impairment loss no longer applies.

Investments in associated companies and joint venture

An associate company is a company over whose financial and operating policy decisions the Group has significant influence. Significant influence is normally deemed to exist where one entity has an ownership interest in another of between 20% and 50%.

A joint venture is a joint arrangement in which the parties who have joint control over the arrangement have rights to the net assets of the arrangement. 'Joint control' is the contractually agreed sharing of control over a joint arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associate companies and joint ventures are recognised in the Group's accounts using the equity method. When the equity method is used, the investment in the associate company or joint venture is recorded at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition. The Group's share of the profit or loss of the company in which it has invested is recognised in the consolidated income statement. Distributions received by the Group reduce the carrying amount of the investment. Goodwill is included in the cost price of investments in associate companies or joint ventures.

Transactions in foreign currency

Transactions in foreign currencies are translated at the exchange rate at the date of the transaction. Currency gains/losses that arise as a result of changes in the exchange rate between the date of the transaction and the payment date are recognised to profit and loss.

Assets and liabilities of foreign subsidiaries that use a functional currency other than Norwegian kroner (NOK) are translated on the accounting period date at the exchange rate on the accounting period date, while profit and loss items are translated at the daily average exchange rate during the accounting period.

Upon disposal of a foreign subsidiary, the cumulative translation difference in respect of the subsidiary is recognised to profit and loss. If part of a receivable/liability that is treated as part of net investment in a foreign unit is realised, a proportionate share of the cumulative translation difference is recognised to profit and loss.

Recognition of revenue and costs

Where operating services are provided through volume-based contracts, revenue is recognised on the basis of the actual use of services by the customer, or on a linear basis over the period of the contract for term-based contracts. Sales of dialogue services are recognised as revenue on the basis of actual customer usage. Revenue from a transition project that is an integral part of a subsequent operating services contract is recognised on a linear basis over the period of the operating services contract. Revenue from a transition project that is not related to an operating services contract is recognised on the basis of the degree of completion. The degree of completion is calculated on the basis of the number of hours of work delivered to date divided by the total number of hours estimated for the delivery in total.

Revenue from service and maintenance agreements, as well as the expenses involved in carrying out such agreements, is recognised in the accounts over the period of the contract.

Sales of goods are recognised as revenue at the time of delivery, i.e. when control passes to the purchaser. Goods include both hardware and software.

Sales of licences and rights to use software are recognised at the date the contract is signed since this corresponds to the time at which the software is made available to and can be used by the customer. Revenue from sales of software is separated from maintenance revenue on the basis of a separate pricing model and contractual structure. Revenue from software developed specifically for customers is recognised over the development period in line with the degree of completion. The degree of completion is calculated on the basis of the number of hours of work delivered to date divided by the total number of hours estimated for the delivery in total.

Revenue from consulting services is recognised as the services are provided. Sales of services on a fixed fee basis are recognised in line with the degree of completion. The degree of completion is calculated on the basis of the number of hours of work delivered to date divided by the total number of hours estimated for the delivery in total.

Cost of goods sold comprises directly allocated costs related to the delivery of goods, including maintenance and operational leasing of hardware and software, as well as the cost of consulting services that are directly related to the turnover of the goods. The costs of employing external consultants that are used for the Group's normal operations and that are re-charged to customers are classified as cost of goods sold.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Borrowing costs consist of interest and loan set-up fees that are incurred in connection with the borrowing of funds.

Borrowing costs that cannot be directly attributed to the acquisition, construction or production of an asset are charged to profit and loss as interest expenses in the current period.

Taxation

Tax payable in the financial statement is measured at the amount that the company expects to be received or paid to the tax authorities. With the exception of associated companies where the exemption method is applied, the value of deferred tax liabilities/deferred tax assets in the statement of financial position is calculated on the basis of all differences between

accounting and taxation values of assets and liabilities (liability method). The amount provided includes all types of difference, and is calculated without being discounted to present value. Deferred tax liabilities and deferred tax assets are calculated based on approved tax rates at the time of reporting and netted to the extent that temporary timing differences can be reversed under the same tax system. The tax charge is made up of tax payable and changes in deferred tax liabilities/deferred tax assets.

Deferred tax asset is capitalised in the statement of financial position to the extent that it is considered likely that the company in question will have sufficient taxable profit in subsequent periods to make use of the deferred tax asset. At each year end, the Group carries out a review of deferred tax asset not capitalised to the statement of financial position and their accounting value. Deferred tax asset not previously capitalised to the statement of financial position is capitalised to the extent that it appears likely from the review that the company in question will be able to make use of the deferred tax asset. Similarly, companies will reduce the capitalised value of deferred tax asset to the extent that they are no longer able to use the tax asset in question.

Tax payable and deferred tax liabilities/deferred tax assets are applied directly to equity to the extent that they relate to items that are applied directly to equity. Items that are reported as “comprehensive income” are presented on a post-tax basis in the statement of comprehensive income.

Earnings per share

Earnings per share is calculated by dividing the parent company shareholders’ share of the profit/loss for the year by the weighted average number of ordinary shares outstanding over the course of the period. When calculating diluted earnings per share, the average number of shares outstanding is adjusted for all share options that have a potential dilutive effect. Options that have a dilutive effect are treated as shares from the date they are issued.

Classification of current and non-current items

The Group presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is classified as current when it is:
a) Expected to be realised or intended to be sold or consumed in normal operating cycle
b) Held primarily for the purpose of trading
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
a) It is expected to be settled in normal operating cycle
b) It is held primarily for the purpose of trading
c) It is due to be settled within twelve months after the reporting period, or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Intangible assets with limited life

The Group’s intangible assets with limited life largely consist of capitalised costs related to software developed in-house.

Expenses relating to development are capitalised if the following criteria are met in full:

- the product or process is clearly defined and its cost elements can be identified and measured reliably
- the technical solution for the product has been demonstrated
- the product or process will be sold or used in the company’s operations
- the asset will generate future economic benefit; and
- sufficient technical, financial and other resources for completing the project are present

When all the above criteria are met, the costs relating to development are capitalised. Costs that have been charged as expenses in previous accounting periods are not capitalised. The evaluation of future commercial benefit is based on the expected license revenue and/or reduction in operating costs that will be achieved by carrying out the project. When calculating the profitability of a project, the estimated future cash flows associated with the project are discounted to present value using a rate of return adjusted for the risk associated with the project in question.

Intangible assets with limited life are amortised over their useful life. Capitalised development costs are normally depreciated based on expected cash flow from the individual project. The depreciation period used is between 1-4 years. Investment in other intangible assets is normally depreciated on a linear basis. The length of useful life remaining and the

method of depreciation are subject to annual review that takes into account the commercial reality of the intangible asset in question. The Group does not have any intangible assets with unlimited life.

At each reporting date the Group evaluates if there are identified indications that fixed assets or intangible assets may be impaired. If there are such indications, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Impairment losses may subsequently be reversed to the extent that the reason for the impairment no longer applies.

Tangible assets
Tangible operating assets are carried in the statement of financial position at historic purchase price less accumulated ordinary depreciation and write-down. When tangible operational assets cease to be used, the historic purchase price and accumulated depreciation are removed from the accounts, and any gain or loss this causes is recognised to profit and loss. Depreciation is applied on a straight-line basis, after allowance for disposal value, over the following time periods:

- Leasehold improvements 5-10 years
- Machinery/equipment/fixtures 3–7 years
- Vehicles 5 years
- IT equipment 3–5 years

The economic life and depreciation method used are reviewed regularly to ensure that the method and depreciation period reflect the expected useful life of the assets in question. This also applies to disposal value. The depreciation period for leasehold improvements will at a maximum be the remaining lease period.

Leasing
Leasing of assets where the lessor retains the major part of risk and control are classified as operational leases. Other leasing contracts are treated as financial leasing.

Operational leasing
The leasing costs of operational leases are allocated on a linear basis over the period of the lease, and are classified as cost of goods sold or other operating costs in the profit and loss account.

Financial leasing
Financial leasing contracts are capitalised as assets and liabilities in the statement of financial position in an amount equivalent to the operating asset's fair value at the time the leasing contract was entered into or, if lower, the net discounted value of the future minimum payments under the terms of the lease contract. The liability to the lessor is included in the statement of financial position as a financial lease liability. Lease payments are recognised in the accounts as interest expense and a reduction in the lease liability. Leased assets are depreciated over the expected useful life in accordance with the depreciation plan for owned assets. If it is not likely that the Group will take over the asset upon the expiry of the leasing contract, the asset is depreciated over the shorter of the life of the leasing contract and the depreciation period applied for equivalent assets owned by the Group.

Financial derivatives
The Group's financial derivatives consist almost entirely of hedging derivatives. All purchases and sales of financial instruments are recognised on the transaction date. Changes in fair value for derivatives that meet the requirements for cash flow hedging are reported in the statement of comprehensive income as "comprehensive income". Derivatives that are not classified as hedging instruments are classified as available for sale and valued at fair value. Changes in the fair value of such derivatives are recognised as financial income/financial expense.

Hedging
The Group has established a strategy to hedge the currency and interest rate risks related to its international investments. The strategy is designed to ensure a high degree of predictability in currency gains/losses and interest costs. Derivative contracts are recognised as hedging instruments if they satisfy the following criteria:
a) hedging is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, with hedge effectiveness in the range 80–125%,
b) the effectiveness of the hedging can be reliably measured,
c) there is adequate documentation on entry into the hedging to show that the hedging is highly effective
d) hedging is reviewed regularly and has proved effective throughout the reporting periods for which it was intended

The Group has hedged (cash flow hedging) part of its net investment in Swedish kroner. Changes in the value of currency derivatives classified as hedging instruments are netted against financial income/financial expense in the consolidated accounts and form part of comprehensive income.

In addition, the Group hedges part of its exposure to the electrical power market by purchasing forward contracts. The efficiency of this hedging in terms of the price achieved is measured by comparing changes in the fair value of the derivative (the financial contract) against the physical supply of electricity (price).

The hedging instrument in cash flow hedges is recognised at fair value at the date of the financial position statement. If the hedging is evaluated as effective, the change in value is recognised as part of "comprehensive income". If the hedging is evaluated as not effective, the change in value is recognised as financial income/expense in the profit and loss account. Hedging instruments are classified as non-interest bearing liabilities or receivables in the statement of financial position.

Inventories
Inventories are valued at the lower of purchase price and net realisable value. Net realisable value is defined as the expected sale price under normal commercial conditions with a deduction for sales costs. Purchase price is determined on the basis of average cost price.

Accounts receivable
Accounts receivable are recognised in the statement of financial position at nominal value after a deduction for possible losses. A provision for estimated losses is included in the presentation of comprehensive income when a loss causing event takes place and there is objective evidence that the value of the asset is impaired.

Equity
The nominal value of holdings of own shares is reported in the statement of financial position as a deduction to share capital. The purchase price in excess of nominal value is charged to share premium. Gains or losses on transactions in own shares are applied directly to equity. If own shares are sold at a price in excess of cost price, the surplus is recognised as other paid-in equity. Realised losses related to sales of own shares are recognised against retained earnings.

Transaction costs in relation to equity transactions are charged to equity after deducting tax.

The fair value reserve includes cumulative net changes in fair value of financial instruments until the investment is disposed of.

Liabilities
On initial recognition, liabilities are stated at fair value after deducting transaction costs, but thereafter liabilities are stated at amortised cost using the effective interest method. In addition, if fair value hedging is used, the liability that is hedged it also adjusted for gains and losses that can be attributed to the risk that has been hedged. When the liability is repaid, in whole or part, the difference between the book value of the liability and the amount repaid is recognised in the profit and loss account.

Pension liabilities
Liability in respect of contractual pension arrangements in the Group is valued as the present value of the future pension benefits for which entitlement has been earned at the date of the statement of financial position, and is calculated on the basis of assumptions about discount rates, the investment return on pension assets and expected growth in earnings and pensions. Pension calculations use the K2013 table for mortality risk. The risk table for disability, IR02, corresponds with the estimated risk of disability in the Group. Pension assets are valued at fair value on the accounting period date. In cases where there is not sufficient information available from the pension scheme's administrator on the company's assets and liabilities in the scheme, the scheme is treated as a defined contribution scheme. Costs incurred in relation to the Group's pension arrangements are reported as salary costs in the accounts.

The starting point for calculating pension costs in respect of the Group pension schemes is linear application of pension entitlement earned against the likely accumulated pension liability at the time the pension is first drawn.

The cost of pensions is calculated on the basis of the discounted pension entitlement earned at the beginning and end of the year and the pension rights accrued during the year, less the return on the assets provided to fund pensions. Significant changes to the pension schemes, including scheme closures and changes that cause the issue of paid-up policies, are recognised in the accounts in the accounting period when such change takes place. The effect of any changes in the pension scheme that leads to the issue of fully paid-up policies is recognised in the period the change is made. The effect of other changes in the pension scheme is amortised over the expected average remaining service period. The effect of any changes in estimates, changes in assumptions and calculation are accounted for as "comprehensive income" in the period that they occurs.

The Group has established a compensation scheme for employees in connection with the closure of a defined benefit pension scheme. The size of the compensation and the profile for its accrual are calculated on the basis of a standard set of calculation parameters at the time of the change to the pension arrangements. The accrual formula and profile for the compensation scheme are used as the basis to make provisions in the accounts so that the total compensation earned to date by employees at any time is provided for as a liability in the consolidated statement of financial position.

Employees in the Group's Norwegian companies are members of an early retirement scheme (AFP), which is a multi-company defined benefit scheme, and is financed by premium payments determined as a percentage of salary. There is no reliable measurement and allocation of liabilities and asset between the companies that participate in the scheme. The scheme is therefore treated for accounting purposes as a defined contribution pension scheme and the premiums paid are recognised as costs through profit and loss.

Provisions

A provision is recognised in the accounts only when the company is subject to a liability that is a consequence of an event that has already happened and where it is likely (i.e. more likely than not) that in order to reduce or discharge the liability the company will have to apply financially measurable resources, and the liability can be reasonably estimated. Provisions are evaluated at the end of each accounting period and adjusted to reflect the available information about the provision. Where the information available is insufficient, a best estimate is used. If the time period to the date at which the liability may lead to payment has a material effect on the calculation, the provision will represent the discounted present value of the future liability. Increases in liability caused solely by the lapse of time are reported as an interest expense.

Provisions for restructuring costs only include direct expenses linked to the restructuring which are both necessary for the implementation of the restructuring and which do not relate to the continuing ordinary activities of the company. Such provisions are recognised in the accounts when the company has a detailed plan for the restructuring in question that identifies which business areas will be affected, the locations affected, the functions and estimated number of employees due to receive termination payments, the costs that will be incurred and a time plan for implementation. There must be a real expectation by the parties affected that the company will implement the restructuring. This means either that implementation of the restructuring program has commenced or that the main elements have been disclosed to the affected parties.

Contingent assets and liabilities

A contingent asset is defined as a possible asset, that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the entity. Contingent assets are not included in the annual accounts, but information is provided if there is a reasonable certainty that the benefit in question will accrue to the Group.

Contingent liabilities comprise:

- a possible obligation arising as a result of past events where the obligation depends on some uncertain future event
- a present obligation that is not recognised in the accounts since it is not probable that the obligation will result in a payment being made
- liabilities that cannot be measured reliably

Contingent liabilities are not recognised in the accounts with the exception of contingent liabilities acquired as part of the purchase of a business. Continent liabilities acquired as part of the purchase of a business are recognised in the accounts at fair value even if the liability is not likely to crystallise.

Cash flow statement

The cash flow statement is presented using the indirect method. The Group's activities are divided into operational, financing and investment activities. Investment in new business or sale of business is classified as cash from/to investments, in the cash flow statement, and amounts to the purchase price/sales price less transferred cash and cash deposits at the transaction date.

The cash flow statement includes businesses disposed of up to the date of disposal.

Discontinued operations

If a decision is taken to discontinue or to sell a major part of the Group's operations or if control/significant influence over a company is lost, the operations in question are presented as 'discontinued operations' in a separate line entry on the income statement and in the statement of financial position. 'Major' means a separate segment or a significant asset. This means all other figures presented are exclusive of 'discontinued operations'. The comparison figures in the income statement are correspondingly restated. The comparison figures in the statement of financial position and in the statement of cash flow are not restated.

3. Approved changes to IFRS and IFRIC that came into force after the date of the accounts

The following paragraphs provide an overview of changes to IFRS/IAS standards that are relevant to the Group's activities but have not yet come into effect. The Group anticipates that the implementation of the changes listed below will not have any material effect on the consolidated accounts when the changes are made.

IFRS 9 - Financial Instruments

IFRS 9 Financial Instruments will eventually replace IAS 39 Financial Instruments: Recognition and Measurement. In order to expedite the replacement of IAS 39, the IASB divided the project into phases: classification and measurement, hedge

accounting and impairment. New principles for impairment were published in July 2014 and the standard is now completed. The parts of IAS 39 that have not been amended as part of this project has been transferred into IFRS 9. The EU has still not yet approved the standard, and its implementation has been postponed until 1 January 2018. Early application will be permitted if the EU approves the standard. The Group expects to apply IFRS 9 with effect from 1 January 2018.

IFRS 15 Revenue from Contracts with Customers
The IASB and the FASB have issued their joint revenue recognition standard, IFRS 15 Revenue from Contracts with Customers. The standard replaces existing IFRS and US GAAP revenue requirements. The core principle of IFRS 15 is that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard applies to all revenue contracts and provides a model for the recognition and measurement of sales of some non-financial assets (e.g., disposals of property, plant and equipment). The EU has still not yet approved the standard, but it is expected to enter into effect on 1 January 2018. The Group expects to apply IFRS 15 with effect from 1 January 2018. The Group does not expect the implementation of IFRS 15 will have a significant impact on the financial statements, but may for some projects affect the timing of revenue recognition.

IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)
The amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The EU has still not yet approved the standard, but it is expected to enter into effect on 1 January 2016.

IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11)
IFRS 11 addresses the accounting for interests in joint ventures and joint operations. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions. The EU has still not yet approved the standard, but it is expected to enter into effect on 1 January 2016.

IAS 1 Presentation of Financial Statements: Disclosure Initiative (Amendments to IAS 1)
In December 2014, the IASB issued amendments to IAS 1 Presentation of Financial Statements as part of its Disclosure Initiative. The amendments to IAS 1 further encourage companies to apply professional judgment in determining what information to disclose and how to structure it in their financial statements. The EU has still not yet approved the standard, but it is expected to enter into effect on 1 January 2016.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)
IAS 16 and IAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

IAS 27 Separate Financial Statements: Equity Method in Separate Financial Statements (Amendments to IAS 27)
The objective of these amendments is to restore the option (which was removed in 2003) to use the equity method to account for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. Therefore, an entity must account for these investments either:
- At cost
- In accordance with IFRS 9 (or IAS 39), or
- Using the equity method

The entity must apply the same accounting for each category of investments.

As a consequence IFRS 1 was amended to allow a first-time adopter accounting for investments in the separate financial statements using the equity method, to apply the IFRS 1 exemption for past business combinations to the acquisition of the investment. The EU has still not yet approved the standard, but it is expected to enter into effect on 1 January 2016.

NOTE 2 SEGMENT INFORMATION

The Group's activities were divided into three segments for the purpose of reporting in 2015. The allocation of activities to segments is based on the main markets served by the Group, and corresponds with the structures used for internal reporting to the executive management, which is the chief operating decision makers in the Group. The segment structure is unchanged from the 2014 reporting.

The EVRY Financial Services segment offers a broad portfolio of solutions and services, and is a complete industry vertical with responsibility for all the company's deliveries to bank and finance customers. The solutions portfolio includes solutions for all core banking services, whether this relates to interfaces with end-customers or solutions to support a bank's internal processes and employees. The portfolio is module-based, and includes banking services, transactions systems, payment solutions and card services. The portfolio also includes a unique value chain of card services that are delivered to banks in the Nordic countries and in the United Kingdom.

The EVRY Sweden segment offers everything from strategic advice and consulting services through to solutions and IT operating services. EVRY Sweden has a significant portfolio of industry vertical solutions that combine industry-specific insight and business understanding with technological expertise. EVRY Sweden also delivers services based on strong specialist expertise that are independent of geographic location and sector, for example ERP solutions, mobility, cloud-based solutions and Business Intelligence. EVRY Sweden also has its own operating services organisation, which focuses on medium-sized businesses and entities in the private and public sectors.

The EVRY Norway segment offers consulting, infrastructure and operating services. EVRY Norway has a long history with leading customers in the Norwegian public and private sectors, and holds strong positions in a number of industry verticals where it combines industry insight and business understanding with technological expertise. Customer deliveries cover a broad range of consulting and solutions services, as well as IT operating services. EVRY Norway has a significant position in the local government and healthcare sectors, and is currently strengthening its position in other verticals including retail, oil & gas and insurance. Through its extensive activities, EVRY Norway has in-depth technical expertise in specialist services that are independent of geographic location and sector. This includes growth areas such as mobility, cloud-based solutions and Business Intelligence. The segment also includes the Group's Global Sourcing activities for reporting purposes.

The Group's other activities are shown in the presentation below as corporate costs/eliminations. These activities principally relate to financing and central group functions that are not allocated to the segments. Non-recurring items are not distributed to the segments in accordance with the management reporting structure in the Group, and are reported as a separate line in the presentation below.

Transactions between the business areas are based on market terms and conditions and are reported as corporate costs/eliminations. The rental of software and other IT equipment is based on the cost from an external supplier plus a margin. The purchase and sale of consulting services between the segments is charged at an agreed price equivalent to the price achieved by the best customer. The operating profit (EBITA) reported for each segment includes revenue and costs related to transactions with other segments of the Group. The Group's chief operating decision makers (executive management) follow up the operating profit (EBITA) of each segment on a regularly basis and use this information to analyse the various segments' operational performance and to make decisions on resource allocation. The performance of each segment is evaluated on the basis of revenue growth and EBITA, and the measurement of revenue growth and EBITA is consistent with the consolidated revenue and EBITA figures reported for the Group as a whole. Management also monitors each segment in terms of other key figures such as EBITDA, operational investment spending, working capital and the customer credit - time.

With effect from 1 December 2015, the company has entered into a long-term 10-year agreement with IBM to strengthen its infrastructure solutions. The company will continue to lead the development of value-adding infrastructure services for its customers and will combine this with IBM's innovative cloud technology and global scale. The agreement means that the company will partner with IBM for the operation of its basic infrastructure platforms, and it covers all platforms such as mainframe, Unix and Wintel. EVRY will continue to take full responsibility for customers and deliveries and will also continue to manage its data centres, while IBM will operate the technology. The estimated contract value is USD 1 billion over the contract period, a result of the IBM agreement, looking to 2016, EVRY expects to reduce its cost base significantly within the outsourcing area. EVRY also expects to increase its competitiveness in the market and thus increased revenues.

The company will invest significantly in cloud-based infrastructure solutions over the next three years in order to offer its customers scalable, market-leading solutions on a global platform. Significant provisions have therefore been made on the Group's balance sheet as of 31 December 2015 in relation to the agreed transitions and customer transformations needed to convert to IBM's platform technology, cf. note 20. In total approximately 200 customers are covered by the conversion to IBM's platform technology. On 1 December 2015, 429 employees from EVRY's Nordic organisation were transferred to IBM.

In connection with the agreement EVRY has entered into with IBM, the company has carried out an assessment of balance sheet items and has in connection with this written down the company's investment in its Future Proof program by NOK 135.5 million as the company will in future be using IBM's infrastructure platforms for its basic operations services (see also note 12). In addition, implementation projects related to Future Proof have been written down by NOK 168.5 million, and other balance sheet items have been written down by a total of NOK 71.0 million (see also note 16).

Non-recurring items

NOK million	2015	2014
Provisons for restructuring	-510.2	-120.0
Provisons for premises	-100.2	-
Write-down of Future Proof	-292.7	-
Write-down of goodwill	-	-1 164.3
Write-down of other balance sheet items	-87.0	-34.3
Provisions fire Sweden	-	-40.0
IBM outsourcing agreement	-1 234.2	-
Strategic process	-128.1	-76.9
Total non-recurring items	-2 352.3	-1 435.5

The Group does not have any single customer that accounts for more than 10% of its consolidated revenue.

Information about the Group's segments for reporting purposes is presented below:

2015

NOK million	Operating revenue	EBITDA	Depreciation and write downs	EBITA	Assets	Liabilities	CAPEX
EVRY Financial Services	3 576.3	464.4	129.2	335.2	2 864.5	757.6	205.4
EVRY Sweden	3 489.2	297.9	56.7	241.2	2 979.7	900.0	64.7
EVRY Norway	6 084.9	538.0	233.4	326.4	4 242.5	1 794.1	144.8
Corporate costs/ eliminations	-290.9	-22.0	48.0	-91.8	990.8	5 480.2	28.3
Non-recurring items	-	-2 216.4	-	-2 216.4	-	-	-
Total	12 859.5	-938.1	467.4	-1 405.4	11 077.5	8 931.9	443.3

2014

NOK million	Operating revenue	EBITDA	Depreciation and write downs	EBITA	Assets	Liabilities	CAPEX
EVRY Financial Services	3 682.5	523.5	152.0	371.5	2 803.5	569.3	115.1
EVRY Sweden	3 472.2	313.3	58.5	254.8	2 859.7	734.6	79.6
EVRY Norway	6 092.8	545.2	223.1	322.1	4 683.0	1 408.8	255.2
Corporate costs/ eliminations	-474.3	-91.2	43.2	-134.6	356.5	3 712.5	40.8
Non-recurring items	-	-271.2	-	-271.2	-	-	-
Total	12 773.1	1 019.6	477.0	542.6	10 702.7	6 425.3	490.7

There are no differences in the measurement methods applied at the segment level as compared to the methods used for the consolidated accounts. In some cases, asset and liability items that relate to more than one segment are allocated to the segments on the basis of revenue.

Geographic segments

The Group's activities are divided between Norway, Sweden (incl Finland) and other countries.
Other countries are mainly related to USA and other European countries beside Norway, Sweden and Finland.

Operation revenues

NOK million	2015	2014
Norway	8 052.9	8 302.5
Sweden	4 125.2	3 961.5
Other countries	681.4	509.1
Total	12 859.5	12 773.1

NOTE 3 MANAGEMENT OF CAPITAL STRUCTURE AND FINANCIAL RISK

1. Management of capital structure

EVRY's main objective for the management of its capital structure is to maximise value creation for shareholders, while at the same time maintaining a sound financial position and a good credit rating. The objective is to generate the best possible long-term return for its shareholders, through dividends paid or share price increases, match or exceed the return available on similar investment opportunities of comparable risk.

The Group monitors its capital structure in terms of its equity as a proportion of total assets (equity ratio) and net interest-bearing liabilities as a proportion of total equity (gearing).

NOK million	31.12.2015	31.12.2014
Non-current interest bearing liabilities	4 779.6	3 181.3
Current interest bearing liabilities	3.0	3.0
Bank deposits	900.2	615.6
Net interest bearing liabilities	3 882.4	2 568.8
Equity	2 145.6	4 277.4
Total assets	11 077.5	10 702.7
Gearing	1.81	0.60
Equity ratio	19%	40%

Net interest bearing liabilities are defined as interest-bearing liabilities (current liabilities and non-current liabilities) minus bank deposits.

Subsidiary companies have only limited authority to establish independent financing arrangements, and are required to distribute their surplus capital to EVRY AS by means of dividend, repayment of financing or group contributions.

2. Management of financial risk

The Group's policies for the management of financial risk are determined by the Board of Directors of EVRY AS. The main objective of financial risk management is to identify, quantify and manage exposure to financial risks. Operational responsibility for monitoring and managing financial risk is the responsibility of EVRY's centralised treasury function.

Financial risk is normally divided into three groups:

1. Market risk
    a. Interest rate risk
    b. Currency risk
    c. Price risk /Energy contracts
2. Credit risk
3. Liquidity risk

1. Market risk

The market risk is the risk of changes in market prices and changes in fundamental conditions in the economy, such as changes in interest rates, exchange rates, prices of inputs and the cost of capital.

1a. Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in the general level of interest rates. The Group's exposure to interest rate risk relates principally to interest-bearing liabilities on floating interest rate terms. The loan agreement (SFA) have requirements of 50% fixed rate hedging until April 2017.

See also note 4 for more information on the Group's exposure to interest rate risk.

1b. Currency risk

The principal objective for EVRY's management of currency risk is to reduce the effect of changes in exchange rates on future cash flows and on the Group's financial condition. Currency risk can be divided into i) transaction risk, ii) translation risk and iii) strategic risk:

i) Transaction risk represents the risk that future cash flows may fluctuate as the result of changes in exchange rates, and it arises as a result of financial transactions that involve agreement on future receivables or liabilities that are settled in a currency other than the Group's functional currency.

EVRY has both revenue and costs denominated in foreign currencies, accordingly it engages in some degree of routine activity to hedge the foreign currency component of financial transactions. The Group has also established an arrangement for multicurrency bank accounts for the Group, and these accounts are used to reduce exposure to currency risk at the group level. The Group hedges future receipts and payments denominated in foreign currency where the amount is greater than the equivalent of NOK 50 million by entering into forward contracts that mature on the settlement day for the payment.

ii) Translation risk represents the risk that assets or liabilities may be exposed to changes on currency conversion as the result of changes in exchange rates.

Since the Group has a significant scale of activities in Sweden, it arranges for part of its borrowings to be denominated in Swedish kroner (net investment).

iii) Strategic risk is a concept used to describe the long-term effects of changes in exchange rate, such as establishing business operations in low-cost countries, importing from countries with low commodity prices and other exposure to currency risk in relation to strategic decisions.

EVRY has established subsidiary companies in India and Ukraine. These two companies have income mainly in Euro and US dollar. The Group's exposure to currency risk relates principally to Swedish kroner (SEK), Euro (EUR) and US dollar (USD).

See also note 4 for more information on the Group's exposure to currency risk.

1c. Price risk/Energy contracts

The Group purchases energy in the spot market, and hedges prices for part of its energy requirements by using pricing contracts in the forward market. The objective of this strategy is to reduce the risk of fluctuation in the cost of energy purchases, and thereby provide greater certainty for cash flow. Energy contracts work in such a way that the Group pays the spot price for its actual power consumption, but pays the difference when the value of the contract is higher than the spot price and receives the difference when the contract value is lower than the spot price. The price of the electric power actually consumed is determined on the basis of the local area price, hence the company is exposed at all times to local area risk. The prices used for hedging contracts are determined on the basis of the national grid price (average price calculated by Nord Pool).

Changes in fair value are divided between an effective hedging element and an ineffective hedging element, with changes in the value of the effective hedging element applied directly to equity (hedge accounting). In order for hedging to be deemed effective, the hedge effectiveness must be in the range 80% - 125%. All energy contracts are denominated in Euro, hence the NOK/EUR exchange rate will also affect the risk exposure arising from energy purchases.

See also note 4 for more information on the Group's energy contracts.

2. Credit risk

Credit risk relates to the risk that the Group's counterparties fail to make the payments to which they are committed, causing the Group to suffer a financial loss. The responsibility for credit control and collection of overdue amounts is centralised in a separate unit within the Group.

No significant provisions were required in 2015 for losses on receivables from customers. The Group's maximum exposure to credit risk at 31 December 2015 was NOK 1 912.0 million.

See also note 15 and note 16 for more information on the Group's exposure to credit risk.

3. Liquidity risk

Liquidity risk arises if the cash flows generated by the Group are not sufficient to match its financial liabilities as they fall due. It is Group policy to operate at all times with financing arrangements with its banks in order to make it possible to use bank facilities to finance investments. The Group restricts its current interest-bearing debt to a minimum in addition to the credit facility in order to ensure that the risk of refinancing are reduced. Financing for corporate acquisitions is evaluated independently.

The Group monitors its liquidity daily, and produces liquidity forecasts on a regular basis in order to identify liquidity requirements in future periods.

See also note 4 for more information on the Group's exposure to liquidity risk.

NOTE 4 FINANCIAL INSTRUMENTS

A) Non-current interest bearing liabilities and interest rate risk

Non-current interest bearing liabilities

NOK million	31.12.2015	31.12.2014
Financial lease	22.1	25.2
Liabilities to credit institutions	4 883.4	3 156.2
Arrangement fee financing	-125.8	-
Non-current interest bearing liabilities	4 779.6	3 181.3

In March 2015 EVRY entered into a new financing arrangement - Senior Facility Agreement - (SFA) with a syndicate of banks with DNB Bank, Nordea Bank, Bank of America Merrill Lynch, Credit Suisse and Mizuho Bank and as arrangers. The facilities are syndicated to a number of banks and financial institutions. The new financing consists of various tranches in an aggregate frame of NOK 5.5 billion with maturity profiles of six and seven years. Parts of the debt is in SEK and EUR.

The new financing ensures that EVRY achieves financial headroom at market rates with initial margins in the range of 4 to 5%, with possibility for reduction given company performance. The covenants are based on e.g. cash interest cover ratio (EBITDA to net financial charges) and gearing ratio (net interest bearing debt to EBITDA). The Group is in compliance with its financial covenants.

Commitment fees and loan setup fees totalling NOK 192.5 million have been capitalised. Of this amount, NOK 30.0 million was recognised as financial expense as of 31 December 2015.

In connecting with the outsourcing agreement with IBM starting 1 December 2015 a vendor financing agreement was established with IBM Financing. The financing agreement has a duration of six years. By end of 2015 the non-current interest bearing liabilities were NOK 293.1 million.

Interest rate swap agreements

In order to secure fixed interest rate terms, EVRY AS has entered into interest rate swap agreements for principal amounts of NOK 1 680 and SEK 700 million. As a result of these agreements, the Group pays fixed interest rates on 53% of its total borrowing portfolio under SFA. The interest rate swap agreements are structured in relation to specific borrowings in order that the quarterly rollover dates for the swap agreements correspond with the rollover dates for the borrowings. Changes in the market value of these swaps are recognised as part of comprehensive income.

Interest rate swaps 31 December 2015:

	Currency	Amount	Maturity date	Fixed interest rate	Market value
Interest rate swap Nordea	NOK	230	20.04.18	1.58%	-4.1
Interest rate swap DNB	NOK	250	20.04.18	1.62%	-4.5
Interest rate swap SEB	SEK	500	20.01.17	1.64%	-10.3
Interest rate swap Nordea	NOK	300	21.01.19	2.64%	-16.3
Interest rate swap Nordea	NOK	500	21.01.19	2.97%	-32.1
Interest rate swap Nordea	SEK	200	21.01.19	1.26%	-7.2
Interest rate swap Nordea	NOK	200	20.04.20	1.62%	-5.0
Interest rate swap Nordea	NOK	200	20.04.20	1.61%	-5.0

The average duration of interest rate swap agreements as at 31 December 2015 was 2.7 years.

Interest rate risk – sensitivity analysis

The Group's exposure to interest risk is dependent on the general level of market interest rates (Nibor/Stibor). The company incurs significant interest costs on its borrowings, and a change in interest rates would represent an significant increase/decrease in the company's overall earnings.

The Group uses interest rate swaps to hedge against large fluctuations in cash flow. An increase in the general level of interest rates will cause an increase in interest expense, but the effect will be offset to some extent by interest rate swaps through which the Group pays a fixed rate of interest and receives a floating rate of interest.

The Group calculates the valuation effects on its holdings of financial instruments by simulating a change in the yield curve. An increase in the general interest rate will increase the value of the Group's interest rate swaps, while at the same time the Group's interest costs will rise as a result of higher interest rates payable on the part of its total borrowings that is subject to floating interest rates.

The table below shows the effect of an increase of 100 basis points in interest rates on the consolidated profit and loss account:

NOK million	2015	2014
Change in fair value interes rate swaps	54.6	49.3
Change in interest expenses after tax	-15.6	-8.6
Effect on total profit	39.0	40.7

B) Exchange rate risk and currency hedge

Financial items per currency 31 December 2015:

NOK million	SEK	USD	EUR	Other
Accounts receivable	503.4	76.2	80.8	21.1
Accounts payable	195.7	6.0	16.4	26.1
Bank deposits	188.7	83.4	86.7	78.5
Non-current liabilities	1 087.7	-	-	-
Net exposure financial position	-591.2	153.6	151.0	73.5

At the end of 2015 the Group had borrowed SEK 1 038.0 million to hedge its investments in Sweden. Translation differences in respect of liabilities and receivables due from foreign activities are applied as comprehensive income. The translation difference recognised in 2015 amounted to NOK 20.7 million after tax.

Net investments denominated in SEK amounted to NOK 834.0 million of 31 December 2015. Accordingly, a change in the SEK/NOK exchange rate of 100 basis points would cause a change in the book value of NOK 8.3 million.

Parts of the new financing agreement is debt in EUR, in total EUR 338.0 million. The Group has entered into EURNOK and EURSEK cross currency swaps on this EUR debt, to eliminate the EUR exposure. Changes in the market value of hedging instruments are recognised as part of comprehensive income. The market values of these hedging instruments were NOK 196.1 million at year end 2015.

The company has no material balance sheet risk in relation to other currencies.

Exchange rates of relevance:

	2015 Average	2015 Spot	2014 Average	2014 Spot
SEK	0.9572	1.0475	0.9184	0.9597
EUR	8.9530	9.6190	8.3534	9.0365
USD	8.0739	8.8090	6.3018	7.4332
GBP	12.3415	13.072	10.369	11.571

C) Liquidity risk

NOK million	2015	2014
Liquidity reserve 31 December	2 209	2 414
Liquidity reserve/Revenues last 12 months	17.2%	18.8%

Maturity profile for financial liabilities:

NOK million	Total	0 - 1 year	1- 5 year	More than 5 years
Accounts payable	577.3	577.3	-	-
Deductions and duties payable	1 053.3	1 053.3	-	-
Other current liabilities	1 904.0	1 904.0	-	-
Financial lease	22.1	-	12.6	9.5
Maturity credit facility	4 883.4	-	943.8	3 939.6
Non-current non-interest bearing liabilities	90.1	-	90.1	-
Other non-current provision for liabilities	316.1	-	316.1	-
Interests [1)]	2 424.7	375.0	1 528.1	521.6
Total financial liabilities	11 271.0	3 909.6	2 890.7	4 470.7

1) Estimate based current debt portfolio, current forward curve and current margins.

D) Energy contracts

NOK million	2015	2014
Fair value energy contracts	-6.5	-7.0
Ineffective part of hedging	0.5	-0.6

Changes in the market value of hedging instruments since 31 December are recognised as part of comprehensive income. If any part of the hedging is evaluated as not effective, the change in value is recognised as Other financial income/ expense.

NOTE 5 USE OF ESTIMATES

A key accounting estimate is an estimate that is important for the presentation of the Group's financial position and profit, and that requires subjective and complex evaluation by the company's management, typically as the result of the need to determine such estimates based on assumptions about future outcomes that are subject to uncertainty. The Group keeps such estimates under constant review on the basis of historical results and experience, consultation with experts, trends, forecasts and other methods that the Group considers reasonable in specific circumstances including evaluating how such factors may change in the future.

Goodwill and other intangible assets

The Group tests goodwill for impairment annually. The book value of goodwill in the Group's cash-generating units is measured against the value in use of goodwill in these units. The recoverable amount from cash generating units is determined through calculations of value in use. These calculations are based on discounted cash flows that involve uncertainty and require the use of estimates. A change in the yield requirement used for discounting future cash flows will affect the book value of goodwill. An increase in the yield requirement will, in isolation, cause a lower value in use which in turn will cause a fall in the value of goodwill. Note 12 to the consolidated accounts provides sensitivity analysis in respect of the calculation of value in use. Other intangible assests are tested for are tested for impairment if there are indications of a material loss of value.

Income recognition

Where operating services are provided through volume-based contracts, revenue is recognised on the basis of the actual use of services by the customer. If there is no reconciliation/account of actual use at the end of the accounting period, revenue for the period is estimated on the basis of historic figures, adjusted for any known events/information that have influenced usage during the period.

Where services are recognised to revenue on the basis of the degree of completion, revenue is estimated on the basis of the number of hours delivered as a proportion of the total estimated number of hours that will be required for the delivery.

Depreciation of tangible assets and intangible assets

Depreciation is based on management's estimate of useful life. Such estimates may change as a result of technological developments, competition, changes in market conditions and other matters. This may cause changes in the estimated useful life and accordingly in depreciation.

Onerous contracts

Provisions made in respect of onerous contracts are determined on the basis of management's best estimate of the expenditure that would be required to settle the present obligation at the balance sheet date. This represents the amount that the Group would rationally pay to settle the obligation at the balance sheet date or to transfer it to a third party. A provision in respect of an onerous contract is recognised in full in the period in which the contract is recognised as being onerous.

Capitalisation of development projects

When capitalising development costs that relate to the use of internal resources, costs are estimated using an hourly rate based on the direct costs per employee. In the event of any indication of the need for a write-down in respect of an individual development project, the recoverable amount is tested against the book value. The recoverable amount assigned to the development project is determined on the basis of calculations of value in use. These calculations are based on discounting future cash flows that involve uncertainty and require the use of estimates. A change in the forecast revenue or margin used when estimating future cash flows will affect the estimated value of the development project in question.

NOTE 6 SALARIES AND PERSONNEL COSTS

Salaries and personnel costs

NOK million	2015	2014
Salaries	5 340.3	4 862.5
Social security tax	850.9	850.9
Pension costs	420.5	399.3
Other benefits	485.9	336.0
Total salaries and personnel costs	7 097.6	6 448.7
Average number of employees	10 109	10 347
Average number of man years	9 931	10 151

Executive management remuneration

NOK million	Period	2015
Chief Executive Officer (Björn Ivroth) :	24.3 - 31.12	
Salary		2.710
Bonus		-
Sharebased remuneration (LTI)		-
Pension benefits earned through the year		0.518
Other remuneration		0.281

Terje Mjøs was CEO until 24 March 2015. He received NOK 14.3 million in 2015 in total salary payments and other remuneration, including severance pay. His total salary and other remuneration amounted to NOK 8.0 million in 2014. He also entered into a consulting agreement in 2015 with the holding company Lyngen Bidco AS.

Other members of the executive management 2015

NOK million	Period	Salary	Bonus	Other remuneration	Pensions
Henrik Schibler	1.9 - 31.12	0.900	-	0.055	0.156
Wiljar Nesse	1.1 - 31.12	2.284	1.822	0.199	0.350
Morten Sæther [1]	15.9 - 31.12	1.639	0.438	0.101	0.111
Fredrik Almén	1.11 - 31.12	0.345	-	0.017	0.044
Trond Vinje	17.8 - 31.12	0.519	-	0.060	0.051
Janne Marie Log [1]	1.9 - 31.12	1.441	0.262	0.131	0.062
Previous members of the executive management					
Knut E Røsjorde	1.1 - 31.8	1.491	2.134	3.404	0.042
Anne-Cecilie Fagerlie	1.1 - 31.8	1.662	1.513	2.431	0.042
Morten Søgård	1.1 - 15.9	2.101	1.521	0.198	0.392
Niclas Ekblad	1.1 - 30.11	3.679	2.570	0.143	1.149
Håvard Larsen	1.1 - 30.11	1.970	0.739	1.066	0.162
Kurt Helland [1]	1.1 - 30.9	1.919	1.220	0.153	0.272

1) Remuneration figures are for the year as a whole, while the period refers to the period for which the employee was a member of the executive management team.

Other members of the executive management 2014

NOK million	Period	Salary	Sharebased remuneration (LTI)	Bonus	Pensions
Knut E. Røsjorde	1.7 - 31.12	1.005	0.248	-	0.180
Anne-Cecilie Fagerlie		1.961	0.400	0.105	0.286
Morten Søgård		2.010	0.400	0.406	0.357
Wiljar Nesse		2.089	0.420	0.655	0.289
Niclas Ekblad		3.134	0.643	0.909	0.990
Håvard Larsen		2.036	0.350	0.476	0.321
Kurt Helland	1.4 - 31.12	1.315	0.314		0.205
Previous members of the executive management					
Eli Giske	1.1 - 28.2	0.790	-	0.576	0.163
Knut Morten Aasrud	1.1 - 31.1	2.447	-	-	0.034

The total remuneration of the CEO and other members of the Executive Management consists of a fixed package of salary and benefits supplemented by performance-based bonuses, share-based long-term incentive schemes, pension and insurance arrangements and severance pay. The Board of EVRY AS has approved a bonus scheme for the CEO and members of the Executive Management, whereby bonuses will be paid based on the achievement of pre-determined targets. The maximum bonus entitlement for the CEO and CFO is 18 months' fixed salary, while the maximum bonus entitlement for the other members of the Executive Management is up to 6 months' fixed salary. The Board of Directors has established detailed guidelines to implement the above principles.

The Executive Management are members of a defined contribution pension scheme. They are additionally members of an uninsured defined benefit pension scheme for the portion of their salary that exceeds 12 times the national insurance base amount (G), cf. note 7 to the Annual Accounts. Rights accrued in respect of the defined benefit pension scheme will be paid from retirement age.

A new share-based long-term incentive program was established in 2015 for some members of the Board of Directors of EVRY AS, the Executive Management and certain other key employees. Those included in the program have been given the opportunity to invest in shares in Lyngen Topco AS, which indirectly owns 88% of the shares in EVRY AS. See note 18 for further information on EVRY AS's ownership structure. The shares are purchased at market prices.

The CEO has waived the redundancy rights provided by Chapter 15 of the Working Environment Act, cf. Section 15-16. He is entitled to receive salary for 3 months following the normal notice period of 9 months. The other members of the Executive Management are entitled to receive salary for periods of between 0 and 12 months following notice periods of between 6 and 12 months. Both the CEO and the other members of the Executive Management are subject to non-compete agreements.

No member of the Executive Management received any remuneration or other benefits from any other company in the Group other than as set out above. No additional payments were made for special services over and above an individual's normal management responsibilities.

Board of Directors

Remuneration to the Board of Directors in 2015 was paid out as follows:

NOK million	Remuneration
Göran Lindahl	0.144
Eirik Bornø [1]	0.348
Ola Hugo Jordhøy [1]	0.288
Jan Anders Dahlström [1]	0.288
Ingrid Lund [1]	0.328
Total remuneration	1.396

1) Employee elected board members.

The remuneration to the Board of Directors are determined in advance and paid out every six month with one half each time. The employee elected board members receives the renumeration from the board in addition to ordinary salary from the company.

NOTE 7 PENSIONS

The Group provides pensions principally through insured collective schemes with life insurance companies. Pension arrangements related at 31 December 2015 to 6 280 active employee members of defined contribution pension schemes and 587 pensioners in insured defined benefit schemes. In addition the Group have various compensation- and uninsured pension plans that includes 1 693 employees. The presentation of pension costs and pension liabilities set out below aggregates the various pension arrangements provided by the Group. The figures therefore include a number of different defined benefit, defined contribution and multi-company pension schemes.

The Group's Norwegian companies operate a defined contribution pension scheme for employees. The annual contributions to this scheme are at the rates of 4% for salaries between one and six times the social security base amount (G) and 8% for salaries between 6 G and 12 G.

The employees of the Group's Norwegian companies is members of the common scheme of AFP early retirement pension arrangement.The scheme gives a lifelong supplement to the ordinary pension. Employees can choose whether to draw the new AFP pension from 62 years of age, even if they continue to work, and additional rights can be earned by working until 67 years of age. The scheme is a multi-company defined benefit scheme, and is financed by premium payments determined as a percentage of salary. There is as yet no reliable measurement and allocation of liabilities and assets between the companies that participate in the scheme. The new scheme is therefore treated for accounting purposes as a defined contribution pension scheme and the premiums paid are recognised as costs through profit and loss with no provision made in the accounts. The premiums paid in 2015 were set at 2.4% of total salary payments for salary payments to the employer's employees between the social security base amount (G) and 7.1 G. The equivalent premium rate for 2016 will be 2.5%, and it is expected that the level of premiums will increase in future years. The scheme is underfunded, and the administrator (Fellesordningen for AFP) assumes that premiums will have to increase over time in order to ensure sufficient buffer capital to cope with increased payments. Companies that participate in the AFP scheme are jointly and severally liable for two-thirds of the pension payments due to employees who satisfy the terms and conditions at any time. The liability applies both to shortfalls in premium payments and if the premium rate applied proves insufficient to meet the liabilities. In the event that the scheme is terminated, the participating companies have a duty to continue to make premium payments to provide for pension payments to employees who are members of the scheme or who satisfy the requirements of collective agreements for such pension arrangements at the date of termination.

Employees in the Group's Swedish companies are principally members of the ITP pension scheme. The ITP scheme is based on collective agreement between the Confederation of Swedish Enterprise and the Council for Negotiation and Co-operation representing salaried employees within the private sector. ITP came into operation on 1 July 2007, and applies to employees born in 1979 or later. All new employees become members of the scheme at 25 years of age. The ITP scheme is a defined contribution scheme, to which the employer contributes 4.5% of salary up to 7.5 times the "basic income amount" and 30% of salary over this amount. Employees born before 1979 are members of the old scheme, which is a combination of a defined contribution scheme and a defined benefit scheme (ITPK and ITP2 respectively). ITP2 is a multi-company scheme that provides a retirement pension calculated as 10% of final salary for salary up to 7.5 times the "basic income amount", 65% of final salary for salary between 7.5 times and 20 times the "basic income amount" and 32.5% of final salary for salary between 20 times and 30 times the "basic income amount". Full pension entitlement is earned after 30 years of pensionable employment. There is no reliable measurement and allocation of the company's share of the overall assets and liabilities of the scheme. The scheme is therefore treated in the accounts as a defined contribution scheme. ITPK is a defined contribution scheme with a contribution rate of 2% with the possibility of additional contributions by agreement.

The members of executive management are members of a pension plan financed from operations. The operations pension plan is not subject to the legislation on defined contribution pensions or the legislation on enterprise pensions, and is not funded. The annual pension entitlement is calculated as 25% of salaries exceeding 12 G for the CEO and the other members of executive management. The annual return shall at a minimum equal 12 months NIBOR as at 31 December of the previous year. The accumulated accrued entitlement, including investment return and employer's social security contributions, totalled NOK 20.1 million at 31 December 2015.

Pension costs

NOK million	2015	2014
Current value of pension entitlement accrued over the year	23.2	18.8
Net interest on pension liabilities	3.7	4.1
Curtailments and settlements	-4.4	-
Pension costs charged to profit and loss from defined benefit plans	22.5	22.9
Defined contribution schemes and early retirement plans	398.0	376.4
Pension costs charged to profit and loss	420.5	399.3

Change in calculated pension liabilities

NOK million	1.1 - 31.12.2015	1.1 - 31.12.2014
Implementation of IFRS 11	-	-11.2
Defined benefit obligations 1 January	916.7	790.0
Current value of pension entitlement accrued over the year	23.2	18.8
Interest on pension liabilities	18.1	26.1
Actuariel gains and losses	-40.8	128.8
Acquisition/sale of business, curtailment and settlement	-48.8	-
Pension payments	-45.9	-47.0
Defined benefit obligations 31 December	822.3	916.7

Change in fair value of plan assets

NOK million	1.1 - 31.12.2015	1.1 - 31.12.2014
Implementation of IFRS 11	-	-6.8
Fair value of plan assets 1 January	702.3	682.0
Actual return on plan assets	18.5	47.8
Curtailment and settlement	-34.7	-
Pension premium paid	11.3	8.5
Pension payments	-36.9	-36.0
Fair value of plan assets 31 December	660.5	702.3

Pension liabilities

NOK million	1.1 - 31.12.2015	1.1 - 31.12.2014
Gross liability to provide pensions (PBO)	822.3	916.7
Fair value of plan assets	660.5	702.3
Effect of asset ceiling	-49.8	-27.7
Net pension liability	211.6	242.1
Plan assets in the statement of financial position	-	-
Pension liabilities in the statement of financial position	211.6	242.1

Change in pension liabilities

NOK million	1.1 - 31.12.2015	1.1 - 31.12.2014
Implementation of IFRS 11	-	-4.4
Pension liabilities 1 January	242.1	182.2
Pension costs	22.5	22.9
Effect of actuarial gains and losses recognised as comprehensive income	-22.6	57.2
Premium payments	-11.3	-8.5
Acquisition/sale of business	-9.7	-
Benefits paid and Paid-up policies	-9.4	-11.8
Pension liabilities 31 December	211.6	242.1

The effect for the year of actuarial gains and losses recognised as other comprehensive income represented a decrease in pension liability of NOK 22.6 million, principally as the result of an increase in discount rate as a parameter to calculate net pension liability.

The summarised information presented is based on annual calculations carried out by an independent actuary.

The following assumptions are used in the actuarial calculations, as of 31 December:

	2015	2014
Discount rate	2.70%	2.30%
Future salary inflation	2.50%	2.75%
Growth in the basic state pension (G)	2.25%	2.50%
Annual increase in pensions	0.00%	0.00%
Staff turnover	Own table	Own table
Mortality assumptions	K2013	K2013

The assumptions used for pension calculations follow the guidelines issued by the Norwegian Accounting Standards Board (NRS) as at 31 December 2015. Over recent years, the Norwegian market for covered bonds has grown strongly. NRS has therefore accepted the use of covered bond interest rates as the basis for the discount rate for pension calculations instead of using the interest rate on Norwegian government bonds. Based on it's assessment of the depth in the Norwegian market for covered bonds, EVRY has applied the parameters recommended by the NRS 2015 guidelines, which includes using the covered bond interest rate as the basis for the discount rate.

Pension calculations use the K2013 table for mortality risk, which is based on the best estimate of the population in Norway. The risk table for disability, IR02, corresponds with the estimated risk of disability in the Group. Extracts of information from the risk tables are provided below. The table shows the likelihood of an employee in a specified age group for men and women becoming disabled or dying within 12 months, and also shows life expectancy.

Life expectancy

Age	Men	Women
20	88.6	92.4
40	87.0	90.6
60	86.0	89.4
80	89.3	91.6

Mortality expectancy

Age	Men	Women
20	0.02%	0.01%
40	0.06%	0.04%
60	0.46%	0.31%
80	4.65%	3.18%

Disabillity expectancy

Age	Men	Women
20	0.10%	0.10%
40	0.20%	0.30%
60	1.90%	2.90%

Uncertainty of estimates

Calculations of pension cost for the year and the book value of pension liability are based on the assumptions above. Considerable uncertainty attaches to the amounts calculated, which principally vary in pace with the level of interest rates in Norway.

The plan assets as of 31 December were invested as follows:

Investment category

	2015	2014
Bonds	62%	60%
Equity securities	29%	29%
Properties	8%	9%
Other	1%	2%
Total	100%	100%

Pension assets are invested in bonds issued by the Norwegian government, Norwegian municipalities, financial institutions and corporations. Bonds held in foreign currencies are to a large extent currency hedged. Pension assets are invested both in Norwegian and foreign equity securities. The currency hedging policy for foreign equity securities is evaluated on an individual investment basis. Pension assets are invested in accordance with the guidelines applying to life insurance companies.

The Group expects to pay approximately NOK 6.6 million in pension premiums to the Group's defined benefit plans in 2016.

The weighted average duration of the Group's pension liabilities as of 31 December 2015 was 18 years, and the maturity structure over the next 10 years is as follows:

NOK million	
Year 1	42.0
Year 2	42.8
Year 3	43.0
Year 4	45.8
Year 5	47.1
Years 6-10	253.5

Sensitivity analysis

The table below shows the estimated percentage change in pension liability (PBO) and pension cost for the defined benefit pension schemes in Norway in the event of a one percentage point change in the most important parameters. This analysis has been carried out using a method that extrapolates the effect on pension liabilities of a change in the calculation parameters at the expiry of the reporting period.

	PBO	Pension costs
Discount rate -1%	11.4%	3.5%
Discount rate +1%	-9.2%	-2.9%
Future salary inflation -1%	-0.4%	-3.0%
Future salary inflation +1%	0.7%	4.5%
Growth in the basic state pension (G) -1%	0.6%	2.5%
Growth in the basic state pension (G) +1%	-0.4%	-1.5%
Annual growth in pensions +1%	10.4%	2.3%

Risk assessment

The Group is exposed to various risks in relation to its defined benefit pension arrangements as a result of uncertainty in relation to the assumptions applied and future outcomes. The most important areas of risk relate to increasing life expectancy, the risk of a reduction in the actual return earned on pension assets and risks associated with higher inflation and salary increases. Changes of this nature would cause an increase in liability for the Group. However, risk exposure in this respect has been significantly reduced following the closure by the Group of a number of defined benefit pension schemes over recent years.

NOTE 8 COST OF GOODS SOLD AND OTHER OPERATING COSTS

Cost of goods sold comprise:

NOK million	2015	2014
Purchase and lease of software	1 066.1	1 058.6
Purchase and lease of hardware	237.0	285.0
Consulting services	415.9	422.3
Network capacity	286.1	307.4
Use of goods for resale	1 238.5	1 069.9
Other cost of goods sold	1 634.2	482.1
Total cost of goods sold	4 877.9	3 625.4

Other operating costs comprise:

NOK million	2015	2014
Premises rental and other premises costs	701.9	646.8
Consulting costs	441.3	424.4
Travel costs	178.7	208.0
Other operating costs	402.2	398.3
Total other operating costs	1 724.0	1 677.5

Consulting costs which are reinvoiced as a part of a customer contract are classified as cost of goods sold in the statement of comprehensive income. Other consulting costs are classified as other operating costs.

The increase in other costs of goods sold relate to a significant extent to provisions associated with agreed transitions and customer transformations needed to convert to IBM's platform technology (see note 2).

Auditor's remuneration

The following table shows remuneration to the Group's auditor, EY, in respect of audit services delivered, including the amounts invoiced in respect of audit-related and tax-related services. The amounts shown include both Norwegian and foreign subsidiaries, and are exclusive of value added tax.

NOK million	2015	2014
Audit fee	8.827	8.149
Assurance services	4.260	7.559
Other audit related services	1.162	1.028
Tax related services	0.891	2.206
Total remuneration	15.140	18.942

Assurance services includes attestation services related to ISAE 3402 and SAS 70. These expenses are mainly reinvoiced by the company.

NOTE 9 FINANCIAL ITEMS

NOK million	2015	2014
Interest income	18.4	36.7
Other financial income	1.5	1.9
Total financial income	19.8	38.7
Interest expenses	284.1	168.1
Other financial expenses	106.4	17.0
Total financial expense	390.5	185.1
Currency gains	537.3	405.0
Currency losses	497.1	346.0
Net foreign exchange gain/-loss	40.2	59.0

Increased interest expenses are due to the new financing agreement with an increased gearing and higher interest margins (see note 3).

NOTE 10 TAXES

Deferred tax/tax asset is calculated on the basis of the differences which exist at year-end between accounting and taxation values. Deferred tax/tax asset arises in respect of the following timing differences:

NOK million	31.12.2015	31.12.2014
Intangible assets	1 135.5	1 010.6
Tangible assets	-447.5	-307.2
Pension liabilities	-129.0	-138.1
Profit and loss account	66.4	79.7
Items recognised as "comprehensive income"	98.4	-107.2
Other timing differences	-910.4	49.9
Gross timing differences	-186.6	587.7
Losses carried forward	-2 131.4	-880.7
Basis for deferred tax/(deferred tax asset)	-2 318.0	-293.0
Deferred tax asset	477.6	3.7
Deferred tax	-	23.5

Items recognised as Other income and costs relates to the following, with corresponding taxation effects:

NOK million	2015	2014
Market value of financial derivatives	48.1	-15.0
Pension estimate changes	5.5	-11.3
Translation differences	-8.4	-2.0

The Group had tax losses carried forward at 31 December 2015 totalling NOK 2 131.4 million, and the calculated deferred tax asset related to these losses amounted to NOK 519.7 million. The losses carried forward relate very largely to the operation of the Norwegian activities. There are no time limits to carrying forward these losses. Losses carried forward are partially netted against positive timing differences. Deferred tax assets totalling NOK 97.7 million relating to tax losses carried forward are not recognised in the accounts at 31 December 2015. Corresponding amount at 31 December 2014 was NOK 108.4 million.

NOK million	2015	2014
Changes in deferred tax		
Change in deferred tax to profit and loss	-542.6	28.6
Deferred tax from discontinued operations	-	1.0
Other changes in deferred tax not taken to profit and loss	45.2	-27.1
Change in deferred tax in the statement of financial position	-497.4	2.5
Tax cost for the year comprises		
Tax payable	90.8	61.4
Change in deferred tax	-542.6	28.6
Under/over accrual of tax prior year	-3.6	-4.1
Total tax of the year from continuing operations	-455.4	86.0
Effect of permanent differences		
27% of profit before tax	-513.8	-201.1
Expenses not deductible	5.0	6.5
Non-deductible impairment of goodwill	-	314.4
Non-taxable income	3.7	-7.7
Losses/tax rate differences abroad	3.0	-18.9
Tax rate change in Norway	47.7	-
Under/over accrual of tax prior year	-3.6	-4.1
Other permanent differences	2.5	-3.2
Tax of the year from continuing operations	-455.4	85.9
Tax of the year from discontinued operations	-5.9	2.8

NOTE 11 EARNINGS PER SHARE

Earnings per share is calculated as profit for the year attributable to shareholders (owners of the parent company) divided by the average weighted number of shares outstanding over the year.

NOK	2015	2014
Profit for the year attributable to shareholders (owners of the parent)	-1 133 100 000	-963 800 000
Share of comprehensive income attributable to shareholders (owners of the parent)	-277 600 000	92 700 000
Total Profit for the year attributable to shareholders (owners of the parent)	-1 410 700 000	-871 100 000
Average number of shares in the period	267 187 441	266 994 898
Effect of employee options	-	-
Diluted average number of shares	267 187 441	266 994 898
Earnings per share (NOK)	-5.28	-3.26
Dividend proposed for approval by the Annual General Meeting (not recognised as a liability at 31 December)		
Proposed total dividend payment (NOK)	-	-
Proposed dividend per share	-	-

NOTE 12 INTANGIBLE ASSETS

NOK million	Goodwill	In-house Developed Software	Customer contracts and other intangible assets	Total
Book value at 1 January 2014	6 584.7	233.9	278.2	7 096.8
Additions in the year	13.5	92.6	117.1	223.2
Disposal/reclassification in the year	-	-	-3.6	-3.6
Depreciations	-	-91.7	-75.3	-167.1
Write-downs	-1 164.3	-6.1	-	-1 170.4
Translation differences	12.0	0.4	0.2	12.6
Book value at 31 December 2014	5 446.0	229.0	316.5	5 991.4
Additions in the year	10.7	146.7	55.2	212.6
Disposal/reclassification in the year	-	-	-	-
Depreciations	-	-84.0	-72.1	-156.1
Write-downs	-	-	-135.9	-135.9
Translation differences	208.3	6.4	2.8	217.5
Book value at 31 December 2015	5 665.0	298.1	166.6	6 129.6
Useful life	yearly assessment	1 - 4 years	2 - 10 years	
Method of depreciation		Weighted cash flow	Linear	

Costs of NOK 146.7 million in respect of in-house developed software were capitalised in 2015, of which NOK 109.1 million related to investments carried out in the Financial Services segment. These investments are mainly related to the development of a new core banking and payment solutions, built on industry standards such as ISO 20022, SOA and BIAN and adapted to an international market. Investments in customer contracts and other intangible assets totalled NOK 55.2 million in 2015. The Future Proof program has been written down entirety in the accounts for 2015 of NOK 135.5 million as a consequense that the company in the future will deliver basic infrastucture services to the company's customers using IBM's technology (see also note 2).

Other development work carried out in the Group relates to customer-specific projects, where the income derived from these projects exceeds the development costs.

Allocation of goodwill to cash-generating units:

NOK million	31.12.2015	31.12.2014
Nordic Operations	-	-
Financial Services	1 612.7	1 612.7
Norway	1 685.3	1 674.6
Sweden [1]	1 798.7	1 596.6
Other Business	-	-
BEKK Consulting	381.8	381.8
Global Delivery	186.5	180.3
Total	5 665.0	5 446.0

1) The increase from 2014 to 2015 was entirely due to changes in exchange rates.

The Group evaluates whether there are any indications of a possible impairment of goodwill on a quarterly basis. The Group also tests goodwill for impairment at other times if this becomes necessary as a result of indications of possible impairment, and such tests are always carried out at year-end. Goodwill is tested for impairment for each identified cash generating unit in the Group. A 'cash generating unit' represents the lowest identifiable group of assets that generates cash inflow while being for all practical purposes independent of cash inflow generated by other assets or groups of assets. The number of cash generating units in 2015 was seven, unchanged from 2014, and in line with the Group's business area structure.

On 16 March 2015 Lyngen Bidco AS, a company indirectly controlled by private equity funds advised by Apax Partners LLP, acquired 234 797 184 shares in EVRY AS, equivalent to approximately 88% of the total share capital, at NOK 16 per share. The transaction valued the Group's equity at NOK 4 277.4 million. This led to the Group's goodwill being written down by NOK 1 164.3 million at 31 December 2014 as a result of the Group's value in use being determined by the transaction price of NOK 16 per share. Based on the financial results reported by the Group, the goodwill written down for the 2014 financial year related to the Nordic Operations, Norway and Other Business cash generating units.

For the 2015 financial year the Group has determined the value in use of its cash generating units using the discounted cash flow method, with the exception of the BEKK Consulting and Global Delivery cash generating units, where value in use has been calculated using valuation multiples. Future cash flows have been determined on the basis of the Board-approved budget for 2016. Cash flows for after 2016 (terminal values) have been extrapolated from the cash flows for 2016, adjusted for the expected level of long-term revenue growth.

The impairment tests carried out at the end of 2015 do not show any need to write down the Group's goodwill. The Group has delivered financial results for 2015 that are in line with expectations and it has, together with the cost reduction measures that have been implemented and the outsourcing agreement entered into with IBM, created a sound foundation for strengthening its market position and growth rate going forward.

The estimates used to determine future cash flows and the discount rate used when calculating value in use are subject to uncertainty. The assumptions applied are as follows:

Growth rate

Average rates of growth in operating revenue are based on management's expectations of future conditions in the markets in which the business operates. The assumed long-term growth rate beyond the budgets and strategic plans approved by the Board cannot be higher than the long-term rate of growth in the economy where the business operates.

EBITA margin

EBITA margins are based on the volume/margins achieved historically, adjusted for expected future developments in market conditions. Programs to improve efficiency that are approved and committed are taken into account in determining the expected future EBITA margins.

Investment (CAPEX)

Calculations of value in use assume a normalised relationship between investment and operating revenue. It is assumed that the operational investments and investments in software developed in-house that are necessary to achieve the expected growth in revenue will be carried out. The cash generating units Nordic Operations and Financial Services are more capital intensive than the other cash generating units, and accordingly CAPEX for these units is forecast at a higher percentage of revenue.

Discount rate

Future cash flows are discounted to present value using a discount rate based on a calculation of a weighted average cost of capital (WACC). For 2015, pre-tax WACC was assumed to be 7.38%. This is based on a risk-free interest rate of 1.54%, a gearing ratio of 20%, an equity market premium of 6.0% and equity beta of 1. The same WACC is applied for all cash generating units since differences in future uncertainty are reflected in the expected cash flows that form the basis for the calculation of future value in use. The observed level of risk expressed in terms of equity beta is also considered to be close to 1 for all segments in which the Group operates, indicating that the same WACC should apply to all cash generating units.

For the BEKK Consulting and Global Delivery cash generating units, value in use has been calculated using valuation multiples. For BEKK Consulting a multiple of 6x EBITDA in 2015 has been assumed, while for Global Delivery a multiple of 5x EBITDA in 2015 has been assumed.

NOTE 13 PROPERTY, PLANT AND EQUIPMENT

NOK million	Improvements to leased premises [1]	Machinery/ fixtures [1]	Vehicles	IT equipment	Total equipment
Acquisition cost at 1 January 2014	243.9	781.2	1.1	3 286.8	4 313.0
Reclassifications	3.8	-5.9	0.3	-9.2	-11.0
Additions	-	68.1	1.0	211.9	280.9
Disposals	-49.6	-145.3	-0.1	-1 684.5	-1 879.5
Translation differences	0.1	6.2	-	13.9	20.2
Acquisition cost at 31 December 2014	198.3	704.2	2.3	1 818.8	2 723.7
Additions	2.6	46.2	-	198.3	247.1
Disposals	-4.9	-98.2	-	-857.0	-960.0
Translation differences	0.2	16.2	0.2	18.4	34.9
Acquisition cost at 31 December 2015	196.1	668.4	2.5	1 178.6	2 045.7
Accumulated depreciation/write-down at 1 January 2014	176.4	521.7	0.7	2 643.4	3 342.3
Reclassifications	5.0	-8.7	0.1	-7.3	-10.9
Depreciations	17.1	62.6	0.2	266.8	346.7
Disposals	-50.5	-141.8	-0.1	-1 602.3	-1 794.7
Translation differences	0.1	3.1	-0.1	1.6	4.8
Accumulated depreciation/write-down at 31 December 2014	148.1	437.0	0.9	1 302.2	1 888.1
Depreciations	11.6	87.7	0.4	231.2	330.9
Write-downs	-	-	-	5.6	5.6
Disposals	-4.8	-87.4	-	-639.4	-731.6
Translation differences	0.1	11.0	-0.2	18.5	29.5
Accumulated depreciation/write-down at 31 December 2015	155.0	448.3	1.1	918.1	1 522.5
Depreciation rates [2]	10-20%	15-30%	20%	20-33%	
Depreciation method	Linear	Linear	Linear	Linear	
Book value					
At 31 December 2015	41.1	220.2	1.5	260.4	523.2
At 31 December 2014	50.1	267.3	1.5	516.7	835.5

1) Fixtures and fittings in leased premises are depreciated over the residual period of the lease if this is shorter than the normal depreciation period.
2) Depreciation rates stated are valid for both 2015 and 2014.

NOTE 14 INTERESTS IN SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES

Shares in subsidiaries owned by parent company

Company	Registered office	Ownership share	Voting share
EVRY Norge AS	Oslo	100%	100%
EVRY Nordic Operations AS	Oslo	100%	100%
EVRY Sweden Holding AB	Stockholm, Sweden	100%	100%
EVRY Card Services AS	Mo i Rana	100%	100%
EVRY Danmark A/S	Viborg, Denmark	100%	100%
EVRY Økonomitjenester AS	Oslo	100%	100%

EVRY Nordic Operations AS merged with EVRY Norge AS as acquiring company with accounting effect from 1 January 2016.

In addition to subsidiaries owned by the parent company, the following material companies are consolidated in the Group accounts in accordance with the past equity method:

Company	Registered office	Ownership share	Voting share
EVRY AB	Stockholm, Sweden	100%	100%
EVRY Consulting Group AB	Stockholm, Sweden	100%	100%
EVRY Card Services AB	Stockholm, Sweden	100%	100%
Infopulse Ukraina LLC	Kiev, Ukraina	100%	100%
EVRY India Private Limited	Bangalore, India	100%	100%
Span Systems Corporation Inc	New Jersey, USA	100%	100%
Eye-Share AS	Stavanger	100%	100%
Bekk Consulting AS	Oslo	100%	100%
EVRY Sweden AB	Jönköping	100%	100%
EVRY Lesswire Solutions AB	Karlstad, Sweden	100%	100%
EVRY Healthcare Systems AB	Huskvarna, Sweden	100%	100%
EVRY One Outsourcing Services Uppsala AB	Uppsala, Sweden	100%	100%
EVRY One Outsourcing Services Malmö AB	Malmö, Sweden	100%	100%
EVRY One Borås AB	Borås, Sweden	100%	100%

Shares in associated companies:

Company	Country	Ownership share	Book value (000 NOK)
Gecko Informasjonssystemer AS	Norway	34%	673

NOK thousand	Gecko Informasjons-systemer AS	InOne Europè AG
Book value at 1 January 2015	364	159
The Group's share of this years profit	309	-
Share liquidation dividend	-	-159
Book value at 31 December 2015	673	-

InOne Europe AG was liquidated in 2015.

Summarised financial information for associated companies 1 January to 31 December 2015 (000 NOK):

Company	Assets	Liabilities	Equity	Operating revenue	Loss for the year
Gecko Informasjonssystemer AS	14 383	9 927	4 456	23 845	-430

Shares in associated companies are recognized in the consolidated accounts in accordance with the equity method.

Interests in joint ventures

The Group has a 50% share in the joint venture Buypass AS. The other 50% share is held by Norsk Tipping AS. The investment is recognised in the consolidated accounts in accordance with the equity method.

Company	Country	Ownership share
Buypass AS	Norway	50%

Summarised financial information - Buypass AS

NOK million	31.12.2015	31.12.2014
Current assets	177.7	279.1
Non-current assets	14.9	16.6
Current liabilities	78.1	155.3
Non-current liabilities	-	6.4
Equity	114.5	134.0
Group's carrying amount of the investment	57.2	67.0

NOK million	2015	2014
Operating revenue	191.5	262.9
Operating costs	159.9	207.1
Profit for the year	23.6	42.0
Group's share of profit for the year	11.8	21.0

NOTE 15 ACCOUNTS RECEIVABLE

Accounts receivable are recognised at their nominal value less a provision for losses.

NOK million	31.12.2015	31.12.2014
Gross outstanding	1 686.0	1 974.0
Provision for losses on receivables	-12.4	-7.7
Net accounts receivable	1 673.5	1 966.3
Loss on receivables to profit and loss	10.7	2.6

Age distribution accounts receivable

	Not due 31.12	Less than 30 days overdue	30 - 60 days overdue	61 - 90 days overdue	91 - 180 days	More than 180 days overdue
31 December 2015	80%	13%	2%	1%	1%	4%
31 December 2014	74%	18%	2%	2%	4%	0%

NOTE 16 OTHER RECEIVABLES

Other non-current receivables

NOK million	31.12.2015	31.12.2014
Implementation projects	29.2	192.1
Other non-current receivables	23.1	14.6
Total other non-current receivables	52.3	206.6

Other current receivables

NOK million	31.12.2015	31.12.2014
Deferred income	238.7	202.5
Implementation projects	57.5	165.2
Prepaid costs	368.7	462.6
Advance income tax	135.6	96.1
Other current receivables	179.2	48.8
Total other current receivables	1 018.9	975.2

Implementation projects related to customer contracts which constitute an integral part of subsequent operations deliveries are capitalised on the balance sheet and allocated over the lifetime of the operations contract in question. Implementation projects are reported net in the statement of financial position. The proportion expected to be allocated over the following 12 months is classified as current, while the remaining amount is classified as non-current.

In 2015 implementation projects were written down by a total of NOK 168.5 million, of which NOK 58.0 million relates to the allocation classified as current, since the company will no longer be using the company's Future Proof technology to deliver its basic infrastructure services.

NOTE 17 BANK DEPOSITS/GUARANTEE LIABILITIES

EVRY has established a group bank account system whereby EVRY AS operates the group account, while other group companies are sub-account holders. The bank nets all balances and withdrawals to create a net position that represents the credit or debit balance between DNB Bank ASA and EVRY AS.

The Group has issued a guarantee in respect of tax deductions from salaries due to the tax authorities. The guarantee amount was NOK 228.5 million as of 31 December 2015. Other bank guarantees amounted to NOK 151.3 million at 31 December 2015, including a guarantee of NOK 82.0 mill in favour of Norsk Tillitsmann Pensjon AS as collateral for employees' accrued compensation rights arising from the transition from defined benefit to defined contribution pension arrangements.

EVRY AS has issued parent company guarantees on behalf of its subsidiary companies amounting to NOK 487.0 million.

The Group has no restricted deposits as of 31 December 2015.

The Group has activity in Ukraine and the authorities have implemented restrictions for transfer of cash from the country, including dividend restrictions. By end of 2015 this cash position amounted to NOK 112.0 million.

NOTE 18 SHARE CAPITAL, SHAREHOLDERS ETC.

The share capital of EVRY AS consists of:

	Number	Par value (NOK)	Book value (NOK)
Ordinary shares (fully paid) 1 January 2015	267 338 981	1.75	467 843 217
Ordinary shares (fully paid) 31 December 2015	267 338 981	1.75	467 843 217
Holdings of own shares at nominal value 1 January 2015	303 080	1.75	530 390
Purchase own shares	-	1.75	-
Sale own shares	-303 080	1.75	-530 390
Holdings of own shares at nominal value 31 December 2015	-		-
Outstanding shares 31 December 2015	267 338 981		

The company has only one class of shares. All shares in the company have equal voting rights and equal rights to dividends.

In accordance with the company's Articles of Association, the number of shares is the same as the number of ordinary shares issued and fully paid.

The company had 604 shareholders at the end of 2015.

The largest shareholders as of 31 December 2015 were as follows:

Shareholder	Interest
Lyngen Bidco AS [1]	88.0%
UBS AG, London branc a/c client IPB	6.9%
Credit Suisse Security (Europe) prime broker	2.0%
Merrill Lynch Intern MLI FOR CLT OMNI NON	1.9%
Credit Suisse Security special custody a/c	0.9%
Total	99.8%

1) Lyngen Bidco AS is wholly-owned by Lyngen Midco AS, which is wholly-owned by Lyngen Topco AS. Lyngen Topco AS is controlled by private equity funds advised by Apax Partners LLP.

NOTE 19 OTHER CURRENT LIABILITIES

NOK million	31.12.2015	31.12.2014
Accrued expenses	556.8	367.0
Pre-invoiced to customers	267.7	228.7
Provisions (note 20)	940.6	132.7
Current liabilities financial lease	3.0	3.0
Other current liabilities	41.6	30.3
Total other current liabilities	1 809.8	761.7

The increase in provisions was related to agreed transitions and customer transformations needed to convert to IBM's platform technology (see note 2).

NOTE 20 PROVISIONS

NOK million	Onerous contracts	Restruc-turing	Premises	Other provisions	Total
Book value 1 January 2014	30.1	54.1	25.9	6.1	116.1
Provisions made in the year	-	120.1	-	1.1	121.2
Provisions applied in the year	-4.3	-74.9	-19.4	-0.1	-98.8
Translation differences	-	1.1	-	1.2	2.3
Book value 31 December 2014	25.8	100.4	6.5	8.2	140.9
Provisions made in the year	-	719.2	100.2	809.3	1 628.7
Provisions applied in the year	-6.0	-253.0	-6.2	-264.7	-529.8
Translation differences	-	15.8	-	1.2	16.9
Book value 31 December 2015	19.8	582.3	100.5	554.0	1 256.7
Current 31 December 2015	19.8	504.1	29.7	386.9	940.6
Current 31 December 2014	25.8	100.4	6.5	-	132.7
Non-current 31 December 2015	-	78.2	70.8	167.1	316.1
Non-current 31 December 2014	-	-	-	8.2	8.2

Onerous contracts

The provision at 31 December 2015 relates to the Group's DigOff solution. The Board of Directors of EVRY AS decided in 2012 that the DigOff solution would not be sold to additional customers, but that the company would continue to carry out the existing contracts for this solution. This decision was based on an overall evaluation of both risk and market prospects associated with additional sales of this solution.

Restructuring/other provisions

A thorough review of the Group's cost base in 2015, concluded that EVRY's costs were too high, and that they were out of line with EVRY's market position and rate of growth. Therefore a range of cost reduction measures were implemented to strengthen the Group's profitability and long-term competitiveness. These measures affect all business areas and are intended to reduce the Group's cost base in 2016. They include realising the synergies arising from the reorganisation of the Norway business area. The Industries Norway and Regions Norway divisions have been combined to simplify their organisational structure and increase their efficiency. A new simplified operating model has been introduced in Sweden to reduce the number of legal units, harmonise operations, create synergies and increase efficiency. The Group has also reduced its sales and administrative costs by improving the efficiency of its staff and support functions at both the Group and divisional level.

In addition, significant provisions were made related to agreed transitions and customer transformations to convert to IBM's platform technology (see note 2).

Premises

Provision is made for premises leases where the premises are not used or are sub-let at a loss.

NOTE 21 LEASING CONTRACTS

Group as lessee – financial leasing

The Group has entered into a financial agreement regarding lease of data center at Gjøvik. The lease expires at 31 December 2022. The Group has an option to acquire the building of NOK 1 after the expire of the lease period.

Assets leased under financial leasing contracts are as follows:

NOK million	31.12.2015	31.12.2014
Premises (data center)	27.9	32.0
Net book value	27.9	32.0

Future minimum financial lease payments:

NOK million	31.12.2015	31.12.2014
Up to 1 year	3.9	4.2
1 to 5 years	14.6	15.5
After 5 years	9.9	13.5
Total future minimum lease payments	28.4	33.1
Interest	-3.2	-4.8
Present value of future minimum lease payments	25.2	28.3
Of which:		
- current liabilities	3.0	3.0
- non current liabilities	22.0	25.2

These leasing contracts do not impose any restrictions on the company's dividend policy or financing arrangements.

Group as lessee – operational leasing

The Group has entered into a number of operational leasing contracts for software, IT equipment, office premises and other facilities. The majority of these leasing contracts include options to extend. There are no restrictions to the Group's dividend or financing opportunities related to these leasing contracts.

Leasing costs are made up as follows:

NOK million	2015	2014
Office premises	461.7	434.8
Software	1 105.9	979.5
IT equipment, vehicles and other	417.0	345.2
Network capacity	286.1	307.4
Total leasing costs	2 270.7	2 067.0

The minimum future operational lease payments in respect of contracts with no cancellation option fall due as follows:

NOK million	31.12.2015	31.12.2014
Up to 1 year	817.9	1 191.2
1 to 5 years	1 596.9	1 737.2
After 5 years	1 263.9	410.3
Total future minimum lease payments	3 678.7	3 338.7

Significant lease agreements

Premises lease - Skøyen, Oslo

The lease expires in 2019 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 41 000 m^2, whereas 21 000 m^2 is subleased.

Premises lease - Fornebu, Bærum

The lease expires in 2023 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 27 000 m^2.

Premises lease - Solna, Stockholm

The lease expires in 2027 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 9 500 m^2.

Premises lease - Sandslimarka, Bergen

The lease expires in 2018 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 11 000 m^2.

Premises lease - Sluppen, Trondheim

The lease expires in 2023 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 6 000 m^2.

Premises lease - Maskinveien, Stavanger

The lease expires in 2020 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 5 900 m^2.

Premises Data center - Fet

The lease expires in 2035 and the rent is adjusted annually in line with CPI. Rental payments are based on total m^2. The tenant is responsible for maintaining the interior of the premises at the original standard. Total area of premises is 4 200 m^2.

NOTE 22 CLASSIFICATION OF FINANCIAL INSTRUMENTS AND DETERMINATION OF FAIR VALUE

Fair value hierarchy

Financial instruments that are valued at fair value in the statement of financial position are grouped on the basis of the following fair value hierarchy, which applies three levels/groups for financial instruments. The levels/groups reflect the information used for the determination of fair value.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Instruments for which observable information is available, but for which there is no active market.
Level 3: Instruments for which there is no observable market data and the determination of fair value accordingly uses company specific/subjective information.

As of 31 December 2015:

NOK million	Fair value level	Fair value through OCI	Fair value through profit and loss	Loans and Receivables	Available for sale	Other financial liabilities	Total book value	Fair value
Assets								
Other financial assets	2	196.1	-	-	-	-	196.1	196.1
Non-current interest bearing receivables		-	-	1.2	-	-	1.2	1.2
Other non current receivables		-	-	51.1	-	-	51.1	51.1
Accounts receivable		-	-	1 673.5	-	-	1 673.5	1 673.5
Other current receivables		-	-	1 018.9	-	-	1 018.9	1 018.9
Bank deposits		-	-	900.2	-	-	900.2	900.2
Total assets		196.1	-	4 545.3	-	-	3 841.1	3 841.1
Liabilities								
Non-current interst bearing liabilities		-	-	-	-	4 779.6	4 779.6	4 779.6
Non-current non-iterest bearing lialiabilities	2	90.1	-	-	-	-	90.1	90.1
Accounts payable		-	-	-	-	577.3	577.3	577.3
Deductions and duties payable		-	-	-	-	1 053.3	1 053.3	1 053.3
Other current liabilities		-	-	-	-	1 809.8	1 809.8	1 809.8
Total liabilities		90.1	-	-	-	8 220.1	8 310.2	8 310.2

During the reporting period 1 January 2015 to 31 December 2015, there were no transfers between the levels in the fair value hierarchy.

As of 31 December 2014:

NOK million	Fair value level	Fair value through OCI	Fair value through profit and loss	Loans and Receivables	Available for sale	Other financial liabilities	Total book value	Fair value
Assets								
Non-current interest bearing receivables		-	-	1.6	-	-	1.6	1.6
Other non-current receivables		-	-	204.9	-	-	204.9	204.9
Accounts receivable		-	-	1 966.3	-	-	1 966.3	1 966.3
Other current receivables		-	-	975.2	-	-	975.2	975.2
Bank deposits		-	-	615.6	-	-	615.6	615.6
Total assets		-	-	3 763.6	-	-	3 763.6	3 763.6
Liabilities								
Non-current interest bearing liabilities		-	-	-	-	3 181.3	3 181.3	3 181.3
Non-current non-interest bearing liabilities	2	74.8		-	-	5.8	80.6	80.6
Accounts payable		-	-	-	-	885.1	885.1	885.1
Deductions and duties payable		-	-	-	-	1 187.1	1 187.1	1 187.1
Other current liabilities		-	-	-	-	761.7	761.7	761.7
Total liabilities		74.8	-	-	-	6 021.1	6 095.9	6 095.9

During the reporting period 1 January 2014 to 31 December 2014, there were no transfers between the levels in the fair value hierarchy.

NOTE 23 DISCONTINUED OPERATIONS

It was at the end of December 2014 decided that the SAP operations of EVRY Denmark A/S would undergo controlled closure. Because of this, the operating result for the company has been stated separately in accordance with IFRS 5 and is shown as a separate line entry in the income statement: "Profit/loss after tax for the year from discontinued operations". The operation is similarly no longer included as part of the EVRY Norway segment.

The result for EVRY Danmark A/S are presented below:

NOK million	2015	2014
Revenues	11.5	86.1
Expenses	26.0	124.2
Operating profit/-loss	-14.5	-38.1
Net financial items	38.9	-1.4
Profit/-loss before tax from discontinued operations	30.4	-42.3

NOK million	31.12.2015	31.12.2014
Non-current assets	-	2.5
Current assets	-	19.9
Total assets	-	22.4
Equity	-1.8	-41.3
Non-current liabilities	-	-
Current liabilities	1.8	63.7
Total equity and liabilities	-	22.4

Cash flow

NOK million	2015	2014
Operating	-16.8	-18.0
Investments	5.5	-
Financing	39.6	11.2
Net cash flow	28.3	-6.8

NOTE 24 RELATED PARTIES

Lyngen Bidco AS controlled 88% of the shares in EVRY AS as of 31 December 2015. Lyngen Bidco AS is indirectly controlled by private equity funds advised by Apax Partner LLP. Until 16 March 2015, Posten Norge AS and Telenor Business Partner Invest AS owned 40.0% and 30.2% respectively of the shares in EVRY AS.

In the period that the Group was controlled by Posten and Telenor, the Group was party to agreements for the sale of services to a number of companies in both the Posten group and the Telenor group. Services delivered by the Group to companies in the Posten group and to companies in the Telenor group relate mainly to operating services for business critical IT systems, including mainframe, UNIX, networks solutions and office solutions platforms. Services purchased by the Group from companies in the Posten group mainly relate to freight and distribution. Services purchased by the EVRY group from companies in the Telenor group mainly relate to communication services, network services and telephony. All transactions with the Posten group and with the Telenor group have been carried out on normal arm's length commercial terms. There are no guarantees for sales to any of the companies in either the Posten group or the Telenor group.

EVRY's total sales revenue from companies in the Posten group and from companies in the Telenor group in 2014 amounted to NOK 543.6 million and NOK 436.0 million respectively, while total purchases from companies in each of the groups amounted to NOK 173.2 million and NOK 421.5 million respectively. During the period EVRY was owned by Posten and Telenor in 2015, the Group had proportionally equivalent sales revenue and costs in relation to companies in the Posten and Telenor groups.

The Group has not had any significant transactions with Lyngen Bidco or any other indirect shareholders in the ownership period.

For information about remuneration to executive management and the board of directors, see note 6.

NOTE 25 DISPUTES AND OTHER LEGAL MATTERS

EVRY is involved from time to time in a number of disputes/legal proceedings in connection with deliveries of products and the interpretation of contracts. While the outcome of these matters is uncertain, management is of the opinion that, on the basis of the information currently available, these matters will be resolved without causing any material negative impact on the Group's financial position. Where the Group considers it likely that a dispute will result in a payment to a third party, the appropriate provision is made in the accounts on the basis of management's best estimate.

NOTE 26 EVENTS AFTER BALANCE SHEET DATE

There have been no events after 31 December that have had a material effect on the financial statement for 2015.

EVRY AS

Statement of comprehensive income

1 January - 31 December

NOK million	Note	2015	2014
Operating revenue		-	-
Salaries and personnel costs	2,3	1.4	4.5
Other operating costs	5	103.9	58.7
Total operating costs		105.3	63.2
Operating profit/-loss		-105.3	-63.2
Income from investment in subsidiaries	4	151.3	138.5
Other financial income	6	365.6	481.4
Financial expense	6	658.1	564.7
Net financial items		-141.2	55.3
Profit/-loss before tax		-246.5	-8.0
Taxes	7	-53.4	75.2
Profit/-loss for the year		-193.2	-83.2
Comprehensive income			
Items which will not be reclassified over profit and loss (after tax):			
Actuarial gains/-losses on defined benefit pension plans		-0.7	-0.8
Items which may be reclassified over profit and loss in subsequent periods (after tax):			
Cash flow hedges		138.2	-40.5
Total comprehensive income		137.6	-41.3
Total profit/-loss for the year		-55.6	-124.5

EVRY AS
Statement of financial position

As of 31 December

NOK million	Note	31.12.2015	31.12.2014
Non-current assets			
Shares in subsidiaries	9	5 965.7	6 004.7
Other non-current shareholdings		0.4	0.4
Other financial assets	12	196.1	-
Pension assets	3	-	0.2
Non-current interest bearing receivables	10	1 401.9	2 258.3
Total financial non-current assets		7 564.1	8 263.7
Total non-current assets		7 564.1	8 263.7
Current assets			
Other current receivables	10	172.6	139.6
Total current assets		172.6	139.6
Total assets		7 736.7	8 403.3
Equity			
Share capital	11	467.8	467.8
Own shares	11	-	-0.5
Paid-in other equity		2 755.3	3 197.4
Total paid-in equity		3 223.1	3 664.7
Other equity		-	612.8
Total equity		3 223.1	4 277.4
Liabilities			
Non-current interest bearing liabilities	10,12	3 404.0	3 151.3
Non-current non-interest bearing liailities	10	91.1	81.9
Deferred tax liabilities	7	16.1	20.7
Total non-current liabilities		3 511.2	3 253.9
Accounts payable		9.2	19.5
Deductions and duties payable		0.1	-2.9
Bank overdraft	8	892.7	454.9
Other current liabilities	10	100.4	400.5
Total current liabilities		1 002.4	871.9
Total liabilities		4 609.6	4 125.8
Total liabilities and equity		7 736.7	8 403.3

London, UK, 21 April 2016, Board of Directors of EVRY AS

Salim Nathoo
Chairman of the Board

Ellen de Kreij

Rohan Haldea

Louise Sondergaard

Göran Lindahl

Francisco Menjibar

Jan Dahlström

Ingrid Lund

Eirik Bornø

Ola Hugo Jordhøy

Björn Ivroth
CEO

EVRY AS
Statement of cash flow

1 January - 31 December

NOK million	2015	2014
Cash from/to operations:		
Profit/-loss before tax	-246.5	-8.0
Share of profit/-loss in subsidiaries/associated companies	-151.3	-138.5
Tax paid in the period	-	2.8
Write-down of shares in subsidiaries	-	254.6
Interest income/-expenses	292.5	-171.3
Paid interests	-144.6	-56.8
Difference between pension cost and payments	-	-0.2
Change in accounts payable	-10.3	18.8
Change in other accruals	-44.4	58.8
Net cash flow from operations	-304.7	-39.7
Cash from/to investments:		
Investment in group companies	-	-1 048.0
Net cash flow from investments	-	-1 048.0
Cash from/to financing:		
New borrowing (short and long-term)	3 450.3	400.0
Borrowings repaid	-2 376.7	-760.5
Dividends paid	-1 003.6	-106.8
Purchase/sale of own shares	4.8	-
Group contribution received/paid	-170.2	46.9
Net cash flow from financing	-95.3	-420.4
Net change in liquid assets over the year	-400.0	-1 508.2
Currency movements in liquid assets	-37.8	277.0
Bank deposits at 1.1.	-454.9	776.3
Bank deposits at 31.12.	-892.7	-454.9

EVRY AS
Statement of changes in equity

1 January - 31 December

NOK million	Share capital	Own shares	Paid-in other equity	Other equity	Total equity
Equity at 1 January 2014	467.8	-0.7	3 196.7	1 218.8	4 882.7
Purchase of own shares		0.1	0.7	0.5	1.3
Dividend				-106.8	-106.8
Merger (Group continuity)				-375.3	-375.3
Comprehensive income				-41.3	-41.3
Profit/-loss for the year 2014				-83.2	-83.2
Equity at 31 December 2014	467.8	-0.5	3 197.4	612.8	4 277.4
Purchase of own shares		0.5	4.3	-	4.8
Dividend				-1 003.6	-1 003.6
Comprehensive income				137.6	137.6
Profit/-loss for the year 2015				-193.2	-193.2
Allocation of equity			-446.4	446.4	-
Equity at 31 December 2015	467.8	-	2 755.3	-	3 223.1

EVRY AS
Notes to Financial Accounts

NOTE 1 ACCOUNTING PRINCIPLES

The accounts of EVRY AS are prepared in accordance with the regulation in the Norwegian Accounting Act that allow simplified application of International Financial Reporting Standards, cf. Regulation no 0057 of 21 January 2008. This means that the accounting principles are the same as in the group accounts, while the disclosures are in accordance with the Norwegian Accounting Act.

Shares in subsidiaries are recognised in the company's accounts in accordance with the cost method. Dividends and other profit distributions accrued for in these companies are recognised as financial income in the period to the extent that they result from profits earned during the period of ownership.

For information about accounting principles, see group accounts note 1.

NOTE 2 SALARIES AND PERSONNEL COSTS

NOK million	2015	2014
Salaries and remuneration to Board of Directors	0.4	4.0
Social security tax	0.1	0.5
Charged from other companies	0.9	-
Total salaries and personnel costs	1.4	4.5

The company did not have any employees in 2015 nor in 2014.

See note 6 - Group for information about remuneration to executive management and Board of Directors.

NOTE 3 PENSIONS

The company has no employees. The company had a closed defined benefit pension scheme at the end of 2014 that consisted of 13 retired members. This pension scheme is transferred to the subsidiary EVRY Norge AS in 2015.

Pension liability

NOK million	2015	2014
Gross pension liability	-	22.9
Plan assets	-	23.1
Net pension liability	-	0.2
Pension assets in the balance sheet	-	0.2
Pension liabilities in the balance sheet	-	-

The assumptions used for pension calculations follow the guidelines issued by the Norwegian Accounting Standards Board (NRS) as of 31 December.

The plan assets as of 31 December were invested as follows:

Investment category

	2014
Bonds	55%
Equity securities	36%
Properties	7%
Other	2%
Total	100%

NOTE 4 INCOME FROM INVESTMENT IN SUBSIDIARIES

Income from investment in subsidiaries in both 2015 and 2014 relates to received group contribution and dividends from equity accumulated during the period of ownership by the parent company.

NOTE 5 OTHER OPERATING COSTS

Other operating costs comprise:

NOK million	2015	2014
Consultant costs	101.9	57.3
Other operating costs	2.0	1.5
Total other operating costs	103.9	58.7

Auditor’s remuneration

The following table shows remuneration to the group’s auditor, Ernst & Young AS, in respect of audit services delivered, including the amounts invoiced in respect of audit-related and tax-related services. The amounts shown are exclusive of value added tax.

NOK million	2015	2014
Audit fee	1.616	1.067
Other audit related services	0.746	0.812
Assurance services	4.001	-
Tax related services	0.582	0.086
Total auditor's remuneration	6.944	1.965

Assurance services include attestation services related to ISAE 3402 and SAS 70. These expenses are mainly reinvoiced by the company.

NOTE 6 FINANCIAL ITEMS

NOK million	2015	2014
Intra-group interest income	78.7	114.9
External interest income	13.6	30.9
Currency gains	273.3	335.7
Total other financial income	365.6	481.4
Intra-group interest expense	13.9	31.9
External interest expenses	231.3	163.3
Currency losses	297.6	58.6
Write-down of shares in subsidiaries	53.0	254.6
Other	62.2	56.4
Total other financial expenses	658.1	564.7

NOTE 7 TAXES

Deferred tax is calculated on the basis of the differences which exists at year-end between accounting and taxation values.

Deferred tax arises in respect of the following differences as of 31 December:

NOK million	31.12.2015	31.12.2014
Provisions	-6.5	-37.1
Pension liabilities	-	0.2
Financial instruments	111.5	-74.8
Non-current receivables/loans	32.7	188.4
Losses carried forward	-73.4	-
Gross timing differences	64.3	76.7
Deferred tax/(deferred tax asset)	16.1	20.7
Calculation of tax base for the year		
Profit/-loss before tax	-246.5	-8.0
Permanent differences	45.4	297.1
Change in timing differences to profit and loss	127.8	19.6
Losses carried forward	73.4	-
Group contribution given	-	-308.7
Basis for tax payable	-	-

NOK million	2015	2014
Changes in deferred tax		
Change in deferred tax to profit and loss	-53.4	-5.3
Tax on equity transactions	48.7	-15.3
Change in deferred tax	-4.6	-20.6
Tax cost for the year comprises		
Tax payable	-	83.3
Change in deferred tax	-53.4	-5.3
Change in tax payable previous years	-	-2.8
Total tax cost	-53.4	75.2
Effect of permanent differences		
27% of profit/-loss before tax	-66.6	-2.2
Tax rate change	0.9	-
Expenses not deductible	12.2	80.2
Change in tax payable previous years	-	-2.8
Tax for the year	-53.4	75.2

NOTE 8 GUARANTEE LIABILITIES

EVRY AS has issued a guarantee of NOK 350.0 million for borrowings by subsidiaries as part of the group cash management account arrangements.

Other bank guarantees amounted to NOK 27.5 million.

EVRY AS has issued parent company guarantees on behalf of its subsidiary companies amounting to NOK 487.0 million.

Guarantees issued by Posten Norge AS on behalf of EVRY AS or by subsidiary companies amounted to NOK 160.0 million as of 31 December 2015.

See note 17-Group for information about the group bank system.

NOTE 9 SHARES IN SUBSIDIARIES

Shares in subsidiaries are recognised in accordance with the cost method.

	Registered office	Share %	Voting %	Book value (NOK million)
EVRY Norge AS	Oslo	100%	100%	4 506.5
EVRY Sweden Holding AB	Stockholm, Sweden	100%	100%	111.5
EVRY Card Services AS	Mo i Rana	100%	100%	245.3
EVRY Nordic Operations AS	Oslo	100%	100%	1 101.3
EVRY Danmark A/S	Viborg, Denmark	100%	100%	-
EVRY Økonomitjenester AS	Oslo	100%	100%	1.1
Total				5 965.7

NOTE 10 INTRA-GROUP RECEIVABLES AND LIABILITIES

NOK million	31.12.2015	31.12.2014
Receivables		
Non-current interest bearing receivables	1 401.9	2 258.3
Current non-interest bearing receivables	0.2	-
Group contribution	137.2	138.5
Total receivables	1 539.3	2 396.9
Liabilities		
Accounts payable	1.1	-
Other current non-interest bearing liabilities	42.3	15.3
Group contribution	-	308.7
Total liabilities	43.5	324.0

Non-current interest bearing receivables are due in 2019.

NOTE 11 SHARE CAPITAL, SHAREHOLDERS ETC.

See note 18 - Group for information about share capital, shareholders etc.

NOTE 12 FINANCIAL INSTRUMENTS

NOK million	31.12.2015	31.12.2014
Liabilities to credit institutions	3 500.0	3 151.3
Arrangement fee financing	-96.0	-
Total non-current interest bearing liabilities	3 404.0	3 151.3

Parts of the financing agreement is debt in EUR, in total EUR 338.0 million. The company has entered into EURNOK and EURSEK cross currency swaps on this EUR debt to eliminated the EUR exposure. Changes in the market value of hedging instruments are recognised as part of comprehensive income. The market values of these hedging instruments were NOK 196.1 million at year end 2015.

NOTE 13 RELATED PARTIES

Lyngen Bidco AS controlled 88% of the shares in EVRY AS as of 31 December 2015. Lyngen Bidco AS is indirectly controlled by private equity funds advised by Apax Partner LLP. Until 16 March 2015, Posten Norge AS and Telenor Business Partner Invest AS owned 40.0% and 30.2% respectively of the shares in EVRY AS.

For information about remuneration to executive management and board of directors, see note 6 - Group.

See note 24 - Group related parties for further information.

Auditor's report

Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6, NO-0191 Oslo
Oslo Atrium, P.O.Box 20, NO-0051 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
Fax: +47 24 00 24 01
www.ey.no
Medlemmer av den norske revisorforening

To the Annual Shareholders' Meeting of
EVRY AS

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of EVRY AS, comprising the financial statements for the Parent Company and the Group. The financial statements of the Parent Company and the Group comprise the statement of comprehensive income, the financial position as of 31 December 2015, cash flows and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

The Board of Directors' and Chief Executive Officer's responsibility for the financial statements

The Board of Directors and Chief Executive Officer are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway for the financial statements of the Parent Company and the International Financial Reporting Standards as adopted by the EU for the financial statements of the Group, and for such internal control as the Board of Directors and Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements for the Parent Company and the Group.

Opinion on the financial statements of the Parent Company

In our opinion, the financial statements of EVRY AS have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as of 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the financial statements of the Group

In our opinion, the financial statements of the Group have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Group as of 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the EU.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report and on the statements on corporate governance and corporate social responsibility

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report and in the statements on corporate governance and corporate social responsibility concerning the financial statements, the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Chief Executive Officer have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and generally accepted bookkeeping practice in Norway.

Oslo, 21. April 2016
ERNST & YOUNG AS

Asbjørn Ler
State Authorised Public Accountant (Norway)

(This translation from Norwegian has been made for information purposes only.)

evry.com