

THE STATE OWNERSHIP REPORT 2016



Norwegian Ministry of Trade,
Industry and Fisheries

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The Minister's introduction

Twelve ministries manage the state's direct ownership in 74 companies. In the State Ownership Report, the Ministry of Trade, Industry and Fisheries provides an overview and presentation of these companies, with an emphasis on the companies' development last year. The aim is to contribute to transparency concerning the state's exercising of its ownership and the companies' operations and results.

In 2016, growth in the Norwegian economy was at its lowest level since the financial crisis. Nevertheless, rising prices for key export goods contributed to a sharp upturn on Oslo Stock Exchange. In the eight listed companies of which the state has direct ownership, the state's share at the end of 2016 was worth NOK 596 billion. These companies gave the state a return, including dividends, of 23% in 2016. The corresponding rate of return during the two previous years was 1 and 6%. By comparison, the returns from Oslo Stock Exchange's main index during the past three years were 12, 6 and 5%.

The total value of the state's commercial ownership was estimated to be NOK 715 billion at year-end 2016, up NOK 70 billion from the previous year. In addition, the state received NOK 33 billion in dividends from all the companies for the 2016 financial year.

There are many reasons why the state has become a major owner. The state's industrial policy after the war, which sought to safeguard self-supply, employment and control of natural resources, and the separation of state production and the operation of important infrastructure and services are some examples. Today, the state's overall objective of its ownership is to help create value within the Norwegian economy. Among other things, this includes considerations such as the retention of important head offices and research and development in key areas in Norway.

For companies where the state's ownership has commercial objectives, the aim is to generate the highest possible return on invested capital over time. In practice, we strive to ensure that the companies are profitable over time, so that they can maintain and create jobs and generate value for the common good.

For companies for which the state's ownership has sectoral policy objectives, the ambition is to achieve the objectives as efficiently as possible. When the state attempts to achieve sectoral policy objectives through ownership, it is generally because the tasks or the activity are expected to be carried out more efficiently within a company rather than through other means. The goal is the maximum possible wealth creation.

The state's exercising of ownership shall contribute to wealth creation. Perhaps the most important task for the state as owner is to select good boards to manage the companies. An important task for the boards is to elaborate explicit objectives and strategies for the company within the constraints of the articles of association. As owner, the state is committed to ensuring that objectives and strategies are suitable for achieving the state's objectives and ownership. This is pivotal in the dialogue with the companies, and the state as owner seeks to contribute to good goal attainment. This year's article in the State Ownership Report specifically concerns how a company establishes objectives and how they are followed up within the organisation. The article was written by CEO Svein Richard Brandtzæg of Norsk Hydro.

In the ownership dialogue, we discuss circumstances which are of importance for the state's objectives behind the ownership. This could for example concern the company's strategy, capital situation and earning potential, risk factors and market conditions. Within the division of roles be-

tween owner, board and management, we strive to ensure that the companies make good decisions and use capital prudently. By being a challenging owner, the state can help to ensure that the companies carry out thorough assessments and work hard to achieve the company's purpose.

For companies for which the state's ownership has commercial objectives, the state has clear expectations regarding the companies' return and dividends. The state monitors this by drawing comparisons with relevant companies, indices and the state's return targets (reference return), and by assessing value-drivers and value-increasing measures.

To support the state's objective of wealth creation, the state as owner has established a set of expectations regarding the boards and companies. These are set out in white paper Report no. 27 to the Storting (2013–2014) Diverse and value-creating ownership (the White Paper on Ownership), and are followed up through the ownership dialogue. A short version of these expectations and how the state follows up the policy in the White Paper on Ownership can be found in the chapter on corporate governance.

I hope you will find this report informative and useful.



A handwritten signature in black ink that reads "Monica Mæland".

Monica Mæland
Minister of Trade and Industry



Statnett is the transmission system operator in the Norwegian power system, and is responsible for ensuring the rational operation and development of the transmission grid in accordance with socio-economic criteria.



Scope and key figures



The state's direct ownership

The state's direct ownership includes companies in which the state's ownership interests are managed directly by the ministries. The table below presents an overview of the 74 companies, distributed according to ministry. All the companies are presented in the 2016 State Ownership Report, and figures are reported for 68 companies. Contact information for the twelve ministries which manage the state's ownership interests in companies can be found on page 126.

Categorisation of the companies

The state has justifications and objectives for its direct ownership. These are explained in the presentation of the individu-

al companies from page 41 and for most companies in white paper Report no. 27 to the Storting (2013–2014) Diverse and value-creating ownership (the White Paper on Ownership). The companies are divided into four categories based on the state's objectives behind the ownership:

1. Commercial objectives
2. Commercial objectives and objective of maintaining head office functions in Norway
3. Commercial objectives and other specifically defined objectives
4. Sectoral policy objectives

The main objective of the state's commercial ownership (companies in categories 1-3) is to achieve the highest possible return on invested capital over time. For companies in category 2, the state also has an objective of

maintaining the company's head office and associated head office functions in Norway. For companies in category 3, the state has commercial objectives and other societal justifications for state ownership besides maintaining the head office in Norway. There are 26 companies in categories 1–3, and the state's ownership interests in 21 of these are managed by the Ownership Department within the Ministry of Trade, Industry and Fisheries.

State ownership of the companies in category 4 primarily has sector policy objectives. The state's ownership of these companies is usually managed by the ministries whose remit includes the sectoral policy responsibility concerned. As an owner, the state strives to achieve its sectoral policy objectives as efficiently as possible.

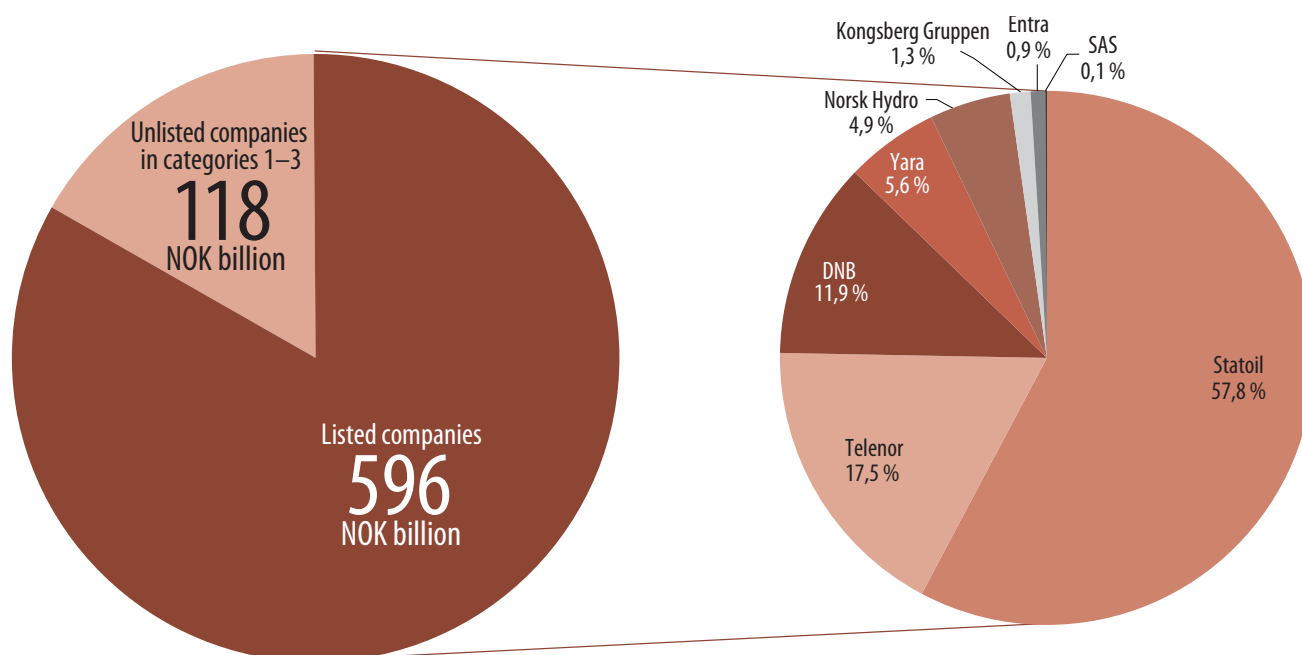
Overview of the state's direct ownership by ministry

Ministry and company	Shareholding	Category
Ministry of Finance		
Folketrygdfondet (special-legislation company)	100 %	Not categorised
Ministry of Defence		
Aerospace Industrial Maintenance Norway AS	100 %	2
Ministry of Health and Care Services		
Helse Midt-Norge RHF	100 %	4
Helse Nord RHF	100 %	4
Helse Sør-Øst RHF	100 %	4
Helse Vest RHF	100 %	4
Nordisk Institutt for Odontologiske Materialer AS	49 %	4
Norsk Helsennett SF	100 %	4
AS Vinmonopolet (special-legislation company)	100 %	4
Ministry of Climate and Environment		
Bjørnøen AS	100 %	4
Kings Bay AS	100 %	4
Ministry of Local Government and Modernisation		
Kommunalbanken AS	100 %	3
Ministry of Culture		
Carte Blanche AS	70 %	4
AS Den Nationale Scene	66,67 %	4
Den Norske Opera & Ballett AS	100 %	4
Filmparken AS	77,6 %	4
Nationaltheatret AS	100 %	4
Norsk rikskringkasting AS	100 %	4
Norsk Tipping AS (special-legislation company)	100 %	4
Rogaland Teater AS	66,67 %	4
Rosenkrantzgate 10 AS	3,07 %	Not categorised
Talent Norge AS	33,33 %	4
Trøndelag Teater AS	66,67 %	4
Ministry of Education and Research		
NSD – Norsk senter for forskningsdata AS	100 %	4
Simula Research Laboratory AS	100 %	4
UNINETT AS	100 %	4
Universitetssenteret på Svalbard AS	100 %	4
Ministry of Agriculture and Food		
Graminor AS	28,2 %	4
Kimen Sävarelaboratoriet AS	51 %	4
Statskog SF	100 %	4
Staur gård AS	100 %	4

Ministry	Shareholding	Category
The Ministry of Trade, Industry and Fisheries		
Ambita AS	100 %	1
Aker Kværner Holding AS	30 %	2
Andøya Space Center AS	90 %	4
Argentum Fondsinvesteringer AS	100 %	3
Baneservice AS	100 %	1
DNB ASA	34 %	2
Eksportfinans ASA	15 %	3
Eksportkreditt Norge AS	100 %	4
Electronic Chart Centre AS	100 %	3
Entra ASA	33,4 %	1
Flytoget AS	100 %	1
GIEK Kredittforsikring AS	100 %	3
Innovasjon Norge (special-legislation company)	51 %	4
Investinor AS	100 %	3
Kongsberg Gruppen ASA	50,01 %	2
Mesta AS	100 %	1
Nammo AS	50 %	2
Nofima AS	56,84 %	4
Norges sjømatråd AS	100 %	4
Norsk Hydro ASA	34,26 %	2
Posten Norge AS	100 %	3
SAS AB	11,45 %	1
Siva – Selskapet for Industrivekst SF	100 %	4
Space Norway AS	100 %	4
Statkraft SF	100 %	3
Store Norske Spitsbergen Kulkompani AS	100 %	4
Telenor ASA	53,97 %	2
Veterinærmedisinsk Oppdragscenter AS	34 %	1
Yara International ASA	36,21 %	2
Ministry of Petroleum and Energy		
Enova SF	100 %	4
Gassco AS	100 %	4
Gassnova SF	100 %	4
Petoro AS	100 %	4
Statnett SF	100 %	4
Statoil ASA	67 %	2
Ministry of Transport and Communications		
Avinor AS	100 %	4
Bane NOR SF	100 %	4
NSB AS	100 %	3
Nye Veier AS	100 %	4
Reiseplan og billett AS (Entur AS)	100 %	4
Togmateriell AS (Norske tog AS)	100 %	4
Togvedlikehold AS (Mantena AS)	100 %	3
Ministry of Foreign Affairs		
Norfund (special-legislation company)	100 %	4

Key figures 2016¹

Share of the value of the state's shareholding: **NOK 715 billion**



Return in listed companies: **22,8 %**

Return on equity in unlisted companies in categories 1-3: **2,1 %**

Sales proceeds to the state: **NOK 2,9 billion**

Dividend to the state: **NOK 33 billion**

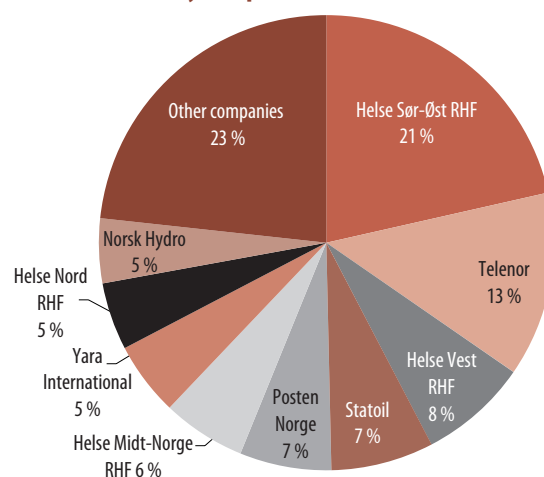
Operating income: **NOK 1 103 billion**

Annual profit: **NOK 30 billion**

Capital contribution from/
share purchases by the state: **NOK 7,6 billion**

Grants from the state: **NOK 143 billion**

Number of employees distributed by companies, in total 281 356²



¹ The figures are defined on page 127.

² Does not include employees in underlying companies in Aker Kværner Holding.

**Kings Bay owns and is responsible
for operating and developing the
infrastructure in Ny-Ålesund in Svalbard.**



Key issues for the state as owner



Sale of shares

In September 2016, the state, through the Ministry of Trade, Industry and Fisheries, sold 30 million shares in *Entra ASA* on the market. The sale corresponded to 16.3% of the shares in the company. Following the sale, the state owns 61,368,893 shares in *Entra*, equivalent to 33.4% of the shares and votes in the company. The price per share was set to NOK 83, which represented a discount of 2.6% compared with the closing price on the stock exchange transaction date. The state received a total of NOK 2.5 billion for the shares. The purchasers of the shares included around 200 investors, consisting of both existing and new shareholders from Norway and abroad.

In October 2016, the Norwegian and Swedish states sold 23 million ordinary shares in *SAS AB* in a coordinated sale on the market. The sale corresponded to 7% of the shares in the company. The price per share was set to SEK 15,5, which represented a discount of 5.5% compared with the closing price on the stock exchange transaction date. The Norwegian state sold 9.2 million shares and received approximately NOK 132 million for them in total. Following the sale, the state owns 37.8 million shares in *SAS*, equivalent to 11.45% of the shares in the company.

Siva – Selskapet for Industrivekst SF has managed a shareholding of 32.6% in *Koksa Eiendom AS* (formerly *IT Fornebu AS*) on behalf of the state through the Ministry of Trade, Industry and Fisheries. In 2015, *Siva* increased its shareholding in the company to 37.1% in order to obtain a better financial return from the sale. The owners of *Koksa Eiendom AS* have completed the sale of fully developed properties and the company's remaining properties were sold in December 2016. Negotiations concerning the winding-up process and guarantees with respect to purchasers are under way, and the final dividend amount will be clarified during 2017. From previous interim sales, NOK 391 million was returned to the state in 2015, while NOK 147 million was recognised as income in the national budget for 2017.

Share buybacks

Company repurchases of shares for deletion (shares buybacks) combined with dividend distribution can be an effective means of achieving an appropriate capital structure. They can also contribute to a competitive direct return. Through company buybacks of their own shares and subsequent deletion, the state wishes to maintain its shareholding. The state has therefore entered into agreements concerning the proportional redemption of shares for deletion when such buyback programmes are established. This is carried out within the framework issued by the Storting to the

government for the administration of state ownership. These agreements have guaranteed the state a price upon redemption corresponding to what other shareholders have been willing to sell for.

In 2016, the state, through the Ministry of Trade, Industry and Fisheries and the Ministry of Petroleum and Energy, signed buyback agreements with *DNB*, *Entra*, *Statoil*, *Telenor* and *Yara International*. In June 2016, the state received NOK 252 million in settlement for the redemption of shares in *Yara International*, when 675,539 shares were redeemed.

Scrip dividend programme

On the basis of a proposal from the board of *Statoil ASA* to introduce a scrip dividend programme, the Ministry of Petroleum and Energy presented a bill to the Storting in March 2016 which included a proposal that the state participate in the programme; see Bill 84 S (2015–2016) Participation in scrip dividend programme and capital increase in *Statoil ASA*. The Storting supported the Ministry's proposal in March 2016; see Recommendation to the Storting 260 S (2015–2016). *Statoil's* general meeting subsequently adopted the board's proposal to introduce a scrip dividend programme. The scrip dividend programme is a series of share issues in which the company's shareholders can opt to participate by using all or part of their net dividend to acquire new shares in *Statoil*. The scrip dividend programme lasts from payment of the dividend for the fourth quarter of 2015 until payment of the dividend for the third quarter of 2017. The state participates on equal terms with other shareholders, but has entered into an agreement with *Statoil* according to which the state will participate on a pro rata basis in all the share issues, so that the state's shareholding in the company will remain unchanged at 67% throughout the programme.

Establishment of new companies

The government has begun to implement the Railway Reform. According to white paper Report no. 27 to the Storting (2014–2015) On the right track/Recommendation 386 S (2014–2015) and Bill 1 S Supplement 2 (2016–2017)/Recommendation 2 S (2016–2017), operations are to be demerged from *NSB AS* in order to facilitate equal competition and low barriers to establishment in future competitive tendering procedures concerning the provision of passenger services, to promote greater competition regarding rolling stock maintenance and to concentrate all railway property in one place. With accounting effect from January 2017, the companies *ROM Eiendom AS*, *Norske tog AS*, *Mantena AS* and *Entur AS* were demerged from *NSB*. The demerger

plan was adopted at general meetings of the acquiring companies and *NSB* in February 2017. *ROM Eiendom AS* was demerged to form a subsidiary of *Bane NOR SF*, *Bane NOR Eiendom 1 AS*. *Bane NOR* was established by the state in February 2016 and continues to be responsible for most operations run by the former management body, the Norwegian Rail Administration. *Norske tog AS*, *Mantena AS* and *Entur AS* were merged to form *Togmaterie AS*, *Togvedlikehold AS* and *Reiseplan og billett AS*, which were established by the state in September 2016 in order to take over operations from *NSB*.

Capital injection

In Bill 1 S (2016–2017), the Ministry of Transport and Communications presented a proposal to increase the equity in *Nye Veier AS* by NOK 1,000 million. The company operates at its own expense and risk, and the Private Limited Liability Companies Act requires the company to have equity and liquidity which is appropriate based on the risks associated with and the scope of the company's operations at all times. The proposal was considered through Recommendation 13 S (2016–2017) and a decision by the Storting in December 2016. The capital extension was adopted at an extraordinary general meeting later during the same month. Following the capital extension, *Nye Veier* had equity of NOK 1,635 million at year-end 2016.

Bane NOR SF became operational in January 2017. In Bill 1 S Supplement 2 (2016–2017), the Ministry of Transport and Communications proposed granting a capital injection and enterprise capital to *Bane NOR*. The proposal was considered through Recommendation 2 S (2016–2017) and a decision by the Storting in December 2016. The capital extension was adopted by a company meeting later in the same month, and since then, the state's net investment in *Bane NOR* has been NOK 2.3 billion.

In Bill 1 S (2016–2017), the Ministry of Trade, Industry and Fisheries presented a proposal to grant an equity injection of NOK 144 million to *Store Norske Spitsbergen Kulkompani AS* to suspend operations in *Svea* and *Lunkefjell* in 2017. The proposal was considered through Recommendation 8 S (2016–2017) and a decision by the Storting in December 2016.

In Bill 25 S (2016–2017), the Ministry of Trade, Industry and Fisheries presented a proposal to grant an equity injection of NOK 144 million and a loan of NOK 100 million to *Store Norske Spitsbergen Kulkompani AS*. Based on the company's financial position at the time, it was necessary to inject NOK 94 million in equity into the company. The remaining NOK 50 million was linked to the uncertainty concerning the final financial position of the

company at the year-end 2016. The proposal was considered through Recommendation 126 S (2016–2017) and a decision by the Storting in December 2016.

In autumn 2016, the board of *Staur gård AS* triggered the obligation to act under Section 3-5 of the Private Limited Liability Companies Act. On the basis of this, the Ministry of Agriculture and Food presented a bill to the Storting to wind-up the company; see Bill 19 S (2016–2017) Changes to the 2016 national budget under the Ministry of Agriculture and Food, etc. The Storting wished to continue the operation and also asked the ministry to handle the company's obligations through a capital extension. The Ministry of Agriculture and Food followed this up in March 2017 by injecting NOK 8 million in equity into the company; see Bill 129 S (2016–2017).

The Storting has awarded NOK 4.2 billion to *Investinor AS*. The company will receive capital when it requires liquidity. At the start of 2016, NOK 2.2 billion had previously been transferred to the company, while the remaining NOK 2 billion was held in the state's account. At the request of the company, capital injections were carried out at extraordinary general meetings held in October 2016 and March 2017, amounting to NOK 500 million and NOK 250 million respectively.

Changes in sectoral policy constraints

In autumn 2016, the Ministry of Transport and Communications decided to begin work on a service concession model for Haugesund Airport; see Bill 31 S (2016–2017). This model will result in *Avinor AS* continuing to own the airport, but operation of the airport will be outsourced to other actors following a competitive tendering procedure. The service concession holder will be responsible for all operation and maintenance at the airport and will be free to determine the airport's charges and manage the commercial operation.

The Act on *Innovation Norway* has been amended; see resolution 60 (2015–2016) in May 2016. An account of the changes is given in Bill 66 L (2015–2016) and Recommendation 255 L (2015–2016). Amendments to the act, which will give the board of Innovation Norway greater scope to develop customer contact, administration and decision-making systems in the best interests of founders, businesses and innovation and business communities, entered into force in July 2016. Other changes, including limitation of the owners' liabilities regarding the company's obligations, entered into force in January 2017. A bill for amendments to the Act on Innovation Norway was also considered by the Storting in January 2016; see Recommendation 131 L (2015–2016) and Bill 89 L (2014–2015). Bill 66 L (2015–2016) was a follow-up to the

Storting's request to the government no. 464-468 from January 2016.

As a result of the trend in the export value of seafood, the Ministry of Trade, Industry and Fisheries distributed a proposal for consultation which would reduce the marketing tax which is used to finance *Norges sjømatråd AS* for salmon, trout and pelagic fish with effect from January 2017. Partly as a result of the subsequent feedback, the ministry decided to reduce the tax for the abovementioned fish species from 0.6 to 0.3% of the export value. For other fish species, the rate of 0.75% of the export value was maintained.

Conversion from state enterprise to limited liability company

In August 2016, state enterprise *Aerospace Industrial Maintenance Norway SF* was converted to a state wholly owned limited company. The conversion was carried out in line with the "Act on the conversion of Aerospace Industrial Maintenance Norway SF to a limited company", adopted by the Storting in June 2016. The aim of the conversion was to enable the company to be strengthened as a commercial enterprise and thus contribute to a higher return on the state's invested capital. The government also wanted to allow the company to seek private capital and adapt the ownership structure in the best interests of the company in the long term. On this basis, the Ministry of Defence was given the authority to possibly reduce the state's shareholding down to 50%. In addition, the state's objective of the ownership was altered so that, in addition to the commercial objective, a further objective is now to maintain a knowledge-based and high-technology company with head office services in Norway. As a result of this, the categorisation of the state's ownership in the company was changed to category 2, commercial objective and objective of maintaining head office functions in Norway.

Transfer of ownership

Through a Royal Decree in December 2016, it was formally determined that responsibility for managing the state's ownership of *Bjørnøen AS* and *Kings Bay AS* would be transferred from the Ministry of Trade, Industry and Fisheries to the Ministry of Climate and Environment in January 2017. This was decided in connection with white paper Report no. 32 to the Storting (2015–2016) Svalbard, and will help to concentrate and clarify the responsibility for following up overarching objectives and strategies for Ny-Ålesund.

Through a Royal Decree in December 2016, it was decided that responsibility for managing the state's ownership of *Posten Norge AS* would be transferred from the

Ministry of Transport and Communications to the Ministry of Trade, Industry and Fisheries in January 2017. The objective of the state's ownership of the company is primarily commercial. Previously, the ownership had been justified by the need to ensure a nationwide postal service. Fulfillment of sectoral policy objectives will now be realised through the establishment of agreements and sector regulation. Unless special considerations dictate otherwise, the government wishes to concentrate as much as possible of the state's commercial ownership in the national ownership entity within the Ministry of Trade, Industry and Fisheries.

Complaints submitted to EFTA's surveillance body

In May 2016, the Ministry of Trade, Industry and Fisheries was notified that EFTA's surveillance body ESA had received two complaints concerning *Norges sjømatråd AS* and the marketing tax which is used to finance the company.

In one case, the complainant alleged that some of the company's activities are considered to be supported by the state, in breach of Norway's obligations under the EEA Agreement. The Norwegian authorities were given the opportunity to comment on the case and stated that ESA does not have the competence to consider issues relating to state aid in the fisheries sector. In July 2016, ESA decided to reject the complaint, citing that they do not have the necessary competence to consider the issue.

In the other case, the complainant alleged that the marketing tax which is used to finance *Norges sjømatråd* constitutes a quantitative export restriction, in breach of Norway's obligations under the EEA Agreement. The complainant also stated that the company's activities in Norway must be considered to be measures with a corresponding effect to that of a quantitative import restriction, in breach of EEA law. Norwegian authorities have submitted remarks concerning the complaint and received an initial assessment from ESA. The case is being considered by ESA.

In September 2016, Norwegian authorities were notified that Marine Harvest ASA had brought the ESA's decision to reject the complaint citing claims of state aid before the EFTA court, with a claim that the ESA has both the right and an obligation to consider issues relating to state aid in the fisheries sector. The court is expected to reach a decision on the question of ESA's competence in 2017. In March 2017, Norway was granted access to intervene in the case and has submitted documentation in support of the view that ESA does not have the necessary competence to consider the case.



Statoil had the highest return amongst the listed companies in 2016 at 35.5%.



Return and financial values



The Norwegian and international economy¹

GDP growth for mainland Norway was 0.9% in 2016, down from 1.1% in 2015. The trend in 2016 was the weakest since the financial crisis in 2009. A key factor is the significant drop in demand from the petroleum industry. The decline is due to lower oil prices and the oil companies' need to reduce their costs.

Norges Bank has adopted an expansionary monetary policy to counteract the decline in activity in the Norwegian economy. Combined with the fall in oil prices, the expansionary monetary policy has resulted in a weakening of the Norwegian krone, improving the cost competitiveness of Norwegian exporters and activities that compete with imports.

As an annual average, employment rose by 0.1% in 2016. The growth in employment is lower than the growth in population, and the employment rate has therefore fallen. The unemployment rate, as measured by Statistics Norway's Labour Force Survey, has risen steadily since spring 2014. Unemployment was at 4.7% in 2016, the highest rate to be measured during the past 20 years. Annual wage growth in 2016 was estimated at 1.7%.² Inflation measured by the consumer price index (CPI) was 3.6% in 2016, corresponding to a real wage decrease of 1.9%. The last drop in real wages occurred in 1989.

Growth in global GDP in 2016 is provisionally estimated at around 3%.³ This is also the weakest growth since 2009. The sluggish growth is partly linked to slower growth in investments and international trade. In traditional industrial countries, growth is also being suppressed by high levels of public and private debt. Overall, the trend in emerging economies boosted global growth, although the increase was lower than before.

Economic growth amongst Norway's main trading partners⁴ was 2.2% in 2016, down from 2.7% in 2015.⁵ Several eurozone countries are struggling with sluggish growth in both production and employment. In the USA, growth has decreased, partly as a result of lower exports due to the strength of the US dollar. Growth in Sweden was somewhat lower in 2016 than the previous year, but remains high.

The stock market in Norway and internationally

Oslo Stock Exchange's main index rose by 12.1% in 2016, marking the fifth consecutive year of growth. Rising oil and salmon prices were major factors in the stock market year, which saw the biggest upturn in the course of one year since 2013. Sectors such as healthcare, seafood, energy and finance all contributed to the upturn.

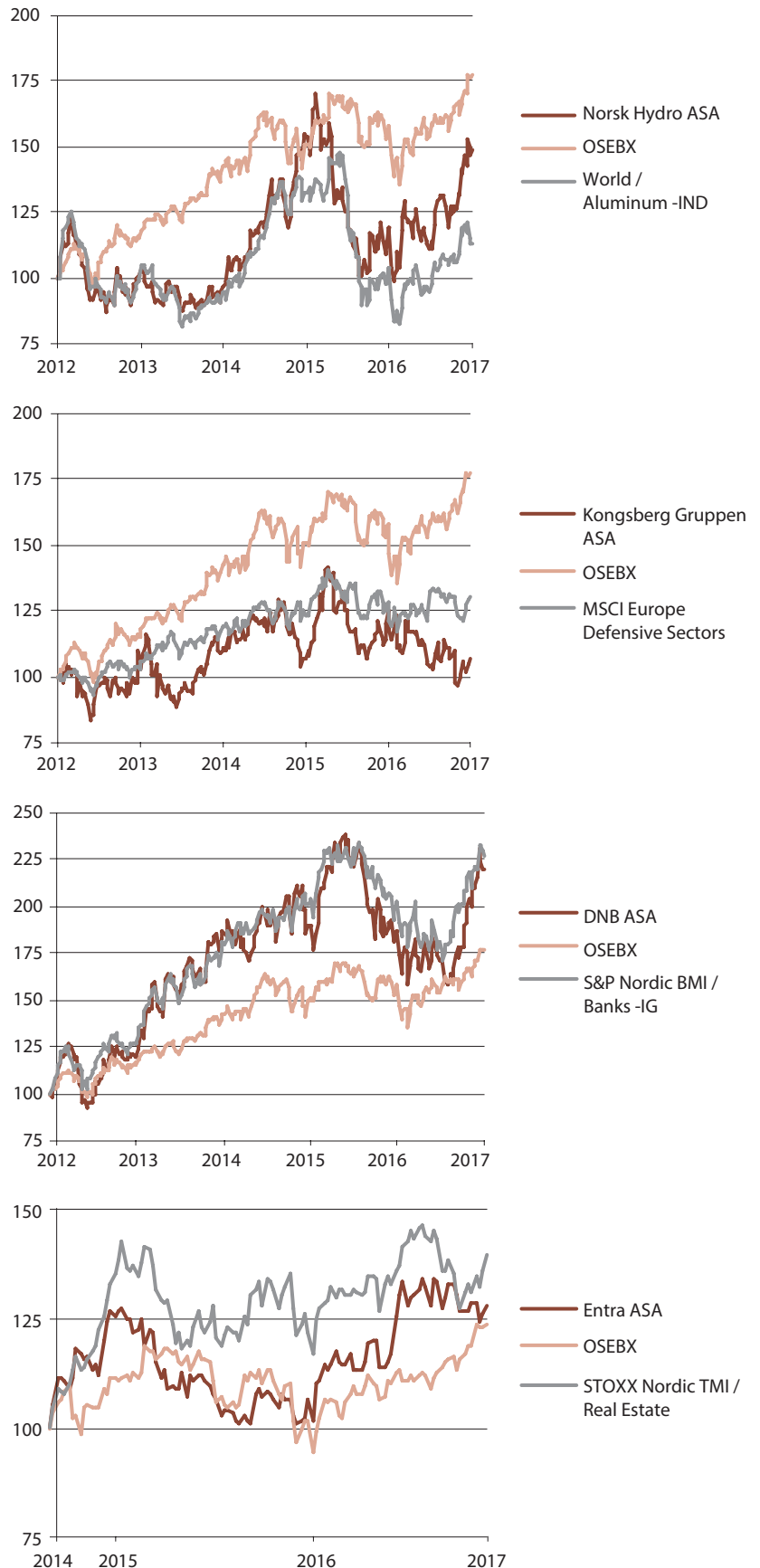
The Oslo Stock Exchange performed relatively well by international standards. The S&P 500 in the USA and the DAX index in Germany rose by 9.8% and 6.9% respectively. The OMX Stockholm 30 index and the Nikkei 225 index in Japan rose by 4.7 and 0.4% respectively. The FTSE 100 index in London rose by 14.4%.

Return for listed companies

The return comprises the sum total of the increase in market value of a company's equity and direct return in the form of dividends and any charges in connection with share buybacks.

The state has direct ownership in eight companies listed on Oslo Stock Exchange. The value-adjusted return for these companies, including reinvested dividends, was 22.8% in 2016, compared with 1.3% in the previous year. The return is weighted with the value of the state's shareholding at the end of 2016. Statoil, which accounts for about half of

Share price performance⁶ for listed companies, the Oslo Stock Exchange main index and sector indices



¹ Sources include Statistics Norway, Economic analysis 1/2017.

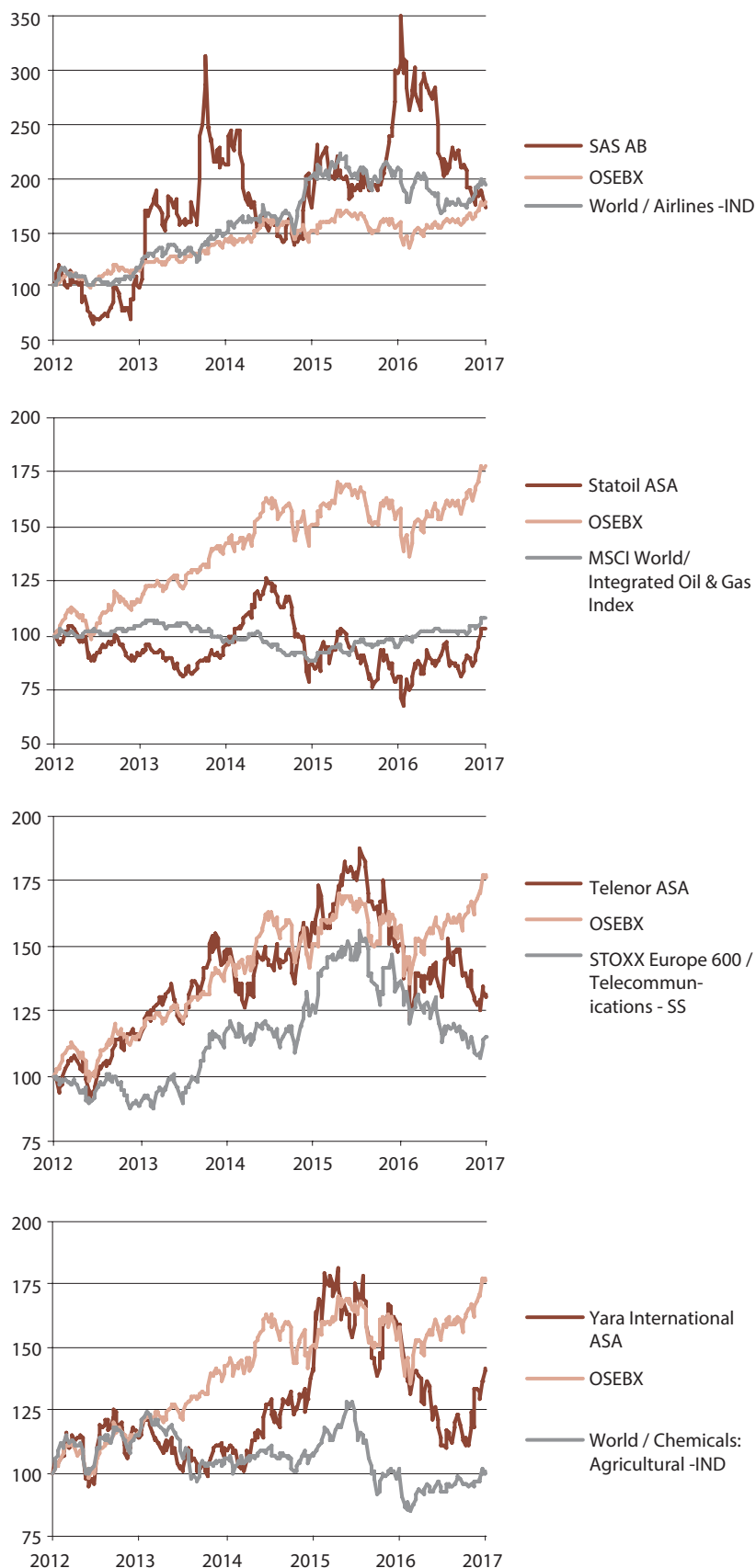
² The Norwegian Technical Calculation Committee for Wage Settlements.

³ OECD, Interim Economic Outlook, March 2017 and IMF, World Economic Outlook, January 2017.

⁴ The eurozone, Sweden, USA, UK, Denmark, China, South Korea, Poland, Russia and Japan.

⁵ Statistics Norway, Economic analysis 1/2017.

Share price performance⁶ for listed companies, the Oslo Stock Exchange main index and sector indices



⁶ Share price performance including reinvested dividends (source: FactSet).

⁷ Book equity may deviate considerably from the companies' real market value. The value of the state's ownership interest in Aker Kværner Holding was calculated using the market prices for Akastor, Aker Solutions and Kværner, and the state's indirect ownership interest in these companies.

the total value of the state's assets on the stock exchange, has a considerable influence on the weighted total return.

The graphs on pages 14 and 15 show the share price performance, including reinvested dividends for each company, compared with developments in Oslo Stock Exchange's main index (the OSEBX index) and relevant sector indices. The time series runs from January 2012 to December 2016, with the exception of Entra, which was listed in 2014. Both the share prices and the indices are indexed from the series start date.

Statoil achieved the highest return in 2016, at 35.5%. Behind Statoil were Norsk Hydro at 28.5%, Entra at 27.6% and DNB at 22.2%. The other companies had a negative return in 2016. SAS recorded the lowest return at -42.8%. Kongsberg Gruppen followed at -11.4%, Telenor at -8.0% and Yara International at -6.7%.

DNB has generated the highest average annual return over the last five years from the start of 2012 to the end of 2016 at 20.5%. SAS then follows at 11.8%, Yara International at 11.5%, Norsk Hydro at 11.3%, Telenor at 10.9%, Statoil at 6.1% and Kongsberg Gruppen at 5.6%. During the period, Oslo Stock Exchange's main index achieved an average annual return of 12.2%. Compared with selected sector indices during the period, Norsk Hydro, Telenor and Yara International have generated a higher return, while the remaining companies have given a lower return.

Value of the state's shareholding

To estimate the value of the companies, the value of the company's shares is used for listed shares, while book equity less minority interests is used for unlisted companies in categories 1–3.⁷ The tables on pages 16 and 17 show the estimated value of each company for 2016 and 2015 respectively. No estimate is made of the value of the companies where the main objective of the state's ownership is not commercial, i.e. companies in category 4.

The value of the state's shares on Oslo Stock Exchange was NOK 596 billion at year-end 2016, up NOK 73 billion from the previous year. Statoil contributed NOK 80.1 billion to the increase in total value. The state's holdings in DNB and Norsk Hydro rose in value by NOK 10.3 and 5.8 billion respectively. The values of the holdings in Telenor, Yara International and Kongsberg Gruppen fell by NOK 15.6, 4.5 and 1.2 billion respectively. Entra's market value rose in 2016, but because the state sold shares in the company worth NOK 2.5 billion, the value of the state's holding actually decreased by NOK 1.2 billion in 2016. The market value of SAS fell in 2016, and the state also sold shares worth NOK 132 million, so that the total value of the state's holding fell by NOK 0.6 billion during the year.

The state's share of the book value of unlisted companies in categories 1-3 at year-end 2016 amounted to NOK 118 billion, down NOK 2.7 billion from the previous year. The state's share of the book value of Aker Kværner Holding and Investinor increased during 2016 for both companies by around NOK 0.6 billion. For Investinor, the majority of the increase arose as a result of a capital injection of NOK 0.5 billion. In 2016, the book values of Statkraft and Argentum Fondsinvesteringer fell by NOK 3.5 and 0.6 billion respectively.

The total estimated value of the state's assets in the companies in categories 1-3 was NOK 715 billion, up NOK 70.2 billion from the previous year.

Dividends

The state will receive NOK 33 billion in dividends for the 2016 financial year, up NOK 3.1 billion from the previous year. Dividends from Statkraft increased most from last year, by NOK 2.4 billion. The dividends from DNB, Statoil, Argentum Fondsinvesteringer, Telenor and Norsk Hydro increased by NOK 665, 360, 300, 242 and 177 million respectively. Dividends from NSB fell from NOK 595 to zero.

Return and financial value 2016¹

NOK million	Market value of equity ²	State's shareholding	Value of the state's shareholding ³	Dividend to the state for the 2016 financial year ³	State's sales proceeds, capital contribution and share purchases ⁴	Return	Direct return	Average annual return last five years
Listed companies								
DNB ASA	209 138	34 %	71 107	3 157	0	22,2 %	3,5 %	20,5 %
Entra ASA	15 755	33,4 %	5 262	212	2 490	27,6 %	5,5 %	–
Kongsberg Gruppen ASA	14 940	50,001 %	7 470	225	0	-11,4 %	3,4 %	5,6 %
Norsk Hydro ASA	85 450	34,26 %	29 276	886	0	28,5 %	2,4 %	11,3 %
SAS AB	4 605	11,45 %	527	0	132	-42,8 %	0,0 %	11,8 %
Statoil ASA	514 016	67 %	344 391	15 742	-5 025	35,5 %	4,6 %	6,1 %
Telenor ASA	193 688	53,97 %	104 524	6 320	0	-8,0 %	5,8 %	10,9 %
Yara International ASA	92 894	36,21 %	33 638	989	252	-6,7 %	4,4 %	11,5 %
Total listed companies⁶	1 130 485		596 196	27 531	-2 151	22,8 %		

NOK million	Book equity less minority interests	State's shareholding	Book value of state's shareholding ⁶	Dividend to the state for the 2016 financial year	State's sales proceeds, capital contributions and share purchase ⁴
Unlisted companies in categories 1–3					
Ambita AS	96	100 %	96	3	0
Baneservice AS	218	100 %	218	13	0
Flytoget AS	771	100 %	771	105	0
Mesta AS	716	100 %	716	350	0
Veterinærmedisinsk Oppdragscenter AS	55	34 %	19	0,3	0
Aerospace Industrial Maintenance Norway AS	462	100 %	462	0	0
Aker Kværner Holding AS	7 688	30 %	2 306	0	0
Nammo AS	2 383	50 %	1 192	70	0
Argentum Fondsinvesteringer AS	7 331	100 %	7 331	800	0
Eksportfinans ASA	7 065	15 %	1 060	0	0
Electronic Chart Centre AS	9	100 %	9	5	0
GIEK Kredittforsikring AS	245	100 %	245	0	0
Investinor AS	2 634	100 %	2 634	0	-500
Kommunalbanken AS	12 452	100 %	12 452	390	0
NSB AS	9 935	100 %	9 935	0	0
Posten Norge AS	5 898	100 %	5 898	19	0
Statkraft SF	73 069	100 %	73 069	2 400	0
Total unlisted companies in categories 1–3	131 026		118 412	4 155	-500
Total all companies in categories 1–3	1 261 511		714 607	31 686	-2 651

1 The figures are defined on page 127.

2 At year-end 2016.

3 For Statoil, which pays dividends quarterly, the figure is paid dividends. Paid dividends consists of cash and newly issued shares in the company, see information about the scrip dividend programme on page ten. The part of the dividend that the state has used to subscribe for new shares in Statoil is shown in the column "State's sales proceeds, capital contributions and share purchase."

4 Sales proceeds are shown as positive figures; capital contributions and share purchases are shown as negative.

5 Direct return is calculated as paid dividend per share in 2016 as a percentage of share price at year-end 2016 (source: FactSet). Entra introduced half-year payment of dividend in 2016. The direct return for Entra therefore includes dividends for the fiscal year 2015 and the first half of 2016, both of which were paid in 2016.

6 The return is weighted with the value of the state's shareholding at year-end 2016.

7 The state's share of book equity less minority interests. The value of the state's ownership interest in Aker Kværner Holding was calculated using the market prices for Akastor, Aker Solutions and Kværner at year-end 2016 and the state's indirect ownership interest in these companies on the same time.

8 Companies in category 4 without dividends, sales proceeds, contributions and share purchases are not included in the table.

NOK million	Dividend to the state for the 2016 financial year	State's sales proceeds, capital contributions and share purchase ⁴
Companies in category 4⁸		
Avinor AS	550	0
Innovasjon Norge	183	0
Kimen Sjøvarelaboratoriet AS	0,2	0
Norfund	0	-1 478
Siva – Selskapet for Industrivekst SF	147	0
Statnett SF	350	0
Statskog SF	53	0
Store Norske Spitsbergen Kulkompani AS	0	-587
AS Vinmonopolet	75	0
Total companies in category 4	1 358	-2 065
Total all companies	33 044	-4 716

Return and financial value 2015¹

NOK million	Market value of equity ²	State's shareholding	Value of the state's shareholding ³	Dividend to the state for the 2015 financial year ³	State's sales proceeds, capital contributions and share purchase ⁴	Return	Direct return ⁵	Average annual return last five years
Listed companies								
DNB ASA	178 842	34 %	60 806	2 492	0	1,9 %	3,5 %	9,3 %
Entra ASA	13 091	49,73 %	6 510	274	0	-3,8 %	3,5 %	–
Kongsberg Gruppen ASA	17 400	50,001 %	8 700	255	0	25,4 %	6,4 %	5,7 %
Norsk Hydro ASA	68 546	34,26 %	23 485	709	0	-19,7 %	3,0 %	-2,5 %
SAS AB	8 028	14,29 %	1 147	0	0	60,5 %	0,0 %	1,6 %
Statoil ASA	394 436	67 %	264 272	15 382	0	-0,8 %	5,8 %	2,8 %
Telenor ASA	222 666	53,97 %	120 162	6 078	0	2,2 %	4,9 %	14,5 %
Yara International ASA	105 329	36,21 %	38 141	1 489	127	18,6 %	3,4 %	6,0 %
Total listed companies⁶	1 008 338		523 224	26 679	127	1,3 %		

NOK million	Book equity less minority interests	State's shareholding	Book value of state's shareholding ⁷	Dividend for the state for the 2015 financial year	State's sales proceeds, capital contributions and share purchase ⁴
Unlisted companies in categories 1–3					
Ambita AS	91	100 %	91	3	0
Baneservice AS	164	100 %	164	8	0
Flytoget AS	802	100 %	802	181	0
Mesta AS	1 003	100 %	1 003	300	0
Veterinærmedisinsk Oppdragscenter AS	40	34 %	14	22	0
Aerospace Industrial Maintenance Norway AS	408	100 %	408	0	0
Aker Kværner Holding AS	5 579	30 %	1 674	0	0
Nammo AS	2 329	50 %	1 165	55	0
Argentum Fondsinvesteringer AS	7 955	100 %	7 955	500	0
Eksportfinans ASA	7 409	15 %	1 111	0	0
Electronic Chart Centre AS	10	100 %	10	3	0
GIEK Kredittforsikring AS	241	100 %	241	0	0
Investinor AS	2 011	100 %	2 011	0	0
Kommunalbanken AS	12 202	100 %	12 202	417	-1 000
NSB AS	9 835	100 %	9 835	595	0
Posten Norge AS	5 928	100 %	5 928	0	0
Statkraft SF	76 524	100 %	76 524	0	0
Total unlisted companies in categories 1–3	132 532		121 138	2 084	-1 000
Total all companies in categories 1–3	1 140 870		644 361	28 763	-873

1 The figures are defined on page 127.

2 At year-end 2015.

3 For Statoil, which pays dividends on a quarterly basis, the figure is paid dividends.

4 Sales proceeds are shown as positive figures; capital contributions and share purchases are shown as negative.

5 Direct return is calculated as paid dividend per share in 2015 as a percentage of share price at year-end 2015 (source: FactSet).

6 The return is weighted with the value of the state's shareholding at year-end 2015.

7 The state's share of book equity less minority interests. The value of the state's ownership interest in Aker Kværner Holding was calculated using the market prices for Akastor, Aker Solutions and Kværner at year-end 2015 and the state's indirect ownership interest in these companies on the same time.

8 Companies in category 4 without dividends, sales proceeds, contributions and share purchases are not included in the table.

NOK million	Dividend to the state for the 2015 financial year	State's sales proceeds, capital contributions and share purchase ⁴
Companies in category 4⁸		
Avinor AS	500	0
Innovasjon Norge	217	0
Norfund	0	-1 480
Statnett SF	357	0
Statskog SF	11	0
Store Norske Spitsbergen Kulkompani AS	0	-0,4
AS Vinmonopolet	59	0
Total companies in category 4	1 144	-1 480
Total all companies	29 907	-2 353



Statkraft recorded profit after tax and minority interests for 2016 of NOK 254 million.



Key figures describing financial performance



Group accounting figures 2016 – companies in categories 1–3¹

NOK million	State's shareholding	Operating revenues ²	Operating profit/loss	Profit for the year after tax and minority interests	Capital employed	Balance sheet total
Listed companies						
DNB ASA	34 %	52 163	23 387	19 251	–	2 653 201
Entra ASA	33,4 %	1 740	1 190	2 619	33 237	38 890
Kongsberg Gruppen ASA	50,001 %	15 845	692	653	10 808	21 196
Norsk Hydro ASA	34,26 %	82 983	6 025	6 386	94 319	130 793
SAS AB ³	11,45 %	39 285	1 588	1 315	14 564	29 080
Statoil ASA ⁴	67 %	385 397	664	-24 557	560 978	878 190
Telenor ASA	53,97 %	131 427	17 070	2 832	141 757	206 319
Yara International ASA	36,21 %	97 170	8 771	6 360	93 325	120 505
Total listed companies		806 010	59 387	14 859	948 725	4 078 174
Unlisted companies in categories 1–3						
Ambita AS	100 %	332	9	11	100	170
Baneservice AS	100 %	828	87	68	284	519
Flytoget AS	100 %	923	167	132	771	1 488
Mesta AS	100 %	3 608	137	66	723	2 032
Veterinærmedisinsk Oppdragscenter AS	34 %	498	22	16	81	144
Aerospace Industrial Maintenance Norway AS	100 %	734	76	51	662	1 297
Aker Kværner Holding AS	30 %	0	-1	2 112	7 688	7 688
Nammo AS	50 %	4 132	384	279	3 451	5 050
Argentum Fondsinvesteringer AS	100 %	-50	-111	-123	7 331	7 370
Eksportfinans ASA	15 %	-401	-508	-331	–	33 171
Electronic Chart Centre AS	100 %	28	5	5	9	19
GlEK Kredittforsikring AS	100 %	48	2	3	–	476
Investinor AS	100 %	166	114	122	2 634	2 658
Kommunalbanken AS	100 %	2 054	919	689	–	418 327
NSB AS	100 %	15 559	1 017	1 261	20 870	28 966
Posten Norge AS	100 %	24 772	163	36	8 305	15 299
Statkraft SF	100 %	20 146	3 002	254	120 805	164 001
Total unlisted companies in categories 1–3		73 375	5 485	4 652	173 713	688 675
Total all companies in categories 1–3		879 385	64 872	19 511	1 122 438	4 766 849

1 The figures are defined on page 127.

2 For Entra, net rental income is used.

3 SAS presents its accounts in Swedish kronor (SEK). The figures in the table are converted into Norwegian kroner (NOK). The exchange rate used is the average price for 2016, NOK/SEK 99.56, and at the balance sheet date, NOK/SEK 91.58.

4 Statoil presents its accounts in USD. The figures in the table are converted into Norwegian kroner (NOK). The exchange rate used is the average price for 2016, NOK/USD 8.4014.

Companies in categories 1–3¹

The tables on pages 20 and 21 present some key financial figures from 2016 for companies for which the state's ownership has commercial objectives, i.e. companies in categories 1-3.

Profit performance

The combined total profit for the year after tax and minority interests was NOK 19.5 billion in 2016, up NOK 13.3 billion from the previous year. The improvement in Statoil's profit of NOK 12.9 billion, from NOK -37.5 billion in 2015 to NOK -24.6 billion in 2016 was a contributory factor behind this. Excluding Statoil, the combined profit for the year rose from NOK 43.7 billion to NOK 44.1 billion, representing a growth in profit of 0.8%.

A number of companies improved their profits from the previous year, including

Norsk Hydro which improved its profit by NOK 4.4 billion and Statkraft which saw a growth in profit of NOK 2 billion. DNB, Yara International and Kommunalbanken saw decreases in their profits for the year of NOK 5.5, 1.7 and 1.2 billion from the previous year.

Revenue performance

Combined operating revenues amounted to NOK 879 billion in 2016, down NOK 116 billion from the previous year. Statoil's downturn in revenues of NOK 97.4 billion from the year was a contributory factor behind this development. Revenues in Yara International decreased by NOK 14.7 billion from the previous year, while Norsk Hydro, DNB and Kongsberg Gruppen recorded a revenue decrease of NOK 5.2, 1.8 and 1.2 billion respectively.

Dividend percentage

Dividend percentage is the proportion of the company's profit that is paid to the shareholders in the form of a dividend.² The rest of the profit is retained by the company and added to book equity. The owners' direct return may take the form of a dividend or buy-back of shares.

Of the listed companies, only SAS is not paying a dividend for the 2016 financial year, and all the companies except Entra are paying 40% or more of their profit for the year after tax and minority interests. Of the unlisted companies in categories 1–3, Electronic Chart Centre, Flytoget, Kommunalbanken, Mesta, Nammo, Posten Norge and Statkraft paid dividends of 40% or more of the profit for the year after tax and minority interests.

The average dividend percentage over the last five years indicates the capacity of

1 For more information about individual companies' economic development and causes of this, see the company reviews from page 41.

2 For some companies, own income bases are defined based on the company's results. For some listed companies, also the development in dividends per share is a central consideration in the companies' dividend policy.

Group accounting figures 2016 – companies in categories 1–3¹

NOK million	Dividend percentage ²	Average dividend percentage last five years	Equity ratio ³	Return on equity	Average return on equity last five years
Listed companies					
DNB ASA	50 %	32 %	16 %	10 %	13 %
Entra ASA	24 %	32 %	39 %	19 %	13 %
Kongsberg Gruppen ASA	69 %	65 %	32 %	10 %	15 %
Norsk Hydro ASA	40 %	139 %	67 %	8 %	2 %
SAS AB	0 %	–	19 %	22 %	6 %
Statoil ASA	–	178 %	34 %	-8 %	5 %
Telenor ASA	413 %	164 %	27 %	5 %	9 %
Yara International ASA	43 %	44 %	64 %	9 %	13 %
Weighted average listed companies				-1,3%	
Unlisted companies in categories 1–3					
Ambita AS	29 %	43 %	58 %	12 %	26 %
Baneservice AS	18 %	30 %	45 %	36 %	6 %
Flytoget AS	80 %	119 %	52 %	17 %	18 %
Mesta AS	531 %	135 %	35 %	8 %	20 %
Veterinærmedisinsk Oppdragscenter AS	6 %	101 %	38 %	33 %	64 %
Aerospace Industrial Maintenance Norway AS	0 %	0 %	36 %	12 %	6 %
Aker Kværner Holding AS	0 %	81 %	100 %	–	–
Nammo AS	50 %	50 %	47 %	12 %	14 %
Argentum Fondsinvesteringer AS	–	80 %	99 %	-2 %	9 %
Eksportfinans ASA	0 %	0 %	61 %	-5 %	-31 %
Electronic Chart Centre AS	100 %	203 %	45 %	58 %	13 %
GIEK Kredittforsikring AS	0 %	4 %	51 %	1 %	–
Investinor AS	0 %	0 %	99 %	5 %	0 %
Kommunalbanken AS	57 %	24 %	17 %	6 %	15 %
NSB AS	0 %	31 %	34 %	13 %	17 %
Posten Norge AS	53 %	62 %	39 %	1 %	5 %
Statkraft SF	945 %	177 %	49 %	0 %	2 %
Weighted average for unlisted companies in categories 1–3				2,1 %	
Weighted average for all companies in categories 1–3				-0,8 %	

1 The figures are defined on page 127.

2 Argentum Fondsinvesteringer and Statoil had a negative result after tax and minority interests in 2016, meaning that the dividend percentage is irrelevant.

3 For DNB and Kommunalbanken, common equity Tier 1 capital ratio is used. For Eksportfinans, core capital adequacy is used.

the companies to generate a direct return over time. This is calculated as the sum of all dividends divided by the sum of the annual profits after tax and minority interests.

During the last five years, the listed companies, excluding SAS, had an average dividend percentage of between 32 and 178% of the profit for the year. With the exception of Aerospace Industrial Maintenance Norway, Eksportfinans, GIEK Kredittforsikring and Investinor, unlisted companies in categories 1-3 have paid an average dividend percentage that varies between 24 and 204% of the profit for the year.

Return on equity

Return on equity gives an indication of how efficiently resources are used within a company compared with book value. Return on equity indicates the owner's return on this component of the capital and

is measured as the profit for the year after tax and minority interests, divided by the average value of the book equity.

In 2016, twelve companies recorded a return on equity of 10% or more. The average annual return on equity for the last five years exceeded 15% in the case of Ambita, Flytoget, Kommunalbanken, Kongsberg Gruppen, Mesta, NSB and Veterinærmedisinsk Oppdragscenter.

Companies in category 4¹

The table on page 22 presents some key financial figures from 2016 for companies where the state's ownership has sectoral policy objectives, companies in category 4.

Several of the companies in category 4 performs tasks that are not commercially profitable. In order to achieve the sectoral policy objectives of the state's ownership

¹ For more information about individual companies, see the company reviews from page 75.

of these companies, the state may regulate access to the market and pricing (e.g. Statnett and Vinmonopolet), procure specific services or service levels (e.g. Bane NOR), and finance all or part of the business through direct allocation in the national budget (e.g. the regional health authorities, Kings Bay and Petoro). At Avinor, commercially unprofitable operations are financed through profits from the company's other operations.

Public sector procurement particularly takes place amongst companies which compete in a market. It is also used, for example, in connection with the procurement of health services from the regional healthcare enterprises, and this accounts for the majority of the healthcare enterprises' revenues. Financing through state grants is primarily used for companies which do not compete in a market, while competition and price regulation is largely used for public sector monopolies.

Group accounting figures 2016 – companies in category 4¹

NOK million	State's shareholding	Operating revenues	Operating profit/loss	Profit for the year after tax and minority interests	Book equity less minority interests	Balance sheet total	Procurements by/ subsidies from the state
Companies in category 4							
Andøya Space Center AS	90 %	121	9	6	92	157	36
Avinor AS	100 %	10 788	1 758	1 029	14 937	41 037	0
Bane NOR SF	100 %	53	0	0	0	46	101
Bjørnøen AS	100 %	0	0	0	4	4	0
Carte Blanche AS	70 %	39	1	2	9	20	26
AS Den Nationale Scene	66,67 %	150	40	40	40	78	117
Den Norske Opera & Ballett AS	100 %	774	-42	-43	-109	236	601
Eksportkreditt Norge AS	100 %	103	-4	-2	43	84	101
Enova SF	100 %	121	5	6	20	48	0
Gassco AS	100 %	0	0	1	15	1 484	12
Gassnova SF	100 %	152	8	9	49	101	139
Graminor AS	28,2 %	68	5	4	74	104	22
Innovasjon Norge	51 %	1 217	211	211	1 555	24 043	1 057
Kimen Sjøvarelaboratoriet AS	51 %	13	1	1	12	15	4
Kings Bay AS	100 %	57	0	0	12	19	21
Nationaltheatret AS	100 %	277	33	33	19	138	197
Nofima AS	56,84 %	582	26	29	131	297	100
Nordisk Institutt for Odontologiske Materialer AS	49 %	35	2	2	13	18	19
Norfund	100 %	615	78	-6	16 759	18 455	0
Norges sjømatråd AS	100 %	564	32	42	481	606	0
Norsk Helsenet SF	100 %	389	-22	-20	102	261	108
Norsk rikskringkasting AS	100 %	5 699	4	43	1 129	3 018	0
Norsk Tipping AS	100 %	32 039	4 983	5 002	364	5 954	0
NSD – Norsk senter for forskningsdata AS	100 %	70	3	3	36	79	37
Nye Veier AS	100 %	541	12	24	1 635	1 945	676
Petoro AS	100 %	285	-5	-4	19	211	284
Rogaland Teater AS	66,67 %	114	5	4	54	119	66
Simula Research Laboratory AS	100 %	213	17	13	60	118	59
Siva - Selskapet for Industrivekst SF	100 %	438	58	81	893	2 944	171
Space Norway AS	100 %	57	-29	47	453	712	0
Statnett SF	100 %	6 678	1 152	645	13 867	50 743	0
Statskog SF	100 %	423	125	130	1 774	2 108	17
Staur gård AS	100 %	8	-2	-2	-1	3	0
Store Norske Spitsbergen Kulkompani AS	100 %	584	87	50	281	837	0
Talent Norge AS	33,33 %	32	3	3	3	52	31
Trøndelag Teater AS	66,67 %	120	23	23	17	43	70
UNINETT AS	100 %	288	-1	3	236	384	98
Universitetsenteret på Svalbard AS	100 %	146	-6	-6	10	60	126
AS Vinmonopolet	100 %	13 269	179	150	829	3 792	0
Total		77 122		7 551			4 293
Regional health authorities							
Helse Midt-Norge RHF	100 %	21 249	384	364	8 812	19 716	19 761
Helse Nord RHF	100 %	17 354	493	539	10 166	17 633	16 353
Helse Sør-Øst RHF	100 %	79 425	1 387	1 343	33 844	64 204	72 624
Helse Vest RHF	100 %	27 989	619	724	14 039	22 959	26 486
Total		146 017		2 970			135 224

¹ The figures are defined on page 127.

Revenue performance

For a number of companies, state grants account for a significant part of their operating revenues. Several companies also have a monopoly for their operations.

Combined operating revenues amounted to NOK 223 billion in 2016, up NOK 4.5 billion from the previous year. The operating revenues of the regional healthcare enterprises and other companies in category 4 amounted to NOK 146 billion and NOK 77 billion respectively. From 2015 to 2016, Norsk Tipping recorded an increase in revenues of NOK 2,269 million, while the rev-

enues of Statnett¹, Vinmonopolet, Nye Veier and Norfund rose by NOK 772, 541, 463 and 341 million respectively during the period. During the same period, Avinor's revenues fell by NOK 1,201 million, while Store Norske Spitsbergen Kulkompani saw its revenues fall by NOK 303 million.

Procurement by and subsidies from the state as a sector policy instrument

In total, the companies in category 4 generated revenues amounting to NOK 140

¹ Statnett's revenues are regulated by the Norwegian Water Resources and Energy Directorate (NVE).

billion through the procurement of services and direct subsidies from the state in 2016. Of this amount, the financing of health services accounted for a total of NOK 135 billion, while NOK 4.3 billion is allocated to other companies in category 4. In addition, the state purchased commercially unprofitable services from NSB and Posten Norge amounting to NOK 3.2 billion and NOK 0.4 billion in 2016. Companies in categories 3 and 4 therefore received revenues totalling NOK 143 billion from the state through procurements and subsidies as a sector policy instrument.



Norfund is an instrument of Norwegian development policy that contributes to economic development and jobs in poor countries through the development of profitable companies.





Aker Kværner Holding owns shares in Kvaerner, which is a supplier to the oil and gas industry.





Corporate governance

The main objective of the state's commercial ownership (companies in categories 1–3) is to achieve the highest possible return on invested capital over time. The state ownership of the companies in category 4 has primarily sector policy purposes, and as an owner, the state strives to achieve its sector policy objectives as efficiently as possible.

State ownership shall be exercised professionally and predictably within the constraints of Norwegian corporate legislation and other law, based on generally accepted corporate governance principles and in observance of the strict separation of the role as owner from other roles assumed by the state.

Exercising of ownership

The state's exercising of its ownership shall help to create value by following up the state's objectives for its ownership. The state is committed to ensuring that companies are run by a competent management aligned with its owners objectives, that the companies have an appropriate strategy, governance structure and incentives, that the management deploys capital effectively, that operations are sustainable, and that there is transparency concerning the company's operations. To operationalise these objectives, the state's exercising of its ownership is oriented such that it will contribute to create value through:

1. Appropriate board composition
2. Good corporate governance
3. Effective capital structure and suitable dividends

4. Corporate social responsibility and sustainability integrated into the business
5. Transparency and good reporting

The board of directors and the executives are responsible for ensuring that the company is managed in the owners' interests. The state exercises its authority as an owner through the general meeting/company meeting and constantly strives to improve its exercising of ownership in all the abovementioned areas. The state's voting at general meetings and company engagement are based on the Norwegian state's ten principles for good corporate governance in addition to other explicitly defined expectations and frames. The figure on page 27 presents a simplified representation of the state's principles for good corporate governance and expectations. A full account of the state's ownership policy is given in white paper Report

no. 27 to the Storting (2013–2014) *Diverse and value-creating ownership* (the White Paper on Ownership).

The state's expectations from the White Paper on Ownership are communicated to the companies' boards and management. A number of ministries hold meetings with the companies every quarter, annual meetings concerning corporate social responsibility and communication concerning specific issues as and when necessary. The meetings may be less frequent for some ministries, e.g. every six months and/or as necessary.

During the meetings with the companies, matters of importance for the state's objectives for the ownership and the company's operations, including the state's expectations, are discussed. The contact that the state has with the companies as an owner is referred to as an 'owner dialogue' and, together with the selection of a board, represents the most important tool that the state has to follow up the companies' operations.

The state's expectations and associated company engagement support the state's objectives of the ownership, i.e. the long-term return and/or efficient achievement of sector policy objectives. The company engagement is carried out through the ministries' daily work and regular contact with the companies. Familiarity with relevant and updated information concerning the companies' operations and competence which is relevant to exercising of the role of owner in the best possible way are prerequisites for good ownership. On the following pages, we explain how the state as owner strives to contribute to the companies' value creation. It is not an exhaustive description, but it does provide an insight into the state's work.

Appropriate board composition

One of the most important tasks of the state as an owner is to contribute to well-structured, competent boards. The goal is that as a whole the board of each company possesses the relevant expertise and experience appropriate to the company's operations, opportunities and challenges and to the objectives of the state's ownership.

Competence is the decisive criterion when the state seeks candidates for board positions, and this implies that the candidates have relevant experience and background, as well as capacity and personal aptitude. Using the required basic competencies as its starting point, the state will help ensure that each board represents a relevant diversity. The state strives for an equal gender board representation and has an ambition to increase female board chairs in companies with state ownership. It is also an objective to avoid the same candidates being represented on too many boards of companies with state ownership.

The board recruitment is a structured process taking place throughout the year, where the state as owner assesses aspects such as the board's composition, working method, competencies, effort, target per-



Exercising of ownership that contributes to value creation

Theme	Principles	Expectations
<p>Appropriate board composition</p> 	<p>The composition of the board shall be characterised by competence, capacity and diversity and shall reflect the distinctive characteristics of each company (principle 6).</p> <p>The board should adopt a plan for its own work, and actively strive to develop its own competencies and evaluate its own activities (principle 8).</p>	<p>The board should act as a sparring partner for the management and contribute beyond its supervisory role. The board should contribute to the company's strategic planning, risk management, talent development and follow up the company's work with corporate social responsibility.</p> <p>The board should work systematically and appropriately and put an adequate amount of work into the office. The board should develop its own work and evaluate its activities and competencies on an annual basis. The state as an owner assesses the company's needs and the board's performance and makes changes to the board on the basis of this assessment. Remuneration of the members of the board shall contribute to the board having the right competence and reflect the board's responsibilities and workload, and be moderate.</p>
<p>Good corporate governance</p> 	<p>Ownership decisions and resolutions shall be made at the general meeting (principle 3).</p> <p>The board assumes executive responsibility for administration of the company, including performing an independent supervisory function vis-à-vis the company's management on behalf of the owners (principle 7).</p> <p>The board is responsible for elaborating explicit objectives and strategies for the company within the constraints of its articles of association; the state sets performance targets for each company (principle 4).</p> <p>Compensation and incentive schemes shall promote value creation within the company and be generally regarded as reasonable (principle 9).</p>	<p>Matters that require the owners' approval must be treated at the general meeting.</p> <p>The board shall organise the business, hire the CEO and oversee the company's operations. The board shall also ensure the strategic leadership and manage the company on the basis of the owners' interests within the limits set at the general meeting. The board should be a resource, a discussion partner and a support for the company's management. At the same time the board must monitor the management's work and must therefore have an independent role.</p> <p>The board is expected to draw up clear objectives and strategies for the company within the framework of the articles of association, manage company resources optimally and determine the company's risk profile. The board ought to report on this so that the owners can monitor goal achievement and hold the board accountable for this. For companies where the state's ownership has commercial objectives, the state as an owner sets expectations with respect to returns and dividends. In companies where the state's ownership has sectoral policy objectives, the state as owner will strive to develop clear performance expectations and performance indicators.</p> <p>Personnel policy should be characterised by inclusivity and diversity. The board should make sure the company has strategies and measures to promote equality and diversity in the company, including how the best expertise can be used in the company and measures to ensure more female senior executives.</p> <p>Remuneration of senior executives should be competitive, but not wage leading. In addition, remuneration should be linked to the company's goals.</p>
<p>Effective capital structure and suitable dividends</p> 	<p>The capital structure of the company shall be appropriate given the objective and situation of the company (principle 5).</p>	<p>The company should have an appropriate capital structure that paves the way for long-term value creation, efficient goal achievement and lowest cost of capital. The board has overall responsibility for this.</p> <p>The main objective of the state's commercial ownership is to achieve the highest possible return on invested capital over time. The state as an owner sets clear expectations for the companies regarding returns and dividends and expects the companies in categories 1–3 to deliver market return.</p>
<p>Corporate social responsibility and sustainability integrated into the business</p> 	<p>The company shall work systematically to safeguard its corporate social responsibility (principle 10).</p>	<p>The state as an owner has general expectations related to corporate social responsibility and specific expectations within climate and the environment, human rights, employee rights, and transparency and corruption. The board is responsible for assessing how the expectations can best be followed up and that they are operationalised and reported on appropriately. Work on sustainability and corporate social responsibility shall support the shareholder value.</p>
<p>Transparency and good reporting</p> 	<p>There shall be transparency in the state's exercise of its ownership and the company's operations (principle 2).</p> <p>All shareholders shall be treated equally. (principle 1).</p>	<p>The state expects that companies with state ownership are open about important matters related to the business. Access to relevant and timely information enables stakeholders to evaluate the companies' operations on an ongoing basis and is a key prerequisite for good exercise of ownership.</p> <p>Companies that are wholly owned by the state and that are not "small enterprises" should strive to be as open as listed companies. All companies that are wholly owned by the state should follow the Norwegian Code of Practice for Corporate Governance where appropriate.</p> <p>The companies should treat all shareholders equally, for example when it comes to disclosure of information. The board should ensure that the company has a high degree of transparency towards all shareholders.</p>

formance and contribution to value creation. As part of the evaluation of the board, the state, through the ministry responsible, normally has annual meetings with all owner-elected board members in companies which are wholly owned by the state. The state also strives to meet with representatives elected by the employees. In companies that have a nomination committee, it is the committee that holds the meetings with the board members.

In connection with board elections, the state will assess the companies' operations, opportunities and challenges that they face and the expertise that the board should possess in the future. This forms the basis for a competence description, which is prepared for each board. The competence description is the mandate for the board recruitment and what the state uses in its search for new board members. Several hundred candidates are identified and assessed each year. The ministries, or the nomination committees, conduct interviews and draft recommendations before the board elections at the general meeting.

In 2016, the state as an owner contributed to 63 new board members being elected in 33 companies. From page 122 is an overview of owner-appointed/shareholder-elected board members as of 31 March 2017. Pages 30 and 31 present the gender distribution within the boards and changes in this distribution over time.

In 2016, the Ministry of Trade, Industry and Fisheries organised a seminar for board chairs as well as a separate seminar for new board members in companies with state ownership. The purpose of these seminars is to provide an arena for the exchange of experience concerning good board practice and to increase knowledge of the state as an owner.

The remuneration of board members is determined by the general meeting or corporate assembly. This remuneration should reflect the board's responsibilities, its competence, the time spent and the complexity of the business. The state emphasizes market practice in the relevant industry, wage growth in Norway and comparisons with other similar companies. At the same time, the remuneration shall be moderate.

The table on page 29 shows the remuneration of the chair of the board, deputy chair and board members, as well as the total board remuneration in companies with state ownership.

Good corporate governance

Corporate governance comprises the frameworks within which the company operates, how decisions are made in the company, the basis for the governance of the company, and how its resources are managed.

Follow-up of the companies' corporate governance is a key element in the state's exercising of its ownership. As an owner, the state exercises its authority as a shareholder at the general meeting and has no authority in the company outside the general meeting. Within the framework of corporate and securities legislation and principles for good corporate governance, the ministries hold regular meetings with the company's management and the board as a central part of the follow-up.¹ At these meetings, the state may, like other shareholders, raise any matter that the companies should consider in connection with their operations and development. The opinions expressed by the state are input to the company's management and board. These meetings may involve financial performance reviews, communication of the state's return and dividend targets, briefings and talks concerning strategic matters, issues relating to corporate social responsibility, etc. The agenda varies between companies and over time, and is intended to be as relevant as possible for the company's operations and the state's objectives for the ownership.

It is important for the state as an owner that the board has a thorough approach to the company's strategy. The board should establish clear objectives and use suitable instruments to implement the strategy and achieve the objectives in a good way. As owner, the state regularly assesses whether the companies are achieving the state's objectives for its ownership, and strives to contribute to better goal achievement, including by challenging the companies.

Pay and incentive systems are central to corporate governance because they affect the company's ability to achieve its goals. The state emphasizes companies' pay and incentive systems, and this may be a topic when engaging with the companies. The board's report on executive remuneration is discussed as a separate issue at the general meeting/company meeting of most companies with state ownership. The table on page 32 presents the total remuneration paid to the CEOs of the companies in 2016.

Different expertise and experience can provide a broader and better basis for good decisions, and thereby contribute to profitable development for the companies. Ensuring that the best expertise within the company is used regardless of gender can also impact the company's ability to achieve its goals. The state is therefore committed to ensuring that the companies establish strategies both to promote diversity within the company and to boost the number of female senior managers. The tables on pages 30 and 31 presents the

gender distribution amongst the senior executives in the companies.

The following topics are typically addressed when engaging with the companies:

- What are the company's main objectives, financial and otherwise, and how are they measured and managed?
- How does the company gain insight into the indicators, parameters and stakeholders that have the greatest impact on value creation in the company?
- What measures does the company take to achieve its goals?
- How does the board follow up the company's defined strategy and its implementation?
- How does the company manage its resources – financial, physical and human capital, including diversity and talent development?
- How does the board work to understand how new technology impacts the company and the company's industry?
- What is the company's approach to innovation in order to exploit opportunities and overcome threats?
- Does the company have a strategy or established measures or goals to improve the gender balance amongst managers and senior executives?
- If the management has variable remuneration: how will the board ensure alignment between the criteria for bonuses and the company's goals and targets?

In addition to the dialogue that the state has with each individual company, the Ministry of Trade, Industry and Fisheries arranges regular and occasional events and meetings at portfolio level. Every year, the Ministry of Trade, Industry and Fisheries arranges the Ownership Conference to put ownership in general and state ownership in particular on the agenda. In 2016, innovation in mature companies was a theme. Participants at the conference include board chairmen and managing directors of companies with state ownership, as well as other key people in Norwegian industry and owner communities. In 2016, the Ministry of Trade, Industry and Fisheries held a meeting with the board chairmen of companies in which the state's ownership is managed by the ministry concerning the work of the companies relating to transparency and anti-corruption. The aim was to meet the boards, communicate the state's expectations within the area, discuss the role and work of the boards and facilitate the sharing of experience between the companies. In addition, seminars were also arranged for board chairmen and new board members as mentioned above. In addition to regular meetings with each regional health authority, the Ministry of Health and Care Services holds joint meetings with all four every four months.

¹ It is up to the board to decide the company's attendance, including whether the board shall be represented (cf. section 13 of the Norwegian Code of Practice for Corporate Governance).

Remuneration to the board and auditor for 2016

NOK thousands	Chair ¹	Deputy chair ¹	Board member ¹	Total board fees ²	Total remuneration to the auditor	Statutory audit as a percentage of total remuneration to the auditor
Listed companies						
DNB ASA	510	324	324	3 082	49 750	62 %
Entra ASA	434	218	218	1 890	6 374	38 %
Kongsberg Gruppen ASA	441	247	222	2 310	12 720	67 %
Norsk Hydro ASA	615	385	337	4 563	28 000	86 %
SAS AB ³	408	241	206	2 749	8 960	78 %
Statoil ASA ⁴	743	474	379	6 524	63 851	86 %
Telenor ASA	608	350	303	5 800	65 200	54 %
Yara International ASA	529	349	305	3 389	41 700	84 %
Unlisted companies in categories 1–3						
Ambita AS	252	126	126	1 047	437	57 %
Baneservice AS	385	–	193	1 790	589	79 %
Flytoget AS	279	153	139	1 198	361	78 %
Mesta AS	390	–	200	1 990	1 511	80 %
Veterinærmedisinsk Oppdragscenter AS	75	55	55	300	246	75 %
Aerospace Industrial Maintenance Norway AS	308	206	154	1 285	1 531	85 %
Aker Kværner Holding AS	200	–	133	928	44	70 %
Nammo AS	303	262	167	1 768	7 183	72 %
Argentum Fondsinvesteringer AS	319	175	164	1 006	328	98 %
Eksportfinans ASA	372	298	255	1 845	3 100	58 %
Electronic Chart Centre AS	169	99	88	277	242	25 %
GLEK Kredittforsikring AS	257	154	154	1 339	820	89 %
Investinor AS	254	167	162	907	392	99 %
Kommunalbanken AS	297	153	143	2 070	2 541	39 %
NSB AS	427	259	213	1 964	9 074	56 %
Posten Norge AS	427	259	213	2 491	13 343	64 %
Statkraft SF	484	341	281	3 044	23 691	77 %
Companies in category 4						
Andøya Space Center AS	113	37	37	346	226	84 %
Avinor AS	427	259	213	2 369	2 244	45 %
Bane NOR SF	832	352	290	2 110	15	0 %
Bjørnøen AS	28	11	11	68	10	100 %
Carte Blanche AS	67	34	– ⁵	212	128	82 %
AS Den Nationale Scene	105	60	– ⁵	527	315	86 %
Den Norske Opera & Ballett AS	175	125	– ⁵	474	598	56 %
Eksportkreditt Norge AS	310	–	190	1 347	257	82 %
Enova SF	390	234	198	2 208	232	26 %
Gassco AS	390	248	198	1 809	1 301	100 %
Gassnova SF	390	234	198	1 284	829	8 %
Graminor AS	70	35	35	282	117	86 %
Innovasjon Norge	297	178	148	1 792	830	87 %
Kimen Sävarelaboratoriet AS	42	21	21	168	31	100 %
Kings Bay AS	170	102	102	553	102	82 %
Nationaltheatret AS	123	65	– ⁵	410	237	91 %
Nofima AS	140	52	52	667	629	40 %
Nordisk Institutt for Odontologiske Materialer AS	70	–	20	258	89	79 %
Norfund	210	142	113	759	2 210	28 %
Norges sjømatråd AS	155	113	77	989	191	52 %
Norsk Helsenett SF	255	165	133	1 083	194	57 %
Norsk rikskringkasting AS	253	150	110	1 045	916	69 %
Norsk Tipping AS	239	154	131	1 303	336	85 %
NSD – Norsk senter for forskningsdata AS	88	–	49	388	94	72 %
Nye Veier AS	427	259	213	1 822	645	81 %
Petoro AS	401	259	210	1 778	4 600	9 %
Rogaland Teater AS	80	40	– ⁵	178	117	77 %
Simula Research Laboratory AS	88	–	49	509	276	80 %
Siva – Selskapet for Industrivekst SF	220	154	139	1 205	887	59 %
Space Norway AS	143	–	86	457	212	81 %
Statnett SF	415	273	221	2 527	2 118	58 %
Statskog SF	178	119	96	779	651	55 %
Staur gård AS	60	30	30	180	40	100 %
Store Norske Spitsbergen Kulkompani AS	312	170	156	1 527	804	65 %
Talent Norge AS	150	–	75	540	111	68 %
Trøndelag Teater AS	86	45	– ⁵	166	113	100 %
UNINETT AS	88	–	49	349	283	52 %
Universitetssenteret på Svalbard AS	83	46	41	525	214	72 %
AS Vinmonopolet	240	175	130	1 285	854	92 %
Regional health authorities						
Helse Midt-Norge RHF	251	168	122	1 313	1 937	89 %
Helse Nord RHF	251	168	122	1 564	2 245	35 %
Helse Sør-Øst RHF	357	243	134	1 812	18 365	31 %
Helse Vest RHF	253	171	114	1 345	4 398	61 %

1 Remuneration of the chair, deputy chair and board members as approved at the annual general meeting/corporate assembly in 2016.

2 Total remuneration of board members is the ordinary remuneration that has been paid and remuneration for work on committees under the board, as stated in the companies' annual reports for 2016.

3 SAS presents its accounts in Swedish kronor. The figures in the table are converted into Norwegian kroner. The exchange rate used is the average price for 2016, NOK/SEK 99.56.

4 Statoil presents its accounts in USD. The figures in the table are converted into Norwegian kroner. The exchange rate used is the average price for 2016, NOK/USD 8.4014.

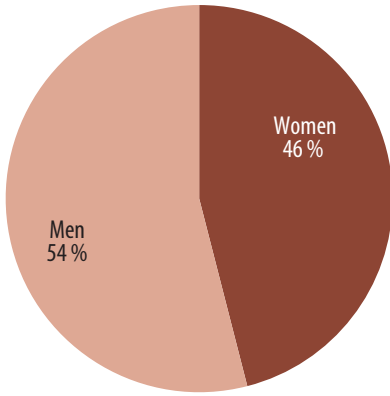
5 The board members are remunerated per board meeting or per hour and do not have a fixed fee.

Proportion of women on boards and in management

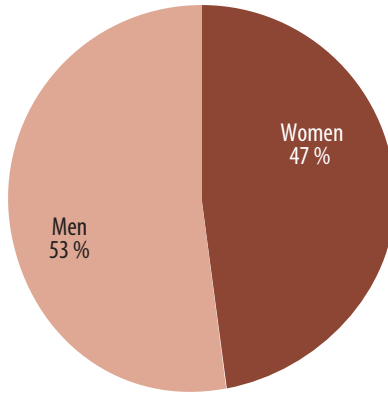
	Proportion of women on the board ¹	Proportion of women among owner-appointed / shareholder-elected board members	Proportion of women in group management / the company's management group	Proportion of female executives at the level below group management / the company's management group	Proportion of female executives for the two top levels
Listed companies					
DNB ASA	43 %	40 %	31 %	29 %	29 %
Entra ASA	43 %	40 %	43 %	31 %	31 %
Kongsberg Gruppen ASA	25 %	40 %	22 %	19 %	20 %
Norsk Hydro ASA	33 %	43 %	44 %	27 %	29 %
SAS AB	36 %	38 %	14 %	23 %	21 %
Statoil ASA	50 %	43 %	27 %	37 %	36 %
Telenor ASA	45 %	50 %	25 %	23 %	23 %
Yara International ASA	38 %	40 %	25 %	14 %	15 %
Average for listed companies	39 %	42 %	29 %	25 %	25 %
Unlisted companies in categories 1–3					
Ambita AS	57 %	60 %	50 %	29 %	38 %
Baneservice AS	38 %	60 %	38 %	18 %	22 %
Flytoget AS	29 %	25 %	40 %	40 %	40 %
Mesta AS	33 %	50 %	0 %	19 %	17 %
Veterinærmedisinsk Oppdragscenter AS	40 %	25 %	40 %	–	–
Aerospace Industrial Maintenance Norway AS	25 %	40 %	7 %	5 %	6 %
Aker Kværner Holding AS	50 %	60 %	–	–	–
Nammo AS	50 %	33 %	14 %	14 %	12 %
Argentum Fondsinvesteringer AS	60 %	60 %	33 %	–	–
Eksportfinans ASA	33 %	40 %	33 %	33 %	33 %
Electronic Chart Centre AS	33 %	33 %	20 %	–	–
GIEK Kredittforsikring AS	57 %	50 %	13 %	–	–
Investinor AS	40 %	40 %	0 %	17 %	10 %
Kommunalbanken AS	56 %	57 %	50 %	25 %	42 %
NSB AS	38 %	60 %	43 %	26 %	26 %
Posten Norge AS	40 %	50 %	63 %	20 %	25 %
Statkraft SF	44 %	50 %	28 %	32 %	30 %
Average for unlisted companies in categories 1–3	43 %	47 %	29 %	23 %	25 %
Companies in category 4					
Andøya Space Center AS	33 %	40 %	11 %	15 %	14 %
Avinor AS	50 %	50 %	25 %	34 %	32 %
Bane NOR SF ²	43 %	60 %	0 %	–	–
Bjørnøen AS	40 %	40 %	–	–	–
Carte Blanche AS	57 %	50 %	50 %	75 %	66 %
AS Den Nationale Scene	29 %	40 %	67 %	44 %	50 %
Den Norske Opera & Ballett AS	57 %	60 %	14 %	43 %	38 %
Eksportkreditt Norge AS	67 %	60 %	33 %	–	–
Enova SF	40 %	43 %	40 %	33 %	35 %
Gassco AS	50 %	40 %	43 %	12 %	21 %
Gassnova SF	50 %	40 %	67 %	–	–
Graminor AS	38 %	43 %	67 %	50 %	50 %
Innovasjon Norge	55 %	56 %	50 %	45 %	46 %
Kimen Sävarelaboratoriet AS	33 %	20 %	80 %	–	–
Kings Bay AS	40 %	40 %	57 %	–	–
Nationaltheatret AS	38 %	40 %	67 %	50 %	53 %
Nofima AS	38 %	40 %	29 %	78 %	58 %
Nordisk Institutt for Odontologiske Materialer AS	50 %	50 %	66 %	–	–
Norfund	50 %	50 %	33 %	–	–
Norges sjømatråd AS	60 %	57 %	38 %	52 %	51 %
Norsk Helsenett SF	57 %	60 %	22 %	18 %	20 %
Norsk rikskringkasting AS	50 %	50 %	56 %	42 %	44 %
Norsk Tipping AS	50 %	50 %	43 %	27 %	30 %
NSD – Norsk senter for forskningsdata AS	50 %	50 %	20 %	43 %	42 %
Nye Veier AS	43 %	40 %	30 %	27 %	29 %
Petoro AS	43 %	40 %	43 %	–	–
Rogaland Teater AS	57 %	40 %	33 %	67 %	47 %
Simula Research Laboratory AS	60 %	63 %	29 %	–	–
Siva – Selskapet for Industrivekst SF	63 %	57 %	60 %	40 %	50 %
Space Norway AS	50 %	50 %	14 %	–	–
Statnett SF	44 %	50 %	29 %	39 %	38 %
Statskog SF	43 %	40 %	23 %	29 %	25 %
Staur gård AS	40 %	40 %	0 %	–	–
Store Norske Spitsbergen Kulkompani AS	43 %	60 %	17 %	8 %	11 %
Talent Norge AS	50 %	50 %	100 %	–	–
Trøndelag Teater AS	43 %	40 %	29 %	56 %	48 %
UNINETT AS	43 %	50 %	25 %	44 %	38 %
Universitetssenteret på Svalbard AS	64 %	57 %	44 %	–	–
AS Vinmonopolet	44 %	50 %	43 %	43 %	43 %
Regional health authorities					
Helse Midt-Norge RHF	56 %	50 %	40 %	63 %	61 %
Helse Nord RHF	60 %	57 %	50 %	49 %	49 %
Helse Sør-Øst RHF	50 %	57 %	22 %	30 %	28 %
Helse Vest RHF	56 %	50 %	33 %	44 %	43 %
Average for companies in category 4	48 %	48 %	39 %	41 %	40 %
Average for all companies	46 %	47 %	36 %	34 %	34 %

1 Includes both owner-appointed/shareholder-elected and employee-elected board members. 2 Bane NOR was established in 2016 and had at the end of the year an incomplete management team of only two people.

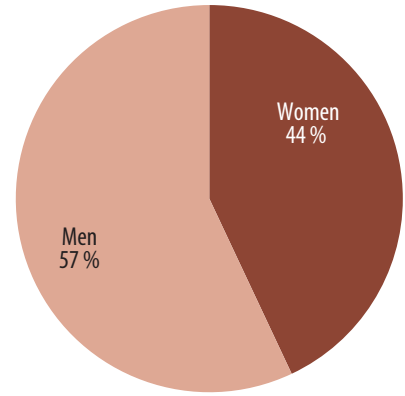
Gender distribution on the boards at 31st of March 2017



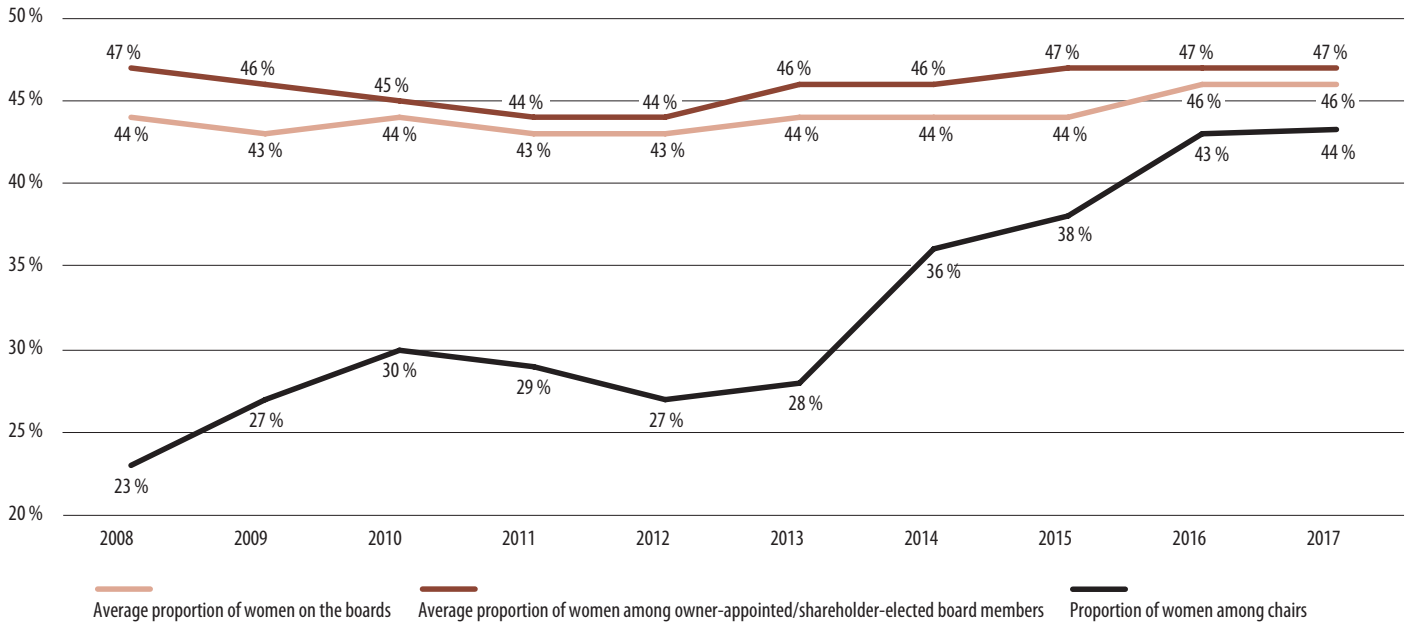
Gender-distribution among owner-appointed / shareholder-elected board members at 31st of March 2017



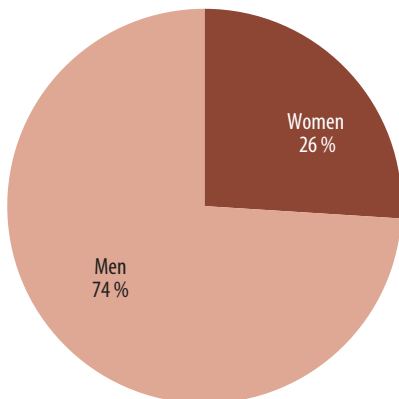
Gender distribution among chairs at 31st of March 2017



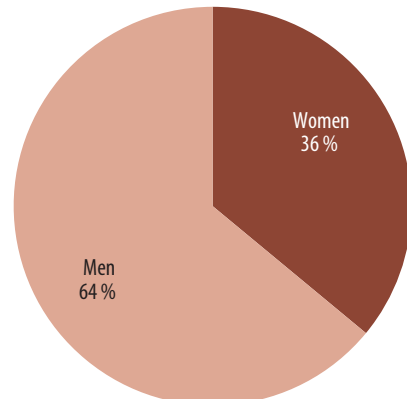
Gender distribution on the boards at 31st of March 2008–2017



Gender distribution among CEO's at year-end 2016



Gender distribution in group management/ the company's management group at year-end 2016



Remuneration to the Chief Executive Officer for 2016¹

NOK thousands	Total remuneration	Fixed salary	Long term incentive schemes	Earned bonus	Other remuneration	Pension costs	Growth in total remuneration last year ²
Listed companies							
DNB ASA	13 115	5 794	0	2 010	322	4 989	2 %
Entra ASA	5 771	3 474	332	1 725	139	101	–
Kongsberg Gruppen ASA	5 438	3 732	471	398	282	555	–
Norsk Hydro ASA	13 464	6 390	1 865	2 331	300	2 578	-26 %
SAS AB ³	14 711	10 515	0	0	195	4 001	43 %
Statoil ASA	11 350	7 871	1 155	2 013	311	0	-20 %
Telenor ASA	12 239	5 941	925	2 015	195	3 163	–
Yara International ASA	11 851	6 000	1 800	2 285	311	1 455	2 %
Unlisted companies in categories 1–3							
Ambita AS	2 429	2 106	0	0	192	130	4 %
Baneservice AS	2 958	2 067	0	654	169	68	3 %
Flytoget AS	2 224	1 837	0	0	111	276	–
Mesta AS	2 892	2 800	0	0	11	81	–
Veterinærmedisinsk Oppdragscenter AS	2 137	1 786	0	0	199	151	6 %
Aerospace Industrial Maintenance Norway AS	2 150	1 648	0	300	127	75	9 %
Aker Kværner Holding AS	520	0	0	0	520	0	–
Nammo AS	4 567	2 926	0	1 024	321	296	–
Argentum Fondsinvesteringer AS	5 158	4 529	0	545	17	67	-22 %
Eksportfinans ASA	3 250	3 004	0	0	176	70	11 %
Electronic Chart Centre AS	1 129	1 092	0	0	15	22	–
GIEK Kredittforsikring AS	2 089	1 742	0	162	22	163	14 %
Investinor AS	3 975	2 287	0	1 131	20	537	–
Kommunalbanken AS	3 828	3 075	0	361	200	192	18 %
NSB AS	5 850	3 690	0	1 186	191	783	7 %
Posten Norge AS	3 707	2 906	0	455	6	339	–
Statkraft SF	8 243	4 978	0	678	174	2 413	3 %
Companies in category 4							
Andøya Space Center AS	1 348	1 140	0	0	38	169	7 %
Avinor AS	3 409	2 662	0	0	25	722	1 %
Bane NOR SF	937	917	0	0	11	10	–
Bjørnøen AS	0	0	0	0	0	0	–
Carte Blanche AS	780	750	0	0	17	13	6 %
AS Den Nationale Scene	1 502	1 345	0	0	4	153	8 %
Den Norske Opera & Ballett AS	2 182	1 987	0	0	6	190	7 %
Eksportkreditt Norge AS	2 429	2 034	0	0	106	289	–
Enova SF	2 003	1 770	0	0	105	128	4 %
Gassco AS	3 322	3 030	0	80	29	183	–
Gassnova SF	2 308	1 968	0	0	126	214	–
Graminor AS	1 199	1 185	0	0	11	3	-4 %
Innovasjon Norge	2 722	2 710	0	0	12	0	8 %
Kimen Sävarelaboratoriet AS	646	646	0	0	0	0	-1 %
Kings Bay AS	1 001	936	0	0	65	0	0 %
Nationaltheatret AS	1 404	1 395	0	0	9	0	8 %
Nofima AS	2 559	2 114	0	0	96	349	11 %
Nordisk Institutt for Odontologiske Materialer AS	986	986	0	0	0	0	3 %
Norfund	3 400	2 382	0	0	91	927	1 %
Norges sjømatråd AS	824	808	0	0	0	17	–
Norsk Helsenett SF	1 948	1 625	0	0	26	296	2 %
Norsk rikskringkasting AS	3 231	2 941	0	0	178	112	4 %
Norsk Tipping AS	6 699	3 230	0	0	23	3 446	–
NSD – Norsk senter for forskningsdata AS	1 174	1 148	0	0	4	22	5 %
Nye Veier AS	2 504	2 190	0	0	177	137	–
Petoro AS	5 495	3 184	0	291	176	1 844	5 %
Rogaland Teater AS	1 200	1 039	0	0	161	0	-10 %
Simula Research Laboratory AS	2 813	2 508	0	0	130	175	3 %
Siva – Selskapet for Industrivekst SF	2 237	1 882	0	0	220	171	-15 %
Space Norway AS	1 375	1 219	0	0	66	90	-17 %
Statnett SF	5 207	2 896	0	0	154	2 157	-3 %
Statskog SF	1 909	1 684	0	0	92	133	–
Staur gård AS	869	850	0	0	4	15	–
Store Norske Spitsbergen Kulkompani AS	2 587	1 909	0	396	134	149	–
Talent Norge AS	952	862	0	0	4	86	–
Trøndelag Teater AS	1 048	947	0	0	5	96	2 %
UNINETT AS	1 408	1 347	0	0	22	40	5 %
Universitetssenteret på Svalbard AS	1 359	1 204	0	0	0	155	–
AS Vinmonopolet	452	383	0	0	31	38	–
Regional health authorities							
Helse Midt-Norge RHF	2 304	1 825	0	0	157	322	–
Helse Nord RHF	2 264	1 994	0	0	110	160	2 %
Helse Sør-Øst RHF	2 744	2 244	0	0	5	495	28 %
Helse Vest RHF	2 966	2 323	0	0	19	624	2 %

¹ The figures are based on the companies' annual accounts.

² Growth in total remuneration last year is not reported for companies where the numbers between 2016 and 2015 can not be compared directly, for example due to changes in management.

³ For the period November 2015 to October 2016. The figures are in Norwegian kroner. The exchange rate used is the average price for 2016, NOK/SEK 99.56.

Effective capital structure and suitable dividends

The board and management have been charged with managing the owners' capital. How the company applies and allocates capital has a major impact on the company's value creation. Each company should maintain an expedient capital structure (financing) conducive to long-term value-creation, efficient goal achievement and lowest cost of capital. Too much equity may lead to low returns on equity and low investment discipline, while too much debt could incur extensive funding costs and increased financial risk. The capital structure must be appropriate for the company's objectives, strategy and risk profile. The board has overall responsibility for this.

The main objective of the state's commercial ownership (companies in categories 1-3) is to achieve the highest possible return on invested capital over time. The return comprises the sum total of the change in value of a company's equity and yield in the form of dividends and any share buybacks and subsequent deletion.

As part of its exercising of ownership, the state assesses the companies' capitalisation and defines target rates of return² and dividend expectations for each com-

pany in categories 1-3. The state's target rates of return and long-term dividend expectations generally apply for a period of three to five years, and are communicated to the companies and considered in discussions relating to value growth, profit development and capital structure, etc. In addition, the state defines annual dividend expectations. Factors considered in the state's assessments include the company's earnings outlook, investment track record, investment and expansion plans, yield prospects, cash-flow and capital expenditure. The state generally assesses the companies' capital structure and prepares dividend expectations in the autumn and before the year-end. These are communicated to the boards before they consider their dividend recommendations for the general meeting.

The state does not generally set target rates of return for companies in category 4, where sector policy objectives lie behind the ownership. Many of these companies are dependent on subsidies from the state and therefore follow the Appropriation Regulations adopted by the Storting. The state as an owner expects companies in category 4 to operate efficiently and follows this up in its engagement with the companies.

The Ministry of Trade, Industry and Fisheries revised the targets for rate of re-

turn for all companies in categories 1-3 in the portfolio in 2017.

The table below presents an overview of relevant figures relating to the capital structure of companies in categories 1-3, including figures which present a picture of the companies' equity utilisation.

Corporate social responsibility and sustainability integrated into the business

As an owner, the state is committed to good resource utilisation and ensuring that the companies develop value over time. This requires sustainable resource management based on long-term decisions. Among other things, this entails understanding the impact of the company on society and the environment. The ability to stay ahead of changes in the company's surroundings and stakeholders, and adapt the company's strategy accordingly, can help to develop the company's values. Corporate social responsibility and sustainability should be an integral part of the company's operations and therefore help to influence the company's objectives, positioning and strategy.

The state as an owner expects the companies to work on corporate social responsibility both because the state believes it helps to protect the state's shareholder

² Target return means the return an investor can expect to receive over time taking into account risk, i.e. a benchmark return.

Capitalisation and dividend 2016 – companies in categories¹

NOK million	Market value of equity	Book equity	Non-current interest-bearing liabilities ²	Equity ratio ³	Return on equity	Dividend for the 2016 financial year ⁴	Dividend percentage ⁵
Listed companies							
DNB ASA	209 138	206 423	–	16 %	10 %	9 284	50 %
Entra ASA	15 755	15 124	18 113	39 %	19 %	634	24 %
Kongsberg Gruppen ASA	14 940	6 691	4 083	32 %	10 %	450	69 %
Norsk Hydro ASA	85 450	87 639	6 680	67 %	8 %	2 554	40 %
SAS AB	4 605	5 519	9 045	19 %	22 %	0	0 %
Statoil ASA	514 016	294 881	266 098	34 %	-8 %	23 356	–
Telenor ASA	193 688	55 396	86 361	27 %	5 %	11 711	413 %
Yara International ASA	92 894	76 770	16 555	64 %	9 %	2 732	43 %
Unlisted companies in categories 1-3							
Ambita AS	–	96	3	58 %	12 %	3	29 %
Baneservice AS	–	234	50	45 %	36 %	13	18 %
Flytoget AS	–	771	0	52 %	17 %	105	80 %
Mesta AS	–	716	8	35 %	8 %	350	531 %
Veterinærmedisinsk Oppdragscenter AS	–	55	26	38 %	33 %	0	6 %
Aerospace Industrial Maintenance Norway AS	–	462	200	36 %	12 %	0	0 %
Aker Kværner Holding AS	–	7 688	0	100 %	–	0	0 %
Nammo AS	–	2 383	1 068	47 %	12 %	140	50 %
Argentum Fondsinvesteringer AS	–	7 331	0	99 %	-2 %	800	–
Eksportfinans ASA	–	7 065	–	61 %	-5 %	0	0 %
Electronic Chart Centre AS	–	9	0	45 %	58 %	5	100 %
GIEK Kredittforsikring AS	–	245	–	51 %	1 %	0	0 %
Investinor AS	–	2 634	0	99 %	5 %	0	0 %
Kommunalbanken AS	–	12 452	–	17 %	6 %	390	57 %
NSB AS	–	9 935	10 936	34 %	13 %	0	0 %
Posten Norge AS	–	5 912	2 393	39 %	1 %	19	53 %
Statkraft SF	–	73 069	39 989	49 %	0 %	2 400	945 %

¹ The figures are defined on page 127.

² The financing structure of financial institutions is not directly comparable with that of other companies. It is therefore not relevant to include the figures for non-current interest-bearing liabilities for financial institutions.

³ For DNB and Kommunalbanken, common equity Tier 1 capital ratio is used. For Eksportfinans core capital adequacy is used.

⁴ For Statoil, which pays dividends quarterly, the figure is paid dividends. Paid dividends consists of cash and newly issued shares in the company, see information about the scrip dividend programme on page ten.

⁵ Argentum Fondsinvesteringer and Statoil had a negative result after tax and minority interests in 2016, meaning that the dividend percentage is irrelevant.

value and because companies with state ownership shall act in an ethically correct manner. The state expects companies with state ownership to systematically manage and fulfil their corporate social responsibilities. This should also support the company's commercial development. Corporate social responsibility includes responsibilities that companies are expected to assume with respect to people, communities and the environment that are affected by their operation. The state expects that corporate social responsibility is integrated into the boards work, and that the companies report on significant areas in their annual report.

Corporate social responsibility and sustainability are integrated into the state's exercising of ownership. The state's expectations are communicated and followed up in the dialogue with the companies, in an annual meeting concerning corporate social responsibility and/or in quarterly meetings or via other forms of communication as and when necessary.

The ownership dialogue is adapted to the individual company, with a view to ensuring that it is relevant in the light of the distinctive nature, risk and operations of each company. In the ownership dialogue concerning corporate social responsibility, the state stresses that the companies shall report on significant aspects, including relevant areas within which the state has expressed expectations.

Prior to meetings on corporate social responsibility, the state assesses what it is relevant to discuss at the meeting for each company. Topics that are raised may vary between companies and over the years, based on assessments of what is considered to be material. These assessments are based on information concerning the state's expectations, information from previous meetings regarding corporate social responsibility, the company's annual report/sustainability report, websites, and any other relevant information. The state is particularly interested in the guidelines, systems and measures that the companies have implemented in areas within corporate social responsibility which they believe to be significant. The state is also concerned about the board's involvement in and work on corporate social responsibility, in addition to the way in which the companies report.

Relevant issues that the state may raise with the companies in the ownership dialogue include:

- How is the work relating to corporate social responsibility organised within the company?
- What role does the board play in identifying, managing and monitoring corporate social responsibility?
- How does the company define goals and follow-up plans for the most relevant corporate social responsibility issues?
- Does the company have an understanding of what is the biggest risk linked to climate change and climate regulations?
- What kind of stakeholder dialogue does the company have regarding human rights?
- Does the company have guidelines and measures to reduce the risk of corruption?

As part of efforts to boost competence and further develop the state's exercising of ownership within the areas of anti-corruption and climate and the environment, the state brought in external expertise during 2016. On behalf of the Ministry of Trade, Industry and Fisheries, PwC has prepared a report containing a review of relevant corruption regulations, recommendations concerning best practice anti-corruption programmes and ownership engagement. On behalf of the Ministry of Trade, Industry and Fisheries, Trucost has reviewed and assessed the way in which 37 companies with state ownership follow up the state's expectations relating to climate and the environment, and how the state as an owner is exposed to climate-related risks through its direct ownership. Both these reports are available on the ministry's website.

In order to obtain an indication as to whether the companies follow up some of the state's expectations relating to corporate social responsibility, the responses to some questions which the companies were asked are presented on page 35. The relevance of the questions and the companies' interpretation of them may vary between the companies. The board is responsible for assessing how the expectations can best be followed up and for ensuring that they are operationalised and reported appropriately. If the companies deviate from the state's expectations for

any reason, the state expects them to explain the deviation ("the comply or explain principle"). The justifications for any deviations from the questions are not given, and the responses should therefore be interpreted with caution.

The companies have been given the opportunity to identify specific areas within corporate social responsibility on which they worked in 2016 in the company specific pages from page 41.

Transparency and good reporting

Access to relevant information about a company is a key prerequisite for responsible exercise of ownership. It may also influence the access to capital markets and the legitimacy among the company's stakeholders and the general public. Relevant and timely information enables the owners to evaluate the companies' activities, performance, development and goal achievement on an ongoing basis.

The state obtains relevant information from quarterly and annual reports, other publicly available information, general meetings and the ownership dialogue. The state's expectations of transparency and reporting apply to the areas described throughout this chapter, including the board and its work, corporate governance, capital structure and dividends, as well as corporate social responsibility and sustainability. The companies' follow-up of the state's expectations are assessed on an ongoing basis, but especially in connection with preparations for the general meetings at which the company's annual report and annual accounts are to be approved.

A number of factors can form the basis for understanding the opportunities and risks facing the company. In order to exercise good ownership, the state needs to understand which factors might impact the company's value creation. These may include how the company is affected by global challenges such as population growth, resource scarcity, changes in commodity prices, political unrest and climate change, the company's strategic competition, the company's main stakeholders, the goals set by the board and which resources are essential.

Corporate social responsibility

	Does the company have publicly available ethical guidelines?	Does the company have publicly available guidelines for its work on corporate social responsibility?	Is the work on climate and the environment, human rights, employee rights and for transparency and against corruption integrated in the corporate social responsibility guidelines?	Does the company report on corporate social responsibility in accordance with GRI???	Does the company adhere to the OECD guidelines for multi-national companies?	Does the company have any other, more specific company or industry-oriented guidelines for its reporting?
Listed companies						
DNB ASA	Yes	Yes	Yes	Yes	Yes	Yes
Entra ASA	Yes	Yes	Yes	No	N/A	No
Kongsberg Gruppen ASA	Yes	Yes	Yes	Yes	Yes	No
Norsk Hydro ASA	Yes	Yes	Yes	Yes	Yes	Yes
SAS AB	Yes	Yes	Yes	Yes	Yes	N/A
Statoil ASA	Yes	Yes	Yes	Yes	Yes	Yes
Telenor ASA	Yes	Yes	Yes	Yes	Yes	Yes
Yara International ASA	Yes	Yes	Yes	Yes	Yes	N/A
Unlisted companies in categories 1–3						
Ambita AS	Yes	Yes	Yes	No	N/A	N/A
Baneservice AS	Yes	Yes	Yes	No	No	No
Flytoget AS	Yes	Yes	Yes	Yes	N/A	Yes
Mesta AS	Yes	Yes	Yes	No	No	Yes
Veterinærmedisinsk Oppdragssenter AS	No	No	No	No	No	No
Aerospace Industrial Maintenance Norway AS	Yes	Yes	Yes	No	Yes	Yes
Aker Kværner Holding AS ²	N/A	N/A	N/A	N/A	N/A	N/A
Nammo AS	Yes	Yes	Yes	Yes	Yes	Yes
Argentum Fondsinvesteringer AS	Yes	Yes	Yes	No	Yes	Yes
Eksportfinans ASA	Yes	Yes	Yes	No	No	No
Electronic Chart Centre AS	Yes	Yes	Yes	No	N/A	N/A
GIEK Kredittforsikring AS	Yes	Yes	No	No	No	Yes
Investinor AS	Yes	Yes	Yes	No	Yes	No
Kommunalbanken AS	Yes	Yes	Yes	Yes	N/A	No
NSB AS	Yes	Yes	Yes	Yes	N/A	Yes
Posten Norge AS	Yes	Yes	Yes	Yes	Yes	Yes
Statkraft SF	Yes	Yes	Yes	Yes	Yes	Yes
Companies in category 4						
Andøya Space Center AS	Yes	Yes	Yes	No	N/A	No
Avinor AS	Yes	Yes	Yes	Yes	Yes	Yes
Bane NOR SF	Yes	Yes	Yes	No	N/A	No
Bjørnøen AS ³	N/A	N/A	N/A	N/A	N/A	N/A
Carte Blanche AS	No	No	No	No	N/A	Yes
AS Den Nationale Scene	Yes	Yes	Yes	No	No	No
Den Norske Opera & Ballett AS	No	No	No	No	No	No
Eksportkreditt Norge AS	Yes	Yes	Yes	No	Yes	Yes
Enova SF	Yes	Yes	Yes	Yes	N/A	No
Gassco AS	Yes	Yes	Yes	No	Yes	Yes
Gassnova SF	Yes	Yes	Yes	No	N/A	No
Graminor AS	No	No	No	No	N/A	N/A
Innovasjon Norge	Yes	Yes	Yes	No	Yes	No
Kimen Såvarelaboratoriet AS	No	No	No	No	N/A	No
Kings Bay AS	Yes	Yes	Yes	No	N/A	N/A
Nationaltheatret AS	No	No	Yes	No	No	Yes
Nofima AS	Yes	No	Yes	No	Yes	N/A
Nordisk Institutt for Odontologiske Materialer AS	No	No	No	No	N/A	N/A
Norfund	Yes	Yes	Yes	No	Yes	No
Norges sjømatråd AS	Yes	Yes	Yes	No	N/A	No
Norsk Helsenett SF	Yes	Yes	Yes	No	N/A	No
Norsk rikskringkasting AS	Yes	Yes	No	No	N/A	No
Norsk Tipping AS	Yes	Yes	Yes	Yes	No	Yes
NSD – Norsk senter for forskningsdata AS	Yes	Yes	No	No	No	No
Nye Veier AS	Yes	Yes	Yes	No	No	Yes
Petoro AS	Yes	Yes	Yes	Yes	No	Yes
Rogaland Teater AS	Yes	Yes	Yes	Yes	No	No
Simula Research Laboratory AS	Yes	Yes	Yes	No	No	Yes
Siva – Selskapet for Industrivekst SF	Yes	Yes	Yes	No	Yes	N/A
Space Norway AS	Yes	Yes	Yes	No	No	No
Statnett SF	Yes	Yes	Yes	Yes	N/A	Yes
Statskog SF	Yes	No	No	No	N/A	No
Staur gård AS	No	No	No	No	N/A	No
Store Norske Spitsbergen Kulkompani AS	Yes	Yes	Yes	No	N/A	N/A
Talent Norge AS	No	No	No	No	N/A	N/A
Trøndelag Teater AS	Yes	Yes	Yes	No	No	N/A
UNINETT AS	Yes	Yes	Yes	No	No	No
Universitetsenteret på Svalbard AS	Yes	No	No	No	N/A	No
AS Vinmonopolet	Yes	Yes	Yes	No	N/A	No
Regional health authorities						
Helse Midt-Norge RHF	Yes	Yes	Yes	No	N/A	No
Helse Nord RHF	Yes	No	Yes	No	N/A	No
Helse Sør-Øst RHF	Yes	Yes	Yes	No	N/A	Yes
Helse Vest RHF	Yes	No	Yes	No	N/A	Yes

1 Global Reporting Initiative.

2 Aker Kværner Holding is a holding company without any employees. The questions are therefore not relevant for this company.

3 Bjørnøen is managed by Kings Bay and does not have any employees. Comments that apply to Kings Bay also apply to Bjørnøen.

Continuous improvement is the key to eternal youth



Svein Richard Brandtzæg
CEO of Norsk Hydro

The key to surviving and thriving in challenging and changing markets is a constant desire and ability to renew oneself. Even with a good business concept, one cannot simply assume that your company's advantage will be maintained by itself over time.

The requirement for innovation is integrated in Hydro's mission, which states that the company's aim is "to create a more viable society by developing natural resources and products in innovative and efficient ways". Although the formulation is general in nature, I think it shows direction and helps to summarise the very basis for our existence, what we are good at as a company and the conduct which forms the basis for our results. In addition to generating value as a company and on behalf of our owners, we will do it in a responsible manner which also helps others around us to grow and develop - and innovation is vital if we are to minimise negative effects and maximise the benefits of our operations.

A strong belief

In the early 1960s, Hydro may have been many things, but it was not yet an aluminium company. In his search for new initiative areas, then research director Johan B. Holte, who later became Hydro's director general, concluded that "aluminium must be candidate number one". Through the construction of the aluminium plant at Karmøy, the establishment of refineries across Europe and the mergers with Årdal and Sunndal Verk (1986) and the German giant VAW (2001), Hydro became a major player within aluminium. More recent milestones include the construction of Qatalum in Qatar almost ten years ago, at the time the largest aluminium plant to be built from the ground up in a single con-

struction stage and now one of the world's most cost-effective, combined with the takeover of the aluminium operation of the Brazilian mining giant Vale, which has given us access to raw materials for the next century or more. Gradual, patient and responsible development over time has made Hydro one of the world's leading aluminium companies, engaged in the entire value chain from mine to recycling. Because hydroelectric power is our main source of power, we are also one of the "greenest".

Although in hindsight Holte's rock-solid belief in aluminium can be considered to be just as far-sighted and dynamic as Sam Ede's major investment in nitrogen fertiliser in 1905, where whole communities were built up based on new factories, the practical establishment of goals and their implementation often has a shorter time perspective, even if they are compatible with the overarching purpose and the long-term picture.

Need to set targets

Hydro has a dedicated annual strategy process, integrated in the company's board, along with an analytical approach to the company's further development. However, external events often lead to the establishment of new targets and their implementation, e.g. in the event of a need to adapt to challenging market conditions. The financial crisis was special, yet also typical, in this way.

At the start of 2009, Hydro introduced "Agenda 2010" as a two-year programme for getting through the financial crisis un-

scathed. The agenda had three subheadings: Navigate the storm, Stay on course and Shape the future. A key aspect was the adaptation of production capacity to take account of declining demand and defending and retaining liquidity, alongside the introduction of a systematic approach to improvements which is just as important to Hydro today as it was then.

In order to face up to lower aluminium prices, costs had to be reduced. Hydro therefore set itself the target of reducing the cost of producing one tonne of aluminium by USD 300 in order to improve Hydro's relative position on the global cost curve for primary aluminium. The target was established out of necessity, but not as a single action or in a vacuum. Based on Hydro's aluminium plant, an "Aluminium Metal Production System" was developed, internally often abbreviated to AMPS, which became an absolutely essential implementation system in order to implement and achieve the target.

From "production system" to higher aspirations

The experience gained through the introduction of the production system, which involves not only stabilising and optimising industrial processes through standardised procedures and forms of working, but also decentralisation of many decisions right through to the individual operator, showed that when capable and experienced employees became involved in identifying improvements, the potential

for improvements was not exhausted when the measures on a list had been implemented. On the contrary, one idea often gives rise to a series of new ideas, and innovation in one area opens doors to further opportunities for improvements in many other areas.

Where the original need was to cut costs, it became apparent that doing things a little differently could also result in lower energy consumption, better utilisation of raw materials, shorter storage periods, better logistics flow, lower procurement costs, reduced waste and even increased production per hour, employee or kilowatt hour of electricity consumption, or optimisation of the product mix which in turn also resulted in better prices for what the unit was able to supply.

While the search for cost reductions could easily have become a burden on the organisation, it became apparent that the hunt for improvements which could strengthen the operation also became a positive motivational factor.

I will not attempt to hide the fact that the systematic approach behind AMPS was inspired by the Toyota Production System, but the choice of inspiration was also not entirely coincidental. This is because Toyota had been on a study visit to Hydro's refinery at Raufoss and drawn inspiration from the forms of working in use there. In any case, the approach formed the basis for customised "Production Systems" and later "Business Systems" in all business areas within Hydro, which are just as much in active use today, and are set to remain so, as when they were established ten years ago.

What began as cost-cutting programmes during the global financial crisis was refined into more systematic and long-term improvement programmes for safeguard-

ing competitiveness - which in turn were developed into an overall aspiration for Hydro's development under the slogan "Better, Bigger and Greener": A superstructure for many initiative areas with specific, timed targets which are reported regularly to the owners and the financial market, and superseded by new targets as they are achieved.

Better, Bigger and Greener

Under the slogan "Better, Bigger and Greener", Hydro has made strenuous efforts to implement industry-leading improvements in recent years in order to boost the organisation's results and profitability, and at the same time ensure a secure and sustainable business practice.

Better

Hydro will become better by continuing to improve every aspect of the operation which is within the company's control, including health, safety and environment, corporate social responsibility and compliance, operating improvements, commercial competence, customer satisfaction, continual technological progress and innovation in products and processes. We will continue to emphasize strict capital discipline and competitive return for the shareholders, and work to maintain the company's sound financial position.

The results of the improvement programmes include production levels at a record high in the Bauxite & Alumina business area, in excess of calculated capacity in fact, at both the Paragominas bauxite mine and the Alunorte alumina refinery, and the strong operational performance has also resulted in alumina costs being at a record low. As regards primary metal,

the improvement programmes at the company's own plants have been followed up with corresponding programmes for aluminium plants in which Hydro is only a co-owner. The target of getting 200,000 more tonnes of aluminium out of Hydro's existing production lines by 2025 through ongoing, gradual improvements is ambitious, but on schedule. These lines are now producing 35,000 tonnes more than when the programme was started. When the technology pilot at Karmøy is completed in the fourth quarter of 2017, it will verify the world's most climate- and energy-efficient smelting plant technology, with considerable transfer value to Hydro's existing aluminium plants. New power agreements are also being signed on an ongoing basis to secure long-term and competitive power supplies when existing agreements expire.

A solid balance is our best defence against rapid market fluctuations, in addition to continually improving our relative industry position. Today, Hydro is an aluminium and alumina producer in the first quartile of the world's cost curve for primary aluminium and alumina with a strong balance sheet. This enables us to offer a reliable dividend to our shareholders and position ourselves to take advantage of the downturn in the market to strengthen our value creation potential.

Bigger

In order to become bigger, we will follow up selected opportunities for growth in order to improve Hydro's relative position in the industry, e.g. by investing in an upgrade to the product portfolio, boosting the production of alumina and primary metal by eliminating bottlenecks and increasing capacity, and improving recycling. Hydro will also develop growth projects for the future, depending on the market balance and competitive power supplies.

Both Primary Metal and our refining operations have a strategy of upgrading and strengthening the product portfolio aimed at advanced segments with higher margins. In Rolled Products, this has led to a specific initiative within the automotive industry, which is currently experiencing strong growth. The new AL3 production line in Grevenbroich in Germany will supply European car manufacturers with top-quality products. Hydro aims to achieve the goal of increasing recycling rates by turning smelting plants into recycling plants, optimising the procurement and processing of scrap, boosting sales of recycling-friendly alloys and developing closed cycles in partnership with our customers. Thanks to a new recycling plant (the UBC line) in Germany and our recycling plant at Holmestrand, Hydro is now able to recycle 20% of Europe's used drinks cans ready for use as ordinary aluminium every year.

Hydro sets concrete, timed targets which are regularly reported to the owners and the financial market, and are replaced by new targets as they are implemented. More important than the concrete content of this picture, is the illustration of the methodology in the work of setting, implementing and reporting on goals.

Ambisiøse strategiske mål på mellomlang sikt

Ambisjoner	Mål	Tidsramme	Fremdrift ¹	Status 2016 ¹	
Better	• Forbedre sikkerhetsresultatene, jobbe for skadefritt arbeidsmiljø	TRI<2	2020	2,6 ²	●
	• Gjennomføre det pågående forbedringsprogrammet 'Better'	2,9 mrd NOK	2019	1,4 mrd NOK	●
	• Sikre ny konkurransedyktig kraftforsyning i Norge etter 2020	4-6 TWh	2020	1 TWh ³	●
	• Heve bauksittproduksjonen ved Paragominas	11 mill t/år	2018	11,1 mill t/år	●
	• Heve aluminaproduksjonen ved Alunorte	6,6 mill t/år	2018	6,3 mill t/år	●
	• Gå over til PAX-basert prising av alumina	> 85% PAX ⁴	2020	~50% PAX ⁴	●
• Styrke teknologiforspranget med Karmøy teknologipilot	Produksjonsstart	Q4 2017	~70% fullført	●	
Bigger	• Gjennomføre teknologidrevet kapasitetsøkning ved metallverkene	200.000 t/år	2025	35.000 t	●
	• Økt egenproduksjon av bauksitt	19 mill t/yr ⁷	Langsiktig	Forhandlinger stanset	●
	• Øke nominell kapasitet for 'Body-in-White' bildeler	200.000 t/år	2017	Prøveproduksjon startet	●
	• Fullføre opptrappingen ved resirkuleringslinjen UBC	Fullført opptrapping	2017	Startet, opptrapping forsinket	●
Greener	• Karbonnøytralt i et livsløpsperspektiv	Null	2020	1 rute	●
	• Økt resirkulering av bruk skrap ⁸	>250.000 mt/yr	2020	138.000 t/år	●
	• Nå ambisjonen for rehabilitering av skog ⁹	1:1	2017	180 ha rehabilisert	●

1) Based on actual 2016
2) Total recordable incidents for own employees
3) Power sourcing since Q4 2015
4) Based on sourcing volume of ~2.3 million tonnes per annum
5) Based on sourcing volume of ~2.5 million tonnes in 2016
6) Based on sourcing volume of ~2.5 million tonnes in 2016
7) Provided the acquisition of a 40% stake in MRV from Vale

8) Includes Hydro's share of recycling at Alunorf
9) We rehabilitated in total 180 hectares (ha) in 2016, while 181 ha were made available for rehabilitation. The communicated target for 2016 was 325 ha. We will review our rehabilitation definitions and evaluate to define a new target that will more efficiently address our main challenges going forward. The 2020 target of closing the current rehabilitation gap remains unchanged.

● Ambition on track and on target
● Ambition behind plan, but on target
● Ambition might not meet the medium-term target



Greener

Generating profitability and creating vitality are two sides of the same coin for Hydro. In a world with an increasing desire to face up to the climate challenge, we can only create a sustainable future by bringing production processes and products into line with nature's tolerance thresholds. I am convinced that a sustainable business practice will make the company greener and enhance the company's ability to generate value for its shareholders, while at the same time making a positive contribution to the local communities in which we have a presence. Hydro will reduce its environmental impact and boost its contribution to communities through selected measures within many different areas, including biological diversity, recycling, water resources management, stakeholder group involvement, community investments and work to promote corporate social responsibility within the supply chain.

In total, Hydro carried out improvements with a value of NOK 4.5 billion for the period 2011 to 2015. A global competition scenario with economic fluctuations and competitors which are also striving to improve means companies cannot rest on their laurels. We are therefore developing a new improvement target for our capital market day in 2015 with a view to realising an additional NOK 2.9 billion in improvements by 2019, of which NOK 1.4 billion had been implemented by the end of 2016.

Continual improvement

Hydro's history is paved with successes - and crises. However, the company has survived the crises through making bold decisions and technological choices, and strictly speaking it is the desire and the ability to bring about continual renewal and improvement which makes Hydro today 111 years young and solidly positioned for "The next 100 years".

In recent years, the targets have not been limited to cost reductions, but have encompassed a range of operational improvements which also have a lasting impact on results - on both the bottom line and the top line, as well as on extra-financial indicators such as health, safety and environment, corporate social responsibility, environmental impact, research and innovation.

It is in our DNA to continually improve and renew in order to perform even better tomorrow than we did today operationally, financially and in terms of safety. At Hydro, we benefit greatly from a company culture where the need for change and the need to set ambitious new targets and achieve them are not perceived as daunting challenges which represent a burden for the company's employees and management, but as exciting opportunities which will secure the company's competitiveness in the future.

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Norsk Hydro sets specific, timed targets which are reported regularly to the owners and the financial market.

**Baneservice recorded profit
after tax and minority interests
for 2016 of NOK 68 million.**





Category 1 Commercial objectives

This category includes companies where the state's ownership has purely commercial objectives. The sole purpose of the ownership management of the companies in this category is to maximise the value of the state's investments, including contributing to sound commercial development of the companies. Whether the state should remain an owner of these companies is the subject of continuous commercial assessments. The state has expectations regarding profits and returns based on the companies' risk profile. The companies operate in a market with other commercial actors.

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CEO: Stig W. Seljeseth
 Board: Toril Nag (chair),
 Ingeborg Moen Borgerud
 (deputy chair), Anders Roger
 Øynes, Eli Giske, Gunnar
 Sellæg, Tore Torvildsen*,
 Mona Andreassen*
 (* employee elected)
 Auditor: EY AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
 Company website: www.ambita.com

Ambita AS was established in 1987. The company was established to convert the Register of Land and Land Charges (Grunnboken) to an electronic platform, on behalf of the state. In return, the company gained exclusive rights to the commercial provision of information from the Register. The company has been owned by the state since 1992 and has been fully exposed to competition since 2014. The company has its head office in Oslo and a technical development department in Bergen.

Today, Ambita is Norway's leading actor within the processing and provision of property information. The company's customers primarily consist of actors within the banking, finance and estate agency sectors. Ambita provides a variety of services to the market, including:

- Information products mediated through the Ambita Infoland portal. These products are aimed at estate agents and others requiring information from numerous sources. Today, 290 municipalities use Ambita Infoland as a distribution channel with respect to the end user market for property information.
- Targeted information services from Ambita's property database, which is updated on an ongoing basis from Register of Land and Land Charges, the Land Register, the National Registry and the Register of Legal Entities. This covers services which facilitate streamlining and automated solutions for customers.
- Services linked to the electronic submission of documents for registration. 122 banks and 18 estate agencies use Ambita's solution for submitting such documents, or have chosen to use this functionality as an integrated part of their own systems.

The objective of the state's ownership of Ambita is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

Ambita is pursuing a growth strategy encompassing both organic growth and acquisitions. Ambita owns 60.9% of the company Boligmappa AS, which manages the service www.boligmappa.no. Through this ownership, Ambita strengthened its position in the market as "the specialist in property information" in 2016.

Ambita owns 70% of the company Alva Technologies AS. This company began operating in autumn 2016 and provides services to estate agencies and prospective house buyers.

Towards the end of 2016, Ambita bought 13% of the shares in Supertakst AS. The acquisition is expected to generate synergies which will benefit customers.

Corporate social responsibility

Ambita's work relating to corporate social responsibility follows the expectations of the owner. In 2016, the company placed a strong emphasis on climate and the environment, anti-corruption and the protection of human rights and workers' rights.

Every year, Ambita carries out EcoVadis' supplier analysis concerning sustainability and corporate social responsibility, in which Ambita is ranked amongst the top 30% of respondents.

Financial development

Revenues in 2016 was NOK 332 million, representing a growth of 3% compared to the previous year. Growth is primarily driven by Boligmappa. The operating profit amounted to NOK 9.3 million, a decrease of NOK 1.2 million compared with the underlying operating profit, excluding pension gains, for the group last year. The decline is due to a major marketing campaign for Boligmappa. In 2015, Ambita had an accounting profit linked to the closure of the defined benefit pension scheme of NOK 41.2 million. For 2016, the profit for the year after tax and minority interests amounted to NOK 11 million.

Income statement (NOK millions)	2016	2015
Operating revenues	332	322
Operating expenses	323	271
Gross operating profit (EBITDA)	23,2	66,5
Operating profit (EBIT)	9,3	51,7
Net financial items	1,1	0,9
Profit/loss before tax	10,3	52,5
Tax charge	2,2	14,7
Minority interests	-2,9	0,2
Profit/loss after tax and minority	11,0	37,6

Balance sheet	2016	2015
Intangible assets	50,1	43,6
Fixed assets	120	117
Total assets	170	160

Equity	96,0	91,0
Minority interests	1,9	5,1
Total equity	97,9	96,1
Provision for liabilities	0,0	1,4
Current interest-bearing liabilities	2,5	0,0
Current interest-free liabilities	69,7	62,8
Total debt and liabilities	72,3	64,2
Total equity and liabilities	170	160

Cash flow	2016	2015
Operating activities	25,9	23,0
Investment activities	-18,3	-17,3
Financing activities	-0,6	-20,0
Change cash and cash equivalents	7,0	-14,3

Key figures	2016	2015
Capital employed	100	96
Gross operating margin (EBITDA)	7 %	21 %
Operating margin (EBIT)	3 %	16 %
Equity ratio	58 %	60 %
Return on equity	12 %	45 %
Average return on equity last 5 years	26 %	-
Return on capital employed	11 %	61 %

Dividends	2016	2015
Dividend for the financial year	3,2	3,2
Dividend percentage ¹	29 %	9 %
Average dividend percentage last 5 years	43 %	-
Dividend to the state	3,2	3,2

Additional information	2016	2015
Number of employees	72	66
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	57 %	57 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

¹ Adjusted for non-recurring items related to the discontinuation of the defined-benefit pension scheme, the dividend percentage for 2015 is 40% of the profit for the year.

Baneservice AS was divested from the Norwegian National Rail Administration in 2005 and is a leading supplier of contractor services for rail-related operations.

The Norwegian business is organised through the parent company Baneservice AS and the subsidiary RailCom AS. In December 2016, Baneservice acquired 57% of the shares in RailCom, which provides technical contractor services to the rail, underground and tram sectors. In Sweden, the group is represented through the wholly owned subsidiary Baneservice Skandinavia AB, which provides shift services at freight terminals and freight transport.

The group's most important customer is Bane NOR (formerly the Norwegian National Rail Administration). Baneservice and RailCom also carry out assignments for Sporveien Oslo AS, and act as subcontractors to other main contractors operating within the rail market in Norway. In Sweden, the Port of Gothenburg is the largest customer.

The objective of the state's ownership of Baneservice is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

The replacement of the overhead line equipment between Egersund and Sandnes for Bane NOR has been the biggest project in recent years. The work began in autumn 2012 and was completed in January 2017.

In connection with the development of the Follo Line, the largest transport project in Norway, Baneservice began work under the contract "JBT rive-reetablere" in January 2016. The contract, with Bane NOR as client, is a construction contract which is worth around NOK 220 million and lasts until 2019. This is the single largest contract which the company has entered into.

Revenues within mechanised track maintenance in 2016 amounted to NOK 333 million and was the largest in the company's history. Baneservice has completed around 60 kilometres of track maintenance, track adjustment along most rail routes in southern Norway, as well as foundation drilling, rail lubrication and rail grinding.

In March 2017, Baneservice was awarded the first cooperation phase in the turnkey contract for electrification of the Trønder and Meråker Line. The cooperation contract is worth just under NOK 2 million, and includes two options, of which the latter, the turnkey contract for construction of the installation, is worth around NOK 1 billion.

Corporate social responsibility

The group's performance indicators for monitoring of corporate social responsi-

CEO: Ingvild Storås

Board: Thor Svegård (chair), Cecilia Elizabeth Rudolfsson, Ann Pedersen, Christel Borge, Harald Vaagaasar Nikolaisen, Geir Meling Jacobsen*, Tom Bragen*, Ole Christian Rognlien* (* employee elected)

Auditor: BDO AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.baneservice.no

bility cover HSE, external environment, procurement, subcontractors/hiring, expertise, senior executive pay and humanitarian contributions.

In 2016, the group's ethical guidelines were updated and a new routine for reporting irregularities was introduced. All employees have completed training in dealing with dilemmas under the themes of bullying/harassment, competition legislation, use of social media and HSE and working hours regulations. The ethical guidelines also cover measures aimed at combating corruption and the way in which Baneservice's employees should relate to suppliers and business contacts.

Financial development

The group's revenues in 2016 rose to NOK 828 million (compared with NOK 663 million the previous year). Profit before tax was NOK 85.8 million (53.9). The revenue growth is related to the parent company, while the Swedish company recorded somewhat weaker revenues due to reduced activity levels in one of the contracts. In the parent company, machine activity has increased considerably in scope due to high volumes in the machine contracts and good utilisation of equipment in other operations. The improvement in profit was partly due to the successful completion of certain projects.

RailCom saw growth in both revenues and profit before tax in 2016. Baneservice took over the majority shareholding in the company in December 2016, and the company's accounts for December were incorporated into the consolidated accounts.

Streamlined operations within the group in recent years have provided a sound basis for the positive development in profitability.

Total investments in 2016 within the group amounted to NOK 50.9 million (6.1) and related to the procurement or upgrading of machinery and equipment, which has improved the group's reliability.

The group's liquid assets increased to NOK 232 million (209). At the year-end, the group's equity ratio was 45%. (44).

The order backlog at the start of 2017 is weaker than hoped for, but the outlook is considered to be promising.

Baneservice paid a dividend for 2016 of NOK 12.5 million.

Income statement (NOK millions)	2016	2015
Operating revenues	828	663
Operating expenses	741	606
Gross operating profit (EBITDA)	102	71,5
Operating profit (EBIT)	87,1	56,3
Net financial items	-1,3	-2,4
Profit/loss before tax	85,8	53,9
Tax charge	18,7	8,2
Minority interests	-1,0	0,0
Profit/loss after tax	68,1	45,7

Balance sheet	2016	2015
Intangible assets	148	83,5
Fixed assets	371	288
Total assets	519	371

Equity	218	164
Minority interests	15,6	0,0
Total equity	234	164
Provision for liabilities	13,3	6,5
Current interest-bearing liabilities	50	50
Current interest-free liabilities	222	151
Total debt and liabilities	285	207
Total equity and liabilities	519	371

Cash flow	2016	2015
Operating activities	75,6	117
Investment activities	-65,8	-17,2
Financing activities	13,4	-8,4
Foreign currency effects	0,0	0,0
Change cash and cash equivalents	23,2	90,9

Key figures	2016	2015
Capital employed	284	214
Gross operating margin (EBITDA)	12 %	11 %
Operating margin (EBIT)	11 %	8 %
Equity ratio	45 %	44 %
Return on equity	36 %	32 %
Average return on equity last 5 years	6 %	-
Return on capital employed	36 %	22 %

Dividends	2016	2015
Dividend for the financial year	12,5	8,3
Dividend percentage	18 %	18 %
Average dividend percentage last 5 years	30 %	-
Dividend to the state	12,5	8,3

Additional information	2016	2015
Number of employees	382	308
Proportion of employees in Norway	95 %	92 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	38 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

CEO: Arve Regland

Board: Siri Beate Hatlen (chair), Kjell Bjordal (deputy chair), Katarina Staaf, Widar Salbuviik, Arthur Sletteberg, Cathrine Vaar Austheim*, Hans Petter Skogstad* (* employee elected)

Auditor: Deloitte AS



© Entra ASA

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 33,4 %
Company website: www.entra.no

Entra ASA is one of Norway's leading property companies and an active owner, manager and developer of high-quality office premises in central locations close to public transport hubs in the four largest cities in Norway.

Entra was divested from Statsbygg and established as a separate company wholly owned by the state in 2000. The company was converted into a limited company in autumn 2014, and the state's shareholding was reduced to 49.73%. In September 2016, the state sold shares through a secondary sale and now owns 33.4% of the company's shares. The objective of the state's ownership of Entra is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

At the year-end, Entra owned 96 buildings equivalent to around 1.3 million square metres. The market value of the property portfolio was around NOK 36 billion. The company's commercial strategy is to deliver profitable growth and be a leader within customer-perceived quality and the environment within the sector. Entra has its head office in Oslo and regional offices in Bergen and Trondheim.

The public sector accounts for around 70% of Entra's customer portfolio. The occupancy rate of the portfolio has remained stable and high over time and amounted to 97% at the year-end. At the year-end, the company's weighted average unexpired lease term was 7.7 years.

Key events

In 2016, Entra signed new and renegotiated contracts with total annual rent amounting to NOK 434 million.

The company completed a new 31,300-square metre office building in Sundtkvartalet in Oslo, along with a new 17,900-square metre office building at Hinna Park in Stavanger, with the latter being sold in October 2016. Entra also completed the renovation of Strømsveien 96 and Cort Adelers gate 30, among other properties.

Construction of a new legal faculty in Tullinkvartalet in Oslo covering 21,000 square metres and the 28,600-square metre Trondheimsporten office building was commenced in 2016. At Brattørkaia in Trondheim, construction work began on a new Powerhouse and a new university

building for BI Norwegian Business School covering a total of 26,600 square metres.

During 2016, Entra purchased four properties in Oslo with a total floor area of 64,300 square metres and sold eight smaller, non-strategic properties.

Corporate social responsibility

Entra's objective is to be an environmental leader in the industry and has defined an environmental strategy along with objectives and action plans for its environmental work. Entra's environmental strategy entails developing the property portfolio with the aid of innovative and new expertise, reducing energy consumption within the portfolio, strengthening partnerships with customers through green benefits agreements, developing and sharing expertise relating to the environment, and contributing to positive urban development.

Entra has a zero tolerance policy towards corruption and work-related crime throughout its organisation and has an active approach to ethics, responsible procurement and close monitoring of suppliers.

HSE is a high priority, and Entra's goal is to ensure that no one is exposed to injury or falls ill as a result of the company's working environment. Entra has a strong focus on maintaining a good working environment and securing workers' rights, knowledge development, diversity and equality. As a major owner and developer of office properties, Entra strives to create a good and secure atmosphere in and around its buildings at all times.

Financial development

In 2016, Entra's rental income increased by 8% to NOK 1,899 million (from NOK 1,760 million in the previous year). This increase is explained by the completion of projects, the net purchase of property, and underlying like-for-like growth of 4.1%. The net profit from the property management amounted to NOK 1,070 million (799). Profit before tax was NOK 3,306 million (3,075), and comprehensive income after tax was NOK 2,705 million (2,750). Entra pays dividends every six months and will pay a total dividend of NOK 3.45 per share based on the profit in 2016, up from NOK 3 during the previous year.

Income statement (NOK millions)	2016	2015
Rentals	1 899	1 760
Maintenance and operating costs	-159	-185
Net rental income	1 740	1 574
Other incomes	950	240
Other costs	-927	-224
Administrative cost of ownership	-152	-168
Share of profits in associates and joint ventures	150	44
Net financial items	-572	-625
Operating profit	1 190	840
- of which result from property management	1 070	799
Change in value of investment properties	1 991	1 818
Unrealized value change financial instruments	125	417
Profit/loss before tax and minority	3 306	3 075
Tax charge	-584	-354
Minority interests	-103	-73
Profit/loss after tax and minority	2 619	2 648

Balance sheet	2016	2015
Intangible assets	37 976	32 391
Fixed assets	746	1 062
Investment property held for sale	168	165
Total assets	38 890	33 619
Equity	14 732	12 995
Minority interests	392	359
Total equity	15 124	13 354
Provision for liabilities	5 107	4 681
Current interest-bearing liabilities	18 113	15 205
Current interest-free liabilities	547	378
Total debt and liabilities	23 767	20 265
Total equity and liabilities	38 890	33 619

Cash flow	2016	2015
Operating activities	1 097	849
Investment activities	-2 972	-1 010
Financing activities	1 906	174
Change cash and cash equivalents	31	14

Key figures	2016	2015
Capital employed	33 237	28 559
Net lease margin	92 %	89 %
Operating margin (Profit from property operation + net financial items / rental income)	86 %	83 %
Equity ratio	39 %	40 %
Return on equity	19 %	22 %
Average return on equity last 5 years	13 %	-
Return on capital employed	13 %	14 %

Assets and dividends	2016	2015
Market value at year-end	15 755	13 091
Price/book	1,1	1,0
Closing price	85,8	71,3
Dividend for the financial year	634	551
Dividend percentage	24 %	21 %
Average dividend percentage last 5 years	32 %	-
Dividend to the state	212	274
Return including dividends last year	28 %	-
Sales proceeds to the state	2 490	0

Additional information	2016	2015
Number of employees	166	162
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	33,4 %	49,73 %
Proportion of women on the board	43 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

CEO: Philipp Engedal
 Board: Rolf Gunnar Roverud (chair),
 Trygve Gjertsen, Tone Wille,
 Robin Kamark, Lena Angela Nesteby*,
 Per Stene*, Jon E. Johansen*
 (* employee elected)
 Auditor: PricewaterhouseCoopers AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
 Company website: www.flytoget.no

Flytoget AS was founded in 1992 as NSB Gardermobanen AS. Operation of the airport express trains commenced when Oslo Airport opened in 1998. In 2003, the company was demerged from the NSB group as a separate limited company. Flytoget's head office is situated in Oslo.

Flytoget operates a passenger transport service using express trains on the route from Drammen to Oslo Airport. The company carries around 6.5 million passengers annually, which equates to around 9% of all train passengers in Norway and around 15% of all rail passengers in central eastern Norway. Flytoget contributes to a high share of public transport to and from Oslo Airport. The company works to create even simpler travel experiences for customers. Flytoget strives to add value for customers and increase the attractiveness of the transport service to and from Oslo Airport.

The objective of the state's ownership of Flytoget is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

The construction of Flytoget's new trains began in 2016. These trains will be delivered in 2018 and will be the first in Norway with a maximum speed of 245 kilometres per hour. The trains will act as a supplement to the 16 existing trains.

The new airport express terminal at Oslo Airport was completed in 2016. In addition, Flytoget's new inhouse-developed ticket machines were installed. Both the terminal and the ticket machines have been designed to give the customers the smoothest possible journey.

Linda Bernander Silseth stepped down as CEO in July 2016, and Philipp Engedal took over the position in January 2017.

In December, Flytoget added a fifth hourly departure from Lysaker, Skøyen and Nationaltheatret. At the same time, Flytoget increased the number of hourly departures from Stabekk from one to two.

Flytoget introduced a new logo in December. The upgrading of Flytoget's visual profile forms part of a major modernisation and renewal process aimed at adapting the company to the new digital world.

Corporate social responsibility

Flytoget's operations contribute to a high share of public transport by offering an efficient and environmentally friendly means of transport to and from Oslo Airport. In addition, the company has made a strategic decision to be a driving force for sustainable development, with the aim of long-term, sustainable, financial value creation, in line with its stakeholders' expectations and the state's ownership policy.

In 2016, Flytoget implemented a number of measures in order to act as a driving force within public transport and environmentally friendly operation. The company will take an active part in the future development of railways, work to raise awareness of climate change and the environment, and the work of the community to promote efficient use of society's resources.

In connection with the procurement of new trains, Flytoget has worked on corporate social responsibility issues related to this.

In 2016, Flytoget continued its systematic integration of sustainability and corporate social responsibility in the company's corporate governance, strategies and action plans. For 2016, the company is publishing an integrated annual report in accordance with Global Reporting Initiatives GRI G4 application level "Core".

Financial development

Flytoget's revenues amounted to NOK 923 million in 2016, compared with NOK 960 million in the previous year. Flytoget recorded a decrease in number of passengers of 2.2% in 2016, while the total market increased by 2.2%. The downturn in number of passengers is due to tougher competition in the market and changing travel patterns in Flytoget's core market as a result of reduced activity levels in Norwegian industry. Flytoget lost 1.4 percentage points in market share in 2016.

Profit before tax was NOK 170 million, while profit after tax amounted to NOK 132 million. This gave a return on equity after tax of 17% in 2016, compared with 23% in the previous year. The equity ratio was 52% at the end of 2016, compared with 58% in the previous year. For the 2016 financial year, Flytoget is paying NOK 105 million in dividends.

Income statement (NOK millions)	2016	2015
Operating revenues	923	960
Operating expenses	755	729
Gross operating profit (EBITDA)	284	338
Operating profit (EBIT)	167	232
Net financial items	3	3
Profit/loss before tax	170	235
Tax charge	39	54
Profit/loss after tax	132	181

Balance sheet	2016	2015
Intangible assets	1 336	1 179
Fixed assets	153	214
Total assets	1 488	1 393

Equity	771	802
Provision for liabilities	285	232
Current interest-bearing liabilities	0	0
Current interest-free liabilities	432	358
Total debt and liabilities	717	590
Total equity and liabilities	1 488	1 393

Cash flow	2016	2015
Operating activities	236	291
Investment activities	-110	-268
Financing activities	-181	-129
Change cash and cash equivalents	-55	-105

Key figures	2016	2015
Capital employed	771	802
Gross operating margin (EBITDA)	31 %	35 %
Operating margin (EBIT)	18 %	24 %
Equity ratio	52 %	58 %
Return on equity	17 %	23 %
Average return on equity last 5 years	18 %	-
Return on capital employed	22 %	30 %

Dividends	2016	2015
Dividend for the financial year	105	181
Dividend percentage	80 %	100 %
Average dividend percentage last 5 years	119 %	-
Dividend to the state	105	181

Additional information	2016	2015
Number of employees	366	344
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	29 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	25 %	40 %

CEO: Kurt Opseth

Board: John Nyheim (chair), Mari Skjærstad, Hilde Nordskogen, Janicke Westlie Driveklepp, Ørjan Svanevik, Per-Olof Wedin, Jens-Petter Hermansen*, Geir Krokå*, Terje Dahlen* (* employee elected)

Auditor: KPMG AS



© Bo Mathisen

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.mesta.no

Mesta AS is Norway's largest contractor within the operation and maintenance of roads and has operations all over Norway. The company also has considerable capacity and expertise within engineering, special products and electrical engineering.

Mesta was established in 2003 when the production division of the Norwegian Public Roads Administration was spun off as a separate limited company. Since the beginning, the company has undergone extensive restructuring and rationalisation. Today, the group consist of Mesta AS, the parent company, and the subsidiary MestAB. Mesta Eiendom AS was merged into the parent company in January 2016. Mesta's head office is situated in Oslo.

The objective of the state's ownership of Mesta is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

Mesta won ten out of 18 operating contracts for the Norwegian Public Roads Administration in 2016. Following this, the company's market share was 43%, compared with 41% in the previous year.

There were no serious accidents in Mesta in 2016, and only three lost-time injuries, compared with four in 2015. This is a historic low.

Kurt Opseth took over as the new CEO in January 2016.

Corporate social responsibility

Mesta's core values, "focus, will to change, holistic responsibility and honesty" form

the framework for how the company's employees are to act both internally and externally. The company has ethical guidelines that define the company's approach and attitudes in relations with customers, suppliers, colleagues and the wider community. Mesta also actively promotes corporate social responsibility throughout the entire supply chain through the integration of ethical guidelines into the company's contractual terms for purchases of goods and services in Norway and abroad. To raise awareness of the ethical guidelines within the company and ensure the employees maintain high ethical standards, the company introduced an online dilemma course for employees in 2015.

Financial development

In 2016, Mesta's revenues amounted to NOK 3.6 billion, compared with NOK 4.1 billion in the previous year. The operating profit for continuing operations was NOK 137 million, a decrease from NOK 440 million in the previous year. Capital gains from property sales amounted to NOK 60 million and NOK 334 million in 2016 and 2015 respectively. Adjusted for these gains, the operating profit from continuing operations was NOK 77 million in 2016, compared with NOK 97 million in the previous year. At year-end, Mesta had an order backlog of NOK 6.6 billion and an equity ratio of 35.2%. In 2016, net investments in the group totalled NOK 35 million. The company's cash equivalents at the end of 2016 were NOK 483 million. The company paid NOK 350 million in ordinary dividends for the 2016 financial year.

Income statement (NOK millions)	2016	2015
Operating revenues	3 608	4 078
Operating expenses	3 471	3 637
Gross operating profit (EBITDA)	262	589
Operating profit (EBIT)	137	440
Net financial items	3	1
Profit/loss before tax	139	441
Tax charge	72	106
Profit/loss from discontinued operations	-1	0
Profit/loss after tax	66	335

Balance sheet	2016	2015
Intangible assets	584	665
Fixed assets	1 251	1 379
Assets from discontinued operations	197	218
Total assets	2 032	2 262

Equity	716	1 003
Provisions for liabilities	90	57
Current interest-bearing liabilities	8	9
Current interest-free liabilities	1 210	1 176
Debt from discontinued operations	10	17
Total debt and liabilities	1 317	1 259
Total equity and liabilities	2 032	2 262

Cash flow	2016	2015
Operating activities	150	88
Investment activities	30	366
Financing activities	-302	-141
Net cash flow from reorganisaston/restructuring	14	10
Change cash and cash equivalents	-108	323

Key figures	2016	2015
Capital employed	723	1 012
Gross operating margin (EBITDA)	7 %	14 %
Operating margin (EBIT)	4 %	11 %
Equity ratio	35 %	44 %
Return on equity	8 %	35 %
Average return on equity last 5 years	20 %	-
Return on capital employed	17 %	46 %

Dividends	2016	2015
Dividend for the financial year	350	300
Dividend percentage	531 %	90 %
Average dividend percentage last 5 years	135 %	-
Dividend to the state	350	300

Additional information	2016	2015
Number of employees	1 334	1 285
Proportion of employees in Norway	99 %	99 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	33 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	60 %



CEO: Rickard Gustafson
Board: Fritz Henrik Schur (chair), Jacob Wallenberg (deputy chair), Dag Mejdell (second deputy chair), Monica Caneman, Sanna Svantow-Harsaae, Lars-Johan Jarnheimer, Berit Svendsen, Carsten Dilling, Jens Lippestad*, Sven Cahier*, Janne Wegeberg* (* employee elected)
Auditor: PricewaterhouseCoopers AB



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 11,45 %
 Company website: www.sasgroup.net

SAS AB is one of the leading Scandinavian airlines, and its main purpose is to offer competitive passenger transport based on its home market in Northern Europe and the hubs in Copenhagen, Oslo and Stockholm. The company is part of the global Star Alliance. In the 2015–2016 financial year, the company flew over 29 million passengers to 118 destinations. SAS is headquartered in Stockholm and listed in Sweden, Norway and Denmark.

The objective of the state's ownership in SAS is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

The airline industry is characterised by intense competition and price pressure, that entails a continuous requirement to enhance efficiency. In 2016, SAS gave priority to improving services for frequent travellers to and from Scandinavia, further developing an efficient operating platform, and ensuring that it has the right expertise.

In 2015, SAS established a programme with the aim of cutting annual costs by SEK 2.1 billion. This was increased to SEK 2.8 billion in 2016. The company is well on the way to realising the cost programme, which is expected to achieve its full effect from 2019. Further cost-cutting measures are being considered.

SAS launched a new web and mobile platform in 2016, and all cabin staff were provided with iPads with the aim of improving efficiency and individual customer service. A new IT solution for aircraft maintenance was introduced.

In January 2017, the company signed agreements for the sale and leaseback of 18 Airbus A320neo aircraft, and the first of a total of 30 aircraft were delivered.

SAS launched twelve new routes and began operating over 60 seasonal routes to leisure-oriented destinations.

The company established the first scheduled routes from Oslo using biofuel.

Through a coordinated sale in September 2016, the Swedish and Norwegian states reduced their shareholdings in SAS from 21.36 to 17.18% and 14.29% to 11.45% respectively. The sale was aimed at Nordic and international investors. Shares were sold for SEK 15.5 each.

Corporate social responsibility

For SAS, sustainability is an integrated part of all operations. The company aims to reduce flight emissions by 20% by 2020 and cut noise emissions on take off by 15% compared with 2010. The introduction of new aircraft and upgrades to existing aircraft are pivotal measures to achieve these targets. The company is planning to regularly use renewable jet fuel by 2020. In 2015/2016, the company reduced its CO₂ emissions per passenger kilometre flown by 1.7% compared with the previous year.

Financial development

The SAS group's profit after tax and minority interests was NOK 1.3 billion for the period 2015–2016, compared with NOK 0.9 billion in the previous financial year. The improvement was mainly driven by cost savings and lower jet fuel costs. Operating revenue for the year amounted to NOK 39 billion, up almost 5% from the previous financial year.

A growing share of SAS's revenue comes from the company's Eurobonus members. The number of members rose by 14% to 4.7 million members during the financial year.

During the financial year, the group's equity fell from NOK 6.3 billion to NOK 5.5 billion and the equity ratio was 19% at the end of the financial year, compared with 21% at the beginning of the year. This reduction was primarily due to lower discount rates for the company's pension provisions.

SAS did not pay dividends to ordinary shareholders for the financial year, but did pay SEK 350 million in dividends for the company's preference shares.

Income statement (NOK millions) ¹	2016	2015
Operating revenues	39 285	37 477
Operating expenses	37 697	36 144
Gross operating profit (EBITDA)	2 949	2 719
Operating profit (EBIT)	1 588	1 334
Share of profits in associates and joint ventures	297	486
Net financial items	-460	-480
Profit/loss before tax and minority	1 425	1 339
Tax charge	110	436
Minority interests	0	0
Profit/loss after tax and minority	1 315	904

Balance sheet	2016	2015
Intangible assets	17 692	18 525
Fixed assets	11 388	11 762
Total assets	29 080	30 287

Equity	5 519	6 343
Provision for liabilities	1 916	2 182
Current interest-bearing liabilities	9 045	9 595
Current interest-free liabilities	12 600	12 168
Total debt and liabilities	23 562	23 944
Total equity and liabilities	29 080	30 287

Cash flow	2016	2015
Operating activities	3 647	2 870
Investment activities	-2 603	-1 052
Financing activities	-876	-1 075
Change cash and cash equivalents	167	743

Key figures	2016	2015
Capital employed	14 564	15 938
Gross operating margin (EBITDA)	8 %	7 %
Operating margin (EBIT)	4 %	4 %
Equity ratio	19 %	21 %
Return on equity	22 %	16 %
Average return on equity last 5 years	6 %	-
Return on capital employed	13 %	19 %

Assets and dividends	2016	2015
Market value at year-end ²	4 605	8 028
Price/book ²	0,8	1,3
Closing price ²	15,3	24,4
Dividend for the financial year	0	0
Dividend percentage	0 %	0 %
Average dividend percentage last 5 years	0 %	-
Dividend to the state	0	0
Return including dividends last year ²	-42,8 %	60,5 %
Average return last 5 years ²	11,8 %	-
Sales proceeds to the state	132	0

Additional information	2016	2015
Number of employees	10 710	11 288
Proportion of employees in Norway	28 %	32 %
State ownership at year-end	11,45 %	14,29 %
Proportion of women on the board	36 %	27 %
Proportion of women among owner-appointed/shareholder elected board members	38 %	38 %

¹ SAS presents its accounts in Swedish kronor (SEK). The figures in the table are converted into Norwegian kroner (NOK). The exchange rate used is the price at the balance sheet date 31 October, NOK/SEK 91.58 for 2016 and 100.07 for 2015, and the average price for the period november - October, NOK/SEK 99.56 for 2016 and NOK/SEK 94.52 for 2015.

² At 31 December. For price/book: market value at 31 December against equity at 31 October.

CEO: Arne Gulbrand Ruud
Board: Bjørn Skjævestad (chair), Arne Gulbrand Ruud (deputy chair), Marit Dille, Bjørn Flatland, Audur Thorisdottir* (* employee elected)

Auditor: Svindal Leidland Myhrer & Co AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 34 %
Company website: www.veso.no

Veterinærmedisinsk Oppdragscenter AS (VESO) was established by the Norwegian Agricultural Research Council, as part of the SEFO group, in 1988 and was reorganised as a separate limited company in 1991. The company consists of two business areas: distribution of pharmaceuticals for fish and animals in the Norwegian market and clinical infection tests on fish in connection with vaccine development, feed development and breeding.

The company is currently a leading distributor of veterinary pharmaceuticals in the Norwegian market and operates one of the leading global clinical laboratories for fish infections in salmonids. The company's mission is to offer products and services that contribute to good animal and fish health, thereby increasing efficiency and sustainability in aquaculture and livestock production. Pharmaceuticals are distributed from the company's main office in Adamstuen in Oslo, while the clinical laboratory for fish infections is located outside Namsos in the county of Nord-Trøndelag.

The objective of the state's ownership in VESO is purely commercial. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

In 2016, VESO acquired 51% of Brynsløkken AS, a company which produces net impregnation products for use in aquaculture.

VESO's revenues within pharmaceuticals for the aquaculture sector were adversely affected by changes in the methods used to treat salmon louse in the industry in 2016. VESO has maintained a stable to rising market share within both the animal health segment and the fish health market. Demand for the company's services in Vikan remained strong throughout 2016.

Financial development

VESO's revenues decreased in 2016 from the previous year due to a shortfall in revenues within pharmaceuticals for the aquaculture sector. This also had a considerable adverse impact on the profit, while an upturn in assignments within infection trials and vaccines for poultry had a positive effect on profit. VESO is working on a number of development projects which require capital and therefore paid a minimal dividend for the financial year.

Income statement (NOK millions)	2016	2015
Operating revenues	498	562
Operating expenses	476	538
Gross operating profit (EBITDA)	25,4	27,7
Operating profit (EBIT)	22,1	23,1
Net financial items	-0,9	79,5
Profit/loss before tax	21,2	103
Tax charge	5,4	6,6
Profit/loss after tax	15,8	95,9

Balance sheet	2016	2015
Intangible assets	36,5	25,7
Fixed assets	108	162
Total assets	144	188

Equity	55,0	40,2
Provisions for liabilities	0,0	0,0
Current interest-bearing liabilities	25,5	7,7
Current interest-free liabilities	63,5	140
Total debt and liabilities	89,0	148
Total equity and liabilities	144	188

Cash flow	2016	2015
Operating activities	-11,8	49,4
Investment activities	-9,8	121
Financing activities	-50,2	-99,7
Change cash and cash equivalents	-71,8	70,7

Key figures	2016	2015
Capital employed	80,5	47,9
Gross operating margin (EBITDA)	5 %	5 %
Operating margin (EBIT)	4 %	4 %
Equity ratio	38 %	21 %
Return on equity	33 %	156 %
Average return on equity last 5 years	64 %	-
Return on capital employed	37 %	179 %

Dividends	2016	2015
Dividend for the financial year	1	63,5
Dividend percentage	6 %	66 %
Average dividend percentage last 5 years	101 %	-
Dividend to the state	0,3	21,6

Additional information	2016	2015
Number of employees	49	43
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	34 %	34 %
Proportion of women on the board	40 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	25 %	25 %



Entra recorded profit after tax and minority interests for 2016 of NOK 2.6 billion.



**Norsk Hydro recorded profit
after tax and minority interests
for 2016 of NOK 6.4 billion.**





Category 2

Commercial objectives and objective of maintaining head office functions in Norway

This category includes companies where the state's ownership has commercial objectives and an objective of maintaining the companies head offices and associated head office functions in Norway. An ownership stake of one-third is generally adequate in order to meet the latter objective. The state has expectations regarding profits and returns based on the companies' risk profiles. The companies operate in a market with other commercial actors.

Aerospace Industrial Maintenance Norway AS	52
Aker Kværner Holding AS	53
DNB ASA	54
Kongsberg Gruppen ASA	55
Nammo AS	56
Norsk Hydro ASA	57
Statoil ASA	58
Telenor ASA	59
Yara International ASA	60

CEO: Ove Radvik Haukåssveen
Board: Jan Erik Korssjøen (chair), Grethe Fossli (deputy chair), Petter Andreas Berg, Svein Ivar Hansen, Tone Merete Lindberg, Anders Haug*, Jonas Hvalbye*, Øivind Kongsvold* (* employee elected)
Auditor: Deloitte AS



The state's ownership interest through the Ministry of Defence: 100 %
Company website: www.aimnorway.com

Aerospace Industrial Maintenance Norway AS (AIM Norway) was established in 2011 when the Norwegian Air Force's main maintenance facility at Kjeller was converted into a state enterprise. In 2016, the enterprise was converted into a limited company. AIM Norway represents the most experienced aeronautical community in Norway, with continuous operations since 1916. The company celebrated its centenary in 2016.

At the close of 2016, AIM Norway had 514 employees at 22 production units, organised in the areas of aircraft maintenance, engine maintenance, maintenance of electronic components, mechanical processes and engineering. The company supplies maintenance and modification services for aircraft, helicopters, components and ground equipment to the Norwegian Armed Forces and other customers, including Leonardo Helicopters and Lockheed Martin. The production units have a long history of working very closely with the Norwegian Armed Forces' units at Kjeller and the Norwegian Air Force. The company's mission is to be the preferred supplier of products and services for air and ground systems, and its vision is to deliver world class aerospace services.

The objective of the state's ownership in AIM Norway is to maintain a knowledge-based and high-tech company with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

In June 2016, the Storting adopted Bill 79 LS (2015–2016) Act relating to privatisation of Aerospace Industrial Maintenance Norway SF and resolution on changes in the state's ownership share to help ensure that both the company and the owner have the necessary framework conditions going forward to develop the company further. The company was converted in August 2016, and the Ministry of Defence initiated a process to bring in an industrial owner through a full or partial sale. This process is still under way.

In order to position itself for internation-

al growth, AIM Norway carried out a strategic acquisition of a Belgian company. In June 2016, AIM Norway signed an agreement with Pratt & Whitney, US (P&W) concerning the acquisition of Pratt & Whitney Belgium Engine Center (BEC) in Belgium. This company is internationally oriented and carries out maintenance for the air defences of 14 countries on the F100 engine, which is also used in the F-15 fighter aircraft. The company, which has around 100 employees, recorded revenues of NOK 417 million in 2016 and achieved an operating profit (EBITDA) of NOK 44 million. AIM Norway took over the company in October 2016.

Corporate social responsibility

AIM Norway actively pursues corporate social responsibility and has established CSR guidelines, which have been incorporated into its governance system. The guidelines for corporate social responsibility provide an overarching framework for the work to integrate social and environmental aspects into the company's operations.

AIM Norway has joined the UN Global Compact initiative and works to promote Global Compact's ten universally accepted principles. The company is working to comply with the OECD Guidelines for Multinational Enterprises and bases its work with its suppliers on the core conventions of the International Labour Organisation (ILO).

AIM Norway focuses on safety, local involvement, human resources, occupational health and safety, working conditions, anti-corruption, human rights and the environment.

Financial development

In 2016, AIM Norway's revenues amounted to NOK 734 million, compared with NOK 579 million in the previous year. The company returned a profit before tax of NOK 77 million, compared with NOK 24 million in the previous year. The company has equity of NOK 462 million and a solvency ratio of 36%. The company's liquidity is adequate, at NOK 101 million in liquid assets.

Income statement (NOK millions)	2016	2015
Operating revenues	734	579
Operating expenses	658	555
Gross operating profit (EBITDA)	109	51,9
Operating profit (EBIT)	75,7	23,5
Net financial items	0,9	0,8
Profit/loss before tax and minority	76,6	24,3
Tax charge	25,6	10,0
Minority interests	0,0	0,0
Profit/loss after tax and minority	51,0	14,3

Balance sheet	2016	2015
Intangible assets	522	335
Fixed assets	775	334
Total assets	1 297	669

Equity	462	408
Provision for liabilities	197	170
Current interest-bearing liabilities	200	0,0
Current interest-free liabilities	438	90,1
Total debt and liabilities	835	261
Total equity and liabilities	1 297	669

Cash flow	2016	2015
Operating activities	177	12,3
Investment activities	-321	-36,9
Financing activities	200	0,0
Change cash and cash equivalents	55,9	-24,6

Key figures	2016	2015
Capital employed	662	408
Gross operating margin (EBITDA)	15 %	9 %
Operating margin (EBIT)	10 %	4 %
Equity ratio	36 %	61 %
Return on equity	12 %	4 %
Average return on equity last 5 years	6 %	-
Return on capital employed	15 %	7 %

Dividends	2016	2015
Dividend for the financial year	0	0
Dividend percentage	0 %	0 %
Average dividend percentage last 5 years	0 %	-
Dividend to the state	0	0

Additional information	2016	2015
Number of employees	514	423
Proportion of employees in Norway	81 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	25 %	29 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

Aker Kværner Holding AS

CEO: Arild Støren Frick
 Board: Øyvind Eriksen (chair),
 Ida Helliiesen, Kjell Inge Røkke,
 Else Bugge Fougner, Kristin
 Margrethe Krohn Devold, Atle
 Tranøy* (* employee elected)
 Auditor: Deloitte AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 30 %

Aker Kværner Holding AS' commercial objective is to own shares in Akastor ASA, Aker Solutions ASA and Kværner ASA. Aker Kværner Holding owns about 40% of the shares in each of these companies and has the same rights as other shareholders. The state owns 30% of the shares in Aker Kværner Holding. The other owner is Aker ASA. The owners of Aker Kværner Holding have entered into a shareholder agreement, which in practice secures the state and Aker a blocking interest in Akastor, Aker Solutions and Kværner with regard to a number of key areas. The state and Aker have made a mutual commitment to maintain the present ownership in Akastor, Aker Solutions and Kværner for a period of at least ten years (2007–2017). This period expires in June 2017, but the shareholder agreement remains in force. The state's acquisition of shares in the former Aker Holding took place on 20 December 2007, following authorisation from the Storting issued on 11 December 2007. The terms of the acquisition are set out in Proposition no. 88 to the Storting (2006–2007) The state's ownership in Aker Holding AS, and Recommendation no. 54 to the Storting (2007–2008).

Financial development

Aker Kværner Holding's sole income is dividends from Akastor, Aker Solutions

and Kværner, plus some limited interest income. The company has few expenses. As a result of a continuing challenging market situation within the oil supplier industry, none of the portfolio companies paid dividends for 2016. Aker Kværner Holding neither paid any dividend for 2016.

The value of the underlying assets in Aker Kværner Holding can be measured by the share prices of Akastor, Aker Solutions and Kværner. In 2016, Aker Kværner Holding reversed impairments from previous years amounting to NOK 2.1 billion. This reversal reflects the considerable increase in value of the portfolio companies on Oslo Stock Exchange in 2016. In 2015, Aker Kværner recognised an impairment loss on shares amounting to NOK 2.4 billion.

On 22 June 2007, the state entered into an agreement to acquire 30% of the shares in Aker Holding AS at NOK 145.6 per share in Aker Solutions, plus interest until the takeover date. At the end of 2016, the respective share prices for Akastor, Aker Solutions and Kværner were NOK 16.2, NOK 41.37 and NOK 12.1. Akastor, Aker Solutions and Kværner reported annual results after tax of NOK -1.3 billion, NOK 0.2 billion and NOK 0.4 billion respectively, for 2016, compared with NOK -2.6 billion, NOK 0.4 billion and NOK 0.4 billion in the previous year.

Income statement (NOK millions)	2016	2015
Operating revenues	0	0
Operating expenses	1	2
Operating profit (EBIT)	-1	-2
Net financial items	2 113	-2 124
Profit/loss before tax	2 112	-2 126
Tax charge	0	2
Profit/loss after tax	2 112	-2 127

Balance sheet	2016	2015
Intangible assets	7 687	5 574
Fixed assets	1	5
Total assets	7 688	5 579
Equity	7 688	5 577
Provision for liabilities	0	0
Current interest-bearing liabilities	0	0
Current interest-free liabilities	1	2
Total debt and liabilities	1	2
Total equity and liabilities	7 688	5 579

Cash flow	2016	2015
Operating activities	-3	245
Investment activities	0	0
Financing activities	0	-247
Change cash and cash equivalents	-3	-2

Key figures	2016	2015
Equity ratio	100 %	100 %
Market value (of the State's indirect ownership)	2 306	1 672

Dividends	2016	2015
Dividend for the financial year	0	0
Dividend percentage	0	0
Average dividend percentage last 5 years	81 %	-
Dividend to the state	0	0

Additional information	2016	2015
Number of employees	0	0
State ownership at year-end	30 %	30 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %



DNB ASA is Norway's largest finance group and one of the largest in the Nordic region by market value. The Group offers a broad range of financial services, including loans, savings, investment, payment mediation, advisory services, estate agency and pensions for personal and corporate customers. DNB is among the world's leading banks within its international priority areas, especially energy, shipping, fisheries and seafood. The bank is available throughout Norway through 24-hour telephone and online banking and through in-store postal outlets. DNB is listed on Oslo Stock Exchange and is headquartered in Oslo.

The objective of the state's ownership in DNB is to maintain a large and skilled finance group with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

The digitalisation of the banking industry, further development of Vipps and changes in customer behaviour characterised 2016 for DNB. Economic uncertainty resulted in a downturn in some industries and increased loss provisions.

The target for common equity Tier 1 capital ratio was achieved one year ahead of schedule and amounted to 16.0% at the year-end 2016, and the dividend was increased in line with the ambition. As of the capital market day in November 2016, the long-term target for return on equity of over 12% was maintained. Tighter capital requirements and continuing low interest rates, combined with the expectation of relatively high impairments linked to engagements within the oil sector over the coming years, means that the ambition of 12% return on equity is not expected to be achieved until the end of 2019.

Corporate social responsibility

DNB's policy and associated corporate social responsibility guidelines set the standard for the group's work on compliance and development of responsible business operations. Several factors affect the group's prioritisation of areas, including input from DNB's stakeholders (groups or individuals who are either affected by the company's activities or who can exert a significant influence on DNB's business).

For the 2016 reporting year, DNB established a materiality analysis which includes more than traditional corporate social responsibility issues. This shows a prioritisation of the long-term challenges

CEO: Rune Bjerke

Board: Anne Carine Tanum (chair), Tore Olaf Rimmereid (deputy chair), Jarle Berge, Jaan Ivar Semlitsch, Berit Svendsen, Carl Anders Løvvik*, Vigdis Mathisen* (* employee elected)

Auditor: EY AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 34 %
Company website: www.dnb.no

that DNB is facing and will give a picture of the challenges that are of greatest importance for DNB's future value creation. The materiality analysis forms the basis for the work relating to responsible corporate governance and provides input for the strategic work going forward.

Financial development

DNB recorded profits of NOK 19,251 million in 2016, a reduction of NOK 5,521 million from 2015. In spite of high loss provisions, particularly within the petroleum and shipping sectors, DNB delivered a sound financial result.

Net interest income fell by NOK 1,248 million from 2015. This reduction was due to a downturn in lending and deposit volumes, lower volume-weighted margins and charges, and an increase in long-term financing costs. The interest rate changes for retail customers which were implemented during the fourth quarter of 2016 did not achieve their full effect until the start of 2017. There was a downturn in lending volumes as a result of a strategic reduction in engagements with low profitability in the segment for large companies and international customers. Other operating revenues fell by NOK 595 million from 2015.

Operating expenses rose by NOK 1,423 million from 2015, primarily as a result of lower pension expenses in 2015 linked to the transition from defined-benefit to defined-contribution pension scheme. Adjusted for non-recurring items, costs decreased by NOK 374 million. DNB continued to invest in IT infrastructure in 2016 in order to prepare itself for future competition.

The impairment losses primarily related to the shipping and oil-related sectors (offshore and energy) in the segment for large companies and international customers. The other lending portfolios are still of high quality, and the challenging situation in the oil-related sectors had no significant knock-on effects on these portfolios.

Return on equity amounted to 10.1%, which represents a decrease from 14.5% in 2015. The group achieved a two-digit return on equity, despite a build-up in capital, higher impairment losses and restructuring expenses.

Income statement (NOK millions)	2016	2015
Net interest income	34 110	35 358
Net other operating income	18 053	18 648
Operating expenses	21 333	19 910
Net gains on fixed and intangible assets	-19	45
Impairment of loans and guarantees	7 424	2 270
Operating profit	23 387	31 871
Tax charge	4 140	7 048
Profit from operations held for sale, after taxes	4	-51
Profit/loss after tax and minority	19 251	24 772

Balance sheet	2016	2015
Loans to customers	1 509 078	1 542 744
Other assets	1 144 123	1 055 786
Total assets	2 653 201	2 598 530

Deposits from customers	934 897	944 428
Other debt and liabilities	1 511 882	1 463 677
Total debt and liabilities	2 446 779	2 408 105
Equity	206 423	190 425
Minority interests	0	0
Total equity	206 423	190 425
Total equity and liabilities	2 653 201	2 598 530

Key figures	2016	2015
Common equity Tier 1 capital ratio ¹	16,0 %	14,4 %
Cost/income ratio	40,9 %	36,9 %
Net non-performing and net doubtful loans, per cent of net loans	1,49 %	0,76 %
Impairment relative to average net loans to customers	0,48 %	0,15 %
Return on equity	10,1 %	14,5 %
Average return on equity last 5 years	12,5 %	-

Assets and dividends	2016	2015
Market value at year-end	209 138	178 842
Price/book ²	1,1	1,0
Closing price	128,4	109,8
Dividend for the financial year	9 284	7 330
Dividend percentage	50 %	30 %
Average dividend percentage 5 years	32 %	-
Dividend to the state	3 157	2 492
Return including dividends last year	22,2 %	1,9 %
Average return last 5 years	20,5 %	-

Additional information	2016	2015
Number of employees	11 459	11 840
Proportion of employees in Norway	72 %	73 %
State ownership at year-end	34 %	34 %
Proportion of women on the board	43 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

¹ In accordance with the transitional rules.

² Excluding hybrid capital.

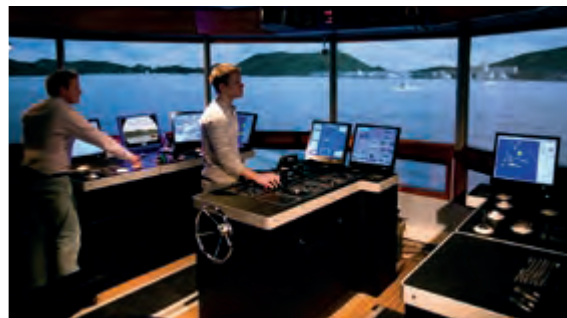


KONGSBERG

CEO: Geir Håøy

Board: Finn Marum Jepsen (chair), Irene Waage Basili (deputy chair), Morten Henriksen, Anne-Grete Strøm-Erichsen, Jarle Roth, Roar Marthiniusen*, Helge Lintvedt*, Rune Sundt Larsen* (* employee elected)

Auditor: EY AS



© Kongsberg Gruppen ASA

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 50,001 %
Company website: www.kongsberg.com

Kongsberg Gruppen ASA is an international, knowledge-based group that delivers high-technology systems and solutions to customers in the offshore industry, the oil and gas industry, merchant fleet, defence and space. In 2016, 83% of operating revenues originated from outside Norway. At year-end 2016, Kongsberg Gruppen had 7,159 employees in more than 25 countries, of whom 64% work in Norway. Kongsberg Gruppen is listed on the Oslo Stock Exchange and has its head office in Kongsberg.

Kongsberg Gruppen has three business areas: Kongsberg Maritime (KM), Kongsberg Defence Systems (KDS) and Kongsberg Protech Systems (KPS). In 2016, Kongsberg Gruppen also established Kongsberg Digital (KDI), which reports under other activities.

KDI was established as an important step in the development of next-generation digitalised products and services.

KM develops products and systems for positioning, navigation and automation for merchant shipping and offshore facilities, as well as products and systems for sea-bed mapping and monitoring.

KDS supplies command and control systems, weapons control systems, communication systems, missiles, advanced composites and surveillance.

KPS produces weapons control systems.

The objective of the state's ownership in Kongsberg Gruppen is to maintain a knowledge-based and high-technology industrial group with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

Kongsberg Gruppen had an eventful, but also challenging year in 2016. The group had a negative development within the oil and gas sector. The defence business developed positively, and the non-offshore related parts of the maritime business had a satisfactory year.

In 2016, Kongsberg Gruppen took a number of strategic decisions expected to contribute to growth in the years ahead:

KM carried out major adjustments to its capacity and organisation model, KPS signed a breakthrough contract for the MCT-30 (medium calibre weapons station) and is progressing well with the delivery, KDS made a strategic entry into Finnish company Patria and KDI has been established.

Kongsberg Gruppen allocates substantial resources to product development and spent over NOK 1 billion on inhouse-financed product development in 2016.

Geir Håøy took up his position as the new CEO in June 2016.

Corporate social responsibility

Kongsberg Gruppen is committed to sustainable development with a balance between performance, value creation and corporate social responsibility. Sustainability and corporate social responsibility are integral parts of the group's strategic processes. Sustainable technological innovation can also help to solve global challenges.

In 2017, Kongsberg Gruppen will continue to focus on anti-corruption, corporate social responsibility in the supplier network, as well as the follow-up of human and workers' rights, both within its own organisation and amongst business partners.

Financial development

In 2016, operating revenues totalled NOK 15,845 million, a reduction of 7% compared with 2015. This reduction was primarily due to weaker revenues in the oil and offshore-related parts of the group. Overall, the group had a good order intake in 2016, although still somewhat lower than in 2015. EBITDA in 2016 amounted to NOK 1 217 million, giving an EBITDA margin of 7.7%. In 2016, EBITDA was negatively affected by restructuring costs and substantial impairment losses on stocks, foreign exchange hedging and other project-related items in KM and other business. KDS recorded an increase in both its EBITDA and EBITDA margin in 2016 compared with 2015, while KM and KPS saw a decrease in EBITDA. The company paid a dividend for the 2016 financial year of NOK 3.75 per share.

Income statement (NOK millions)	2016	2015
Operating revenues	15 845	17 032
Operating expenses	15 153	16 088
Gross operating profit (EBITDA)	1 217	1 784
Operating profit (EBIT)	692	944
Share of profits in associates and joint ventures	230	87
Net financial items	37	0
Profit/loss before tax and minority	729	944
Tax charge	78	189
Minority interests	-2	8
Profit/loss after tax and minority	653	747

Balance sheet	2016	2015
Intangible assets	8 907	5 903
Fixed assets	12 289	13 218
Total assets	21 196	19 121

Equity	6 691	6 086
Minority interests	34	41
Total equity	6 725	6 127
Provision for liabilities	1 830	1 659
Current interest-bearing liabilities	4 083	866
Current interest-free liabilities	8 558	10 469
Total debt and liabilities	14 471	12 994
Total equity and liabilities	21 196	19 121

Cash flow	2016	2015
Operating activities	809	-1 087
Investment activities	-3 343	-499
Financing activities	2 668	-1 139
Foreign currency effects	-53	108
Change cash and cash equivalents	81	-2 617

Key figures	2016	2015
Capital employed	10 808	6 993
Gross operating margin (EBITDA)	8 %	10 %
Operating margin (EBIT)	4 %	6 %
Equity ratio	32 %	32 %
Return on equity	10 %	12 %
Average return on equity last 5 years	15 %	-
Return on capital employed	10 %	15 %

Assets and dividends	2016	2015
Market value at year-end	14 940	17 400
Price/book	2,2	2,9
Closing price	124,5	145,0
Dividend for the financial year	450	510
Dividend percentage	69 %	68 %
Average dividend percentage last 5 years	65 %	-
Dividend to the state	225	255
Return including dividends last year	-11,4 %	25,4 %
Average return last 5 years	5,6 %	-

Additional information	2016	2015
Number of employees	7 159	7 688
Proportion of employees in Norway	64 %	62 %
State ownership at year-end	50 %	50 %
Proportion of women on the board	25 %	25 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

Nammo AS was founded in 1998, through the merger of three major Nordic ammunition companies, with a view to strengthening security of supply in the Nordic region. Today, Nammo is a leading supplier of high-end products to the aerospace and defence industry. The core business includes development and production of rocket motors, military and sports ammunition, shoulder-fired systems and environmentally friendly demilitarisation services. At the close of 2016, the company had 2,152 employees and 23 production units and presence in 12 countries. Nammo's head office, with almost one third of the employees, is located in Raufoss.

Nammo's vision is "Securing the Future". The company will work to secure the future of its customers, owners and employees through the delivery of top-quality high-tech products. This in turn creates secure and stable jobs and a sustainable business. Nammo's strategic objective is to generate profitable growth in existing markets.

The objective of the state's ownership in Nammo is to maintain a knowledge-based and high-tech group with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

Nammo acquired the remaining 35% of the shares in ND PressTec and now owns the entire company, which is a key supplier of components for the munitions industry.

In summer 2016, Nammo established a sales office in India to strengthen the opportunities in the region.

US company Berger Bullets was acquired in October 2016. This acquisition was approved by the US authorities in January 2017. Berger supplies commercial munitions, particularly for hunting and competitive shooting, and strengthens Nammo's market access in the USA and the company's general product portfolio in this area.

Nammo signed a development contract for 155 mm artillery munitions with the Norwegian Armed Forces and during the same period carried out test-firing of 155 mm IM HEER in Sweden with promising results.

Corporate social responsibility

Nammo reports in accordance with the Global Reporting Initiative (GRI G4). The company adheres to the ten principles of the UN Global Compact and submits annual reports on its work relating to corporate social responsibility to the United Na-

CEO: Morten Brandtzæg

Board: Olli Isotalo (chair), Jan Erik Korssj en (deputy chair), Heikki Allonen, Dag Opedal, Ingelise Arntsen, Sirpa-Helena Sormunen, Marianne Stensrud*, Astrid Berg Ardesj * (* employee elected)

Auditor: KPMG AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 50 %
Company website: www.nammo.com

tions. Nammo constantly works on training with regards to ethics and anti-corruption. The company has a policy of zero tolerance towards corruption.

In 2016, Nammo stepped up its efforts relating to corporate governance and integration of new companies. Health, safety and environment have the highest priority, and the company follows ISO 14001 or equivalent standards. All Nammo's units adhere to national environmental requirements and carry out internal and external audits annually. Risk analyses are conducted to evaluate environmental measures relating to climate change which could affect the company's operations.

Women currently account for 25% of the company's workforce, and the proportion of women in leadership positions is 14.3%. The company is taking steps to increase the proportion of women in the company.

Financial development

Nammo recorded a profit before tax of NOK 385 million and a profit after tax of NOK 279 million in 2016. Profit before tax is 40% better than last year, while profit after tax is up 22%. This is generally due to better financial results in the various segments and a new business structure which has improved the company's market orientation. Revenue in 2016 amounted to NOK 4,132 million, an increase of 9.2%. Nammo did not carry out any acquisitions which affected revenue in 2016, so the entire increase is attributable to organic growth. This has strengthened the company's basis for further profitable growth in its core markets.

The equity ratio was 47% at the end of 2016, compared with 51% in the previous year. This is primarily due to increased total capital in the form of higher stock levels, more cash and an increase in goodwill in the balance sheet. Nammo achieved a return on capital of 11.8% in 2016. The order backlog at the end of 2016 was NOK 4,767 million, which is considered to be solid. This also helps to give Nammo a sound basis for further profitable growth in 2017. The company paid a dividend for 2016 of NOK 140 million, of which half went to the state.

Income statement (NOK millions)	2016	2015
Operating revenues	4 132	3 783
Operating expenses	3 748	3 499
Gross operating profit (EBITDA)	548	430
Operating profit (EBIT)	384	284
Net financial items	1	-10
Profit/loss before tax and minority	385	274
Tax charge	105	45
Minority interests	0	12
Profit/loss after tax and minority	279	217

Balance sheet	2016	2015
Intangible assets	1 821	1 593
Fixed assets	3 228	3 048
Total assets	5 050	4 641

Equity	2 383	2 329
Minority interests	0	41
Total equity	2 383	2 370
Provision for liabilities	233	206
Current interest-bearing liabilities	1 068	752
Current interest-free liabilities	1 366	1 313
Total debt and liabilities	2 667	2 271
Total equity and liabilities	5 050	4 641

Cash flow	2016	2015
Operating activities	371	26
Investment activities	-391	-135
Financing activities	201	28
Change cash and cash equivalents	181	-81

Key figures	2016	2015
Capital employed	3 451	3 122
Gross operating margin (EBITDA)	13 %	11 %
Operating margin (EBIT)	9 %	8 %
Equity ratio	47 %	51 %
Return on equity	12 %	10 %
Average return on equity last 5 years	14 %	-
Return on capital employed	13 %	11 %

Dividends	2016	2015
Dividend for the financial year	140	109
Dividend percentage	50 %	50 %
Average dividend percentage last 5 years	50 %	-
Dividend to the state	70	55

Additional information	2016	2015
Number of employees	2 152	2 120
Proportion of employees in Norway	34 %	35 %
State ownership at year-end	50 %	50 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	33 %	33 %



CEO: Svein Richard Brandtzæg
 Board: Dag Mejdell (chair), Irene Rummelhoff (deputy chair), Marianne Wiinholt, Finn Marum Jebesen, Thomas Schulz, Liv Monica Bargem Stubholt, Ove Ellefsen*, Billy Fredagsvik*, Sten Roar Martinsen* (* employee elected)
 Auditor: KPMG AS



© Norsk Hydro ASA

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 34,26 %
 Company website: www.hydro.com

Norsk Hydro ASA (Hydro) is a Norwegian listed and global aluminium company with production, sales and trading throughout the value chain, from bauxite, alumina and energy generation to the production of primary aluminium and rolled products as well as recycling. Based in Norway, the company has 13,000 employees in more than 40 countries.

The objective of the state's ownership in Hydro is to maintain a knowledge-based and high-technology industrial group with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

Through the improvement programme entitled "Better", which aims to achieve NOK 2.9 billion of annual improvements by 2019, Hydro recorded an annual improvement of NOK 1.4 billion in 2016, compared with a NOK 1.1 billion target.

For Bauxite & Alumina, 2016 turned out to be a year of operational progress, with the lowest ever implicit alumina costs and record high production well above calculated capacity both at Paragominas and Alunorte.

In February 2016, Hydro decided to build the technology pilot at Karmøy, which will use Hydro's next-generation HAL4e technology, and the construction process was around 70% complete by year-end. In October 2016, test production began at Hydro's new production line for automotive components (AL3), and the recycling line for used drinks cans is expected to achieve full capacity within 2017 (both in Germany).

In 2016, Hydro signed long-term power agreements for the Norwegian smelting plants and Neuss in Germany. A statutory amendment was also implemented in Norway which permits private ownership of hydropower resources through partnerships (ANS/DA). This enables Hydro to continue its process of restructuring its assets and protecting the assets in its power business and, through a one-third stake in a partnership, maintain access to physical power which would otherwise have been subject to escheat to the state.

Corporate social responsibility

The number of high-risk incidents within Hydro's operations continued to decline in 2016, and the company's safety performance remains among the best in the industry.

Hydro's climate strategy is an integral part of the general business strategy, and the company has a long-term goal of becoming climate-neutral by 2020.

Compliance with laws, regulations and internal requirements are followed up through the development of relevant systems, employee training and internal and external audits. In 2016, Hydro entered into a two-year collaboration agreement with the Danish Institute for Human Rights. The new agreement will facilitate the integration of human rights into all Hydro's operations and activities. Hydro also renewed its global framework agreement with unions through to the end of 2018.

Hydro reports in accordance with the Global Reporting Initiative (GRI), is a member of the UN's Global Compact, and has been listed on the Dow Jones sustainability indices every year since 1999.

Financial development

Profit for the year after tax and minority interests was NOK 6,386 million, including a net currency gain of NOK 2,266 million. The profit for 2015 was NOK 2,020 million, including a net currency loss of NOK 4,397 million.

The underlying operating profit was NOK 6,425 million in 2016, compared with NOK 9,656 million in 2015, down primarily as a result of a downturn in realised alumina and "all-in" metal prices, partly offset by a stronger US dollar, lower raw material costs and ongoing improvements.

Operating revenues amounted to around NOK 83 billion, a decrease of around 6% from 2015 to 2016. Cash and short-term investments were NOK 6 billion higher than interest-bearing debt at the end of 2016.

Hydro paid a dividend of NOK 1.25 per share for 2016. The dividend reflects the company's long-term policy of giving shareholders a predictable and competitive cash return, taking into account the volatility of the aluminium industry.

Income statement (NOK millions)	2016	2015
Operating revenues	82 983	88 155
Operating expenses	76 958	80 409
Gross operating profit (EBITDA)	11 499	12 769
Operating profit (EBIT)	6 025	7 746
Share of profits in associates and joint ventures	985	512
Net financial items	2 126	-4 833
Profit/loss before tax and minority	9 136	3 425
Tax charge	2 551	1 092
Minority interests	199	313
Profit/loss after tax and minority	6 386	2 020

Balance sheet	2016	2015
Intangible assets	94 422	86 384
Fixed assets	36 371	36 160
Total assets	130 793	122 544
Equity	81 906	74 170
Minority interests	5 733	5 159
Total equity	87 639	79 329
Provision for liabilities	22 650	21 846
Current interest-bearing liabilities	6 680	7 531
Current interest-free liabilities	13 824	13 837
Total debt and liabilities	43 154	43 214
Total equity and liabilities	130 793	122 544

Cash flow	2016	2015
Operating activities	10 018	14 373
Investment activities	-4 781	-9 391
Financing activities	-4 386	-7 381
Foreign currency effects	269	68
Change cash and cash equivalents	1 120	-2 331

Key figures	2016	2015
Capital employed	94 319	86 860
Gross operating margin (EBITDA)	14 %	14 %
Operating margin (EBIT)	7 %	9 %
Equity ratio	67 %	65 %
Return on equity	8 %	3 %
Average return on equity last 5 years	2 %	-
Return on capital employed	8 %	10 %

Assets and dividends	2016	2015
Market value at year-end	85 450	68 546
Price/book	1,0	0,9
Closing price	41,3	33,1
Dividend for the financial year	2 554	2 042
Dividend percentage	40 %	101 %
Dividend to the state	886	709
Average dividend percentage last 5 years	139 %	-
Return including dividends last year	28,5 %	-19,7 %
Average return last 5 years	11,3 %	-

Additional information	2016	2015
Number of employees	12 911	13 263
Proportion of employees in Norway	29 %	28 %
State ownership at year-end	34,26 %	34,26 %
Proportion of women on the board	33 %	30 %
Proportion of women among owner-appointed/shareholder elected board members	43 %	43 %

CEO: Eldar Sætre

Board: Øystein Løseth (chair), Roy Franklin, Bjørn Tore Godal, Maria Johanna Oudeman, Wenche Agerup, Rebekka Glasser Herlofsen, Jeroen van der Veer, Ingrid Elisabeth di Valerio*, Stig Lægred*, Lill-Heidi Bakkerud* (* employee elected)

Auditor: KPMG AS



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The state's ownership interest through the Ministry of Petroleum and Energy: 67 %
Company website: www.statoil.com

Statoil ASA is an international technology-based energy company whose main aim is production of oil and gas. The company also has significant downstream operations and activities in renewable energy, such as offshore wind farms. The company has operations in more than 30 countries. Statoil is among the world's largest net sellers of crude oil and condensate, and is one of the largest suppliers of natural gas to the European market. At the end of 2016, the company had approx. 20,500 employees. Statoil is listed on Oslo Stock Exchange and the New York Stock Exchange and is headquartered in Stavanger.

The objective of the state's ownership in Statoil is to maintain a knowledge-based and high-technology industrial group with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

In January 2016, Statoil acquired a 11.93% stake in Lundin Petroleum AB for a cash price of SEK 4.6 billion. In May, Statoil increased its stake to 20.1%. This increase took place through an agreement where Statoil sold its 15% share in the Edvard Grieg Field to Lundin in return for a shareholding in the company. Statoil also acquired just over 2.7 million shares in the company for a cash price of SEK 544 million.

In 2016 and through to the end of March 2017, Statoil and the partners submitted a plan for development and operation (PDO) for the following oil and gas fields on the Norwegian shelf: Utgard, Byrding, Trestakk and Bauge. A PDO for upgrading the Njord Field was also submitted.

In July, Statoil announced the acquisition of a 66% share in licence BM-S-8 in Brazil, which includes a significant part of the Carcará oil discovery. In December, Statoil sold its entire holding in the Kai Kos Dehseh oil sand project to the Athabasca Oil Corporation.

In 2016, Statoil took positions within offshore wind, and in February launched Statoil Energy Ventures Fund, a new energy fund for investment in growth companies within low-carbon energy.

Corporate social responsibility

Safety statistics deteriorated in 2016 after a number of years of positive development. Statoil also experienced more serious incidents, of which two could have turned into major accidents. The company has now implemented a programme for improving safety in order to reverse this trend.

There were a total of 18 serious oil and gas leaks in 2016, compared with 21 in 2015. Statoil's efforts to reduce direct greenhouse gas emissions includes improving energy efficiency, reducing methane emissions, eliminating routine flaring and escalating carbon capture, use and storage. In March 2017, Statoil announced a new climate roadmap which includes an objective to reduce CO₂ emissions by 3 million tonnes per year from the company's global operations by 2030 compared with 2017.

Financial development

Statoil's operating profit for 2016 ended at USD 80 million, compared with USD 1,366 million in 2015. The decline in profit was primarily due to lower revenues as a result of lower prices for oil and gas, and lower refinery margins and reduced profit from the sale of assets compared with 2015. Lower operating costs and write-downs offset the downturn in profit.

Total equity liquids and gas production was 1.98 million barrels of oil equivalent (boe) per day in 2016, a slight increase from the previous year. Start-up of new production and improved regularity were offset by a natural decline in production and the sale of assets. International oil and gas production accounted for around a third of total production. Organic investments for 2016 amounted to USD 10.1 billion.

At its annual general meeting in May 2016, Statoil adopted a scrip dividend programme; see also page 10. The scrip dividend programme is a series of share issues where the company's shareholders can opt to use all or part of their net dividend to acquire new shares in Statoil. The scrip dividend programme lasts from payment of the dividend for the fourth quarter of 2015 until payment of the dividend for the third quarter of 2017.

Income statement (NOK millions) ¹	2016	2015
Operating revenues	385 397	482 800
Operating expenses	384 734	468 000
Gross operating profit (EBITDA)	97 700	148 700
Operating profit (EBIT)	664	14 900
Share of profits in affiliates and joint ventures	0	0
Net financial items	-2 168	-10 600
Profit/loss before tax and minority	-1 504	4 300
Tax charge	22 885	41 600
Minority interests	168	200
Profit/loss after tax and minority	-24 557	-37 500

Balance sheet	2016	2015
Intangible assets	664 828	718 800
Fixed assets	208 850	248 000
Total assets	878 190	966 700
Equity	294 654	354 800
Minority interests	227	300
Total equity	294 881	355 100
Provision for liabilities	317 212	201 000
Current interest-bearing liabilities	266 098	410 600
Current interest-free liabilities	0	0
Total debt and liabilities	583 309	611 600
Total equity and liabilities	878 190	966 700

Cash flow	2016	2015
Operating activities	75 898	109 000
Investment activities	-87 761	-115 100
Financing activities	-16 458	-7 500
Foreign currency effects	-1 277	7 100
Change cash and cash equivalents	-29 598	-6 500

Key figures	2016	2015
Capital employed	560 978	765 700
Gross operating margin (EBITDA)	25 %	31 %
Operating margin (EBIT)	0 %	3 %
Equity ratio	34 %	37 %
Return on equity	-8 %	-10 %
Average return on equity last 5 years	5 %	-
Return on capital employed	1 %	2 %

Assets and dividends	2016	2015
Market value at year-end	514 016	394 436
Price/book	1,7	1,1
Closing price	158,4	123,7
Dividends paid as cash settlement	15 761	-
Dividends in the form av aksjer	7 595	-
Total paid/settled dividends	23 356	22 958
Dividend percentage	-	-
Average dividend percentage last 5 years	178 %	-
Dividend to the state paid as cash settlement	10 718	-
Dividend to the state in the form of shares	5 025	-
Total paid/settled dividend to the state	15 742	15 382
Return including dividends last year	35,5 %	-0,8 %
Average return last 5 years	6,1 %	-

Additional information	2016	2015
Number of employees	20 539	21 581
Proportion of employees in Norway	88 %	88 %
State ownership at year-end	67 %	67 %
Proportion of women on the board	50 %	45 %
Proportion of women among owner-appointed/shareholder elected board members	43 %	38 %

¹ From 2016, Statoil presents its accounts in USD. The figures in the table are converted into Norwegian kroner (NOK), calculated from Statoil's group figures. The exchange rate used is the average price for 2016, NOK/USD 8.4014.



CEO: Sigve Brekke
Board: Gunn Wærsted (chair), Siri Hatlen, Ashok Vaswani, Sally Margaret Davis, Dag Jakob Opedal, Jon Erik Reinhardsen, Jacob Aqraou, Regi Aalstad, Per Gunnar Salomonsen*, Åse Selfjord*, Harald Stavv* (* employee elected)
Auditor: EY AS



© Bo Mathiesen

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 53,97 %
 Company website: www.telenor.com

Telenor ASA is one of the world's leading mobile telecommunication operators, with over 200 million mobile subscriptions and 37,000 employees worldwide. The company has operations in Norway, Sweden, Denmark, Hungary, Serbia, Montenegro, Bulgaria, Thailand, Malaysia, Bangladesh, Pakistan, India and Myanmar. Telenor was established in 1994 upon the conversion of Televerket into a limited liability company. The company was listed on the stock exchange in 2000 and is headquartered in Bærum.

The objective of the state's ownership in Telenor is to maintain a knowledge-based and high-technology group with head office functions in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

In February 2016, Telenor acquired Tapad Inc., a leading marketing technology company.

In April 2016, Deloitte submitted its report which concluded that no Telenor employee had been involved in corruption linked to the ownership of VEON Ltd. (formerly VimpelCom Ltd.). During the year, Telenor worked to implement internal improvements which had been identified in Deloitte's report.

In September, Telenor implemented the first reduction in its shareholding in VEON after deciding to sell the 33% shareholding in autumn 2015. The sale was structured through a share transaction amounting to 8% of outstanding shares in VEON. Telenor also issued a convertible bond loan, which can be settled through shares in VEON. At year-end 2016, Telenor's share in VEON was 23.7%.

In February 2017, Telenor held a capital market day during which the company presented its strategy for the coming years. Going forward, the company will streamline its operations, digitalise the business and develop new solutions and services for customers.

In February 2017, Telenor signed an agreement with Bahrti Airtel concerning the take-over of Telenor's Indian opera-

tion. The agreement is expected to be completed within twelve months and will conclude Telenor's withdrawal from the Indian market.

Corporate social responsibility

In 2016, Telenor worked closely with several key topics within CSR including anti-corruption, human rights and the supply chain.

In December 2016, Telenor presented an independent survey conducted by KPMG linked to the company's global impact on society (Telenor's Global Impact). Telenor has committed to adhere to the United Nations' sustainability targets, and has chosen to reduce social differences (goal number ten) as their key priority going forward. The impact report examines how Telenor's operations will contribute to achievement of this objective.

Financial development

Telenor's revenues in 2016 totalled NOK 131 billion, an increase of NOK 3.3 billion (3%) from the previous year. The increase was partly the result of strong developments in Bangladesh, Pakistan and Myanmar, and a positive currency effect of around NOK 1.3 billion. The company delivered an EBITDA margin of 34%, unchanged from 2015. Increased write-downs, partly related to Telenor India and Tapad, led to a reduction of 25% in operating profit (EBIT), from NOK 22.8 billion in 2015 to NOK 17.1 billion in 2016. Investments rose from NOK 26 billion to NOK 30 billion, partly as a result of the acquisition of Tapad. Adjusted for acquisitions, spectrum and licences, investments accounted for 17.3% of total revenues, down from 18.4% in 2015.

Telenor delivered a profit after tax of NOK 2.8 billion. The profit was negatively affected by write-downs on investments and losses on sales of associated companies (VEON). Profit per share was NOK 1.89 in 2016, compared with NOK 2.27 in the previous year. Telenor paid a dividend of NOK 7.8 per share for the 2016 financial year, amounting to NOK 11.7 billion in total.

Income statement (NOK millions)	2016	2015
Operating revenues	131 427	128 175
Operating expenses	114 357	105 414
Gross operating profit (EBITDA)	45 103	43 326
Operating profit (EBIT)	17 070	22 761
Share of profits in associates and joint ventures	-1 796	-6 819
Net financial items	-3 543	-2 921
Profit/loss before tax and minority	11 731	13 020
Tax charge	5 924	6 317
Minority interests	2 974	3 289
Profit/loss after tax and minority	2 832	3 414

Balance sheet	2016	2015
Intangible assets	153 328	162 596
Fixed assets	52 991	42 313
Total assets	206 319	204 909
Equity	50 879	58 467
Minority interests	4 517	4 660
Total equity	55 396	63 127
Provision for liabilities	10 775	10 583
Current interest-bearing liabilities	86 361	76 428
Current interest-free liabilities	53 787	54 771
Total debt and liabilities	150 923	141 782
Total equity and liabilities	206 319	204 909

Cash flow	2016	2015
Operating activities	39 778	37 107
Investment activities	-21 105	-20 281
Financing activities	-9 037	-15 041
Foreign currency effects	-446	81
Change cash and cash equivalents	9 190	1 866

Key figures	2016	2015
Capital employed	141 757	139 555
Gross operating margin (EBITDA)	34 %	34 %
Operating margin (EBIT)	13 %	18 %
Equity ratio	27 %	31 %
Return on equity	5 %	6 %
Average return on equity last 5 years	9 %	-
Return on capital employed	11 %	12 %

Assets and dividends	2016	2015
Market value at year-end	193 688	222 666
Price/book	3,8	3,8
Closing price	129,00	148,30
Dividend for the financial year	11 711	11 261
Dividend percentage	41,3 %	33,0 %
Average dividend percentage 5 years	16,4 %	-
Dividend to the state	6 320	6 078
Return including dividends last year	-8,0 %	2,2 %
Average return last 5 years	10,9 %	-

Additional information	2016	2015
Number of employees	37 000	35 000
Proportion of employees in Norway	15,9 %	17,1 %
State ownership at year-end	53,97 %	53,97 %
Proportion of women on the board	45 %	45 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %



Yara International ASA (Yara)'s largest business area is production, distribution and sale of nitrogen-based chemicals. The products are mostly used in mineral fertilisers, but industrial applications are an important and rapidly growing area.

The company has 30 production units, of which two are in Norway: in Glomfjord and Herøya. Yara has a global presence, and the company's distribution and marketing network encompasses more than 200 terminals, warehouses, blending plants and bagging facilities in more than 50 countries. Yara has almost 15,000 employees, who handle sales in around 160 countries. Yara is listed on the Oslo Stock Exchange and is headquartered in Oslo.

Yara's knowledge, products and solutions shall generate profitable and sustainable growth for customers, while at the same time giving consideration to the Earth's resources, food and environment. Yara's mission is "A collaborative society; a world without hunger; a planet respected."

The objective of the state's ownership in Yara is to maintain a knowledge-based and high-technology industrial group with a head office in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

In 2016, Yara agreed to purchase Tata Chemicals' urea plant and distribution operation in Uttar Pradesh, India, for USD 400 million. This represents a major step in Yara's growth strategy and gives an integrated position in the world's second largest fertiliser market.

Yara decided to invest USD 275 million in the expansion and modernisation of its plant in Rio Grande, Brazil. The expansion will double the current annual capacity of 800,000 tonnes.

In addition, Yara instigated an improvement programme to safeguard further sustainable growth in the future. The objective of the programme is to bring about an improvement in EBITDA of at least USD 500 million by 2020.

In 2016, Yara completed the sale of its European CO₂ operation and the remaining 34% holding in Yara Praxair Holding AS for around EUR 300 million to Praxair Inc.

Corporate social responsibility

As a member of the UN's Global Compact, Yara has undertaken to follow the organisation on human rights, the environment, workers' rights and anti-corruption. Yara adheres to the OECD Guidelines for Multi-national Enterprises and Anti-Bribery Con-

CEO: Svein Tore Holsether

Board: Leif Teksum (chair), Maria Moræus Hanssen (deputy chair), Geir Petter Isaksen, Hilde Bakken, John Gabriel Thuestad, Geir Olav Sundbø*, Rune Bratteberg*, Kjersti Aas* (* employee elected)

Auditor: Deloitte AS



© Yara International ASA

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 36,21 %
Company website: www.yara.com

vention, and the company supports the UN Sustainable Development Goals.

Yara's strategy is for the company to create value for its shareholders, customers and employees, and for society in general. In 2016, the company focussed on the following:

Further work on and investments in energy efficiency. The company managed to reduce its energy consumption per unit of ammonia produced by around 1%.

Further streamlining within the consumption of fertilisers and water in agriculture through improvements to N-Sensor and N-Tester tools, and the development of tools and solutions for agriculture in regions where water is scarce.

Numerous existing development engagements, including the SAGCOT agricultural growth corridor in Tanzania, Patient Procurement Platform partnership with World Food Program, and became affiliated to Business & Sustainable Development Commission (BSDC) regarding the follow-up of the United Nations' sustainability goals.

Further long-term prioritisation of the compliance work, partly through more than 2,300 courses held with staff and the processing of 179 enquiries through internal and external whistle-blowing routines.

Yara increased the proportion of women amongst senior executives from 10% in 2015 to 14% in 2016, and is implementing a raft of measures to increase the proportion further.

The company's injury frequency was reduced further, from 3.4 in 2015 to 2.5 in 2016.

Financial development

In 2016, Yara delivered higher sales and production volumes, but revenues fell due to lower fertilizer prices. Yara's target for cash return on gross invested capital, cash return on gross investment (CROGI), ended at 9.5% for 2016, down from 14% in 2015, and below the target for a minimum of 10% over the business cycle. Margins were considerably lower than in 2015 due to lower market prices for fertilizers and lower premiums for NPK fertilizer and nitrates. Yara's global fertilizer deliveries ended at 27.2 million tonnes, 3% up on 2015, primarily as a result of increased deliveries in Brazil.

In 2016, Yara's net profit after minority interests was NOK 6,360 million, 21% lower than in 2015, primarily due to lower fer-

Income statement (NOK millions)	2016	2015
Operating revenues	97 170	111 897
Operating expenses	88 399	97 793
Gross operating profit (EBITDA)	15 018	21 037
Operating profit (EBIT)	8 771	14 104
Share of profits in associates and joint ventures	-348	-310
Net financial items	-61	-3 149
Profit/loss before tax and minority	8 363	10 644
Tax charge	2 041	2 209
Minority interests	-37	351
Profit/loss after tax and minority	6 360	8 083

Balance sheet	2016	2015
Intangible assets	83 938	77 681
Fixed assets	36 567	41 182
Total assets	120 505	118 863
Equity	74 444	73 890
Minority interests	2 326	1 837
Total equity	76 770	75 727
Provision for liabilities	11 558	12 382
Current interest-bearing liabilities	16 555	15 091
Current interest-free liabilities	15 621	15 664
Total debt and liabilities	43 734	43 137
Total equity and liabilities	120 505	118 863

Cash flow	2016	2015
Operating activities	14 084	14 631
Investment activities	-10 604	-6 888
Financing activities	-2 989	-8 304
Foreign currency effects	39	189
Change cash and cash equivalents	531	-371

Key figures	2016	2015
Capital employed	93 325	90 818
Gross operating margin (EBITDA)	15 %	19 %
Operating margin (EBIT)	9 %	13 %
Equity ratio	64 %	64 %
Return on equity	9 %	12 %
Average return on equity last 5 years	13 %	-
Return on capital employed	10 %	17 %

Assets and dividends	2016	2015
Market value at year-end	92 894	105 329
Price/book	1,2	1,4
Closing price	340	382,9
Dividend for the financial year	2 732	4 113
Dividend percentage	43 %	51 %
Average dividend percentage last 5 years	44 %	-
Dividend to the state	989	1 489
Return including dividends last year	-6,7 %	18,6 %
Average return last 5 years	11,5 %	-
Sales proceeds to the state/retirement of shares	252	127

Additional information	2016	2015
Number of employees	14 736	12 883
Proportion of employees in Norway	9 %	8 %
State ownership at year-end	36,21 %	36,21 %
Proportion of women on the board	38 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

tilizer prices. Yara maintained its strong financial position in 2016. The debt-equity ratio rose from 0.16 to 0.17, as cash flows largely funded maintenance and growth investments and dividends to shareholders. Yara paid a dividend of NOK 10 per share, down from NOK 15 in 2015.



Telenor is one of the world's leading mobile telecommunication operators, with over 200 million mobile subscriptions.



**NSB recorded profit after
tax and minority interests
for 2016 of NOK 1.3 billion.**





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Category 3

Commercial objectives and other specifically defined objectives

This category includes companies where the state's ownership has commercial objectives and other societal reasons for state ownership than maintaining the head office in Norway. The state has expectations regarding profits and returns based on the companies' risk profiles. The companies operate in a market with other commercial actors.

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CEO: Joachim Høegh-Krohn
 Board: Jon Hindar (chair), Grethe Høiland (deputy chair), Rikke Reinemo, Kjell Martin Grimeland, Tina Steinsvik Sund
 Auditor: PricewaterhouseCoopers AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
 Company website: www.argentum.no

Argentum Fondsinvesteringer AS (Argentum) was established in 2001 to invest in private equity funds and contribute to a better functioning capital market for unlisted companies. Argentum is currently invested in 117 funds, which in turn own 623 unlisted companies. Argentum has its headquarters in Bergen and a regional office in Oslo.

Argentum specialises in funds in northern Europe and international energy funds. Argentum commits capital to funds that invest in unlisted companies. Investments are divided into buy-out funds and venture funds. Argentum is the largest investor in Norwegian venture.

Argentum Asset Management is the group's asset management company. The company's core expertise is evaluation and selection of private equity funds and fund managers. Investments are made by investing in newly established funds (primary), by acquiring interests in existing funds (secondary) or through co-investments with fund managers. Argentum Asset Management also manages assets for private investors. Argentum has investments worth over NOK 6 billion in private equity funds. Argentum has committed NOK 10 billion net (gross committed minus injected capital repaid by the funds) to existing funds/structures. In addition, private investors have committed NOK 3.6 billion net through Argentum's investment programmes.

The objective of the state's ownership of Argentum is to achieve a good return on investments in private equity funds, contribute to a more dynamic capital market for unlisted companies through co-investments in such funds with private investors, and, as an investor, to promote the development of the private equity sector. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

Argentum committed a total of NOK 1.3 billion to new funds in 2016, including Northzone Venture, Energy Ventures,

FSN and Inflexion. Total realisations in the portfolio in 2016 amounted to NOK 1.5 billion.

Corporate social responsibility

The assessment of corporate social responsibility is an integral part of all investment decisions in Argentum and in the monitoring of the company's managers. Argentum maintains a regular dialogue with managers and other stakeholders in order to contribute to the development of processes and routines related to corporate social responsibility.

Argentum is a member of the UN Global Compact and reports to the organisation yearly. The company is also an active member of Norsif, an independent association for investors with an interest in responsible and sustainable management.

Argentum supports "Women's Empowerment Principles", an initiative to promote gender equality under the auspices of the UN.

Argentum annually publishes a separate corporate social responsibility report, which also presents an overview of developments within the area in the company's fund portfolio.

Financial development

Argentum realized gains of NOK 614 million from the investment portfolio in private equity funds in 2016. However, the negative change in the value of the existing portfolio led to a group loss of NOK -123 million in 2016, compared with a profit of NOK 401 million in 2015.

The market value of the investment portfolio in private equity funds amounted to NOK 6,131 million at the end of 2016, while the corresponding value at the end of 2015 amounted to NOK 6,504 million. The return on the company's investment portfolio in private equity funds was 14.1% p.a. at the end of 2016, measured since its establishment in 2001. The average net return after deducting Argentum's own costs during the same period was 12.4%.

Income statement (NOK millions)	2016	2015
Operating revenues	-50	488
Operating expenses	60	67
Gross operating profit (EBITDA)	-111	420
Operating profit (EBIT)	-111	420
Net financial items	4	17
Profit/loss before tax and minority	-106	437
Tax charge	17	36
Minority interests	0	0
Profit/loss after tax and minority	-123	401

Balance sheet	2016	2015
Intangible assets	6 337	6 690
Fixed assets	1 034	1 311
Total assets	7 370	8 001

Equity	7 331	7 955
Provision for liabilities	0	0
Current interest-bearing liabilities	0	0
Current interest-free liabilities	39	46
Total debt and liabilities	39	46
Total equity and liabilities	7 370	8 001

Cash flow	2016	2015
Operating activities	171	750
Investment activities	-7	0
Financing activities	-500	-250
Change cash and cash equivalents	-336	500

Key figures	2016	2015
Capital employed	7 331	7 955
Gross operating margin (EBITDA)	-	86 %
Operating margin (EBIT)	-	86 %
Equity ratio	99 %	99 %
Return on equity	-2 %	5 %
Average return on equity last 5 years	9 %	-
Return on capital employed	-1 %	6 %

Dividends	2016	2015
Dividend for the financial year	800	500
Dividend percentage	-	125 %
Average dividend percentage last 5 years	80 %	-
Dividend to the state	800	500

Additional information	2016	2015
Number of employees	21	22
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	60 %	60 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

CEO: Geir Bergvoll

Board: Sigurd Carlsen (chair),
Christian Berg (deputy chair), Tone
Lunde Bakker, Bjørn Berg, Marianne
Heien Blystad, Rune Helgeland*
(* employee elected)

Auditor: PricewaterhouseCoopers AS



Eksportfinans ASA was established in 1962 and is located in Oslo. The company actively manages a portfolio of loans to the Norwegian export industry, foreign buyers of Norwegian capital goods, and the municipal sector in Norway. Almost all of the loans are guaranteed by the Norwegian Export Credit Guarantee Agency (GIEK) and/or banks. The company also manages a portfolio of international securities. Business is funded through bonds and commercial paper issued in the international capital markets. At the close of 2016, the company had 29 employees and was owned by 23 commercial and savings banks in addition to the state, represented by the Ministry of Trade and Industry. The state acquired its 15% ownership interest through a private placement in 2001.

The objective of the state's ownership in Eksportfinans is to contribute to the company's management of its existing portfolio of assets, liabilities and obligations in accordance with applicable contracts.

Key events

In 2016, Eksportfinans' operations were stable, and it had good liquidity and financial strength. In November 2016, Standard & Poor's upgraded the company's credit rating to BBB+ with a stable outlook. In March 2017, Eksportfinans issued a new bond loan of NOK 2 billion with a repayment term of two years.

The company continued to manage its existing portfolio of assets and liabilities in accordance with signed agreements, but without granting new loans. This strategy was established in 2012, in connection with Eksportkreditt Norge being made responsible for providing new state-supported export credits. As expected, the company's value in the statement of financial position declined during the year, and as a result of this, the number of employees was reduced from 40 to 29 in April 2016 through voluntary redundancy packages.

Corporate social responsibility

The board of Eksportfinans has adopted guidelines for corporate social responsi-

bility. Eksportfinans' Social Responsibility Policy provides ethical guidelines for the company, as well as guidelines on environmentally friendly operation, environmental and social requirements for projects funded by Eksportfinans, anti-corruption measures, measures to prevent money laundering and whistle-blowing. The policy document is publicly available on the company's website. In 2016, Eksportfinans continued to monitor its portfolios in accordance with the guidelines in close collaboration with GIEK and other guarantors.

Financial development

Net interest income in 2016 was NOK 260 million, compared with NOK 374 million in 2015. The decline was primarily due to lower interest-bearing balance. The profit from the underlying business, excluding unrealised gains and losses on financial instruments and losses hedged by the portfolio hedge agreement, was NOK 177 million in 2016, compared with NOK 172 million in 2015. The result was boosted by gains made on the sale of the company's holding in office premises to the Swedish investment company Genesta, and negatively affected by provisions relating to an arbitration ruling regarding the 108-agreement with the Ministry of Trade, Industry and Fisheries.

Comprehensive income in accordance with IFRS was NOK -345 million for 2016, compared with NOK -351 million for 2015. The negative figures are primarily due to the reversal of previously unrealised gains on the Eksportfinans's own debt. The remaining balance of previously unrealised gains of NOK 810 million (after derivatives) at the end of 2016 will continue to be reversed as unrealised losses in the income statement in the future. At the close of 2016, Eksportfinans had assets totalling NOK 33.2 billion. Debts and liabilities amounted to NOK 26.1 billion, and equity was NOK 7.1 billion. The capital adequacy ratio and Tier 1 capital ratio were both 61%. Eksportfinans did not pay a dividend in 2016.

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 15 %
Company website: www.eksportfinans.no

Income statement (NOK millions)	2016	2015
Interest income	1 279	1 776
Interest costs	1 019	1 402
Net interest income	260	374
Net operating income	-661	-780
Operating expenses	107	142
Net losses	0	0
Operating profit/loss	-508	-548
Tax charge	-177	-172
Profit/loss after tax	-331	-376

Balance sheet	2016	2015
Total assets	33 171	65 142
Total debt	26 106	57 733
Total equity	7 065	7 409
Total equity and liabilities	33 171	65 142

Key figures	2016	2015
Tier 1 capital ratio	61 %	36 %
Loss ratio lending	0 %	0 %
Return on equity	-5 %	-5 %
Average return on equity last 5 years	-31 %	-

Dividends	2016	2015
Dividend for the financial year	0	0
Dividend percentage	0 %	0 %
Average dividend percentage last 5 years	0 %	-
Dividend to the state	0	0

Additional information	2016	2015
Number of employees	29	44
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	15 %	15 %
Proportion of women on the board	33 %	33 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %



ELECTRONIC CHART CENTRE

Electronic Chart Centre AS (ECC) aims to contribute to increased safety at sea, partly through the development and operation of electronic sea charts. The company was established as a limited company following divestment from the Norwegian Mapping Authority in 1999. ECC has its head office in Stavanger and has 18 employees.

The company's activities are concentrated on delivery of services that ensure that Norway meets its obligations pursuant to international and national strategies regarding safety at sea. This is achieved by managing a database for PRIMAR, a coordination centre for official navigation charts in which many countries are participating. ECC also strives to meet requirements from new areas of use and new technologies for players on land and at sea.

The objectives of the state's ownership of ECC are to enable Norway to fulfil its obligations under international conventions concerning safety at sea, and to meet the public need for increased maritime safety by managing and publishing authorised electronic nautical charts owned by the hydrographic offices. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

In 2016/2017, ECC renegotiated a new contract with the Norwegian Mapping Authority concerning the further development and operation of electronic sea charts for the PRIMAR database.

In 2016/2017, ECC developed support for the S102 standard for bathymetric data on behalf of the Norwegian Mapping Authority for use in the PRIMAR service. The S102 project is split into three deliveries linked to distribution, quality control and display. There has been considerable interest in bathymetric data from the National Coastal Administration, the Norwegian Armed Forces and others.

Given the increasing interest in such data, ECC joined forces with Kongsberg Digital to apply for funding from the Research Council of Norway in order to develop a S-102 demonstrator in collaboration with the National Coastal Administration, the Norwegian Mapping Authority and the Norwegian Armed Forces. The project will be allocated funding from the MAROFF programme in 2017/2018.

Another project that ECC was awarded in 2016 was to create a new version of an online chart directory (CCW) for members of PRIMAR and their distributors. This project will support expanded functionality and

CEO: Ralph Emmanuel Daber

Board: Tina Steinsvik Sund (chair), Knut Ole Flåthen (deputy chair), Nicolai Jarlsby

Auditor: KPMG AS



© Electronic Chart Centre AS

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.ecc.no

be more user-friendly. The project will be completed by the end of 2017.

In 2016, won a contract from Luftambulansetjenesten ANS to develop an application (app) and internet solution for the digitalisation and display of landing sites for helicopters. The solution includes map coverage across Norway, but will also include map services for Sweden and Finland. The service was launched in early 2017.

ECC is also developing many other map-related solutions for Gule Sider in Norway and Sweden, the Norwegian pilot service and port authorities internationally.

Corporate social responsibility

ECC evaluates and prioritises development activities, cooperation and business procedures and has a strong awareness of its corporate social responsibility. The company's activities help to improve safety at sea.

ECC's principal customer is the Norwegian Mapping Authority, but given the company's aim of attracting more private customers, the need for awareness of and good routines for background and credit checks of customers and subcontractors is increasing. In 2016, ECC prepared a standard procedure and contract template for large project opportunities and established a specific anti-corruption routine.

ECC has an external whistle-blowing service, where employees can anonymously report any reprehensible circumstances within the company.

The company consciously strives to limit the environmental impact of its operations.

Financial development

Operating revenues rose from NOK 25.4 million in 2015 to NOK 27.7 million in 2016, primarily as a result of increased activity within the core business, the development and operation of electronic sea charts for PRIMAR. Profit after tax was NOK 5.4 million, up from NOK 1.2 million in the previous year. The improvement in profit is to some extent due to higher revenues, but lower costs were the main factor. The company achieved an operating margin of 19% and a return on book equity of 58%. The company paid NOK 5.4 million in dividends for 2016.

Income statement (NOK millions)	2016	2015
Operating revenues	27,7	25,4
Operating expenses	22,3	26,0
Gross operating profit (EBITDA)	5,5	-0,4
Operating profit (EBIT)	5,4	-0,7
Net financial items	0,0	0,1
Profit/loss before tax	5,4	-0,6
Tax charge	0,0	-1,8
Profit/loss after tax	5,4	1,2

Balance sheet	2016	2015
Intangible assets	3,3	3,3
Fixed assets	16,0	15,5
Total assets	19,3	18,8

Equity	8,8	10,0
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	10,6	8,8
Total debt and liabilities	10,6	8,8
Total equity and liabilities	19,3	18,8

Key figures	2016	2015
Capital employed	8,8	10,0
Gross operating margin (EBITDA)	20 %	-1 %
Operating margin (EBIT)	19 %	-2 %
Equity ratio	45 %	53 %
Return on equity	58 %	11 %
Average return on equity last 5 years	13 %	-
Return on capital employed	58 %	-6 %

Dividends	2016	2015
Dividend for the financial year	5,4	3,0
Dividend percentage	100 %	257 %
Average dividend percentage last 5 years	203 %	-
Dividend to the state	5,4	3,0

Additional information	2016	2015
Number of employees	18	17
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	33 %	33 %
Proportion of women among owner-appointed/shareholder elected board members	33 %	33 %

International conventions and strategies that necessitate greater use of ECC's products and services are creating new opportunities. ECC is further developing existing products and investing in new business opportunities in order to lay the foundations for future profitable growth.

CEO: Erica Blakstad

Board: Mai-Lill Ibsen (chair),
Anne Breiby (deputy chair), Trygve Young,
Trond Ellingsen, Einar Westby,
Inger Marie Sperre, Kristine
Bugge-Lie* (* employee elected)

Auditor: PricewaterhouseCoopers AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.giekkreditt.no

GIEK Kredittforsikring AS aims to promote Norwegian industry with a special emphasis on small and medium-sized businesses (SMB) and Norwegian exports. GIEK Kredittforsikring is the only fully integrated Norwegian credit insurance company and has all functions in Norway. GIEK Kredittforsikring's history dates back to 1922, with insurance of fish exports to Russia. The company was part of the Norwegian Export Credit Guarantee Agency (GIEK) until 2001, when it was demerged as a separate limited company. The state's ownership was managed by GIEK until the end of 2014, but this responsibility was transferred to the Ministry of Trade, Industry and Fisheries in January 2015. GIEK Kredittforsikring has its head office in Oslo.

The aim of the state's ownership of GIEK Kredittforsikring is to contribute to a good, reasonable access to credit insurance for small and medium-sized businesses. The company shall operate on a commercial basis with the aim of delivering a competitive return.

Key events

In 2016, GIEK Kredittforsikring continued its work to further develop specialist and support systems which improve the customer experience and increase efficiency and control within the organisation.

In 2016, the company expanded its range of credit insurance to also cover the domestic market.

The scope of claims and defaults largely developed in a positive direction during 2016. The work related to previous default and compensation claims, partly due to the import stop on seafood to Russia and the unrest in Ukraine, remains resource-intensive along with certain larger compensation claims.

During 2016, the company continued its efforts to adjust to a new Act on financial undertakings with associated regulations and amendments which were implemented with effect from 2016.

Corporate social responsibility

GIEK Kredittforsikring emphasizes that corporate social responsibility is an integrated part in the company's operations.

The company also insures sales to countries where there generally is a high risk of corruption, money laundering and financing of terrorism. GIEK Kredittforsikring does not directly affect trade between the company's customers and their clients. Nevertheless, GIEK Kredittforsikring aims to help reduce the risk of corruption, money laundering and financing of terrorism between the company's customers and their clients. Preventive work is carried out through requirements for transparent transactions and good documentation. In addition, a separate clause has been incorporated into the insurance terms and conditions to combat these types of offences. In the clause, GIEK Kredittforsikring assumes that customers in connection with contracts and receivables for which the insurance apply, have not acted in breach of the Penal Code. The provisions prohibit the financing of terrorism, the receiving of stolen goods, money laundering and corruption, and aiding and abetting such acts. If, despite this, the company's customers act in breach of these bans, the insurance liability will lapse. The same will apply if the company's customers or any assistants act in breach of the bans and the customer knew or must have known this.

Financial development

The competition in the credit insurance market increased during 2016, and the company's premium revenues were negatively affected by lower premium rates in the market. Defaults and compensation claims from previous years had a more positive development than anticipated at the start of 2016. The company's pension commitments increased in 2016 due to changes in the assumptions, including a lower discount rate. The profit for 2016 was NOK 3.4 million. The positive result improves the company's solvency margin. The company did not pay dividends for 2016.

Income statement (NOK millions)	2016	2015
Premiums, net of reinsurance	43,5	56,1
Other insurance-related income	4,6	3,7
Claims incurred, net of reinsurance	-5,3	-9,6
Insurance-related operating expenses, net of reinsurance	-40,9	-46,6
Result of technical accounting for non-life insurance	1,8	3,6
Net income from investments	7,1	0,6
Other income	0,6	1,3
Profit/loss, non-technical accounts	7,8	1,9
Profit/loss from ordinary activities	9,6	5,5
Tax charge	-2,5	2,4
Result before other comprehensive income	7,1	7,9
Actuarial gains / losses defined benefit plans	-4,9	22,4
Tax on actuarial profit/loss	1,2	-5,6
Profit/loss after tax	3,4	24,7
Balance sheet	2016	2015
Total assets	476	489
Total liabilities	231	248
Total equity	245	241
Total equity and liabilities	476	489
Key figures	2016	2015
Equity ratio	51 %	49 %
Solvency margin	283 %	270 %
Cost ratio	94 %	83 %
Loss ratio	12 %	17 %
Combined ratio	106 %	100 %
Return on equity	1,4 %	10 %
Average return on equity last 2 years	5,8 %	-
Dividends	2016	2015
Dividend for the financial year	0	0
Dividend percentage	0 %	0 %
Average dividend percentage last 5 years	4 %	0 %
Dividend to the state	0	0
Additional information	2016	2015
Number of employees	34	34
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	57 %	57 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

Investinor



CEO: Haakon H. Jensen

Board: Thomas Falck (chair),
Åse Koll Lunde (deputy chair),
Beatriz Malo de Molina,
Svein Sivertsen, Hans Aasnæs

Auditor: Deloitte AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.investinor.no

Investinor AS invests in competitive, internationally oriented companies, primarily in the commercialisation phase. In addition to investment in the early stages of growth, the company has some flexibility towards investing in companies in the expansion phase. Investinor exercises competent, active ownership. The company is operated on a commercial basis in accordance with the market investor principle in the EEA agreement, and offers a good long-term return with a good spread of risk. Investinor sells its stake in portfolio companies when other owners are better suited to take them to the next level. Investinor's vision is to transform promising companies into global leaders by working with entrepreneurs and other investors.

The objective of the state's ownership of Investinor is to boost value creation in Norwegian business and industry through investing in start-up companies, early stage companies and, to a lesser extent, those in the expansion stage. State ownership is also intended to help develop experience and expertise in owning and developing companies in the early stages of growth. The company is to be run on a commercial basis and with the aim of delivering a competitive return.

Key events

In 2016, Investinor invested in five new portfolio companies and conducted 33 follow-up investments in its portfolio companies. A total of NOK 1,146 million of venture capital was injected into the portfolio companies, of which Investinor contributed with NOK 329 million. The investment portfolio increased from 33 to 35 companies.

Haakon H. Jensen was appointed as the new CEO in 2016. Organisational adaptations have also been implemented to help ensure that Investinor's strategy and operation are appropriate given the owner's goal of a market return on investments.

Corporate social responsibility

Investinor is a responsible investor that will contribute to sustainable wealth creation by taking into account environmental, social and governance (ESG) issues in all its investments. ESG issues have been incorporated into Investinor's investment analysis, decision-making processes and active exercising of ownership. Investinor has committed to the UN's Global Compact and the UN's Principles for Responsible Investment.

Investinor has emphasized to develop good internal procedures in order to identify and manage challenges associated with the investment process, i.e. during the analysis and negotiation phase before Investinor becomes the co-owner of a company. In 2016, Investinor further developed and quality-assured its methodology for analysing ESG risk in investments.

Financial development

As an investment company, Investinor's operating revenues consist of changes in the value of the investment portfolio. In 2016, Investinor's operating revenues totalled NOK 166 million, compared with NOK 120 million in the previous year. This improvement is due to a stronger net change in market value in the investment portfolio. The company's operating profit for 2016 was NOK 114 million (55). Investinor's profit for 2016 was NOK 122 million (60).

Income statement (NOK millions)	2016	2015
Operating revenues	166	120
Operating expenses	52	65
Gross operating profit (EBITDA)	115	56
Operating profit (EBIT)	114	55
Net financial items	8	5
Profit/loss before tax and minority	122	60
Tax charge	0	0
Minority interests	0	0
Other income og kostnader i perioden	0	0
Profit/loss after tax and minority	122	60
Balance sheet	2016	2015
Intangible assets	2 073	1 613
Fixed assets	585	428
Total assets	2 658	2 041
Equity	2 634	2 011
Provision for liabilities	11	10
Current interest-bearing liabilities	0	0
Current interest-free liabilities	12	19
Total debt and liabilities	23	30
Total equity and liabilities	2 658	2 041
Cash flow	2016	2015
Operating activities	-348	-172
Investment activities	-137	173
Financing activities	500	0
Change cash and cash equivalents	15	1
Key figures	2016	2015
Capital employed	2 634	2 011
Gross operating margin (EBITDA)	69 %	46 %
Operating margin (EBIT)	69 %	46 %
Equity ratio	99 %	99 %
Return on equity	5 %	3 %
Average return on equity last 5 years	0 %	-
Return on capital employed	5 %	3 %
Dividends	2016	2015
Dividend for the financial year	0	0
Dividend percentage	0 %	0 %
Average dividend percentage last 5 years	0 %	-
Dividend to the state	0	0
Capital contribution from the state	500	0
Additional information	2016	2015
Number of employees	18	21
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	40 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

CEO: Kristine Falkgård
Board: Else Bugge Fougner (chair),
Martin Skancke (deputy chair),
Martha Takvam, Nanna Egidius,
Brit Kristin Sæbø Rugland, Rune
Midtgaard, Petter Steen jr., May-
Iren Walstad Wassås*, Jarle Byre*
(* employee elected)
Auditor: EY AS



The state's ownership interest through the Ministry of Local Government and Modernisation: 100 %
Company website: www.kommunalbanken.no

Kommunalbanken AS Kommunalbanken Norway (KBN), finances welfare investments in Norwegian municipalities by contributing to stable, reasonable and long-term loan financing.

KBN has the highest possible credit rating AAA/Aaa. This provides a sound basis for the company's borrowing in the capital markets. KBN offers the same interest rate terms irrespective of the size of the loan or the municipality, reflecting the company's sector policy function. At the same time, the company aims to provide the state with a satisfactory return on the capital it has invested. The required rate of return for the period 2016–2018 was 8% of value-adjusted equity after tax.

KBN is one of the largest financial undertakings in Norway, is subject to the supervision of the Financial Supervisory Authority of Norway and has been identified as a systematically important financial institution by the Ministry of Finance.

The objective of the state's ownership of KBN is to facilitate the financing of the municipal sector. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

The lending portfolio grew by NOK 12.1 billion in 2016, equivalent to a growth in lending of 4.8%. At the close of the year, total lending to the municipal sector amounted to NOK 267 billion. A high proportion of new loans has been used to finance schools, kindergartens, care homes, water, sewage and waste disposal and transport and communications.

In 2016, the entire "green" lending programme was relaunched with a new framework and new green lending products with a lower interest rate. Lending to climate-friendly projects amongst the municipalities increased by 11% in 2016.

In 2016, KBN launched KBN Finans, an online debt management system. This is a tool which helps KBN's customers by providing an overview of transactions, analysis and reporting of loans and interest hedging. The tool will give the municipi-

palities a better insight into their interest positions and financial risks.

Corporate social responsibility

KBN aims help the municipal sector invest in climate-friendly projects. The company offers a separate loan product, with a lower interest rate, for investments which lead to reductions in energy consumption or reduced greenhouse gas emissions or contribute to local climate adaptation. The loans are financed using green bonds targeted at investors whose investment mandates include references to climate.

KBN's lending framework is based on the responsible granting of credit which will contribute to financially sustainable debt management amongst the KBN's customers.

In 2016, KBN adopted specific guidelines for corporate social responsibility based on a stakeholder analysis.

Financial development

Profit for 2016 was NOK 689 million, compared with NOK 1,870 million in 2015. Net interest income rose from 2015, due to a combination of good margins in the markets throughout much of 2016 and strong growth in lending early in the year. The profit was also affected by unrealised losses of NOK 974 million. The losses partly stem from changes in the value of fixed interest rate loans, which are recognised at fair value. There have also been changes in other market parameters which impact on the value of the KBN's financial derivatives and lead to unrealised losses. KBN's financial instruments are normally held until maturity and the effect of unrealised changes in value on the profit are reversed in the event of a reversal in the market movements or when the instrument matures. In 2015, recognised unrealised gains amounted to NOK 1,116 million.

Operating costs remained low and correspond to 0.04% of total assets. The return on value-adjusted equity was 6.3% in 2016, compared with 20.8% in the previous year.

Income statement (NOK millions)	2016	2015
Interest income	5 617	5 496
Interest costs	3 563	3 884
Net interest income	2 054	1 612
Other operating revenues	-958	1 122
Operating expenses	177	151
Net losses	0	0
Operating profit	919	2 583
Tax charge	230	713
Profit/loss after tax	689	1 870

Balance sheet	2016	2015
Net lending	267 521	256 815
Other assets	150 806	192 546
Total assets	418 327	449 361

Total debt	405 875	437 159
Total equity	12 452	12 202
Total equity and liabilities	418 327	449 361

Key figures	2016	2015
Common equity Tier 1 capital ratio	16,9 %	15,1 %
Cost/income ratio	16,1 %	5,5 %
Loss provio as percentage of gross lending	0 %	0 %
Loss ratio lending	0 %	0 %
Return on equity	6 %	18 %
Average return on equity last 5 years	15 %	-

Dividends	2016	2015
Dividend for the financial year	390	417
Dividend percentage	57 %	22 %
Average dividend percentage last 5 years	24 %	-
Dividend to the state	390	417
Capital contributions from the state	0	1 000

Additional information	2016	2015
Number of employees	72	72
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	56 %	44 %
Proportion of women among owner-appointed/shareholder elected board members	57 %	43 %



CEO: Geir Isaksen

Board: Dag Mejdell (chair), Bjarne Borgersen (deputy chair), Kjerstin Fyllingen, Åsne Havnelid, Wenche Teigland, Rolf Juul Ringdal*, Ove Sindre Lund*, Jan Audun Strand* (* employee elected)

Auditor: Deloitte AS



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The state's ownership interest through the Ministry of Transport and Communications: 100 %
Company website: www.nsbkonsernet.no

NSB AS was established as a separate company in 1996 and has been organised as a limited company since 2002. The company is one of Norway's largest transport groups and also has extensive operations in Sweden. In 2016, the NSB group consisted of the business areas passenger trains (NSB AS, NSB Gjøvikbanen AS and Svenska Tågkompaniet AB), freight transport (CargoNet AS), bus operations (Nettbuss AS), train maintenance (Mantena AS) and property (ROM Eiendom AS), as well as support functions. NSB's ambition is to be a Nordic market leader within passenger transport and a profitable freight carrier offering services both in Norway and internationally. The company's head office is situated in Oslo.

The objective of the state's ownership of NSB is to help secure efficient, accessible, safe and eco-friendly passenger and freight transport by rail in Norway. The company is run on a commercial basis with the aim of delivering a competitive return.

Key events

As a result of essential adaptations to the Railway Reform and competition in the Norwegian rail network, the NSB group's board decided in autumn 2016 to implement a process with a view to laying off up to 300 employees within management, staff and administration in the passenger transport business through to the end of 2018.

In connection with the 2016 wage settlement, Norsk Lokomotivmannsforbund went on strike. The strike lasted for almost five weeks and ended when the Minister for Transport and Communications announced a national standard for the training of locomotive drivers following a specific request from the parties.

The government has begun to implement the Railway Reform. According to white paper Report no. 27 to the Storting (2014–2015) On the right track/Recommendation 386 S (2014–2015) and Bill 1 S Supplement 2 (2016–2017)/Recommendation 2 S (2016–2017), operations are to

be divested from NSB in order to facilitate equal competition and low establishment obstacles in the impending passenger tendering rounds, to promote greater competition for train maintenance and to concentrate all railway property in one place. With accounting effect from January 2017, the companies ROM Eiendom AS, Norske tog AS, Mantena AS and Entur AS were demerged from NSB. With effect from 2017, the NSB group consists of the following business areas: passenger transport, freight, bus, tourism and corporate services; see Bill 131 S (2016–2017).

Corporate social responsibility

In 2016, the NSB group made a strong contribution to the green switch to the environmentally friendly transport of passengers and freight, and measures to increase the use of public transport for commuting, including the development of public transport hubs and the construction of residential and industrial buildings close to them.

NSB is continually striving to improve the company's energy efficiency. Emissions of CO₂ from the business were cut by 80,343 tonnes (23%) from 2014 to 2016, primarily in connection with the transition to renewable energy in the bus and property business and a cleaner Nordic electricity mix.

In 2016, the NSB group worked on reporting in accordance with GRI4 Core, which the company expects to be in place in 2017.

Financial development

The group achieved a profit after tax for the sum of continued and discontinued activity of NOK 1,267 million, compared with NOK 2,158 million in 2015. The reduction in profit is primarily due to a reduced gain from the development and sale of property, restructuring costs linked to the Railway Reform and non-recurring effects linked to pension expenses. The group's revenue amounted to NOK 15,559 million, while return on equity was 13%.

Income statement (NOK millions)	2016	2015
Operating revenues	15 559	15 372
Operating expenses	14 542	13 274
Gross operating profit (EBITDA)	2 513	3 548
Operating profit (EBIT)	1 017	2 098
Share of profits in associates and joint ventures	172	180
Unrealised changes in the value of investment properties and upon reclassification	551	536
Net financial items	-237	-150
Profit/loss before tax and minority	1 503	2 664
Tax charge	236	506
Minority interests	6	9
Profit/loss after tax and minority	1 261	2 149

Balance sheet	2016	2015
Intangible assets	20 893	19 554
Fixed assets	8 073	9 282
Total assets	28 966	28 836

Equity	9 935	9 835
Minority interests	-1	3
Total equity	9 934	9 838
Provision for liabilities	917	1 243
Current interest-bearing liabilities	10 936	11 921
Current interest-free liabilities	7 179	5 834
Total debt and liabilities	19 032	18 998
Total equity and liabilities	28 966	28 836

Cash flow	2016	2015
Operating activities	2 698	2 233
Investment activities	-1 016	-1 429
Financing activities	-1 958	-1 532
Foreign currency effects	-12	46
Change cash and cash equivalents	-288	-682

Key figures	2016	2015
Capital employed	20 870	21 759
Gross operating margin (EBITDA)	16 %	23 %
Operating margin (EBIT)	7 %	14 %
Equity ratio	34 %	34 %
Return on equity	13 %	24 %
Average return on equity last 5 years	17 %	-
Return on capital employed	7 %	13 %

No. of train journeys in Norway (millions)	67,6	67,1
Punctuality passenger trains (on time at final destination)	88,3 %	88,6 %
Freight transport in Norway (million tonnes/km)	1 913	1 917
Freight transport in Norway (1 000 TEU)	368	373

Public purchases	2016	2015
Income from the state	3 159	3 038

Dividends	2016	2015
Dividend for the financial year	0	595
Dividend percentage	0 %	28 %
Average dividend percentage last 5 years	31 %	-
Dividend to the state	0	595

Additional information	2016	2015
Number of employees	12 578	12 668
Proportion of employees in Norway	88 %	88 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	38 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %



CEO: Tone Wille

Board: Idar Kreutzer (chair), Randi Bakkerud Sætershagen (deputy chair), Tove Andersen, Anne Britt Berentsen, Morten Karlsen Sørby, Terje Wold, Erling Andreas Wold*, Lars Nilsen*, Ann Elisabeth Wirgerness*, Odd Christian Øverland* (* employee elected)

Auditor: EY AS



© Posten Norge AS

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.posten.no

Posten Norge AS is a Nordic mail and logistics group that develops and delivers complete solutions within postal services, communications and logistics. The group markets itself using two brands: Posten and Bring. Posten Norge's head office is situated in Oslo. The group consists of 17,000 full-time equivalents and has four divisions and four corporate staff functions.

Posten Norge's vision is to become the world's most forward-looking post and logistics group. The business concept is to develop and deliver complete solutions within post, communication and logistics, with the Nordic region as the domestic market.

In January 2017, responsibility for managing the state's ownership of Posten Norge was transferred from the Ministry of Transport and Communications to the Ministry of Trade, Industry and Fisheries.

The state's objective for the ownership of Posten Norge is primarily commercial, but is also intended to ensure a nationwide postal service. Fulfillment of sector policy objectives will now be realised through the establishment of agreements and sector regulation.

Key events

In 2016, the postal market in Norway was opened up to free competition.

In the postal segment, Posten Norge implemented cost measures which compensated for much of the increasing decline in post volumes, measures included the discontinuation of postal deliveries on Saturday.

In 2017, the group worked to develop a new strategy to target and customer-orientate the business further and to improve profitability. The company is also committed to improving the innovation capacity and the digital capability to develop new growth areas and solutions for both senders and recipients. Posten Norge has a good foundation with a high level of trust amongst the population.

Corporate social responsibility

Posten Norge strives to promote long-term value creation through the sustainable and responsible management of the company's key resources and to meet the requirements and expectations of the owner. The group has chosen three initiative areas: HSE, environment/climate and integration/diversity. The sustainability report for 2016 sets out the values that the group has established in recent years and the footprint they have left in society.

Financial development

Posten Norge's operating revenues in 2016 amounted to NOK 24,772 million, which is NOK 302 million lower than in 2015. Profit before tax was NOK 230 million, an improvement of NOK 79 million over the previous year. Operating profit in 2016 was NOK 178 million, which is NOK 61 million less than in 2015. The group recognised write-downs of NOK 313 million and other costs of NOK 169 million in 2016. The write-downs were primarily linked to goodwill, and other costs primarily concerned provisions for losses linked to rental contracts, as well as restructuring costs. In 2016, adjusted profit (EBITE) amounted to NOK 645 million, which is NOK 41 million lower than the previous year.

The digitalisation taking place in society has accelerated the drop in letter volumes. Sluggish economic growth, a downturn in activity in the oil sector and strong price competition have resulted in profitability challenges in some areas of the logistics business. The domestic freight business in Sweden had a negative impact on the profit for 2016, while the parcels business in Sweden made a positive contribution. E-commerce volumes displayed solid growth of 15% compared with the previous year. E-commerce from abroad increased the most. In the postal segment, there is no longer a market for the current statutory postal service, and further restructuring will be necessary. In 2017, Posten Norge will prepare for the transition to a single addressed letter flow from January 2018.

Income statement (NOK millions)	2016	2015
Operating revenues	24 772	25 074
Operating expenses	24 607	25 080
Gross operating profit (EBITDA)	1 170	1 167
Operating profit (EBIT)	163	-6
Share of profits in associates and joint ventures	15	245
Net financial items	52	-88
Profit/loss before tax and minority	230	151
Tax charge	191	212
Minority interests	4	1
Profit/loss after tax and minority	36	-62

Balance sheet	2016	2015
Intangible assets	9 063	8 910
Fixed assets	6 236	7 188
Total assets	15 299	16 097

Equity	5 898	5 928
Minority interests	14	-2
Total equity	5 912	5 926
Provisions for liabilities	1 588	1 450
Current interest-bearing liabilities	2 393	3 007
Current interest-free liabilities	5 406	5 714
Total debt and liabilities	9 387	10 171
Total equity and liabilities	15 299	16 097

Cash flow	2016	2015
Operating activities	945	1 213
Investment activities	-1 210	485
Financing activities	-633	-998
Change cash and cash equivalents	-898	700

Key figures	2016	2015
Capital employed	8 305	8 933
Gross operating margin (EBITDA)	5 %	5 %
Operating margin (EBIT)	1 %	0 %
Equity ratio	39 %	37 %
Return on equity	1 %	-1 %
Average return on equity last 5 years	5 %	-
Return on capital employed	6 %	8 %

Postal service outlets	1 480	1 423
Delivery quality A-priority post (overnight delivery)	86 %	85 %
Reputation of Posten (max points: 100)	68	65
Volume development A- and B-mail	-11 %	-6 %

Dividends	2016	2015
Dividend for the financial year	19	0
Dividend percentage	53 %	0 %
Average dividend percentage last 5 years	62 %	-
Dividend to the state	19	0

Public purchases	2016	2015
Purchase of postal and banking services	403	260

Additional information	2016	2015
Number of employees	18 327	19 895
Proportion of employees in Norway	79 %	80 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	40 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

CEO: Christian Rynning-Tønnesen

Board: Thorhild Widvey (chair),
Halvor Stenstadvoll (deputy chair),
Hilde Drønen, Peter Mellbye,
Helene Biström, Bengt Ekenstierna,
Vilde Eriksen Bjerknes*, Asbjørn
Sevlejordet*, Thorbjørn Holøs*
(* employee elected)

Auditor: Deloitte AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.statkraft.no

Statkraft SF is the parent company in the Statkraft group. Statkraft is a leading international hydropower company, Europe's largest supplier of renewable energy, and a global market player in energy-trading. Statkraft is the Nordic region's second-largest producer of electrical power. The group owns 372 power stations with a total installed capacity of 19,269 MW (Statkraft's share) with the following breakdown by technology: 81.7% hydropower, 13.5% gas power, 4.6% wind power and 0.2% biopower. Most of the installed capacity is in Norway, at 69.2%, while the Nordic region excluding Norway accounts for 8.3%, Europe excluding the Nordic region accounts for 16.4%, and the rest of the world accounts for 6.1%. Statkraft also has a total installed district heating capacity of 774 MW in Norway and Sweden. Statkraft's head office is situated in Oslo.

Statkraft's strategic ambition is to strengthen its position as a leading international supplier of clean energy, with the aim of being competitive in all markets in which the company operates. The following six strategic areas are prioritised: European flexible power generation, market operations, international power generation, wind power, district heating and commercial development in Norway.

The aim of the state's ownership of Statkraft is to contribute to the profitable and responsible management of Norwegian natural resources and the development of Norwegian expertise within renewable energy, which can also be used to engage in profitable power projects internationally. The company is run on a commercial basis and with the aim of delivering a competitive return.

Key events

Statkraft and partners have begun construction of Europe's largest land-based wind power project in Central Norway. The project consists of six wind farms with a capacity of 1,000 MW and will gradually begin generating from 2018 to 2020.

Two new hydropower plants were opened in Norway and Albania respectively, and a wind farm was completed in Scotland.

The group has otherwise reduced its investment plan, partly as a result of lower power prices. A process is under way for the sale of offshore wind farms and projects in the United Kingdom. Given the market challenges it is facing, the group is working to boost profitability, and is carrying out an improvement programme to enhance competitiveness and reduce annual costs by NOK 800 million by the end of 2018.

Corporate social responsibility

Statkraft adheres to globally recognised initiatives and standards, and the follow-up of corporate social responsibility is an integrated part of Statkraft's governance system.

In 2016, Statkraft continued the improvement programme to strengthen the group's health and safety work. The programme includes a sharper focus on high-risk activities, stronger HSE management and new training modules. A number of aspects of the programme were implemented in 2016.

The group works actively to prevent corruption. Statkraft conducted risk assessments for all units with high risk exposure, and mandatory training programmes in business ethics and anti-corruption were rolled out throughout the organisation.

Financial development

Record-high hydropower generation in Norway and higher Nordic power prices, combined with good energy allocation, resulted in an improvement in the group's gross operating profit (EBITDA). The increase was boosted by a positive development for international hydropower. All segments made a positive contribution to EBITDA in 2016. The group's total power generation was 66 TWh, 17% up on 2015. The Nordic system price was 28% higher. However, updated price expectations are lower than previously expected, and this has resulted in write-downs of the company's assets being carried out in 2016. Profit before tax was NOK 5.6 billion, and after tax and minority interests NOK 254 million.

Income statement (NOK millions)	2016	2015
Net operating revenues	20 146	20 089
Operating expenses	17 144	16 241
Gross operating profit (EBITDA)	10 842	10 213
Operating profit (EBIT)	3 002	3 848
Share of profits in associates and joint ventures	503	683
Net financial items	2 120	-5 306
Profit/loss before tax and minority	5 625	-775
Tax charge	5 433	1 550
Minority interests	-62	-598
Profit/loss after tax and minority	254	-1 727

Balance sheet	2016	2015
Intangible assets	136 605	145 831
Fixed assets	27 396	28 008
Total assets	164 001	173 839

Equity	73 069	76 524
Minority interests	7 747	8 443
Total equity	80 816	84 967
Provision for liabilities	19 332	21 393
Derivator	1 805	3 736
Current interest-bearing liabilities	39 989	44 595
Current interest-free liabilities	22 059	19 148
Total debt and liabilities	83 185	88 872
Total equity and liabilities	164 001	173 839

Cash flow	2016	2015
Operating activities	8 353	8 669
Investment activities	-6 817	-9 834
Financing activities	-3 205	-2 631
Foreign currency effects	-85	195
Change cash and cash equivalents	-1 754	-3 601

Key figures	2016	2015
Capital employed	120 805	129 562
Gross operating margin (EBITDA)	54 %	51 %
Operating margin (EBIT)	15 %	19 %
Equity ratio	49 %	49 %
Return on equity	0 %	-2 %
Average return on equity last 5 years	2 %	-
Return on capital employed	3 %	4 %

Assets and dividends	2016	2015
Dividend for the financial year	2 400	0
Dividend percentage	945 %	0 %
Average dividend percentage last 5 years	177 %	-
Dividend to the state	2 400	0
Guarantee amount	400	400
Guarantee provision to the State	2	2

Additional information	2016	2015
Number of employees	3 804	4 170
Proportion of employees in Norway	60 %	57 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	44 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	60 %



Statkraft is a leading international hydropower company, Europe's largest supplier of renewable energy, and a global market player in energy-trading.

Andøya Space Center supplies services and products for space and atmospheric research, environmental monitoring and technology testing and verification.



Category 4

Sector policy objectives

State ownership of the companies in category 4 primarily has sector policy objectives. The targets for these companies should be adapted to the purpose of ownership of each company. As an owner, the state strives to achieve its sector policy objectives as efficiently as possible.

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Andøya Space Center AS supplies services and products for space and atmospheric research, environmental monitoring and technology testing and verification. The company also aims to contribute to knowledge development and interest in these areas.

The company was established in 1997 when it was demerged from the Norwegian Space Centre foundation. The company's roots date back to 1962, under the auspices of the Norwegian Defence Research Establishment as one of the precursors to the Research Council of Norway, and was originally established to meet military and civil radio communication requirements.

The group's head office is situated in the municipality of Andøy and, in addition to the parent company Andøya Space Center AS, comprises the subsidiaries Andøya Test Center AS and NAROM (Norwegian Centre for Space-related Education). The ALOMAR observatory is also part of the company's service spectrum. The company is owned by the state through the Ministry of Trade, Industry and Fisheries (90%) and Kongsberg Defence Systems AS (10%).

The company supplies services to national and international research institutions (launch of sounding rockets and release of research balloons) and to technology development enterprises (rocket engine testing). Andøya Space Center is also seeing increasing activity relating to the development, testing and use of unmanned aerial systems (UAV/RPAS), and carries out student-oriented work through the NAROM subsidiary. Around 45% of the company's total revenues originate from Norwegian and foreign agencies through the Esrange Andøya Special Project (EASP) multilateral agreement between Sweden, Norway, Germany, France and Switzerland. In addition to the grants from the EASP agreement, the company has its own revenues from the sale of services, notably to the Norwegian Armed Forces and NASA.

The objective of the state's ownership in Andøya Space Center is to strengthen Norwegian research and high-technology business activities through the operation and development of infrastructure for technology testing and scientific research. It is a requirement for the company to be run efficiently.

Key events

Andøya Space Center has established a partnership with the international Grand Challenge project under the auspices of NASA, which will launch eleven research rockets.

In January, a new five-year agreement began between the subsidiary Andøya Test Center and the Norwegian Armed Forces,

CEO: Odd Roger Enoksen

Board: Svern Are Jenssen (chair), Rolf Skatteboe (deputy chair), Sandra Riise, Grethe Stave, Bjørn Kanck, Åge Fredriksen* (* employee elected)

Auditor: Vesteråls-Revisjon AS



© Trond Abrahamsen

The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 90 %
Company website: www.andoyaspace.no

which will help to improve predictability as regards the group's financial situation.

In 2016, it was decided to close Andøya airbase. The airbase is an important collaboration partner for parts of the group, and the consequences of the closure are being reviewed.

In 2016, the group focused on assessing the opportunities to develop capacity for the launching of small satellites from Andøya.

Corporate social responsibility

Andøya Space Center is working with Nammo to develop a more environmentally friendly rocket engine, which will be tested in 2017.

The group strives to maintain a good dialogue with local authorities, inhabitants and industry regarding the way in which its operations impact on the local environment. Andøya Space Center supports local groups and organisations which carry on activities aimed at children and young people.

Financial development

The companies in the group have long-term agreements which ensure predictability. The group's financial development is very dependent on the development of the subsidiary Andøya Test Center. The subsidiary has worked to win new customers within the defence segment, where missile testing is pivotal. The parent company's activities within the provision of services to research institutions and universities have remained relatively stable. Annual fluctuations dependent on research activity within the group's initiative areas are inevitable.

As a result of the EASP agreement, the group has imposed a ban on the payment of dividends in accordance with the company's articles of association. Any surplus is retained within the group and reinvested. In 2016, the group had an operating profit of NOK 2.4 million, which represents a downturn from last year's NOK 8.8 million. The substantial investments that have been carried out have prepared the company for an increase in activity levels in the future, but also entailed increased financial costs and write-downs. A weaker result in 2016 is as expected, and relatively weak results must also be anticipated for the parent company in the years to come.

Income statement (NOK millions)	2016	2015
Operating revenues	121	119
Operating expenses	112	98,0
Gross operating profit (EBITDA)	25,0	37,0
Operating profit (EBIT)	8,8	21,1
Net financial items	0,2	0,1
Profit/loss before tax and minority	9,0	21,2
Tax charge	3,2	4,4
Profit/loss after tax and minority	5,8	16,8

Balance sheet	2016	2015
Intangible assets	109	118
Fixed assets	48,7	29,9
Total assets	157	148

Equity	91,9	86,1
Provision for liabilities	3,1	4,0
Current interest-bearing liabilities	34,4	57,5
Current interest-free liabilities	28,0	0,0
Total debt and liabilities	65,4	61,5
Total equity and liabilities	157	148

Cash flow	2016	2015
Operating activities	32,6	10,8
Investment activities	-7,0	-13,3
Financing activities	2,6	-2,3
Change cash and cash equivalents	28,2	-4,8

Key figures	2016	2015
Capital employed	126	144
Gross operating margin (EBITDA)	21 %	31 %
Operating margin (EBIT)	7 %	18 %
Equity ratio	58 %	58 %
Return on equity	6 %	22 %
Average return on equity last 5 years	10 %	-
Return on capital employed	8 %	16 %

Government grants/Public purchases	2016	2015
Government grants/Public purchases	35,6	32,4

Additional information	2016	2015
Number of employees	80	76
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	90 %	90 %
Proportion of women on the board	33 %	33 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

CEO: Dag Falk-Petersen

Board: Ola Mørkved Rinnan (chair),
Ola Henrik Strand (deputy chair),
Linda Bernander Silseth, Tone
Merethe Lindberg, Eli Skrøvset,
Herlof Nilssen, Grete Ovnerud*,
Heidi Anette Sørum*, Per Erik
Nordsveen*, Bjørn Tore Mikkelsen*
(* employee elected)

Auditor: EY AS



The state's ownership interest through the Ministry of Transport and Communications: 100 %
Company website: www.avinor.no

Avinor AS was established in 2003 when the public sector enterprise, the Norwegian Civil Aviation Authority (Luftfartsverket) was converted into a state-owned limited company. Avinor owns, manages and develops a national network of airports for civil aviation as well as a national air navigation service for both civil and military aviation.

The flight operations business encompasses 45 airports in Norway, as well as air traffic control towers, control centres and other technical infrastructure for safe flight navigation. Avinor's goal is to facilitate safe, environmentally friendly and efficient aviation and ensure good accessibility for all categories of passengers. In addition to flight operations, Avinor receives commercial revenues from airport hotels, car parks, duty-free sales, cafés and restaurants, as well as other services for air passengers at the airports.

Avinor shall be self-financed insofar as is possible through its own revenues from its primary and commercial activities. Within the company, operations are managed as a single entity, such that the financially profitable airports help finance unprofitable airports. The air navigation service is self-financing through pricing of the services according to the cost coverage principle.

The objective of the state's ownership of Avinor is to operate and develop a nationwide network of airports for the civilian sector and joint air navigation services for the civilian and military sectors. It is a requirement for the company to be run efficiently.

Key events

Major expansions are currently under way at the airports in Oslo and Bergen, where new terminal buildings will be officially opened in 2017. Avinor is also carrying out a number of other major projects, including remotely controlled towers for the air navigation service.

The new and extended international terminal at Stavanger Airport was opened in May 2016.

In August 2016, Avinor took over as operator of Bodø Airport from the Norwegian Armed Forces.

In 2016, the Ministry of Transport and Communications facilitated the divestment of Svalbard Airport as a separate subsidiary.

Corporate social responsibility

Avinor aims to be a driving force in the work relating to the climate-related and environmental challenges associated with aviation. The company's aim is to halve its total controllable greenhouse gas emissions by 2020 compared with 2012. Avinor also aims to contribute to reductions in greenhouse gas emissions from the feeder service and aviation traffic. The measures include the more efficient use of airspace and provision for the use of sustainable jet fuel.

Avinor has developed its own anti-corruption programme and set up whistleblowing committees.

Avinor is a member of the UN's Global Compact, adheres to the OECD's guidelines for responsible industry and submits reports on corporate social responsibility in accordance with the Global Reporting Initiative.

Financial development

Avinor's operating revenues amounted to NOK 10,788 million, and the group achieved a profit after tax of NOK 1,029 million in 2016. The reduction in operating revenues and profit from last year is largely due to gains made on the sale of property at Oslo Airport in 2015. The number of passengers passing through Avinor's airports rose by 1.6% in 2016 compared with the previous year.

Avinor still has numerous projects under way, with NOK 5,115 million in investments in fixed assets and infrastructure. In 2016, the group's modernisation programme achieved its target of reducing annual costs by NOK 300 million, and the target of reducing annual costs by 2018 by NOK 600 remains in place. Dividends paid to the state amounted to NOK 550 million.

Income statement (NOK millions)	2016	2015
Operating revenues	10 788	11 989
Operating expenses	9 030	8 757
Gross operating profit (EBITDA)	3 521	4 691
Operating profit (EBIT)	1 758	3 232
Net financial items	-384	-328
Profit/loss before tax	1 374	2 904
Tax charge	346	455
Profit/loss after tax	1 029	2 449

Balance sheet	2016	2015
Intangible assets	38 581	35 690
Fixed assets	2 456	3 095
Total assets	41 037	38 785
Equity	14 937	14 832
Provision for liabilities	2 756	2 129
Current interest-bearing liabilities	18 607	18 178
Current interest-free liabilities	4 738	3 646
Total debt and liabilities	26 101	23 953
Total equity and liabilities	41 037	38 785

Cash flow	2016	2015
Operating activities	3 100	3 235
Investment activities	-4 561	-3 829
Financing activities	743	1 329
Change cash and cash equivalents	-718	735

Key figures	2016	2015
Capital employed	33 544	33 010
Gross operating margin (EBITDA)	33 %	39 %
Operating margin (EBIT)	16 %	27 %
Equity ratio	36 %	38 %
Return on equity	7 %	18 %
Average return on equity last 5 years	11 %	-
Return on capital employed	5 %	11 %

Regularity (percentage of scheduled departures carried out)	99 %	98 %
Punctuality (percentage of departures carried out with max. 15 minutes delay)	87 %	88 %
Traffic (total number of passengers in thousands)	50 803	50 025

Dividends	2016	2015
Dividend for the financial year	550	500
Dividend percentage	53 %	20 %
Average dividend percentage last 5 years	37 %	-
Dividend to the state	550	500

Additional information	2016	2015
Number of employees	3 074	3 157
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

CEO: Gorm Frimannslund
 Board: Siri Beate Hatlen (chair),
 Olaf Trygve Melbø (deputy chair),
 Auke Lont, Ane Rongen Breivega,
 Toril Nag, Tor Egil Pålerud*, Iain Vartun*
 (* employee elected)
 Auditor: Grant Thornton AS



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The state's ownership interest through the Ministry of Transport and Communications: 100 %
 Company website: www.banenor.no

Bane NOR SF was established in February 2016. The majority of the management body, the Norwegian National Rail Administration, was transferred to Bane NOR, which became operational in January 2017. The aim of the enterprise is to secure the provision of rail infrastructure and efficient and user-friendly rail infrastructure services, including hub and terminal development, as a basis for transporting passengers and freight on the national rail network. Bane NOR's head office is situated in Oslo.

The Norwegian Railway Directorate enters into agreements concerning the procurement of infrastructure services from Bane NOR for the provision of existing infrastructure, studies, planning and project engineering and construction. For 2017, these agreements are worth NOK 18.3 billion. Bane NOR also receives revenues from the management and development of property and user payments for services, including charges for the use of railway infrastructure.

The aim of the state's ownership of Bane NOR is to ensure a cost-effective and customer-oriented infrastructure manager for the railways and the development of good hubs.

Key events

The framework for Bane NOR's operations was presented to the Storting in white paper Report no. 27 to the Storting (2014–2015) On the right track; see also Recommendation 386 S (2014–2015). In accordance with Bill 1 S Supplement 2 (2016–2017)/Recommendation 2 S (2016–2017), a capital injection and enterprise capital was granted to Bane NOR. Following the capital extension in December 2016, the state's net investment in Bane NOR amounts to NOK 2.3 billion.

Bane NOR used 2016 to prepare the enterprise for operation. The board has recruited a CEO, and the enterprise has established HSE systems in order to create a good workplace for the employees,

along with systems for corporate governance, strategy/business plan, developed agreements with the Norwegian Rail Directorate, applied for the necessary safety permits, established a budget in accordance with new accounting principles and prepared for the transfer of the majority of the Norwegian National Rail Administration's activities. Bane NOR has also established the framework conditions for the property business within the group, including strategic direction, objects and legal structure. In 2016, the enterprise established three subsidiaries in order to facilitate the management of the property portfolio. From January 2017, Bane NOR will be responsible for development projects, as well as the operation and maintenance of the rail infrastructure. ROM Eiendom AS was transferred from the NSB group to Bane NOR in May 2017.

Corporate social responsibility

Bane NOR has developed a policy for ethical conduct and corporate social responsibility. Bane NOR has complex deliveries, comprehensive contracts and a large number of suppliers, employees and hired personnel. To ensure that the enterprise fulfils its responsibilities and expectations, a set of core values and ethical principles have been formulated. As part of this work, both an external and an internal whistle-blowing channel have been established. The external whistleblowing channel will help to combat financial crime, and tackle challenges relating to salary and working conditions in particular. All Bane NOR's suppliers undertake to make their employees and any subcontractors aware of the whistleblowing channel in connection with assignments for Bane NOR.

Financial development

In 2016, Bane NOR received a subsidy from the state of NOK 101 million in order to prepare the enterprise for operation. The company recorded a profit of zero.

Income statement (NOK millions)	2016
Operating revenues	53,4
Operating expenses	53,4
Gross operating profit (EBITDA)	0,0
Operating profit (EBIT)	0,0
Net financial items	0,0
Profit/loss before tax	0,0
Tax charge	0,0
Profit/loss after tax	0,0

Balance sheet	2016
Intangible assets	10,5
Fixed assets	35,2
Total assets	45,7

Equity	0,1
Provision for liabilities	10,2
Current interest-bearing liabilities	0,0
Current interest-free liabilities	35,4
Total debt and liabilities	45,6
Total equity and liabilities	45,7

Cash flow	2016
Operating activities	20,0
Investment activities	-10,5
Financing activities	10,3
Change cash and cash equivalents	19,8

Key figures	2016
Capital employed	35,5
Gross operating margin (EBITDA)	0 %
Operating margin (EBIT)	0 %
Equity ratio	0 %

Subsidies from the state	2016
Ministry of Transport and Communications	101

Additional information	2016
Number of employees	2
Proportion of employees in Norway	100 %
State ownership at year-end	100 %
Proportion of women on the board	43 %
Proportion of women among owner-appointed/ shareholder elected board members	60 %

CEO: Ole Øiseth

Board: Unni Steinsmo (chair),
Widar Salbuvik (deputy chair),
Kirsten Broch-Mathisen, Egil Murud,
Sven Ole Fagernæs

Auditor: PricewaterhouseCoopers AS



The state's ownership interest through the Ministry of Climate and Environment: 100 %
Company website: www.kingsbay.no

Bjørnøen AS owns all the land and cultural heritage buildings on the Arctic island of Bjørnøya. The company was taken over by the Norwegian state in 1932 and placed under the management of Kings Bay AS, which also supplies management services to Bjørnøen, in 1967. Part of the government subsidy allocated to Kings Bay is transferred to Bjørnøen for its operations.

The Norwegian Meteorological Institute's Weather Service for Northern Norway leases property for its meteorological station on Bjørnøya. The Weather Service for Northern Norway is also responsible for coordinating the scientific activities conducted on the property that it leases on the island.

The Bjørnøya Nature Reserve was established in 2002. The reserve covers the entire island, except for a small area. The Governor of Svalbard is the authority responsible for managing and monitoring the nature reserve.

The objective of the state's ownership of Bjørnøen is to manage the occupation of property on the island of Bjørnøya and thus safeguard Norwegian sovereignty. It is a requirement for the company to be run efficiently.

The purpose of Bjørnøen is to operate and utilise the company's properties on

Bjørnøya and other associated activities. Bjørnøya is situated in a strategically important location, halfway between the Norwegian mainland and Spitsbergen. A small area of land on the island meets supply and transport needs and can serve as an emergency harbour in the event of the recovery of oil in the Barents Sea and for other activities in the Arctic region.

Key events

The Russian ship Petrozavodsk ran aground on the southern tip of Bjørnøya in May 2009 and is still a potential source of local pollution, but in autumn 2011, the National Coastguard Administration concluded that it is not safe to remove the wreck.

In August 2016, the board and senior management of Bjørnøen conducted an inspection on Bjørnøya.

Financial development

The company's operating revenues originate from the leasing of property and amounted to NOK 19,006 in 2016. Operating costs which exceed these are covered by a subsidy transferred from Kings Bay and covered via the national budget. The subsidy in 2016 amounted to NOK 163,594, compared with NOK 161,215 in 2015.

Income statement (NOK millions)	2016	2015
Operating revenues	0,2	0,2
Of which subsidies from Kings Bay AS	0,2	0,2
Operating expenses	0,2	0,2
Operating profit	0,0	0,0
Net financial items	0,0	0,0
Profit/loss before tax	0,0	0,0
Tax charge	0,0	0,0
Profit/loss after tax	0,0	0,0

Balance sheet	2016	2015
Intangible assets	3,9	3,9
Fixed assets	0,3	0,3
Total assets	4,2	4,2

Equity	4,1	4,1
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	0,1	0,1
Total debt and liabilities	0,1	0,1
Total equity and liabilities	4,2	4,2

Additional information	2016	2015
Number of employees	0	0
State ownership at year-end	100 %	100 %
Proportion of women on the board	40 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

CARTE BLANCHE

Theatre director: Hooman Sharif

Board: Hallvard Bakke (chair), Ole Hope (deputy chair), Laila Dävøy, Ruth Grung, Svein Halleraker, Anne Beth Bjarheim, Guro Rimeslåtten* (* employee elected)

Auditor: PricewaterhouseCoopers AS



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The state's ownership interest through the Ministry of Culture: 70 %
Company website: www.cartelblanche.no

Carte Blanche AS is Norway's national company of contemporary dance and the only permanent contemporary dance ensemble in Norway. The company was established in Bergen in 1989. Carte Blanche produces and presents performances created by renowned and new Norwegian and international contemporary dance choreographers. The company has national and regional responsibility for communicating contemporary dance to a diverse audience and awareness of Norwegian contemporary dance worldwide by working for international recognition and an international presence.

The company has 30 employees, 14 of whom are dancers. The company puts on two or three new productions every year, consisting of three to five choreographies. The productions tour Norway and other countries and give 60–70 performances per year.

The purpose of the state's ownership of Carte Blanche is to secure cultural policy objectives. The aim behind the dramatic art grants in 2016 was to facilitate production, dissemination and demand for different dramatic art expressions. This will support the overarching objectives to help ensure that everyone has access to high-quality art and culture and to promote artistic development and renewal.

Key events

The current rental agreement expires at the 2018/2019 year-end, and the lessor does not wish to enter into a new rental agreement but is open to the possibility of a short-term extension linked to the completion of new production premises.

On behalf of Bergen municipality and Hordaland county council, an outline project was prepared in autumn 2016 for the co-location of Carte Blanche, BIT Teatergarasjen and rehearsal premises for Den Nationale Scene in the former Sentralbadet public baths. As a result of the lack of approval concerning state co-financing of the project and the fact that Den Nationale Scene's concept selection study concluded

ed that a different solution would be preferable, work is under way in spring 2017 on a revised and scaled-down outline project for Carte Blanche and BIT Teatergarasjen in Sentralbadet.

Corporate social responsibility

A fundamental prerequisite for Carte Blanche is that the company is managed in accordance with applicable laws and contractual frameworks and in line with good practice within areas such as health, safety and environment, human rights, business ethics and anti-corruption.

The company is aware of its corporate social responsibility as a publicly owned dramatic arts institution, and is an active contributor with respect to collaboration partners such as other institutions, independent dance companies, schools of culture and other dance schools and communities.

The company's employees have a diverse cultural background and consciously utilise this diversity in its own promotions in order to help create good and diverse role models. Freedom of expression is a fundamental human right and a key prerequisite for the company's internal and external communication and stage productions.

Financial development

Carte Blanche posted a profit of NOK 1.5 million in 2016, equivalent to around 3.8% of total revenue. Ticket revenues/sales of performances were below budget, due to lower sales abroad than anticipated. Personnel costs were below budget, particularly as a result of lower pension costs in connection with the switch to a defined contribution-based pension, as well as lower provisions for the transitional arrangement.

In 2010, the company voluntarily established a fund for future maintenance and investments. The surpluses generated during subsequent years have been paid into this fund, primarily in view of the imminent move to new premises.

Income statement (NOK millions)	2016	2015
Operating revenues	38,7	39,8
Operating expenses	37,4	38,2
Gross operating profit (EBITDA)	2,3	2,5
Operating profit (EBIT)	1,3	1,6
Net financial items	0,1	0,1
Profit/loss before tax	1,5	1,8
Tax charge	0,0	0,0
Profit/loss after tax	1,5	1,8

Balance sheet	2016	2015
Intangible assets	4,4	5,2
Fixed assets	15,5	13,2
Total assets	20,0	18,4

Equity	8,5	7,1
Provision for liabilities	6,2	5,4
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	5,2	5,9
Total debt and liabilities	11,4	11,3
Total equity and liabilities	20,0	18,4

Cash flow	2016	2015
Operating activities	2,5	4,8
Investment activities	-0,9	-1,6
Financing activities	0,0	0,0
Change cash and cash equivalents	1,6	3,2

Key figures	2016	2015
Capital employed	8,5	7,1
Gross operating margin (EBITDA)	6 %	6 %
Operating margin (EBIT)	3 %	4 %
Equity ratio	43 %	38 %
Return on equity	19 %	28 %
Average return on equity last 4 years	14 %	12 %
Return on capital employed	19 %	29 %

Other key figures	2016	2015
Total number of performances	72	101
Tickets sold	9 986	18 495
Bergen audiences (excluding the Cultural Rucksack)	71 %	64 %
Audiences, Norwegian tours (excluding the Cultural Rucksack)	59 %	51 %
Guest performances/tour internationally	115 %	75 %
Ticket sales	1,2	2,7

Subsidies	2016	2015
Ministry of Culture	26,0	25,6
Hordaland County Council and Bergen municipality	11,2	11,0
Total subsidies	37,2	36,5

Additional information	2016	2015
Number of employees	30	30
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	70 %	70 %
Proportion of women on the board	57 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

Theatre director:
Signe Agnete Gullestad Haaland

Board: Siren Nøkling Sundland (chair), Victor Danielsen Norman (deputy chair), Harald Alfsen, Kristin Bjørn, Ole Hope, Stig Amdam*, Frode Prestegård* (* employee elected)

Auditor: EY AS



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The state's ownership interest through the Ministry of Culture: 66,67 %
Company website: www.dns.no

AS Den Nationale Scene (DNS) is a national theatre located in Norway's second largest city, Bergen, and is the only national theatre situated outside the capital. The culturally significant theatre building dating from 1909 has one of the city's grandest and most central locations in Engen and is a key element in Norway's theatre traditions. The theatre is an extension of Ole Bull's Det Norske Theater, which was established in 1850.

DNS puts on productions on the theatre's three stages: Store Scene, which seats 451, Teaterkjelleren, which seats 200, and Lille Scene, which seats 80. The theatre was originally built for 60 employees and one stage, while DNS currently has around 160 employees and three stages. Store Scene is based on the original salon from 1909.

DNS's vision is to create socially relevant, engaging and important theatre of high artistic quality. DNS aims to be an attractive venue for audiences and a quality-conscious, bold and renowned institution for dramatic art in the Nordic region. DNS actively strives to reach different audience groups. This work primarily involves dissemination, debates and activity days in connection with performances.

The state's ownership of DNS aims to secure cultural policy objectives. The aim behind the 2016 dramatic art grants was to facilitate production, dissemination and demand for different dramatic art expressions. This will support the overarching objectives to help ensure that everyone has access to high-quality art and culture and to promote artistic development and renewal.

Key events

Represented by the Ministry of Culture, DNS has worked on a "choice of solution" study to identify a future building solution for DNS. This process was completed in 2015. In 2016, the choice of solution process underwent quality assurance through an initial external quality assurance process (KS1). The KS1 report was published in early 2017.

Corporate social responsibility

The company follows the guidelines issued by Bergen municipality for waste

management. DNS recycles whatever can be recycled after each production and the rest is sorted and transported for waste management.

DNS protects human rights and ensures that no groups or individuals are discriminated against.

DNS works closely with all the unions, and workers' rights are safeguarded both through this collaboration and through the collective pay agreement and the main agreement. DNS is an Inclusive Working Life company and works actively to ensure that the needs of employees with special needs are met. When hiring external companies, the theatre imposes requirements regarding the rights of hired personnel and ensures that social dumping does not occur.

DNS is not exposed to corruption to any significant extent and has control systems which will identify any attempts at corruption.

Financial development

DNS's finances are strong, and in 2016, the theatre achieved a profit of NOK 39.9 million, largely as a result of a positive deviation in extraordinary pension costs. The operating profit also resulted in a positive deviation relating to vacant positions, planned development tasks which were not carried out and lower overtime costs than budgeted. In recent years, DNS has built up equity in order to manage the planned pension cost linked to the most recent plan change. However, this had a positive impact for the theatre, with the result that DNS still has a lot of equity. This enables DNS to take greater artistic risks and ensures good development for the theatre, both artistically and organisationally.

In July 2016, the theatre switched from a pension scheme with collective benefits to a defined contribution scheme for its employees. The effect of the change in accounting policies has meant that comparative figures for 2015 have been recalculated in accordance with corresponding principles as for the 2016 accounts submission.

Income statement (NOK millions)	2016	2015
Operating revenues	150	141
Operating expenses	111	125
Gross operating profit (EBITDA)	43,0	20,1
Operating profit (EBIT)	39,7	16,6
Net financial items	0,3	0,5
Profit/loss before tax	40,0	17,1
Tax charge	0,0	0,0
Profit/loss after tax	40,0	17,1
Balance sheet	2016	2015
Intangible assets	26,9	21,6
Fixed assets	51,5	43,4
Total assets	78,4	65,0
Equity	39,6	-0,3
Provision for liabilities	0,0	30,5
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	38,8	34,7
Total debt and liabilities	38,8	65,2
Total equity and liabilities	78,4	65,0
Cash flow	2016	2015
Operating activities	15,6	10,4
Investment activities	-5,0	-3,9
Financing activities	-2,8	0,0
Change cash and cash equivalents	7,8	6,4
Key figures	2016	2015
Capital employed	39,6	-0,3
Gross operating margin (EBITDA)	29 %	14 %
Operating margin (EBIT)	26 %	12 %
Equity ratio	51 %	0 %
Return on equity	101 %	-
Return on capital employed	101 %	-
Other key figures	2016	2015
Total number of performances	727	790
Tickets sold	108 038	127 635
Audiences	72 %	72 %
Ticket sales	22,5	21,2
Subsidies	2016	2015
Ministry of Culture	117	115
Andre	5,0	0,0
Total subsidies	122	115
Additional information	2016	2015
Number of employees	144	138
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	66,67 %	66,67 %
Proportion of women on the board	29 %	29 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %



CEO: Nils Are Karstad Lysø

Board: Anne Carine Tanum (chair), Jan Petersen (deputy chair), Harald Espedal, Päivi Irmeli Kärkkäinen, Monica Siv Salthella, Rasmus Heggdal, Marit Brekke* (* employee elected)

Auditor: KPMG AS



The state's ownership interest through the Ministry of Culture: 100 %
Company website: www.operaen.no

Den Norske Opera & Ballett AS (DNO &B), the Norwegian National Opera & Ballet, is Norway's largest institution for music and the dramatic arts and presents operas, ballets and concerts of the highest artistic quality. DNO&B comprises the companies, the Norwegian National Ballet and the Norwegian National Opera, in addition to the Norwegian National Opera Orchestra, the Norwegian National Opera Chorus, the Norwegian National Opera Children's Chorus and the Norwegian National Ballet School. DNO&B's mission is to be Norway's opera house. DNO&B aims to be accessible to a broad audience. DNO&B has a goal of being a leading institution in the international opera and ballet world.

The state's ownership of DNO&B aims to secure cultural policy objectives. The aim behind the 2016 dramatic art grants was to facilitate production, dissemination and demand for different dramatic art expressions. This will support the overarching objectives to help ensure that everyone has access to high-quality art and culture and to promote artistic development and renewal.

Key events

A new CEO was appointed in 2016 with effect from autumn 2017.

DNO&B signed an agreement with the union representatives to close the public sector defined benefit-based occupational pension scheme for musicians and technical and administrative personnel, and to replace it with a defined contribution-based pension scheme.

Corporate social responsibility

DNO&B is an Inclusive Working Life company under the IA scheme and has established a separate IA group which works closely with NAV and elected safety representatives concerning further development and activities linked to the objec-

tives of the IA agreement. The employees work within around 40 different professional groups and are exposed to a variety of risks. Pivotal risks concern noise, chemicals and interaction in the stage area. The opera places an emphasis on injury prevention measures and follows up departments/groups with a high absence frequency in particular.

DNO&B aims to stimulate a good working environment characterised by diversity as regards ethnic background and balance between the genders.

In 2016, DNO&B was certified in accordance with the Eco-Lighthouse Foundation, which entails compliance with over 80 different environmental requirements within working environment, energy consumption, procurements, transport and waste management.

In connection with the procurement of services, DNO&B requires suppliers not to offer their employees pay and working conditions which are inferior to those which follow from applicable regulations in an applicable collective wage agreement or nationwide collective wage agreements for the sector concerned. In connection with procurements with a high potential environmental impact, e.g. furniture, chemicals, wood products, etc., the opera takes account of specific environmental considerations.

Financial development

Audience figures were good in 2016, with record audiences and ticket sales. However, the accounts show a result for the year of NOK -43 million, an improvement of NOK 25 million from 2015. The negative result is attributed entirely to pension costs resulting from the closure of a defined benefit scheme. Following the result for the year, equity stands at NOK -109 million. Taking into account the present value of the pension commitments in their entirety, equity amounts to NOK -398 million.

Income statement (NOK millions)	2016	2015
Operating revenues	774	743
Operating expenses	817	810
Gross operating profit (EBITDA)	-32,2	-51,2
Operating profit (EBIT)	-42,4	-66,6
Net financial items	-0,3	-0,6
Profit/loss before tax	-42,6	-67,2
Tax charge	0,0	0,0
Profit/loss after tax	-42,6	-67,2

Balance sheet	2016	2015
Intangible assets	75,5	66,5
Fixed assets	160	106
Total assets	236	173

Equity	-109	-66,1
Provision for liabilities	22,8	24,1
Current interest-bearing liabilities	130	30,3
Current interest-free liabilities	191	185
Total debt and liabilities	344	239
Total equity and liabilities	236	173

Cash flow	2016	2015
Operating activities	79,9	55,7
Investment activities	-19,1	-7,5
Financing activities	-1,4	-1,4
Change cash and cash equivalents	59,4	46,8

Key figures	2016	2015
Capital employed	21,7	-35,8
Gross operating margin (EBITDA)	-4 %	-7 %
Operating margin (EBIT)	-5 %	-9 %
Equity ratio	-46 %	-38 %

Other key figures	2016	2015
Total number of performances	373	496
Tickets sold	312 201	301 707
Audiences	91 %	84 %
Ticket sales	120	108

Subsidies from the state	2016	2015
Ministry of Culture	601	590

Additional information	2016	2015
Number of employees	629	655
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	57 %	57 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

CEO: Otto Sørberg

Board: Else Bugge Fougner (chair), Finn Ivar Marum, Siri Beate Hatlen, Ingelise Arntsen, Øyvind Holte, Fanny Fabricius Bye* (* employee elected)

Auditor: KPMG AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.eksportkreditt.no

Eksportkreditt Norge AS, Export Credit Norway, was established in 2012 to manage the state's export credit scheme, which was managed by Eksportfinans ASA until 2011. The company's activities are regulated by the Act relating to Eksportkreditt Norge AS and the Regulations on the export credit scheme.

The export credit scheme entails offering loans to purchasers of Norwegian exporters' capital goods and services. Borrowers can choose between publicly supported fixed interest loans, known as CIRR loans – Commercial Interest Reference Rate, and market loans. The conditions for the loans, amongst others, are laid down in an OECD-affiliated export financing agreement. All applications that comply with the Regulations on the export credit scheme will receive an offer of financing. The loans are funded by the Treasury and are recorded on the state's statement of financial position. The state thus assumes all the risks associated with the credit scheme. All the loans must be guaranteed by state export guarantee institutions and/or a financial institution with a good credit rating, or secured through a cash deposit in accordance with Eksportkreditt Norge's credit guidelines.

The objective of the state's ownership of Eksportkreditt Norge is to promote Norwegian exports through competitive, accessible and effective export financing. It is a requirement for the company to be run efficiently.

Key events

At the end of 2016, the loan portfolio amounted to NOK 76.5 billion. Of this, CIRR loans amounted to 61% and market loans 39%. The state management company, the Norwegian Export Credit Guarantee Agency (GIEK), guaranteed 74.4% of the portfolio.

Some 98% of the company's loans are related to the oil and gas industry and maritime industries. The situation in the oil and gas industry led the company to follow up outstanding loans in this part of the portfolio in 2016. The company also worked actively to raise awareness of the export credit scheme to both companies which have improved their competitive-

ness due to a more favourable NOK exchange rate and companies which face a more challenging market situation. In this work, Eksportkreditt Norge worked closely with relevant governmental entities, such as Innovasjon Norge and GIEK.

Corporate social responsibility

Eksportkreditt Norge's general guidelines for corporate social responsibility can be found in the OECD Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence and the Recommendation on Bribery and Officially Supported Export Credits. Eksportkreditt Norge has also adopted the Equator Principles. In accordance with guidelines from the OECD and the Equator Principles, the company classifies its loans according to the risk of adverse environmental and social impacts.

Eksportkreditt Norge formally collaborates with GIEK on the subject of corporate social responsibility, and together they can have a positive impact through the requirements they set in the projects they finance.

The company also works in a targeted manner to combat corruption. Anti-corruption measures are implemented based on risk assessments of countries, sectors and transactions. In certain cases, special investigations may be necessary relating to client, company and ownership structure, geographical location and transaction structure. All loans are given subject to the condition that there is no suspicion of corruption related to the transaction.

Financial development

Revenues and expenses related to the loan portfolio under the export credit scheme are not included in Eksportkreditt Norge's accounts, but are included directly in the central government's fiscal accounts.

Eksportkreditt Norge's operations are based on grants from the state. In 2016, the company received a grant of NOK 101 million. Profit after tax was NOK -2.2 million. The deficit was partly linked to the winding-up of the company's defined benefit pension scheme under 12G. The deficit was covered by retained equity.

Income statement (NOK millions)	2016	2015
Net operating revenues	103	102
Operating expenses	107	102
Gross operating profit (EBITDA)	-0,6	4,1
Operating profit (EBIT)	-4,1	0,3
Net financial items	1,2	2,0
Profit/loss before tax	-2,8	2,3
Tax charge	-0,6	1,3
Profit/loss after tax	-2,2	1,1

Balance sheet	2016	2015
Intangible assets	11,3	13,9
Fixed assets	72,7	70,3
Total assets	84,0	84,2

Equity	43,2	45,4
Provision for liabilities	18,6	20,9
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	22,2	17,9
Total debt and liabilities	40,8	38,8
Total equity and liabilities	84,0	84,2

Cash flow	2016	2015
Operating activities	0,0	2,1
Investment activities	0,2	0,0
Financing activities	0,0	0,0
Foreign currency effects	0,0	0,0
Change cash and cash equivalents	0,2	2,1

Key figures	2016	2015
Capital employed	43,2	45,4
Gross operating margin (EBITDA)	-1 %	4 %
Operating margin (EBIT)	-4 %	0 %
Equity ratio	51 %	54 %
Return on equity	-5 %	2 %
Average return on equity last 4 years	12 %	18 %
Return on capital employed	-6 %	6 %

Subsidies from the State	2016	2015
Governmental grants	101	100

Additional information	2016	2015
Number of employees	48	47
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	67 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

CEO: Nils Kristian Nakstad

Board: Tore Holm (chair), Elizabeth Baumann Ofstad (deputy chair), Eirik Gaard Kristiansen, Katharina Thøgersen Bramslev, Dina Elverum Aune, Olav Hasaas, Einar Håndlykken, Tor Brekke*, Konrad Pütz*, Hege Glasø Wiggen* (* employee elected)

Auditor: Deloitte AS



The state's ownership interest through the Ministry of Petroleum and Energy: 100 %
Company website: www.enova.no

Enova SF was established in 2001 following a reorganisation of the work relating to the restructuring of energy consumption and generation. The purpose of the company is to promote environmentally friendly transition in energy consumption and generation, as well as development of energy and climate technology. The company aims to improve energy supply reliability and reduce greenhouse gas emissions. Enova manages the Energy Fund, which is intended to be a long-term source of funding for the work. The Energy Fund is funded by a parafiscal charge on electricity grid tariffs, the proceeds from the Fund for Climate, Renewable Energy and Energy Efficiency Measures, and interest earned on the balance of capital in the Energy Fund during the previous year.

Enova is managed according to the principles of management by objectives and results. There is a clear division of responsibilities and roles between the Ministry of Petroleum and Energy as client and Enova as contractor. The task of managing the Energy Fund was assigned to Enova through a four-year agreement between the Ministry of Petroleum and Energy and Enova, as well as in the annual letter of assignment from the ministry.

The objective of the state's ownership of Enova is to achieve energy policy goals. It is a requirement for the company to be run efficiently.

Key events

In December 2016, the Ministry of Petroleum and Energy entered into a new man-

agement agreement with a new objective structure for the period 2017-2020. Enova's objects were also revised during the company meeting assembly held in January 2017.

Corporate social responsibility

It is a basic prerequisite for Enova that all work is performed in accordance with applicable laws and regulations and in line with good practice in areas such as occupational health and safety, the environment, human rights, business ethics and anti-corruption. Enova has established ethical guidelines which define requirements for employees, partners and others acting on the company's behalf. Enova's ethical guidelines are available on the company's website.

Enova shall act as a role model within environmental and climate issues, and seeks to minimise the company's impact on the external environment. Part of Enova's corporate social responsibility is exercised through awareness campaigns aimed at children and young people.

Financial development

The annual budget framework for Enova's operations is determined annually by the Ministry of Petroleum and Energy and is covered by the Energy Fund. As the company does not generate any revenue itself, no dividend is determined for distribution from Enova. Enova is not liable to pay tax. NOK 5 million was injected into Enova as invested capital upon its establishment.

Income statement (NOK millions)	2016	2015
Operating revenues	121	118
Operating expenses	116	114
Gross operating profit (EBITDA)	6,1	4,7
Operating profit (EBIT)	5,3	4,1
Net financial items	0,7	0,5
Profit/loss before tax	6,0	4,6
Tax charge	0,0	0,0
Profit/loss after tax	6,0	4,6

Balance sheet	2016	2015
Intangible assets	3,2	4,0
Fixed assets	44,5	33,2
Total assets	47,7	37,2

Equity	20,0	14,1
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	27,7	23,1
Total debt and liabilities	27,7	23,1
Total equity and liabilities	47,7	37,2

Cash flow	2016	2015
Operating activities	11,5	5,0
Investment activities	0,0	0,0
Financing activities	0,0	0,0
Change cash and cash equivalents	11,5	5,0

Key figures	2016	2015
Capital employed	20,0	14,1
Gross operating margin (EBITDA)	5 %	4 %
Operating margin (EBIT)	4 %	3 %
Equity ratio	42 %	38 %
Return on equity	35 %	39 %
Average return on equity last 5 years	-2 %	-
Return on capital employed	35 %	39 %
Contractual energy result (TWh)	1,4	1,4

Additional information	2016	2015
Number of employees	78	77
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	40 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	43 %	43 %

Gassco AS was established in 2001 and operates the integrated gas transport system for gas from the Norwegian continental shelf to Europe. The system consists of pipelines, processing facilities, platforms and gas terminals on the European continent and in the UK.

As part of the system responsibility, Gassco is required to assess the continued development of the upstream gas pipeline network with a view to achieving integrated transport solution for the petroleum sector. Capacity management is another key role for Gassco, which entails allocating and distributing capacity to the shippers.

The gas transport system is owned by various joint ventures, which are in turn owned by oil and gas companies on the Norwegian continental shelf and infrastructure companies. Gassco's operations are conducted on behalf of the joint ventures at the owner's expense and risk. Gassco is not intended to make a loss or profit from its activities. The shippers pay regulated transport tariffs that provide the owners of the gas transport system with a reasonable return on their investments.

Gassco's vision is: "Gassco securing energy supply". Gassco's strategic goals are to have safe, reliable and efficient continuous operation, to reduce climate impact through sustainable operation and business development, maintain high Norwegian gas exports beyond 2030 and efficient organisation of the NCS infrastructure. Gassco's head office is located at Karmøy. The company also has branches in Germany, Belgium, France and the UK.

The objective of the state's ownership of Gassco is to assume operator responsibility for the transport of gas from the Norwegian continental shelf. Gassco aims to be a neutral and independent operator, which is responsible for ensuring efficient daily operation and integrated development of the transport system.

Key events

Natural gas deliverables from the gas transport system to Europe reached a record-high 109 billion Sm³ in 2016, compared with 108 billion Sm³ in 2015. Total deliverability was 99.71%, compared with 99.38% in 2015.

The new receiving terminal in Emden was completed and became operational in 2016. A total cost of roughly NOK 3.6 billion, was well below the original estimate. Removal of the B11 compression platform on the Norpipe pipeline to Germany was completed. Upgradings of the Kalstø landfall facility, where the Statpipe, Sleipner Condensate and Åsgard Transport pipelines comes ashore, reached mechanical completion. The decision was taken to upgrade the firewater and blowdown sys-

CEO: Frode Leversund

Board: Mimi Kristine Berdal (chair), Arvid Grundekjøn, Johan Einar Hustad, Nina Schieldrop Lie, Tor Rasmus Skjærpe, Brynjar Aardal*, Mona Storesund Larsen*, Hilde Berge Kringstad* (* employee elected)

Auditor: PricewaterhouseCoopers AS



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The state's ownership interest through the Ministry of Petroleum and Energy: 100 %
Company website: www.gassco.no

tems at Kårstø, and to upgrade two boilers.

The inlet facilities for the Kvitebjørn gas pipeline were modified and capacity increased. The capacity at Kårstø was also increased. Two new subsea tie-ins are under way, one on the Zeepipe IIA pipeline for the Gina Krog Field and the other to the Statpipe pipeline for gas export from the Johan Sverdrup Field to Kårstø.

Gassco is responsible for operational preparations and for facilitating the commercial process to clarify the future ownership structure of Nyhamna and Polarled. Gassco will take over operator responsibility for Nyhamna and Polarled in 2017. The Ministry of Petroleum and Energy issued a consultation memo with a proposal to incorporate Vestprosess in the Tariff Regulations. It is proposed that Gassco takes over as operator for Vestprosess.

Plans for development and operation (PDO) for five fields were submitted to the Ministry of Petroleum and Energy in 2016: Trestakk, Utgard, Byrding, Dvalin and Oda. Gassco has assessed transport solutions for the gas resources in Krafla, Skarfjell, Snilehorn and Pil in connection with the choice of concept for these.

Gassco conducts analyses and prepares annual transport plans, which assess future requirements for developing transport capacity on the basis of the user needs. These plans show that the gas infrastructure is expected to be well utilised over the next decade. Gassco carried out feasibility studies for ship transport CO₂ on behalf of the Ministry of Petroleum and Energy. Conceptual studies of CO₂ transport by ship are due to be conducted in 2017. Gassco is collaborating closely with Gassnova on this work.

Corporate social responsibility

Corporate social responsibility forms an integral part of Gassco's organisational culture, strategy, operational activities and ethical conduct towards the world at large. The company has a specific procedure regarding corporate social responsibility which is based on the guidelines in ISO 26000.

Gassco's guidelines and principles conform the state's ownership policy, the UN's Global Compact and the OECD

Income statement (NOK millions)	2016	2015
Operating revenues	0,0	0,0
Operating expenses	0,0	0,0
Gross operating profit (EBITDA)	0,0	0,0
Operating profit (EBIT)	0,0	0,0
Net financial items	0,0	0,2
Profit/loss before tax	0,0	0,2
Tax charge	-0,8	1,7
Profit/loss after tax	0,8	-1,5

Balance sheet	2016	2015
Intangible assets	508	665
Fixed assets	976	486
Total assets	1 484	1 151

Equity	15	14
Provision for liabilities	527	511
Current interest-bearing liabilities	104	119
Current interest-free liabilities	838	507
Total debt and liabilities	1 469	1 137
Total equity and liabilities	1 484	1 151

Cash flow	2016	2015
Operating activities	-23	77
Investment activities	-53	-44
Financing activities	0	0
Change cash and cash equivalents	-75	33

Key figures	2016	2015
Pipeline system (no. of km)	8 365	8 000
Regularity	99,71 %	99,38 %
Gas transport to onshore terminals in Europe (billion Sm ³)	109	108
Largest delivery per 24 hours (mill.Sm ³)	358	365
Ships arriving at Kårstø	676	787
Tariff income Gassco operatorship	27 377	26 969
Operating costs Gassco operatorship	5 222	4 795

Subsidies from the State	2016	2015
Subsidy for CO ₂ -value chain studies	11,5	3,4

Additional information	2016	2015
Number of employees	349	355
Proportion of employees in Norway	59 %	59 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

Guidelines for Multinational Enterprises. The company's core areas include human rights and workers' rights, climate and environment, work to fight corruption and stakeholder analyses. As part of the company's efforts relating to corporate social responsibility, guidelines have also been established for ethical conduct, procurements, use of IT and whistleblowing. Every year, the company prepares a plan for the work relating to corporate social responsibility which is followed up by the management.

Financial development

The annual result shows a surplus of NOK 0.8 million. This surplus has been added to other equity.



Gassnova SF is the Norwegian state enterprise for carbon capture and storage. Gassnova was established as an administrative agency under the Ministry of Petroleum and Energy in 2005 and became a state enterprise in 2007. The enterprise manages the state's interests relating to carbon capture, transportation and geological storage (CCS) and carries out projects as determined by the company meeting. One of the enterprise's principal objectives is to promote technological development and the development of expertise for cost-effective and future-proof solutions for CCS. Gassnova will also act as a specialist adviser for the ministry as regards carbon capture. Gassnova's head office is situated in Porsgrunn.

The objective of the state's ownership of Gassnova is to manage the state's interests regarding CCS. It is a requirement for the company to be run efficiently.

Key events

Trude Sundset took over as the new CEO in January 2016.

A milestone for Gassnova in 2016 was the completion of the feasibility studies for full-scale CCS in Norway. The studies show that CCS is technically feasible at Norcem's cement factory in Brevik, at Yara's ammonia plant on Herøya and at Oslo municipality's energy recycling plant at Klemetsrud. In addition, Statoil has concluded that a development solution using an onshore facility and a CO₂ pipeline to the Smeaheia area represents the best storage solution. Gassco has submitted a feasibility study for the transport of CO₂ by ship. The studies show that it would be possible to realise a full-scale CO₂ management chain in Norway by 2022. In October 2016, a tender competition was announced for concept and preliminary design studies.

In 2016, only the amine facility was operational at Technology Centre Mongstad (TCM). The UK/Indian company CCSL concluded its solvent test programme during the first quarter of 2016. Cansolv's second test programme was carried out. The US development company ION Engineering began testing its solvent at the end of the year. At the end of 2015, Alstom's technology for chilled ammonia (CAP) was taken over by GE, and the CAP plant is currently mothballed in anticipation of GE clarifying any further technological development involving the plant.

In 2016, a project was carried out with the aim of preventing mist formation and

CEO: Trude Sundset

Board: Einar Steensnæs (chair), Marianne Holmen (deputy chair), Cathrine Brekke, Trond Moengen, Alfred Nordgård, Liv Lønne Dille*
(* employee elected)

Auditor: Deloitte AS



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The state's ownership interest through the Ministry of Petroleum and Energy: 100 %
Company website: www.gassnova.no

thereby increased amine emissions when it is tested on refinery flue gas.

On behalf of the Ministry of Petroleum and Energy, Gassnova carried out two evaluations of TCM during 2016. In one evaluation, Gassnova concluded that the continuation of TCM would be a relevant instrument for realising the government's strategy for CCS after 2017. In the other evaluation, Gassnova evaluated target attainment for TCM and concluded that CTCM has created a suitable arena for targeted testing, development and qualification of CCS technology.

The outlook for the global and national introduction of CCS has changed since the CLIMIT programme was first established in 2005. In 2016, the CLIMIT secretariat drew up a new programme plan with three key initiative areas towards 2022: early full-scale CO₂ value chains in Europe, large-scale storage of CO₂ on the Norwegian shelf in the North Sea and future solutions for CCS. CLIMIT-Demo had 107 active projects with a combined allocated support budget of NOK 632 million in 2016.

Corporate social responsibility

Gassnova shall operate in an ethical, sustainable and responsible manner, in line with applicable laws, regulations and generally accepted practice. The enterprise places particular emphasis on preventive measures aimed at anti-corruption and legal capacity issues, through both campaigns and greater transparency. The enterprise's requirements and expectations are laid down in guidelines for the enterprise's efforts relating to corporate social responsibility, as well as guidelines and principles for ethical conduct, legal capacity and whistleblowing. These guidelines are available via the enterprise's website.

Financial development

Gassnova's operations are funded via the national budget. Gassnova invoices the Ministry of Petroleum and Energy for services it performs for the Ministry in accordance with the adopted budget. The enterprise also receives revenues from the sale of services to TCM. The enter-

Income statement (NOK millions)	2016	2015
Operating revenues	152	104
Operating expenses	145	101
Gross operating profit (EBITDA)	8,0	2,6
Operating profit (EBIT)	7,7	2,4
Net financial items	1,4	0,9
Profit/loss before tax	9,2	3,4
Tax charge	0,0	0,0
Profit/loss after tax	9,2	3,4

Balance sheet	2016	2015
Intangible assets	0,3	0,3
Fixed assets	101	103
Total assets	101	103
Equity	48,8	39,4
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	52,4	63,6
Total debt and liabilities	52,4	63,6
Total equity and liabilities	101	103

Cash flow	2016	2015
Operating activities	-0,5	26,4
Investment activities	-0,2	0,0
Financing activities	0,0	0,0
Change cash and cash equivalents	-0,7	26,4

Key figures	2016	2015
Capital employed	48,8	39,4
Gross operating margin (EBITDA)	5 %	3 %
Operating margin (EBIT)	5 %	2 %
Equity ratio	48 %	38 %
Return on equity	21 %	11 %
Average return on equity last 5 years	13 %	-
Return on capital employed	21 %	11 %

Subsidies from the State	2016	2015
Government grants	76,1	76,7
Subsidy for CO ₂ -project management funds	63,3	15,0
Total subsidies	139,4	91,7

Additional information	2016	2015
Number of employees	38	35
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

prise's expenses mainly consist of wages, personnel hire, purchase of external services, travel expenses, rent and other office expenses.

The surplus for 2016 was NOK 9,2 million, compared with NOK 3.4 million in 2015. At year-end, the enterprise had bank deposits of NOK 100 million.



CEO: Idun Christie

Board: Harald Milli (chair), Bjørn Stabbetorp (deputy chair), Harald Lossius, Wenche Myhre Dale, Annette Olesen, Nina Heiberg, Jostein Fjeld, Jon Arne Dieseth* (* employee elected)

Auditor: BDO AS



© Graminor AS

The state's ownership interest through the Ministry of Agriculture and Food: 28,2 %
Company website: www.graminor.no

Graminor AS is a plant breeding company that develops new and improved plant varieties, tests and represents imported varieties, and produces pre-basic seed in order to provide Norwegian farming and horticulture with disease-free field crops and horticultural plants that are suitable for Norwegian growing conditions. Graminor is responsible for all cultivation of crops and horticultural plants in Norway.

The company was established in 2002, as a continuation of Norsk Kornforedling AS, in order to concentrate Norwegian plant breeding for farming and horticulture in a single company.

The purpose of the state's ownership of Graminor is to ensure that the Norwegian agriculture and horticulture sectors have access to varied disease-free field crops

and horticultural plants that are suitable for Norwegian growing conditions.

Key events

In 2016, a new laboratory for biotechnological platforms was completed at Bjørke experimental farm at Hamar. The laboratory is an instrument for implementing new biotechnological methods and technologies in the breeding programmes. The aims are to achieve better precision and to streamline the development of new varieties.

Financial development

In 2016, the company had total operating revenues of NOK 63.9 million. Profit after tax was NOK 4.2 million, compared from NOK 1.8 million in the previous year. The economic situation is good. No dividends were paid.

Income statement (NOK millions)	2016	2015
Operating revenues	68,4	63,5
Operating expenses	63,9	62,4
Gross operating profit (EBITDA)	6,9	3,1
Operating profit (EBIT)	4,5	1,1
Net financial items	0,8	0,9
Profit/loss before tax	5,3	2,0
Tax charge	1,1	0,2
Profit/loss after tax	4,2	1,8

Balance sheet	2016	2015
Intangible assets	44,6	43,4
Fixed assets	58,9	52,9
Total assets	104	96,3

Equity	74,4	71,9
Provision for liabilities	0,1	0,1
Current interest-bearing liabilities	29,0	24,3
Current interest-free liabilities	0,0	0,0
Total debt and liabilities	29,1	24,4
Total equity and liabilities	104	96,3

Key figures	2016	2015
Capital employed	103	96,2
Gross operating margin (EBITDA)	10 %	5 %
Operating margin (EBIT)	7 %	2 %
Equity ratio	72 %	75 %
Return on equity	6 %	3 %
Average return on equity last 4 years	4 %	-
Return on capital employed	6 %	2 %

Subsidies from the State/ Public purchases	2016	2015
Subsidies from the State/ Public purchases	22,0	22,0

Additional information	2016	2015
Number of employees	34	32
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	28,2 %	28,2 %
Proportion of women on the board	38 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	43 %	43 %

Innovasjon Norges Innovation Norway, shall act as a national and local authority instrument for realising value-generating business development throughout Norway. The company administers business-oriented policy instruments on behalf of various ministries and county councils. The principal common objectives of these instruments are to promote commercially and socially beneficial business development, and to spur regional business opportunities through sub-goals of facilitating more entrepreneurs, more high-growth companies and more innovative businesses.

Innovasjon Norge is organised as a special legislation company in accordance with the Act relating to Innovasjon Norge. This form of association means that the company is a separate legal entity with independent and professional responsibility for decisions concerning individual matters. Ownership of Innovasjon Norge is shared by the state, represented by the Ministry of Trade, Industry and Fisheries, (51%) and the county administrations (49%).

The objective of the state's ownership of Innovation Norway is to promote a nationally coordinated service of business-oriented measures and schemes to spur commercially and socially beneficial business development and promote regional business opportunities. It is a requirement for the company to be run efficiently.

Key events

In 2016, the Storting and the county council allocated a total of NOK 3.7 billion to the company. This is used to fund loans, grants, consulting, promotion and networking through various services. Innovasjon Norge contributed NOK 6.7 billion to industry in 2016. Innovasjon Norge implemented its part of the government's eight-year package of measures to boost employment.

Innovasjon Norge's management by objectives and results system indicates that Innovasjon Norge's efforts are having an effect amongst the organisation's customers. The background data are provided by Statistics Norway. Companies that have received aid from Innovasjon Norge have annual added growth in all three effect indicators over a three-year period compared with the control group, annual added growth in sales revenues of 12.3 percentage points, annual added growth in value creation of 6.2 percentage points and annual added growth in productivity of 2.2 percentage points.

In 2016, Innovasjon Norge launched "Min side" (My page) and the first version of a new digital application service for market research and development grants

CEO: Anita Krohn Traaseth

Board: Per Otto Dyb (chair), Jørand Ødegård Lunde (deputy chair), Kristin Misund, Jan Løkling, Jørand Ødegård Lunde, Helen Falch Fladmark, Kim Daniel Victor Arthur, Wenche Kjøllås, Heidi Wang, Leela Borring Låstad*, Gaute Hagerup* (* employee elected)

Auditor: Deloitte AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 51 %
Company website: www.innovasjon Norge.no

for entrepreneurs. Innovasjon Norge has decided to target the services at multi-company programmes and one-to-many activities.

The Act on Innovasjon Norge was amended in 2016. Amendments which will give the board greater scope to develop customer contact, administration and decision-making systems in the best interests of founders, businesses and innovation and business communities entered into force in July 2016. Other changes, including limitation of the owners' liabilities regarding the company's obligations, entered into force in January 2017. The scheme of regional boards in Innovasjon Norge was abolished.

The company's international role and presence was assessed in autumn 2016, and changes to the company's international presence will be implemented in 2017.

Corporate social responsibility

In 2015, Innovasjon Norge's board adopted a new Sustainability Strategy for the period 2016-2020. This strategy establishes the framework for all work carried out by Innovasjon Norge and refers to the UN's Global Compact, OECD's guidelines for multinational enterprises and the UN Guiding Principles on Business and Human Rights (UNGP), which are all recognised standards within the field of corporate social responsibility.

In 2016, Innovasjon Norge's executive group adopted specific principles for "Good Business Ethics – Innovasjon Norge's expectations for customers and collaboration partners". These principles are based on Innovasjon Norge's ethical guidelines and sustainability strategy, and now form the guiding document for the work relating to corporate social responsibility within Innovasjon Norge.

Financial development

Innovasjon Norge's revenues are closely linked to the grants from clients amongst the county administrations and the ministries. The company does not have a financial target other than to use resources efficiently. Grants to the company increased in 2016. Operating expenses in 2016 amounted to NOK 1,378 million, approximately the same as the previous year.

Income statement (NOK millions)	2016	2015
Recognised grants	1 057	1 058
Other operating revenues	159	173
Total operating revenues	1 217	1 231
Operating expenses	1 378	1 387
Net financial items	383	440
Operating profit before losses on loans and guarantees	222	284
Net losses	10	21
Profit/loss before tax	211	263
Tax charge	0	0
Profit/loss after tax	211	263

Balance sheet	2016	2015
Total assets	24 043	23 565
Deposits from the State	15 020	14 825
Other debt and liabilities	1 361	1 231
Other debt and liabilities	3 855	3 890
Total loan and investment fund	2 252	2 084
Total debt and liabilities	22 488	22 030
Equity	1 555	1 535
Total equity and liabilities	24 043	23 565

Cash flow	2016	2015
Operating activities	-202	495
Payment from owner	178	229
Investment activities	-73	-20
Financing activities	195	-530
Change cash and cash equivalents	98	173

Dividends	2016	2015
Dividend for the financial year	201	235
Dividend percentage	95 %	89 %
Average dividend percentage last 5 years	51 %	-
Dividend to the state	183	217

Subsidies from the State/ Public purchases	2016	2015
Grants	1 057	1 058

Allocations	2016	2015
Transfers to the State/owners	201	235
Transferred to/from funds and equity	10	28
Total allocations	211	263

Additional information	2016	2015
Number of employees	714	716
Proportion of employees in Norway	79 %	79 %
State ownership at year-end	51 %	51 %
Proportion of women on the board	55 %	55 %
Proportion of women among owner-appointed/shareholder elected board members	56 %	56 %



CEO: Birgitte Henriksen

Board: Kåre Oskar Larsen (chair),
Arnfinn Sjøseth (deputy chair),
Unni Abrahamsen, Jostein Fjeld,
Jon Atle Repstad, Barbro Isaksen*
(* Employee elected)

Auditor: Mazars Revisjon AS



© Kimen SÅVARELABORATORIET AS

The state's ownership interest through the Ministry of Agriculture and Food: 51 %
Company website: www.kimen.no

Kimen SÅvarelaboratoriet AS (Kimen) is Norway's centre of expertise on seed quality and seed analysis and is the national reference laboratory for seed analysis. The company has built up its expertise through 130 years of principally state ownership. The laboratory was restructured as a limited company in 2004. The company is owned by the state through the Ministry of Agriculture and Food (51%), Felleskjøpet Agri SA (34%) and Strand Unikorn AS (15%).

The laboratory is accredited by ISTA (International Seed Testing Association) for germination analysis, seed health, purity and moisture content determination of all relevant seeds and can issue international seed certificates. The accreditation guarantees quality and national competence in this field, and is also important for customers. The company's main strategy is to meet the needs of the seed industry and the government for services relating to purity, germination and health analyses of seed.

The aim of the state's ownership of Kimen is to carry out seed analyses to ensure that the Norwegian seed industry has access to the necessary production and management analyses as laid down in the regulations for seeds, wild oats, plant health and plant production.

Key events

Kimen was audited by ISTA in September 2016. This secures the company's accreditation for a further three years and was the sixth audit visit from ISTA.

In 2016, the board adopted an action plan for a strategic plan for the period 2015-2020.

During 2016, Kimen internally transferred the technical responsibility to new technical director, Eivind Meen, following the retirement of the previous technical

director. The previous technical director had been with Kimen (formerly Landbrukstilsynet Frøkontrollen/Statens Frøkontroll) for no less than 34 years. The technical director has an important role to play in safeguarding the laboratory's technical status nationally, and as regards communication with ISTA internationally.

Corporate social responsibility

Kimen aims to have the lowest possible greenhouse gas emissions and minimal environmental impact. The company's employees are not often required to travel on business and environmental impact is given great emphasis in connection with the procurement of goods.

Financial development

Kimen's financial performance is closely linked to demand for analyses in the field of seed. In addition, the public subsidy is essential to enable the laboratory to perform functions over and above ordinary analysis. An example of this is its role as an advisory body in matters pertaining to its core expertise. Most of the sales revenues originate from analysis of samples. The volume of samples for analysis varies from season to season, depending on the quality of the year's seed and grain harvest and the need for seed in the individual year. The production season does not correspond with the calendar year, and the results for any given year will therefore be influenced by two separate seasons. Revenues also include analyses and services for research institutions.

Financially, 2016 was a good year for Kimen. The reasons for this include higher revenues due to a greater number of samples being received, primarily from the seed industry during the year. A proportion of the increase was due to the deferment of samples from 2015 to 2016.

Income statement (NOK millions)	2016	2015
Operating revenues	13,3	11,2
Operating expenses	12,3	12,2
Gross operating profit (EBITDA)	1,1	-0,8
Operating profit (EBIT)	1,0	-1,0
Net financial items	0,1	0,2
Profit/loss before tax	1,1	-0,8
Tax charge	0,3	-0,2
Profit/loss after tax	0,8	-0,6

Balance sheet	2016	2015
Intangible assets	0,5	0,7
Fixed assets	14,0	12,5
Total assets	14,5	13,2

Equity	11,5	11,1
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	3,0	2,1
Current interest-free liabilities	0,0	0,0
Total debt and liabilities	3,0	2,1
Total equity and liabilities	14,5	13,2

Key figures	2016	2015
Capital employed	14,5	13,2
Gross operating margin (EBITDA)	8 %	-7 %
Operating margin (EBIT)	8 %	-9 %
Equity ratio	79 %	84 %
Return on equity	7 %	-5 %
Average return on equity last 4 years	3 %	-
Return on capital employed	8 %	-6 %

Subsidies from the State/ Public purchases	2016	2015
Subsidies from the State/ Public purchases	3,6	3,4

Dividends	2016	2015
Dividend for the financial year	0,4	0,0
Dividend percentage	50 %	0 %
Average dividend percentage last 5 years	77 %	-
Dividend to the state	0,2	0,0

Additional information	2016	2015
Number of employees	20	20
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	51 %	51 %
Proportion of women on the board	33 %	33 %
Proportion of women among owner-appointed/shareholder elected board members	20 %	20 %



CEO: Ole Øiseth

Board: Unni Steinsmo (chair), Widar Salbuvik (deputy chair), Kirsten Broch-Mathisen, Egil Murud, Sven Ole Fagnærnes

Auditor: PricewaterhouseCoopers AS



© Kings Bay AS

The state's ownership interest through the Ministry of Climate and Environment: 100 %
Company website: www.kingsbay.no

Kings Bay AS, which was founded in 1916, is responsible for infrastructure operation and development in Ny-Ålesund in Svalbard. Operations include emergency preparedness, maritime services, air transport, engineering services, accommodation, food and refreshments, and water and electricity supply. The company also provides services to cruise ships and other vessels that arrive for the day during the summer season.

Ten research communities from different nations have a permanent base in Ny-Ålesund, and every year close to 20 different research communities carry out research projects on Kings Bay's properties in and around Ny-Ålesund. Kings Bay is committed to environmentally friendly and efficient operation.

The objective of the state's ownership of Kings Bay is to ensure that Ny-Ålesund can be developed as a Norwegian centre for international Arctic scientific research in Svalbard. It is a requirement for the company to be run efficiently.

Key events

There were 13,318 research days in Ny-Ålesund in 2016. This is approximately the same level as in the previous year. A significant portion of the research days are related to marine research based in the marine laboratory. There were a total of approx. 26,942 overnight stays in Ny-Ålesund in 2016, including employees, visitors and seasonal workers.

A fibre optic cable was laid between Ny-Ålesund and Longyearbyen in autumn 2014, and all the research stations were connected in the first half of 2015. The fibre optic network will allow the exchange of large volumes of research data in almost real time and is expected to provide a sound basis for the long-term development of the location as a research centre.

The Ny-Ålesund Symposium, which brings together international experts, was held again in September 2016. This year's theme was "Planet Ocean".

Eleven official delegations visited Ny-Ålesund in 2016, including US Secretary of State John Kerry together with Norway's Minister of Foreign Affairs Børge Brende.

A total of NOK 20.5 million was allocated from the 2017 National Budget for a new joint research building in Ny-Ålesund. Construction work will commence in spring 2017 and the building is scheduled for completion in 2018.

Corporate social responsibility

Kings Bay has publicly available ethical guidelines. Its annual report provides information about the company's work on corporate social responsibility.

The company is committed to giving due consideration to climate and environmental issues and has organised its operations with the aim of minimising its impact on nature and the environment around the local community in Ny-Ålesund.

Kings Bay has established and integrated routines for preventing corruption and for whistleblowing.

Financial development

Kings Bay aims for its operating accounts to balance. Costs attributable to ongoing operations are covered by revenues from the research institutions, individual researchers and visitors. Investments, major maintenance projects and other extraordinary costs arising from the company's special obligations in Ny-Ålesund are covered by a state subsidy.

The income statement for 2016 shows a financial result for the year of NOK -0.1 million. Operating revenues in 2016 amounted to NOK 57.4 million, against NOK 55.1 million in 2015. The majority of the expenses are related to air transport and airport operations, diesel for the power station and payroll expenses. An increase in air transport expenses in 2016 is the main factor behind the operating deficit. The company received an investment grant of NOK 20.7 million in 2016.

Income statement (NOK millions)	2016	2015
Operating revenues	57,4	55,1
Operating expenses	57,2	57,9
Operating profit	0,1	-2,8
Net financial items	-0,3	-0,1
Profit/loss before tax	-0,1	-2,9
Tax charge	0,0	-0,5
Profit/loss after tax	-0,1	-2,5

Balance sheet	2016	2015
Intangible assets	2,5	2,2
Fixed assets	17,0	22,8
Total assets	19,5	25,0
Equity	12,4	12,5
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	7,1	12,5
Total debt and liabilities	7,1	12,5
Total equity and liabilities	19,5	25,0

Cash flow	2016	2015
Operating activities	-5,0	8,5
Investment activities	-21,0	-20,7
Financing activities	21,0	20,7
Change cash and cash equivalents	-5,0	8,5

Subsidies	2016	2015
Operating and investment grants from the state	20,7	19,0
Grants from others	3,0	1,9
Grants transferred to Bjørnøen AS	-0,2	-0,2
Total grants to Kings Bay AS	23,5	20,7

Application of grants	2016	2015
Investments	23,0	22,3
Transferred from previous	0,0	0,0
Transferred to next year	-2,0	-1,6
Grants recognized in the income statement during the year	2,5	0,0
Total use of grants	23,5	20,7

Additional information	2016	2015
Number of employees	24	24
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	40 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

CEO/Theatre director:
Hanne Gløtvold Tømte

Board: Anne Enger (chair), Øystein
Kåre Djupedal (deputy chair), Benny
Fredriksson, Jens Paludan Heyerdahl,
Tone Winje, Ingjerd Egeberg*, Mattis
Herman Nyquist*, Bjørn Moe*
(* employee elected)

Auditor: BDO AS



© Tor Einstead/bed

The state's ownership interest through the Ministry of Culture: 100 %
Company website: www.nationaltheatret.no

Nationaltheatret AS was founded in 1899 with the objective of putting on theatre productions. The company has special responsibility for safeguarding national cultural policy interests in the field of dramatic art. Nationaltheatret is located in central Oslo between the Royal Palace, the Storting and the University.

Nationaltheatret's strategy for the period 2015–2018 states that Nationaltheatret shall be the leading theatre in Norway, develop dramatic art and receive international recognition. Performances should be daring and relevant, and the theatre should be open and engage the public. The theatre will strive to be a modern theatre company in terms of its organisation and technically, with up-to-date premises and facilities. The theatre has a number of permanent stages in Oslo city centre and one stage in the district of Torshov. In addition, Nationaltheatret shares joint workshops with Rikstheatret in Brobekk.

Nationaltheatret safeguards national cultural policy interests in the field of dramatic art. Nationaltheatret works to make dramatic art and high-quality culture available to everyone, promotes artistic development and renewal, and protects the national cultural heritage. Nationaltheatret shall contribute to an open and enlightened public discourse through its activities.

The state's ownership of Nationaltheatret aims to secure cultural policy objectives. The aim behind the 2016 dramatic art grants was to facilitate production, dissemination and demand for different dramatic art expressions. This will support the overarching objectives to help ensure that everyone has access to high-quality art and culture and to promote artistic development and renewal.

Key events

The Ibsen Festival was held in August/September. The 2016 International Ibsen Award, for which Nationaltheatret acts as secretariat, went to the UK ensemble Forced Entertainment.

In the National Budget, the Storting allocated NOK 2.5 million to a clarification phase concerning the refurbishment of the Nationaltheatret building. This clarification will be carried out in 2017 and the theatre hopes to commence the feasibility project in 2018.

Corporate social responsibility

The theatre regards it as an important social responsibility for itself to work actively to provide a healthy working environment and to structure its operations such that energy consumption, waste and emissions are minimised as far as is possible within the framework of the current building.

Financial development

The accounts for 2016 show a profit for the year of just over NOK 32 million. Equity at the close of 2016 amounted to NOK 18.6 million, which is 7% of total revenues. Both the income statement and the equity were affected by non-recurring effects as a result of the switch to a defined contribution pension scheme.

The theatre has worked systematically to increase its own revenues in order to provide the core business with greater flexibility over a number of years. The increase in revenues is primarily attributable to larger audiences. Ticket revenues in 2016 were just over NOK 4 million higher than the previous year. In addition, the theatre restaurant had a strong year financially, with increased sales. Costs have decreased somewhat compared with 2015 as a result of the new pension scheme.

Income statement (NOK millions)	2016	2015
Operating revenues	277	258
Operating expenses	244	252
Gross operating profit (EBITDA)	42,9	16,6
Operating profit (EBIT)	32,8	6,3
Net financial items	-0,2	-0,4
Profit/loss before tax	32,6	5,9
Tax charge	0,0	0,0
Profit/loss after tax	32,6	5,9

Balance sheet	2016	2015
Intangible assets	56,8	54,6
Fixed assets	80,7	68,1
Total assets	138	123

Equity	18,7	37,7
Provision for liabilities	44,7	8,7
Current interest-bearing liabilities	8,1	10,6
Current interest-free liabilities	66,0	65,7
Total debt and liabilities	119	85,0
Total equity and liabilities	138	123

Cash flow	2016	2015
Operating activities	13,4	33,5
Investment activities	-7,5	-3,5
Financing activities	4,5	4,0
Change cash and cash equivalents	10,4	34,0

Key figures	2016	2015
Capital employed	26,8	48,3
Gross operating margin (EBITDA)	16 %	6 %
Operating margin (EBIT)	12 %	2 %
Equity ratio	14 %	31 %
Return on equity	116 %	17 %
Average return on equity last 4 years	37 %	-
Return on capital employed	89 %	15 %

Other key figures	2016	2015
Total number of performances	1 129	907
Tickets sold	274 491	235 926
Audiences	83 %	83 %
Ticket sales	60,8	56,6

Subsidies from the state	2016	2015
Ministry of Culture	197	189

Additional information	2016	2015
Number of employees	407	380
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	38 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

Nofima AS is an internationally renowned applied research institute that delivers research and solutions that yield competitive advantages along the entire value chain in industries that produce food. This encompasses the company's objective of contributing to increased food safety and sustainable production of safe food that promotes public health.

The company's focus on sustainable, business-oriented value creation and social development in the food, fisheries and aquaculture sector is realised through close contact with industry players and authorities, as well as through active dissemination and implementation of research results. Nofima collaborates with a broad range of research and development groups in Norway and internationally to enhance the quality and value of its activities.

Nofima has 363 employees at five sites across the country. The company's head office is situated in Tromsø.

The objective of the state's ownership in Nofima is to help ensure that Norway has a strong expert research community able to meet the needs of the food, fisheries and aquaculture industries for long-term, strategic industrial research. It is a requirement for the company to be run efficiently.

Key events

The company has developed numerous strategic institute initiatives funded by the company's basic grant. In order to boost the research activities further, Nofima established inhouse-financed research programmes, Lighthouse initiatives, in 2016. The subject areas were chosen following an internal competition based on scientific quality, potential, relevance and benefits. To ensure good scientific production, funds have been allocated for inhouse-funded scholarship and postdoctoral candidates in the programmes.

In 2016, the company increased its commitment to international cooperation. This initiative is producing results and the company was awarded four new projects under the EU's Horizon 2020 research programme in 2016. At the year-end, Nofima is participating in ten projects in Horizon 2020. Nofima has signed cooperation agreements with foreign research institutions and companies in order to strengthen the company's international networks and research cooperation.

During 2016, researchers from Nofima published two books as final reports for projects: one which summarises the work of the Cod Programme, and one which covers the innovation activities carried

CEO: Øyvind Fylling-Jensen

Board: Olav Fjell (chair), Eirik Selmer-Olsen (deputy chair), Yngve Myhre, Edel Storelvmo, Ann Øygård, Jens Petter Wold*, Åsa Maria O. Espmark*, Audun Iversen* (* employee elected)

Auditor: PricewaterhouseCoopers AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 56,84 %
Company website: www.nofima.no

out in the research programmes funded by FFL.

The company carried out a reputation survey amongst the company's users and stakeholders in 2016. Nofima has a good reputation as a research institution and is well known. The results of the survey will be actively used in the further work to strengthen coordination, innovation and dissemination.

Corporate social responsibility

Nofima has established ethical guidelines and research ethics guidelines. The company bases its operations on the eight core conventions of the International Labour Organisation (ILO) and follows specific company and industry-oriented guidelines in its reporting. In addition, the company follows government guidelines to minimise the environmental impact of its research activities.

Financial development

At the end of 2016, Nofima is a well-managed institute with strong financial results. Capacity utilisation and cost control are both good. Nofima's financial results have given the company scope to invest in academic expertise and the further development of research infrastructure.

In 2016, Nofima's revenues amounted to NOK 582 million, up 6.8% from 2015. The company recorded an operating profit of NOK 29 million and had an equity ratio of 44%.

Nofima has increased its revenues linked to projects and assignments, including research-managed projects, industrial projects and instrument-financed projects. In 2016, the company strengthened its solvency ratio and the company's financial position is considered to be strong.

Nofima obtains its assignments through announcements in the Research Council of Norway, the EU, other official sources and from industry. The company is experiencing tougher competition linked to the assignment market as well as tougher competition for projects. Competition has also increased as a result of many actors which previously targeted other industries now viewing the ocean space as an attractive area.

Income statement (NOK millions)	2016	2015
Operating revenues	582	545
Operating expenses	555	524
Gross operating profit (EBITDA)	34,3	46,0
Operating profit (EBIT)	26,4	21,0
Net financial items	2,3	1,0
Profit/loss before tax	28,7	22,0
Tax charge	0,0	0,0
Profit/loss after tax	28,7	22,0

Balance sheet	2016	2015
Intangible assets	47,0	41,3
Fixed assets	250	220
Total assets	297	262

Equity	131	102
Provision for liabilities	15,5	19
Current interest-bearing liabilities	0,0	0,1
Current interest-free liabilities	151	141
Total debt and liabilities	167	160
Total equity and liabilities	297	262

Cash flow	2016	2015
Operating activities	20,4	42,8
Investment activities	-45,3	-41,7
Financing activities	-0,1	-26,0
Foreign currency effects	0,0	0,0
Change cash and cash equivalents	-25,0	-24,9

Key figures	2016	2015
Capital employed	131	102
Gross operating margin (EBITDA)	6 %	8 %
Operating margin (EBIT)	5 %	4 %
Equity ratio	44 %	39 %
Return on equity	25 %	26 %
Average return on equity last 5 years	21 %	-
Return on capital employed	25 %	24 %

Subsidies from the State	2016	2015
Operating subsidies	99,5	97,4

Additional information	2016	2015
Number of employees	363	344
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	56,84 %	56,84 %
Proportion of women on the board	38 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

Nordisk Institutt for Odontologiske Materialer AS (NIOM) was established as a state-owned limited company in 2009 by the Ministry of Health and Care Services (49% of the shares) and UniRand AS (51%) as owners. The company was founded back in 1972 as an institute under the Nordic Council of Ministers.

NIOM is a Nordic cooperative body working to promote and continue the Nordic cooperation within the mandate and framework contract between the company and the Nordic Council of Ministers. The company shall also safeguard the purposes and tasks set out in the Ministry of Health and Care Services' annual budget and the Directorate of Health's subsidy scheme. NIOM and the dental health service's centres of expertise cooperate regarding clinical and patient-related research projects.

The company's vision is to help ensure safe, well-functioning biomaterials for patients in the Nordic countries. NIOM's strategy is to have a high Nordic profile, conduct biomaterials research on a high international level, be an active contributor to policy formulation in European and international standardisation, and for the company's assignment work to generate funds and knowledge that can strengthen the company's other activities.

The company's objective is to ensure that dental care products used in the Nordic region meet health and technical standards in terms of developments in the field. The company's tasks are research, material testing, standardisation and information activities aimed at the health authorities and the dental health services in the Nordic region. The company's research and information activities shall be scientifically founded and applicable to clinical dentistry.

The aim of the state's ownership of NIOM is to secure Nordic representation on the board. This was a condition imposed by the Nordic Council of Ministers (NCM) in order to transfer ownership from NCM to the Norwegian state. Through board appointments and the company's general meeting, the state also secures influence over NIOM's activities and the institute's importance with respect to the dental health field as a policy area in Norway.

Key events

NIOM's information and research activities, research collaborations and visiting researcher cooperations generate considerable benefits for the Nordic region. In these activities, emphasis is placed on dental materials and biomaterials generally. In addition to clinical projects, the company has carried out projects within toxicology, microbiology, polymer chem-

CEO: Jon Einar Dahl

Board: Pål Barkvoll (chair), Ellen Berggreen, Pål Brodin, Hilde Kanli Galtung, Erik Gulbrandsen, Marianne Hiorth, Preben Hørsted Bindslev, Anne Nordblad, Helga Ágústsdóttir, Andreas Cederlund

Auditor: Lundes Revisjonskontor I DA



© NIOM AS

The state's ownership interest through the Ministry of Health and Care Services: 49 %
Company website: www.niom.no

istry/leaching and material properties/inorganic chemistry.

All visiting researchers were offered paid jobs at NIOM in 2016.

Nordic dentists are informed of the results of NIOM's research and advice through lectures at dental conferences, publication in Nordic dental journals, and on NIOM's website. The Danish dental publication Tandlægebladet and NIOM have collaborated over a series of articles concerning dental materials which is being published in the Nordic region. In 2016, NIOM published 29 articles relating to the company's research in international and Nordic media. Of these, 17 articles have been published in international periodicals, seven themes parallel-published in the Nordic dental periodicals and two articles in *Aktuel Nordisk Odontologi*. NIOM has published ten newsletters and answered over 70 enquiries from dental personnel, health authorities and patients.

NIOM's researchers are group leaders within both dental health and biomaterials generally, and have made important contributions to the preparation of European and international standards. NIOM and Standards Norway arranged the annual meeting of ISO TC 106 Dentistry in 2016.

Corporate social responsibility

NIOM provides neutral and manufacturer-independent information based on research published in recognised international periodicals with peer review. NIOM strives to ensure that international standards contain relevant requirements which promote patient safety.

Financial development

Norwegian health authorities fund NIOM's rent, standardisation work and clinical research in collaboration with dental health service's centres of expertise. This accounted for 59% of revenues in 2016. The company has a three-year contract for the period 2016-2018 with the Nordic Council of Ministers concerning visiting scientists, information and biomaterials research. The accounts showed a surplus of NOK 2 million, compared with the budgeted NOK 1.8 million. The company does not pay dividends.

Income statement (NOK millions)	2016	2015
Operating revenues	34,7	32,2
Operating expenses	32,8	29,6
Gross operating profit (EBITDA)	2,4	2,9
Operating profit (EBIT)	1,9	2,6
Net financial items	0,1	0,1
Profit/loss before tax	2,0	2,7
Tax charge	0,0	0,0
Profit/loss after tax	2,0	2,7

Balance sheet	2016	2015
Intangible assets	4,3	3,1
Fixed assets	14,0	14,5
Total assets	18,3	17,6

Equity	13,1	11,1
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	5,2	6,5
Total debt and liabilities	5,2	6,5
Total equity and liabilities	18,3	17,6

Cash flow	2016	2015
Operating activities	0,8	4,1
Investment activities	-1,7	-1,3
Financing activities	0,0	0,0
Change cash and cash equivalents	-0,9	2,8

Key figures	2016	2015
Capital employed	13,1	11,1
Gross operating margin (EBITDA)	8 %	10 %
Operating margin (EBIT)	7 %	9 %
Equity ratio	72 %	63 %
Return on equity	21 %	31 %
Average return on equity last 4 years	32 %	-
Return on capital employed	21 %	31 %

Subsidies from the state	2016	2015
Ministry of Health and Care Services	19,0	17,5

Additional information	2016	2015
Number of employees	28	26
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	49 %	49 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

CEO: Kjell Roland

Board: Kristin Clemet (chair), Borghild Holen, Finn Marum Jebsen, Martin Skancke, Brit Kristin Sæbø Rugland, Per Kristian Sbertoli, Nina Elisabeth Hansen*, Vegard Benterud* (* employee elected)

Auditor: Deloitte AS



Norfund (the Norwegian Investment Fund for Developing Countries) was established as a state-owned and -financed investment company in 1997. The fund is an instrument in Norwegian development policy, which contributes to economic development and jobs in developing countries through the development of profitable companies, particularly within clean energy, the finance sector and agriculture. Norfund is a special legislation company and has its head office in Oslo.

The objective of the state's ownership of Norfund is to assist in the development of sustainable commercial activity in developing countries by financing viable, profitable activities which would otherwise not be realised due to the high financial risk involved. It is a requirement for the company to be run efficiently.

Key events

In 2016, Norfund entered into investment agreements totalling NOK 2,800 million. Around NOK 870 million concerned investments in renewable energy. Within financial institutions, Norfund investment agreements amounted to NOK 1,450 million, while the corresponding figure for food and agriculture was NOK 248 million. Norfund invested NOK 214 million in funds for small and medium-sized enterprises (SMEs). Some 73% of new investments were made in sub-Saharan Africa in 2016, while 57% were made in the least developed countries (LDCs).

In 2016, Norfund established the bank investment company Arise in partnership with Rabobank and FMO. Arise will help to strengthen and develop efficient, inclusive banks in Africa.

Norfund's revised strategy was adopted by the board in January 2016. The fund will strengthen its role as an active, strategic minority investor with a primary focus on the use of equity instruments. The geographical scope is being extended slightly to include Ethiopia, Somaliland and a gradual entry into West Africa.

At the end of 2016, 276,000 people were employed by enterprises in which Norfund had invested either directly or indirectly. The companies purchased goods and services from local suppliers worth NOK 19,000. The energy companies in the portfolio generated a total of 19.2 TWh of electricity during 2016, equivalent to the power consumption of 30 million peo-

ple in the countries concerned. Norfund's renewable portfolio helped to avoid around 7.5 million tonnes of CO₂ emissions in 2016. The agricultural companies cultivated 41,000 hectares of land, and produced 91,000 tonnes of food, among other things.

Corporate social responsibility

Norfund exercises corporate social responsibility by setting high standards for its own operations and the operations of the companies in its portfolio. Norfund has zero tolerance for corruption and requires respect for human rights, gender equality, local communities, and the environment and biodiversity. Norfund therefore stipulates compliance requirements over and above those that are regulated in national legislation and commits the businesses to compliance with the environmental and social standards of the World Bank's International Finance Corporation. Monitoring compliance with these standards is an integral part of the work related to entering into investment agreements and following up the investments.

Financial development

Norfund's parent company posted a surplus for 2016 of NOK 64 million, against NOK 426 million the previous year, and revenues amounted to NOK 428 million (NOK 340 million). The company's operating expenses before currency gains and losses on loans and write-downs fell by NOK 20 million to NOK 153 million in 2016. Norfund's total on the statement of financial position at year-end 2016 was NOK 18,105 million (NOK 15,085 million). The company had equity of NOK 16,410 million (NOK 15,006 million). Value-adjusted equity at year-end 2016 stood at NOK 20,665 million (NOK 19,400 million).

The return on the investment portfolio in 2016 was 2.9% measured in the investment currency and 1.3% in Norwegian kroner. Since its establishment, the fund has had an average annual return of 4.9% in the investment currency and 9.2% in Norwegian kroner, calculating the return from the start date of the investments.

The state's ownership interest through the Ministry of Foreign Affairs: 100 %
Company website: www.norfund.no

Income statement (NOK millions)	2016	2015
Operating revenues	615	274
Operating expenses	537	105
Gross operating profit (EBITDA)	463	100
Operating profit (EBIT)	78	168
Net financial items	-78	290
Profit/loss before tax	-1	458
Tax charge	5	0
Profit/loss after tax	-6	458

Balance sheet	2016	2015
Intangible assets	5 237	3 596
Fixed assets	13 218	11 925
Total assets	18 455	15 521

Equity	16 759	15 442
Provision for liabilities	27	25
Current interest-bearing liabilities	310	0
Current interest-free liabilities	1 358	54
Total debt and liabilities	1 696	79
Total equity and liabilities	18 455	15 521

Cash flow	2016	2015
Operating activities	1 863	150
Investment activities	-2 078	-3 180
Financing activities	1 454	1 671
Change cash and cash equivalents	1 239	-1 359

Key figures	2016	2015
Percentage new investments in least developed countries ¹	57 %	38 %
Percentage investments in Africa ¹	73 %	85 %

Subsidies from the State	2016	2015
Subsidies for professional investment assistance	0	21
Capital contributions from the state	1 478	1 480

Additional information	2016	2015
Number of employees	69	67
Proportion of employees in Norway	67 %	65 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

¹ Not including SN Power Invest AS.

CEO: Renate Larsen

Board: Marianne Elisabeth Johnsen (chair), Sverre Søraa (deputy chair), Anne Breiby, Knut Halvard Lerøy, Eva Marie Kristoffersen, Andreas Mikalsen, Solveig Strand, Amund Bråthen*, Trude Bessesen*, Marit Stagrum Ottem* (* employee elected)

Auditor: KPMG AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company websites: www.seafood.no • www.godfisk.no

Norges sjømatråd AS, the Norwegian Seafood Council, aims to increase value creation in the seafood industry by increasing demand for and awareness of Norwegian seafood both in Norway and abroad. This is achieved through generic marketing and work on market information, market access and preparedness. The Norwegian Seafood Council also seeks to develop new and further exploit established markets and strengthen and cement the reputation of Norwegian seafood. The Norwegian Seafood Council's head office is situated in Tromsø, and the company has employees in 13 markets.

The objective of the state's ownership of the Norwegian Seafood Council is to have a sector policy instrument to help boost value creation in the fisheries and aquaculture industries by increasing demand for and awareness of Norwegian seafood at home and abroad. It is a requirement for the company to be run efficiently.

Key events

Norwegian seafood exports achieved yet another new record in 2016. The export value reached NOK 91.6 billion, an increase of 23%, or NOK 17.1 billion over 2015. A favourable exchange rate contributed to this development. Exports to the EU reached NOK 60 billion for the first time, following 23% growth in 2016. The EU receives 67% of Norway's seafood exports.

In summer 2016, the Ministry of Trade, Industry and Fisheries distributed a consultation document for amendments to the Regulations relating to export of fish and fish products (the Fish Export Regu-

lations) and the Regulations relating to coordinated collection of taxes on fish exports. The ministry then decided to lower the rate for the marketing tax for salmon, trout and key pelagic species. The rate was lowered from 0.6 to 0.3%. The rate for the remaining species remains unchanged.

In autumn 2016, Renate Larsen took over as CEO of the Norwegian Seafood Council after Terje E. Martinussen, who held the post for ten years. Since Larsen's appointment, the company has striven to complete and implement a new strategy for the organisation. At the same time, the Norwegian Seafood Council's structure has been revised by reducing the number of director posts for geographic regions and implementing changes in the role which had previously been performed by a communications director.

Corporate social responsibility

The Norwegian Seafood Council has publicly available ethical guidelines that govern its work relating to corporate social responsibility. The company bases its operations on the eight core conventions of the International Labour Organisation (ILO).

Financial development

The Norwegian Seafood Council is funded by the fisheries and aquaculture industry through the applicable marketing tax pursuant to the Fish Export Act. In 2016, the marketing tax rate was 0.6% of the export value of salmon, trout and key pelagic species, and 0.75% for the remaining species.

Income statement (NOK millions)	2016	2015
Operating revenues	564	544
Operating expenses	532	460
Gross operating profit (EBITDA)	33,1	85,2
Operating profit (EBIT)	31,9	84,3
Net financial items	10,0	-0,7
Profit/loss before tax	41,9	83,6
Tax charge	0,0	0,0
Profit/loss after tax	41,9	83,6

Balance sheet	2016	2015
Intangible assets	3,3	3,8
Fixed assets	603	548
Total assets	606	552

Equity	481	439
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	125	112
Total debt and liabilities	125	112
Total equity and liabilities	606	552

Cash flow	2016	2015
Operating activities	40,3	91,4
Investment activities	-30,7	-4,6
Financing activities	0,0	0,0
Change cash and cash equivalents	9,6	86,8

Key figures	2016	2015
Capital employed	481	439
Gross operating margin (EBITDA)	6 %	16 %
Operating margin (EBIT)	6 %	15 %
Equity ratio	79 %	80 %
Return on equity	9 %	21 %
Average return on equity last 5 years	12 %	-
Return on capital employed	10 %	23 %

Additional information	2016	2015
Number of employees	77	68
Proportion of employees in Norway	67 %	72 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	60 %	60 %
Proportion of women among owner-appointed/shareholder elected board members	57 %	57 %

Norsk Helsenett SF was founded by the Ministry of Health and Care Services in 2009. This state enterprise is responsible for operating and further developing a secure, robust and expedient national ICT infrastructure that meets the need for efficient interaction between all of the players in the health and care sector (the Health Network). This includes development, establishment and operation of a number of national services, like www.helsenorge.no, the Core Record System, Electronic Data Interchange (EDI) and video conferencing.

Norsk Helsenett's activities are financed through a membership fee for affiliation to the Health Network, state grants for the provision of national services and the execution of various projects, as well as the sale of services. The customer group consists of all the health trusts, municipalities, general practitioners and other providers in the health and care sector, along with a number of third-party suppliers who provide services to them via the Health Network. From 2017, Norsk Helsenett will deliver services within ICT and procurement to eleven agencies within the health administration.

Norsk Helsenett has its head office in Trondheim and regional offices in Tromsø and Oslo.

The objective of the state's ownership of Norsk Helsenett is to secure access to necessary health data on a secure ICT platform for the administration and communication of secure information and the use of telemedical solutions in the sector. It is a requirement for the company to be run efficiently.

Key events

In June, Norsk Helsenett was commissioned to establish an administrative service centre for ICT, procurement and archiving for all agencies within the health administration. The approximately 90 staff at the service centre have been transferred from the agencies to which the centre will provide services.

Traffic in the health network is steadily rising, and in 2016, over 192 million medical messages were exchanged between the organisations in the health and care services sector. This represents an increase of 13.6% over 2015 and shows that the sector is using the digital solutions that are being made available.

Data traffic was initiated on the new high-availability trunk network for the health and care services sector, which will ensure that the sector has access to critical services at all times. The network currently links the regional capitals of Oslo, Trondheim, Tromsø and Bergen. In 2016, work to expand the trunk network in the health regions began, so that regional and

CEO: Håkon Grimstad

Board: Toril Bariusdotter Ressem (chair), Rune Espedal (deputy chair), Herlof Nilssen, Trude Andresen, Mona Elizabeth Svanquist Søndena, Gunvor Klausen*, Sindre Solem* (* employee elected)

Auditor: BDO AS



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The state's ownership interest through the Ministry of Health and Care Services: 100 %
Company website: www.nhn.no

local hospitals will have a network which meets the sector's needs as regards security, capacity and quality.

Corporate social responsibility

Norsk Helsenett exercises its corporate social responsibility in a number of ways, e.g. by operating in as climate-neutral way as possible through having environmentally friendly office premises. In 2017, Norsk Helsenett will move into central Norway's most environmentally friendly office building, a passive building with an A energy rating, which has the international environmental classification Breem Nor Excellent. The company has adopted an active approach to the management of ICT infrastructure, e.g. through operating computer rooms in an efficient and energy-saving manner.

There is a considerable shortage of apprenticeship places within the company's field. Norsk Helsenett provides apprentice places at all office locations and has a good training environment. Norsk Helsenett assumes responsibility by being an Inclusive Working Life company (under the IA scheme) and has a good working relationship with the Norwegian Labour and Welfare Organisation (NAV) and other rehabilitation enterprises every year to enable many people who have dropped out of working life for various reasons to gain work experience. Many of these people have been taken on in permanent positions. The company carries out numerous initiatives targeted at students both through teaching at universities and university colleges and through visits to companies. Provision is made to ensure that students complete the obligatory work experience, so that they can complete their education at master's level.

Norsk Helsenett has prepared ethical guidelines which are readily available to all employees. By making extensive use of video, Norsk Helsenett is helping to reduce travel and thereby protect the environment, not just within its own activities, but also elsewhere in the health sector.

Financial development

Norsk Helsenett is not intended to provide the owner with a financial return. Revenues in 2016 totalled approx. NOK

Income statement (NOK millions)	2016	2015
Operating revenues	389	366
Operating expenses	410	363
Gross operating profit (EBITDA)	3,4	32,8
Operating profit (EBIT)	-21,5	3,8
Net financial items	2,0	3,1
Profit/loss before tax	-19,5	6,9
Tax charge	0,0	0,0
Profit/loss after tax	-19,5	6,9

Balance sheet	2016	2015
Intangible assets	83,0	76,6
Fixed assets	178	160
Total assets	261	237

Equity	102	122
Provision for liabilities	31,3	25,9
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	127	89,3
Total debt and liabilities	158	115
Total equity and liabilities	261	237

Cash flow	2016	2015
Operating activities	-17,9	84,9
Investment activities	-31,2	-41,7
Financing activities	0,0	0,0
Change cash and cash equivalents	-49,1	43,3

Key figures	2016	2015
Capital employed	102	122
Gross operating margin (EBITDA)	1 %	9 %
Operating margin (EBIT)	-6 %	1 %
Equity ratio	39 %	51 %
Return on equity	-17 %	6 %
Average return on equity last 5 years	0 %	-
Return on capital employed	-17 %	6 %

Subsidies	2016	2015
Ministry of Health and Care Services	108	120
Nasjonal IKT HF	0,0	0,7
Total subsidies	108	121

Additional information	2016	2015
Number of employees	201	172
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	57 %	57 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

389 million, and the result for the year was NOK -19.5 million. This negative result was due to costs accrued in connection with the planning and establishment of the service centre. At the end of 2016, Norsk Helsenett's had a healthy liquidity situation and a satisfactory equity ratio of 39%.



Norsk rikskringkasting AS (NRK) was established in 1933. With its three television channels, a number of radio stations, the website www.nrk.no and services on other platforms, NRK provides a wide range of media services. From 1933 until the early 1980s, NRK was the sole broadcaster in Norway. No one else was permitted to produce radio or television programmes. Today, it is the public who decides whether or not they wish to use NRK's services or those of other national and international competitors.

NRK's public service remit is set out in the company's articles of association. It rests on three basic pillars: NRK shall support and strengthen democracy, NRK shall strengthen the Norwegian language, identity and culture, and NRK shall ensure universal availability. The latter is a prerequisite for succeeding at the first two.

NRK reflects the geographical diversity of Norway and has a good local offering and local presence. NRK's head office is situated in Oslo. NRK also has 15 district offices covering five regions, which produce news from across the country on every platform, in addition to content on national TV and radio broadcasts. NRK is represented at over 50 locations in Norway through its local offices. NRK also has foreign correspondents at ten locations around the world.

The objective of the state's ownership of NRK is to ensure good provision of public service broadcasting in Norway. It is a requirement for the company to be run efficiently.

Key events

Switching off of the analogue FM radio network began in January 2017.

In March 2016, the Storting considered white paper Report no. 38 to the Storting (2014–2015) Open and informed, on public service broadcasting and media diversification. A broad political majority supported the main lines of the government's proposal, but asked the government to propose a new mandate for NRK, along with proposals for the future funding of NRK. In December 2016, the government followed up the Storting's resolution with Report to the Storting 15 (2016–2017) A modern and forward-looking NRK – Financing and content obligations. In this report, the government present a shorter and more general NRK remit, which gives NRK independent responsibility to contribute to the diversification of Norwegian media. The government also put forward a proposal to eliminate the current TV licence fee, and to continue work on an earmarked media tax for the future funding of NRK.

Director of Broadcasting:
Thor Gjermund Eriksen

Board: Birger Magnus (chair),
Gunvor Ulstein (deputy chair),
Geir Bergkastet, Silvija Seres,
Audhild Gregoriusdotter Rotevatn,
Lars Oscar Toverud*, May-Britt Bøhn*,
Per Ravnaas*
(* employee elected)

Auditor: KPMG AS



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The state's ownership interest through the Ministry of Culture: 100 %
Company website: www.nrk.no

NRK has maintained a strong position in the competition for people's time and attention. It has high support and legitimacy among the Norwegian population. No less than 86% of all people over the age of 12 years use one or more of NRK's services daily. NRK has also had a good reputation among the population for a long time. In Ipsos' annual reputation survey, 83% of the population stated that they have a very good or fairly good overall impression of NRK. There is also strong and stable support for the licence fee. In NRK's annual profile survey, 71% of respondents stated that the licence fee is either "very good" or "good" value for money.

Corporate social responsibility

NRK works purposefully on matters which are important for the enterprise's impact on people, society and the environment. In autumn 2016, NRK systematised, collated and published a description of the company's efforts relating to corporate social responsibility, broken down into nine key areas. This description is published on the company's website.

Financial development

The NRK group reported a profit after tax of NOK 43 million in 2016, an improvement of NOK 226 million from 2015. The improved result is due to good operations in 2016, and the fact that the accounts for 2015 contained extraordinary non-recurring costs linked to restructuring and changes to NRK's pension scheme.

Revenues amounted to NOK 5,699 million, an increase of NOK 106 million or 1.9% from 2015. Operating expenses including pensions and restructuring fell by NOK 148 million or 2.5% to NOK 5,695 million. Net financial items were NOK 41 million.

The TV licence fee rose from NOK 2,756, including 8% VAT, in 2015 to NOK 2,835 including 10% VAT in 2016. The number of licence payers rose by 11,000 in 2016, to 2,031,000.

NRK's commercial activities are organised through a wholly owned subsidiary, NRK Aktivum AS. NRK's commercial activities made an overall contribution of NOK 88 million to programme activities in 2016.

Income statement (NOK millions)	2016	2015
Operating revenues	5 699	5 593
Operating expenses	5 695	5 843
Gross operating profit (EBITDA)	283	10
Operating profit (EBIT)	4	-250
Net financial items	41	70
Profit/loss before tax	46	-180
Tax charge	2	3
Profit/loss after tax	43	-183

Balance sheet	2016	2015
Intangible assets	1 741	1 798
Fixed assets	1 277	1 343
Total assets	3 018	3 142

Equity	1 129	1 086
Provision for liabilities	939	923
Current interest-bearing liabilities	0	113
Current interest-free liabilities	950	1 019
Total debt and liabilities	1 889	2 056
Total equity and liabilities	3 018	3 142

Cash flow	2016	2015
Operating activities	246	145
Investment activities	-193	-219
Financing activities	-113	113
Change cash and cash equivalents	-61	40

Key figures	2016	2015
Capital employed	1 129	1 199
Gross operating margin (EBITDA)	5 %	0 %
Operating margin (EBIT)	0 %	-4 %
Equity ratio	37 %	35 %
Return on equity	4 %	-16 %
Average return on equity last 5 years	-1 %	-
Return on capital employed	5 %	-14 %

Other key figures	2016	2015
Licence fees as percentage of total revenues	96,8 %	96,8 %
Licence fee per year per household including VAT	2 835	2 756
Percentage of the population that uses NRK every day	86 %	86 %
Market share NRK TV (all year)	39 %	40 %
Market share NRK radio (all year)	68 %	65 %

Subsidies from the state	2016	2015
Ministry of Culture	0,3	0,3
Arts Council Norway	0,1	0,0
Total subsidies	0,4	0,3

Additional information	2016	2015
Number of employees	3 450	3 485
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %



NORSK TIPPING

Norsk Tipping AS was established in 1946 and started operating in 1948. The company has exclusive rights to offer a range of money games in Norway and operates pursuant to The Gaming Act.

The company shall, in accordance with the rules laid down by the Ministry of Culture, offer gambling in a socially acceptable form under public control, with a view to preventing the negative consequences of gambling. At the same time, the company shall, through efficient operation, ensure that as much of the proceeds from the games as possible go to socially beneficial causes determined by the owner. The Storting and the government distribute the surplus, which is shared between sports, culture, and voluntary/humanitarian organisations. ExtraStiftelsen distributes 6.4% of the company's profits to health and rehabilitation purposes. The Grassroots share scheme also gives gamblers the opportunity to distribute an amount corresponding to 5% of the stake to a cause of their own choosing. The profit from Belago is distributed to causes which receive profits from bingo activity.

Norsk Tipping's head office is situated in Hamar.

The objective of the state's ownership of Norsk Tipping is to channel Norwegians' desire to gamble into moderate and responsible gaming offers that do not create social problems. It is a requirement for the company to be run efficiently.

Key events

Åsne Havnelid took over as the new CEO in October 2016.

In autumn 2016, Norsk Tipping introduced an overall limit for losses across all games. This initiative makes it obligatory for customers to set a limit on the amount of money they can lose in a month. This limit cannot exceed NOK 20,000. The initiative prevents gambling problems and simplifies the limit-setting regime for the company's customers. Norsk Tipping is the first gambling company in the world to introduce such a universal limit.

Revenues from digital channels are continuing to rise. Norsk Tipping's revenues in 2016 amounted to NOK 13.9 billion through digital channels. A high proportion of these revenues originates from the online games which were launched in 2014 (Instaspill). For the other games, revenues via digital channels amounted to NOK 6.2 billion, equivalent to growth of 25% from 2015. The growth in revenues from digital channels is boosting the company's cost-effectiveness, but also imposing greater demands on the capacity and functionality of the digital solutions.

CEO: Åsne Havnelid

Board: Linda Bernander Silseth (chair), Bjørn Maas-eide (deputy chair), David Hansen, Anne Lise Meyer, Kari Skeidsvoll Moe, Dag Westby, Bjørn Vidar Mathisen*, Kjersti Langseth*

(* employee elected)

Auditor: KPMG AS



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The state's ownership interest through the Ministry of Culture: 100 %
Company website: www.norsk-tipping.no

In December 2016, the government submitted a white paper to the Storting on a policy concerning money games. The government argues for the continuation of the current model for money games, so that Norsk Tipping and Norsk Rikstoto will continue to have exclusive rights to offer such games. In the report, the government concludes that it would not be appropriate to introduce a licence scheme for foreign companies offering money games. After considering the report, the Storting supported the government's conclusions in this respect.

Corporate social responsibility

In 2016, Norsk Tipping identified the company's key areas for corporate social responsibility. These areas comprised ethical conduct and anti-corruption, financial crime, transparency, stakeholder dialogues and the prevention of gambling problems. The company reviewed the status and management system for the work relating to corporate social responsibility viewed in the light of the state's ownership policy in white paper Report no. 27 to the Storting (2013–2014) and international standards. This formed the basis for a new policy for corporate social responsibility which, together with the associated guidelines, establishes a framework for the way in which ethical conduct and environmental and social considerations are to be integrated into the organisation. The policy's overarching aim is for Norsk Tipping to take responsibility for the impact that the company has on society, people and the environment. The company will implement the policy throughout the organisation in 2017.

Financial development

Norsk Tipping's total operating revenues rose from NOK 29.8 billion in 2015 to NOK 32 billion in 2016. As a result of major variations in prizes between the different products and a high level of replay of prizes for some of the company's games, net gaming revenues (gaming revenues less prizes) are deemed to be a better measure of revenue trends. Net gaming revenues increased from NOK 7.2 billion in 2015 to NOK 7.7 billion in 2016, an increase of 6.2%. Norsk Tipping's surplus grew from NOK 4.2 billion in 2015 to NOK 5 billion in 2016.

Income statement (NOK millions)	2016	2015
Operating revenues	32 039	29 770
Operating expenses	27 056	25 343
Gross operating profit (EBITDA)	5 217	4 706
Operating profit (EBIT)	4 983	4 427
Net financial items	19	58
Profit/loss before tax	5 002	4 485
Tax charge	0	0
Profit/loss after tax	5 002	4 485

Balance sheet	2016	2015
Intangible assets	853	892
Fixed assets	5 101	4 342
Total assets	5 954	5 234

Equity	364	214
Provision for liabilities	109	87
Current interest-bearing liabilities	0	0
Current interest-free liabilities	5 481	4 933
Total debt and liabilities	5 589	5 020
Total equity and liabilities	5 954	5 234

Cash flow	2016	2015
Operating activities	5 422	4 670
Investment activities	-198	-110
Financing activities	-4 363	-4 242
Change cash and cash equivalents	862	317

Key figures	2016	2015
Capital employed	364	214
Gross operating margin (EBITDA)	16 %	16 %
Operating margin (EBIT)	16 %	15 %
Equity ratio	6 %	4 %

Allocations of proceeds	2016	2015
Profits distributed through Tippenøkkelten	4 336	3 785
Grassroots share	447	394
Profit for health and rehabilitation	0	231
Profit for bingo owners' causes	63	59
Measures to combat gambling problems	6	15
Transferred to/from other equity	150	0
Total allocations	5 002	4 485

Additional information	2016	2015
Number of employees	408	406
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %



NSD – Norsk senter for forskningsdata AS (NSD) was established as a national infrastructure for research in 1971 and has been organised as a limited company since 2003. NSD's objective is to manage data and provide services to the research sector. The company is engaged in development work within its area in collaboration with national and international actors. The company's head office is situated in Bergen.

The objective of the state's ownership of NSD is to secure data management and service provision for the research sector. It is a requirement for the company to be run efficiently.

Key events

NSD's remit is to ensure that data are disseminated and services provided to the research sector, including archiving and facilitation of the reuse of data. NSD is committed to continually developing its services, and the open sharing of research data is the aim.

In the project entitled Remote Access Infrastructure for Data Register (RAIRD), NSD and Statistics Norway are developing a functional online research tool for registry data using new technologies for storage, processing and analysis of large and complex data collections. The aim is to simplify and increase access to registry data for research purposes, while protecting privacy and data security.

With funding from the Research Council of Norway and in close contact with experts in the UK and USA, NSD is in the start-up phase of a project, entitled Norwegian Open Research Data Infrastructure (NORD-i), to develop a new e-infrastructure for the easy transfer of data and metadata and open access with efficient access to and sharing of data. This will be an advanced new e-infrastructure that will

provide researchers with even better opportunities to manage, submit and access data in a safe, user-friendly and efficient manner. Both RAIRD and NORDi are being carried out with funding from the Research Council of Norway.

NSD is the Norwegian service provider for the pan-European research infrastructure CESSDA (Consortium for European Social Science Data Archives). This engagement forms the basis for most of the major international development projects, particularly projects financed through the EU's framework programmes in which NSD has participated. NSD is currently participating in two projects with funding from Horizon 2020.

Corporate social responsibility

NSD provides the research community with services and guidance concerning issues such as personal privacy and research ethics. NSD is committed to ensuring that it is a trusted organisation with a good reputation. In order to fulfil this commitment, NSD believes that it is important to have a well-defined ethical framework and an ethical work culture. NSD has adopted guidelines which stress that good results must be achieved through ethical conduct.

NSD aims to have a gender balance amongst its employees, and is committed to diversity and encouraging suitably qualified candidates to apply for positions, irrespective of their age or cultural and ethnic background.

Financial development

NSD's revenues rose by 7.2% from 2015 to 2016. The financing structure has remained stable. Its main sources of revenues are the Research Council of Norway, the ministries, the university and university college sector and the EU. NSD does not pay dividends.

Income statement (NOK millions)	2016	2015
Operating revenues	70,2	65,5
Operating expenses	67,1	63,8
Gross operating profit (EBITDA)	3,4	2,1
Operating profit (EBIT)	3,2	1,7
Net financial items	-0,4	1,5
Profit/loss before tax	2,7	3,2
Tax charge	0,0	0,0
Profit/loss after tax	2,7	3,2

Balance sheet	2016	2015
Intangible assets	0,9	1,0
Fixed assets	78,1	77,8
Total assets	79,0	78,8

Equity	35,8	33,0
Provision for liabilities	12,4	12,6
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	30,9	33,2
Total debt and liabilities	43,3	45,8
Total equity and liabilities	79,0	78,8

Key figures	2016	2015
Capital employed	35,8	33,0
Gross operating margin (EBITDA)	5 %	3 %
Operating margin (EBIT)	4 %	3 %
Equity ratio	45 %	42 %
Return on equity	8 %	10 %
Average return on equity last 5 years	26 %	–
Return on capital employed	10 %	10 %

Subsidies from the state	2016	2015
Subsidies from the Ministry of Education and Research and other ministries	17,2	16,1
Subsidies from the Research-Council of Norway	19,8	21,1
Total subsidies	37,0	37,2

Additional information	2016	2015
Number of employees	89	86
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	40 %

CEO: Ingrid Dahl Hovland
 Board: Rolf Gunnar Roverud (chair), Dag Morten Dalen, Eli Giske, Eva Nygren, Harald Vaagaasar Nikolaisen, Magne A. Buaas Bye*, Åshild Bruun-Gundersen* (* employee elected)
 Auditor: EY AS



The state's ownership interest through the Ministry of Transport and Communications: 100 %
 Company website: www.nyeveier.no

Nye Veier AS was established in 2015 and has been in ordinary operation since 2016. The company is tasked with undertaking the planning, construction, operation and maintenance of sections of national highways covered by the company's portfolio, and which the company has assumed responsibility for under an agreement with the Ministry of Transport and Communications.

The route sections in the company's construction portfolio with high socio-economic profitability are to be given priority over those with low/negative profitability. The company's vision is to "build good roads quickly and smartly", based on the values "renew, improve and secure". The company has its head office in Kristiansand and project organisations in Aust-Agder, Telemark, Hedmark and Trøndelag.

The company has a construction portfolio of NOK 530 kilometres of highways with an estimated construction cost of around NOK 148 billion.

The purpose of the state's ownership of Nye Veier is to ensure the more cohesive and cost-efficient development of safe national highways, thus creating added value compared with a traditional approach to road construction.

Key events

In connection with the consideration of the 2017 National Budget (see Bill 1 S (2016–2017)/Recommendation 13 S (2016–2017), the Storting decided that Nye Veier's equity should be increased through the injection of NOK 1,000 million. The capital increase was approved at an extraordinary general meeting in December 2016. After recapitalisation, the company had equity of NOK 1,635 million at the close of 2016.

In 2016, road construction agreements were signed between the state and Nye Veier for the route sections E18 Tvedestrand–Arendal, E18 Langangen–Rugtedt–Dørdal and E6 Kolomoen–Moelv. Collectively, these agreements cover the construction of around 80 kilometres of four-lane motorway with an anticipated construction cost of approximately NOK

18.5 billion. In December 2016, Nye Veier signed its first design and build contract for the E18 Tvedestrand–Arendal project.

Corporate social responsibility

Nye Veier is committed to being a socially responsible client and has established guidelines for ethical conduct and corporate social responsibility for use internally and in relation to the company's subcontractors.

Nye Veier's ambition is to help raise the level of professionalism in the industry. It is therefore vital that the company has thorough processes linked to the pre-qualification of contractors. Through the qualification, Nye Veier will select professional and sound business partners which can carry out projects within the requirements imposed by the company regarding corporate social responsibility and HSE. For example, Nye Veier imposes a requirement for at least 50% skilled tradesmen and at least 7% apprentices for projects. In addition, the company requires documented and implemented HSE&Q processes and instructions based on recognised standards and plans which are relevant to the specific nature of the work. In this way, Nye Veier is aiming to reduce employment crime and eliminate unprofessional actors at an early stage in the process. Nye Veier is also committed to ensuring that the industry works to achieve the zero vision for injuries and accidents both during the execution phase and when the roads are opened to the general public.

Financial development

In 2016, Nye Veier's revenues totalled NOK 541 million, of which NOK 364 million is related to construction contracts, and other revenues are linked to planning agreements. The company's profit for 2016 is NOK 24.4 million. The company's total assets amounted to NOK 1,945 million at the close of 2016, including the approved but not recognised capital increase of NOK 1,000. Of the total assets, 84% (NOK 1,635 million) is equity. The company does not pay dividends.

Income statement (NOK millions)	2016	2015
Operating revenues	541	0,0
Operating expenses	529	46,6
Gross operating profit (EBITDA)	12,6	-46,6
Operating profit (EBIT)	12,3	-46,6
Net financial items	12,1	-0,3
Profit/loss before tax	24,4	-46,9
Tax charge	0,0	0,0
Profit/loss after tax	24,4	-46,9
Balance sheet	2016	2015
Intangible assets	2,6	0,0
Fixed assets	1 942	691
Total assets	1 945	691
Equity	1 635	611
Provision for liabilities	8,4	0,0
Current interest-bearing liabilities	0,0	57,0
Current interest-free liabilities	301	23,8
Total debt and liabilities	310	80,8
Total equity and liabilities	1 945	691
Cash flow	2016	2015
Operating activities	217	-46,9
Investment activities	-2,9	0,0
Financing activities	600	0,0
Change cash and cash equivalents	814	-46,9
Key figures	2016	2015
Capital employed	1 635	668
Gross operating margin (EBITDA)	2 %	-
Operating margin (EBIT)	2 %	-
Equity ratio	84 %	88 %
Return on equity	2 %	-
Return on capital employed	2 %	-
Public purchases	2016	2015
Remuneration for agreements with the state	676	0,0
Additional information	2016	2015
Number of employees	60	3
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	43 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

CEO: Grethe Moen

Board: Gunn Wærsted (chair),
Brian Bjordal (deputy chair), Per-Olaf
Hustad, Per Arvid Schøyen, Trude Haugen
Fjeldstad, Ove Skretting*, Heidi Iren
Hilleren Nes* (* employee elected)

Auditor: Erga Revisjon AS



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The state's ownership interest through the Ministry of Petroleum and Energy: 100 %
Company website: www.petoro.no

Petoro AS manages the commercial aspects of the State's Direct Financial Interest (SDFI) in the petroleum sector on the Norwegian continental shelf and other associated operations on behalf of the state. The company was formed in 2001 as part of the restructuring of the state's oil and gas operations. Petoro's activities are governed by Chapter 11 of the Petroleum Act. The overall objective for the management of the SDFI portfolio is to maximise revenues for the state.

The SDFI scheme was set up with effect from 1985. Under this scheme, the state participates as a direct investor in petroleum operations on the Norwegian continental shelf. Petoro is the licensee for the state's interests in production licences, fields, pipelines and onshore facilities. Petoro is responsible for managing the SDFI portfolio on commercial terms. At the end of March 2017, the portfolio consisted of 34 producing fields, 193 production licences and 15 joint ventures for pipelines and terminals. Petoro is not an operator.

Petoro is not responsible for selling the oil and gas managed by the company and is thus not a player in the oil and gas markets. Responsibility for marketing and sale of the state's petroleum has been assigned to Statoil under a special instruction – the sales and marketing instruction. The cash flow generated by selling SDFI petroleum goes directly from Statoil to the Treasury. Petoro is responsible for monitoring Statoil's marketing and sale of the petroleum produced from the state's direct participatory interests, pursuant to the marketing and sale instruction. Both Statoil and Petoro have an independent and joint responsibility for ensuring that the state's coordinated ownership strategy is implemented in line with its intentions. In view of the substantial assets being managed, it is important that Petoro exercises sound financial management and accounting of the SDFI portfolio.

The objective of the state's ownership of Petoro is to ensure the best possible management of the state's direct financial interest in petroleum activities on the NCS. It is a requirement for the company to be run efficiently.

Key events

Net cash flow from SDFI is transferred to the Government Pension Fund Global. This represents a substantial proportion of the state's total revenues from petroleum operations. In 2016, net cash flow from SDFI to the state amounted to NOK 65.9 billion. Total revenues amounted to NOK 121 billion and expenses excluding depreciation totalled NOK 61.5 billion. In 2015, net cash flow was NOK 93.6 billion. The reduction in profit was largely due to lower gas and oil prices.

Total production was around 1 million barrels of oil equivalent per day, which is 3% lower than in 2015, primarily as a result of lower gas production. The Troll, Åsgard, Oseberg, Heidrun, Snorre and Gullfaks oil fields accounted for approx. 60% of total liquids production. Around 70% of the gas production originated from the Troll, Ormen Lange and Åsgard fields.

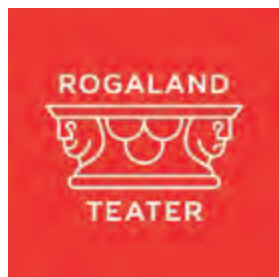
Corporate social responsibility

Petoro has publicly available ethical guidelines and guidelines for its work on corporate social responsibility. The company bases its operations and reporting on corporate social responsibility on the relevant parts of the Global Reporting Initiative and the eight core conventions of the International Labour Organisation (ILO). In addition, the company follows other, more specific company and industry-oriented guidelines in its reporting.

Financial development

There is a clear distinction between the financial aspects relating to SDFI and Petoro's operation. Petoro's operations are based on grants from the state, with separate accounts in accordance with the rules laid down in the Norwegian accounting and company legislation. Allocations relating to the SDFI are voted on by the Storting on an annual basis. Expenses and income relating to the SDFI are channelled via the national budget. Separate accounts are kept for the SDFI, both on a cash basis in accordance with the Appropriation Regulations and the Regulations on Financial Management in Central Government and in accordance with the accruals principle.

Income statement (NOK millions)	2016	2015
Operating revenues	285	286
Operating expenses	290	283
Gross operating profit (EBITDA)	-2,2	4,7
Operating profit (EBIT)	-5,0	2,7
Net financial items	1,0	1,8
Profit/loss before tax	-4,0	4,5
Tax charge	0,1	0,0
Profit/loss after tax	-4,1	4,5
Balance sheet	2016	2015
Intangible assets	4,2	4,9
Fixed assets	207	212
Total assets	211	217
Equity	19,3	23,4
Provision for liabilities	147	135
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	45,2	58,0
Total debt and liabilities	192	193
Total equity and liabilities	211	217
Cash flow	2016	2015
Operating activities	-2,5	24,1
Investment activities	-2,1	-3,4
Financing activities	0,0	0,0
Change cash and cash equivalents	-4,6	20,7
Key figures	2016	2015
Capital employed	19,3	23,4
Gross operating margin (EBITDA)	-1 %	2 %
Operating margin (EBIT)	-2 %	1 %
Equity ratio	9 %	11 %
Return on equity	-19 %	21 %
Average return on equity last 5 years	-11 %	-
Return on capital employed	-18 %	24 %
Subsidies from the State	2016	2015
Ministry of Petroleum and Energy	284	285
Additional information	2016	2015
Number of employees	64	64
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	43 %	57 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	60 %



Theatre director: Arne Nøst

Board: Inger Østensjø (chair), Morten Walderhaug (deputy chair), Gry Isabel Sannes, Kjartan Alexander Lunde, Kåre Reiten, Grete Larssen*, Mette Arnstad* (* employee elected)

Auditor: EY AS



© Rogaland Teater AS/Håvard Dridal

The state's ownership interest through the Ministry of Culture: 66,67 %
Company website: www.rogaland-teater.no

Rogaland Teater AS presents theatre of high artistic quality to the inhabitants of the region. The company in its present form was established in 1947, but the theatre has existed at the same premises since it was first established in Stavanger in 1883. The children's and youth theatre, where children perform for children in a professional setting, is an integrated and important part of the theatre's activities. The theatre has four stages in central Stavanger, and mounts productions on its own stages and through collaborative projects. The aim of the state's ownership of Rogaland Teater is to secure cultural policy objectives. The aim behind the 2016 dramatic art grants was to facilitate production, dissemination and demand for different dramatic art expressions. This will support the overarching objectives to help ensure that everyone has access to high-quality art and culture and to promote artistic development and renewal.

Key events

The programme for 2016 was characterised by exciting plays with classical texts and plays with new text material. In 2016, the theatre began the transition from en-suite programming to repertoire programming. As a result, more performances will be kept alive and audiences will have more to choose between.

In 2016, the theatre presented a broad range of productions of high artistic quality which provoked, entertained and moved dramatic art forward. A total of 21 productions were put on, including 13 new inhouse productions, four collaborative productions, a guest play and three "take-away" productions. A total of 76,800 tickets were sold in 2016, up from 75,281 in 2015 and in line with the budget.

In November, the theatre introduced Dramakortet. With Dramakortet, audiences can watch as many performances as they wish during the year.

In autumn 2015, Rogaland Teater received NOK 5 million in the form of a maintenance grant. The subsidy was earmarked for the refurbishment of the theatre's public areas. This work was carried out in the summer of 2016.

The theatre also received funding from the owners to carry out a "choice of solution" study for the project entitled "Sceneskifte – nytt teater" (Stage change – new theatre). This study was carried out in 2016, with the recommended concept being a new building with a somewhat higher seating capacity than the existing theatre, but with a much larger production and performance capacity.

Corporate social responsibility

Rogaland Teater has publicly available corporate social responsibility and prepares annual reports concerning the matter.

The theatre respects the fundamental human rights as laid down in international conventions. The theatre also follows this up with respect to suppliers and collaboration partners/sponsors. The theatre respects and contributes to a decent working life, where fundamental standards of work and rights are safeguarded. The theatre has adopted the ILO's eight core conventions.

Rogaland Teater has established guidelines and routines to prevent corruption and ensure transparency in financial transactions.

The theatre's operations should have the least possible negative impact on the environment. This also applies in connection with the selection of subcontractors.

Financial development

Rogaland Teater achieved an operating profit of NOK 3.5 million in 2016. This result is due to a combination of an excellent and broad artistic programme, high ticket revenues and good production control. In addition to this, the theatre benefited from the annual actuary-calculated pension commitments. Total revenues in 2016 amounted to NOK 114 million, against NOK 108 million in 2015. Of this, earnings totalled NOK 20 million, compared with NOK 22 million in 2015. Operating expenses were NOK 109 million, against NOK 99 million in 2015. Liquidity was satisfactory throughout the year.

Income statement (NOK millions)	2016	2015
Operating revenues	114	108
Operating expenses	109	99,2
Gross operating profit (EBITDA)	9,0	13,3
Operating profit (EBIT)	5,0	8,3
Net financial items	-1,5	-1,3
Profit/loss before tax	3,5	7,0
Tax charge	0,0	0,0
Profit/loss after tax	3,5	7,0

Balance sheet	2016	2015
Intangible assets	91,1	83,4
Fixed assets	27,9	33,7
Total assets	119	117

Equity	2016	2015
Provision for liabilities	4,7	2,3
Current interest-bearing liabilities	38,0	40,2
Current interest-free liabilities	22,1	23,8
Total debt and liabilities	64,8	66,3
Total equity and liabilities	119	117

Cash flow	2016	2015
Operating activities	3,9	16,9
Investment activities	-7,9	-35,0
Financing activities	-2,2	30,9
Change cash and cash equivalents	-6,2	12,8

Key figures	2016	2015
Capital employed	92,2	91,0
Gross operating margin (EBITDA)	8 %	12 %
Operating margin (EBIT)	4 %	8 %
Equity ratio	46 %	43 %
Return on equity	7 %	15 %
Average return on equity last 4 years	9 %	-
Return on capital employed	6 %	13 %

Other key figures	2016	2015
Total number of performances	547	546
Tickets sold	76 800	75 468
Ticket sales	13	13

Subsidies	2016	2015
Ministry of Culture	65,9	58,9
Rogaland County Council and Stavanger municipality	27,2	27,1
Total subsidies	93,1	86,0

Additional information	2016	2015
Number of employees	121	120
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	66,67 %	66,67 %
Proportion of women on the board	57 %	71 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	67 %

CEO: Aslak Tveito

Board: Ingvild Myhre (chair), Mats Lundqvist, Pinar Heggernes, Ingolf Søreide, Annik Myhre, Yngvild Wasteson, Silvija Seres, Sverre Gotaas, Özgü Alay*, Ernst Gunnar Gran* (* employee elected)

Auditor: Lundes Revisjonskontor DA



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The state's ownership interest through the Ministry of Education and Research: 100 %
Company website: www.simula.no

Simula Research Laboratory AS (Simula) was established in 2001 and conducts basic research in selected areas within the field of software engineering and communications technology. The company thereby contributes to innovation in trade and industry. Simula educates computer scientists in collaboration with degree-conferring institutions, primarily the University of Oslo. The company combines academic traditions with business management models from industry.

Simula has the following subsidiaries: Simula Innovation AS, Simula School of Research and Innovation AS and Forskningsenteret for informasjons- og kommunikasjonssikkerhet AS (Simula@UiB). Simula Innovation AS is wholly owned, while Simula School of Research and Innovation AS is owned by Simula (56%), Statoil (21), Bærum municipality (14), Telenor (7), Norsk Regnesentral (1) and Sintef (1). Simula@UiB is owned by Simula (51%) and the University of Bergen (49). The parent company and subsidiaries are located in the municipality of Bærum, with the exception of Simula@UiB, which has premises in Bergen. The companies collaborate closely. Simula also has holdings in several companies, most of which are spin-offs originating from activities at the centre.

Simula hosts a centre of excellence, the Centre of Biomedical Computing, as well as a Centre for Research-based Innovation, the Certus Centre. Simula is also a research partner in the Centre of Cardiological Innovation, a centre for research-based innovation at Oslo University Hospital.

The objective of the state's ownership in Simula is to contribute to fundamental long-term research in selected areas in software and communication technology. It is a requirement for the company to be run efficiently.

Key events

The award of the prestigious ERC Starting Grant to senior researcher Marie Rognes for the Waterscales project was recognition of Rognes' research and represents a milestone for Simula. In the five-year project, Rognes will develop new mathematical methods and new computation technology for modelling and simulating the flow of liquids in brain tissue.

In the new year, Simula was able to celebrate yet another milestone, when candidate number 100 achieved their PhD. During the period 2001 to 2017, over 100 students have completed their PhD with the support of Simula. In addition to the University of Oslo, which is an important collaboration partner and the awarding institution for most of the degrees, Simula has in recent years also guided candidates through to PhDs at NTNU, the University of Tromsø, Ludwig-Maximilian Universität München and Delft University of Technology.

Corporate social responsibility

Simula strives to maintain and develop a high level of awareness with regard to diversity, gender balance and the working environment in general. Simula has an international research community, and 58% of employees come from outside Norway. Simula strives to achieve a more equal gender balance and has achieved good results.

Simula has established ethical guidelines based on national and international guidelines, and believes that the company's reputation depends on external parties being able to trust that the research results are correct and have been produced in a verifiable and ethically appropriate manner.

Financial development

Simula's revenues rose by 11% from NOK 191 million in 2015 to NOK 213 million in 2016. The group's total costs rose by 13% from NOK 173 million in 2015 to NOK 196 million in 2016. Profit after tax was NOK 15.2 million.

Income statement (NOK millions)	2016	2015
Operating revenues	213	191
Operating expenses	196	173
Gross operating profit (EBITDA)	19,4	19,3
Operating profit (EBIT)	17,0	17,4
Net financial items	-0,9	0,2
Profit/loss before tax and minority	16,1	17,6
Tax charge	0,8	1,4
Minority interests	-2,3	-0,1
Profit/loss after tax and minority	13,0	16,1

Balance sheet	2016	2015
Intangible assets	25,5	19,1
Fixed assets	92,1	67,9
Total assets	118	87,0

Equity	59,8	46,9
Minority interests	4,4	1,9
Total equity	64,2	48,8
Provision for liabilities	0,1	0,1
Current interest-bearing liabilities	3,5	3,8
Current interest-free liabilities	49,8	34,3
Total debt and liabilities	53,4	38,2
Total equity and liabilities	118	87,0

Cash flow	2016	2015
Operating activities	35,6	23,1
Investment activities	-7,4	-5
Financing activities	-0,2	-0,4
Foreign currency effects	0	0
Change cash and cash equivalents	28,0	17,7

Key figures	2016	2015
Capital employed	67,7	52,6
Gross operating margin (EBITDA)	9 %	10 %
Operating margin (EBIT)	8 %	9 %
Equity ratio	55 %	56 %
Return on equity	24 %	41 %
Average return on equity last 5 years	23 %	-
Return on capital employed	30 %	40 %

Publikasjoner	2016	2015
Books and doctoral theses	15	11
Articles in refereed journal	77	97
Peer-reviewed articles	110	95
Number of post-graduate fellowships	35	34
Number of post-doctoral fellows	24	20

Subsidies from the State	2016	2015
Subsidies to research from the Ministry of Education and Research	59	58

Additional information	2016	2015
Number of employees	151	144
Proportion of employees in Norway	97 %	97 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	60 %	60 %
Proportion of women among owner-appointed/shareholder elected board members	63 %	63 %



CEO: Espen Susegg

Board: Kristin Reitan Husebø (chair), Sverre Narvesen (deputy chair), Lillian Mathisen Sund, Helene Jebsen Anker, Mette Kamsvåg, Bjørn Østbø, Morten Henriksen, Randi Torvik* (* employee elected)

Auditor: Deloitte AS



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The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.siva.no

Siva – Selskapet for Industrivekst SF (Siva) is part of the Norwegian public support system. Through its property and innovation activities, the company acts as a government instrument for facilitating the ownership and development of companies and industrial and knowledge clusters throughout Norway. Siva has a special responsibility for promoting growth in remote areas.

Siva's main objective is to trigger profitable business development in companies and regional business and knowledge environments. Through its property investments, Siva shall lower entry barriers where market mechanisms make entry especially difficult, including for major industrial property projects. Siva's innovation activities are also intended to facilitate the establishment and development of enterprises in business and knowledge environments and link them together in regional, national and international networks.

Innovation activities are funded by grants allocated via the national budget. Siva's property operations are self-financing and subject to financial return requirements. This operation is carried on through the wholly owned subsidiary Siva Eiendom Holding AS.

Siva operates through partner networks of business parks and incubators, as well as through holdings in strategically important innovation and property companies. The Siva group consists of the parent company and 19 subsidiaries. Siva also has holdings in 71 affiliated companies, two jointly controlled enterprises and 41 other companies with a holding of less than 20%. The group has operations across the country and the company's head office is situated in Trondheim.

The objective of the state's ownership of Siva is to promote profitable business development in companies and regional industrial and knowledge clusters, particularly in remote areas, by facilitating physical and organisational infrastructure. It is a requirement for the company to be run efficiently.

Key events

Through the 2017 National Budget, Siva was tasked with establishing Katapult, a new industrial support scheme which

builds bridges between research and markets. The scheme enables companies to test and visualise new solutions on an industrial scale. The scheme was established in 2017 and will be a collaboration between private and public sector actors. Open multiuse centres for the testing of new products and solutions can help to speed up innovation processes.

In the strategy, Siva places great emphasis on developing the industry of the future, and during 2016, the company worked to further develop incubators for key players for industrial restructuring and growth. The project entitled "Arenas for industrial innovation" is intended to establish closer ties between industry and innovation companies.

In 2016, Siva took part in the collective sale of Koksa Eiendom AS at Fornebu, and wound up the state's assets in this company. Siva will receive a total dividend of around NOK 600 million from the sale of the state's assets, of which approximately NOK 147 million was received in 2016. This was allocated as a dividend to the state in the 2017 budget.

Corporate social responsibility

Siva has published its internal ethical guidelines on the company's website. The company is opposed to all forms of corruption and works actively to prevent corruption in accordance with Norwegian law and international treaties. Human rights norms are defined in international human rights treaties, which Norway has adopted and which therefore apply to Siva. They include the UN Declaration of Human Rights, standards from the International Labour Organisation (ILO), principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Financial development

The recognised subsidy for 2016 is NOK 200 million, compared with NOK 158 million in 2015. Rental income amounted to NOK 207 million, compared with NOK 197 million in the previous year. The group's operating profit was NOK 58 million in 2016, compared with NOK 81 million in the previous year. The profit for 2016 was NOK 81 million, compared with NOK 88 million in 2015.

Income statement (NOK millions)	2016	2015
Subsidies	200	158
Other operating revenues	238	229
Total operating revenues	438	387
Operating expenses	380	306
Gross operating profit (EBITDA)	125	140
Operating profit (EBIT)	58	81
Net financial items	21	21
Profit/loss before tax and minority	80	102
Tax charge	1	13
Minority interests	-2	1
Profit/loss after tax and minority	81	88

Balance sheet	2016	2015
Intangible assets	2 337	2 461
Fixed assets	607	492
Total assets	2 944	2 952

Equity	893	969
Minority interests	41	38
Total equity	934	1 007
State loans	700	700
Provision for liabilities	20	18
Current interest-bearing liabilities	991	1 227
Current interest-free liabilities	299	0
Total debt and liabilities	2 010	1 945
Total equity and liabilities	2 944	2 952

Cash flow	2016	2015
Operating activities	47	47
Investment activities	-81	-81
Financing activities	-441	-441
Change cash and cash equivalents	-475	-475

Key figures	2016	2015
Capital employed	2 625	2 934
Gross operating margin (EBITDA)	28 %	36 %
Operating margin (EBIT)	13 %	21 %
Equity ratio	32 %	34 %
Return on equity	9 %	8 %
Average return on equity last 5 years	3 %	-
Return on capital employed	6 %	6 %

State loan limit	700	700
State loans	700	700
Interest on state loans	19	20
Commission on state loans	7	7

Subsidies from the State	2016	2015
Ministry of Local Government and Modernisation	85,5	95,6
Ministry of Trade, Industry and Fisheries	80,0	54,0
Ministry of Agriculture and Food	5,1	5,1
Total subsidies	171	155

Assets in and out of the company	2016	2015
Dividend for the financial year	147	0,0
Dividend percentage	183 %	-
Average dividend percentage last 5 years	74 %	-
Dividend to the state	147	0,0

Additional information	2016	2015
Number of employees	42	41
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	63 %	63 %
Proportion of women among owner-appointed/shareholder elected board members	57 %	57 %

CEO: Jostein Rønneberg
 Board: Asbjørn Birkeland (chair),
 Øyvind Stene, Ingvild Ragna
 Myhre, Nina Frisak
 Auditor: KPMG AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
 Company website: www.spacenorway.no

Space Norway AS aims to contribute to the development and operation of space-related infrastructure in order to meet national user requirements and facilitate value creation based on space-related activities in Norway. The company identifies and develops new opportunities and projects with a long-term horizon, and collaborates with other national communication and space organisations.

Space Norway was established in 1995 when it was spun off from the Norwegian Space Centre, and the company is operated in accordance with ordinary business principles. The group's head office is situated in Oslo.

Space Norway owns and manages the fibre optic cable between mainland Norway and Svalbard. In addition to transferring data read by satellites in space, the cable is also the main connection between Svalbard and the outside world. The company also sublets capacity on Telenor's Thor 7 satellite for communication with the Norwegian Troll research station in Antarctica. In line with its purpose, the company is continuing to identify, investigate and develop new space-related projects based in Norway, either alone or in collaboration with others.

Space Norway owns 50% of the shares in Kongsberg Satellite Services AS (KSAT), which operates ground stations that communicate with satellites.

KSAT is the largest company of its kind in the world and has enjoyed strong growth in the international market. Space Norway also owns 100% of the shares in Statsat AS, which is a tool for the development and operation of small satellites for state purposes.

The objective of the state's ownership of Space Norway is to contribute to the operation and development of space-related infrastructure in order to meet national user needs and facilitate value creation based on space-related activities in Norway. It is a requirement for the company to be run efficiently.

Key events

During 2016, the group concentrated on maintaining and securing infrastructure and the further development of new projects. The task of upgrading and further securing the fibre cable to Svalbard was completed. The Broadband in the Arctic project made strong progress and memoranda of understanding were established with a number of global satellite actors.

The project entitled Marine surveillance using small satellites concluded that this is technologically feasible, and a contract has been signed with a foreign company for the development and construction of a test and demonstration satellite. In the development of the new international maritime VHF Data Exchange System (VDES), Space Norway has won four contracts with Kongsberg Seatex, Norwegian Defence Research Establishment and the UK Maritime and Coastguard Agency for measurements in the Arctic, the development of satellite and ship electronics and system studies.

Corporate social responsibility

The company has adopted guidelines and routines for ethical conduct and corporate social responsibility, including work on responsible procurement and the relationship with suppliers. The company is committed to preventing corruption and other undesirable events.

Financial development

Space Norway strives to increase the operating revenues from the company's assets and to establish new projects which can generate future revenues. The company covers its costs via operating and financial revenues from its engagements and financial investments.

The group recorded an operating profit of NOK 38.1 million in 2016. The company needs to build equity and sufficient liquidity in order to guarantee operation of the cable to Svalbard and to pay the obligations linked to contracts established for 2017. For this reason, the company will not pay any dividends for the 2016 financial year.

Income statement (NOK millions)	2016	2015
Operating revenues	57,1	46,0
Operating expenses	86,2	62,6
Gross operating profit (EBITDA)	-17,1	-4,6
Operating profit (EBIT)	-29,1	-16,6
Net financial items	67,3	71,7
Profit/loss before tax	38,2	55,1
Tax charge	-8,6	-6,0
Profit/loss after tax	46,8	61,1

Balance sheet	2016	2015
Intangible assets	506	489
Fixed assets	207	175
Total assets	712	665

Equity	453	406
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	180	259
Current interest-free liabilities	79,8	0,0
Total debt and liabilities	259	259
Total equity and liabilities	712	665

Cash flow	2016	2015
Operating activities	56,9	55,0
Investment activities	-19,7	-52,7
Financing activities	0,0	0,0
Change cash and cash equivalents	37,2	2,3

Key figures	2016	2015
Capital employed	633	665
Gross operating margin (EBITDA)	-30 %	-10 %
Operating margin (EBIT)	-51 %	-36 %
Equity ratio	64 %	61 %
Return on equity	11 %	17 %
Average return on equity last 5 years	19 %	-
Return on capital employed	8 %	11 %

Additional information	2016	2015
Number of employees	15	14
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

Statnett SF is the transmission system operator in the Norwegian power system, and is responsible for ensuring the rational operation and development of the transmission grid in accordance with socio-economic criteria. The enterprise shall otherwise follow commercial principles. As system manager, Statnett is responsible for ensuring that there is a balance between the production and consumption of electrical power in Norway at all times. The role of transmission system operator and associated tasks is otherwise regulated in a specific regulation.

Statnett has been assigned responsibility for carrying out power system analyses of the transmission grid, and every other year prepares a power system report on the entire transmission grid. The report describes the existing power grid, generation and consumption, future transmission conditions and anticipated grid measures and investments. The public part of the report is known as Statnett's grid development plan.

Statnett owns over 90% of the transmission grid in Norway and the power connections abroad. Statnett also owns 28.2% of the physical power exchange Nord Pool Spot AS. Statnett is a monopoly enterprise subject to regulation by the energy authorities, and the company's revenues are regulated by the Norwegian Water Resources and Energy Directorate. Statnett was established in 1992 and the enterprise's head office is situated in Oslo.

The objective of the state's ownership of Statnett is to contribute to the rational operation and development of the transmission grid in accordance with socio-economic criteria. The company shall otherwise follow commercial principles. The state's ownership of Statnett enables the enterprise to be perceived as a neutral market player. The company is required to be run efficiently.

Key events

Statnett is planning and has initiated substantial investments in the transmission grid. In December 2016, a new transmission line was commissioned between Ørskog in Sunnmøre and Sogndal. The project consists of 300 kilometres of new power line and six new transformer stations and is the largest domestic power line project that Statnett has completed to date. In another major project between Ofoten in Nordland and Balsfjord in Troms, two out of three sub-sections of a new 420 kV power line were commissioned in autumn 2016. The final sub-section is scheduled for commissioning in summer 2017. In 2016, Statnett's board approved the further construction northwards from Balsfjord, a new power line route between Namsos and

CEO: Auke Lont

Board: Per Hjorth (chair), Synne Homble (deputy chair), Maria Sandsmark, Egil Gjesteland, Kirsten Indgjerd Værdal, Einar Strømsvåg, Karianne Burhol, Steinar Jøråndstad*, Nils Ole Kristensen* (* employee elected)

Auditor: EY AS



The state's ownership interest through the Ministry of Petroleum and Energy: 100 %
Company website: www.statnett.no

Surna, and the first construction stage of a comprehensive upgrade of the grid in the Oslo region.

In addition to the substantial investments in the domestic transmission grid, Statnett is currently constructing two interconnectors, one to Germany and one to the United Kingdom.

In 2016, Statnett took over the existing transmission grid from BKK, along with the Kvitfossen-Kanstadbotn power line from Lofotkraft AS.

Corporate social responsibility

Statnett has publicly available ethical guidelines and guidelines for its work relating to corporate social responsibility. The enterprise reports in accordance with the Global Reporting Initiative (GRI) for the electricity sector: GRI Sustainability Reporting Guidelines & Electric Utility Sector Disclosures. Statnett complies with relevant parts of the OECD Guidelines for Multinational Enterprises and bases its work on the eight core conventions of the International Labour Organisation (ILO). In addition, Statnett follows other, more specific company and industry-oriented guidelines in its reporting.

Statnett's operations affect users of the power grid and a broad range of actors in society. The enterprise aims to increase transparency concerning its activities. In autumn 2016, Statnett published its long-term market analysis, which represents an important basis for Statnett's decisions for future plans and investments.

Financial development

Statnett's operating revenues in 2016 amounted to NOK 6,678 million (compared with NOK 5,906 million in the previous year). The group's operating costs totalled NOK 5,526 million (NOK 4,192 million), and the operating profit was NOK 1,152 million (NOK 1,714 million). Profit after tax for 2016 was NOK 645 million (NOK 1,103 million). Adjusted for changes in higher/lower revenues and estimated interest costs, the profit for the year after tax was NOK 1,398 million (NOK 1,427 million). At the close of 2016, group equity was NOK 13,867 million (NOK 13,605 million). Adjusted for higher/lower revenues after tax, equity was NOK 13,610 million (NOK 12,622 million), giving an equity ratio of 26.8%. (27.7%).

Income statement (NOK millions)	2016	2015
Operating revenues	6 678	5 906
Operating expenses	5 526	4 192
Gross operating profit (EBITDA)	3 296	3 340
Operating profit (EBIT)	1 152	1 714
Share of profits in associates and joint ventures	0	8
Net financial items	-369	-312
Profit/loss before tax	783	1 410
Tax charge	138	307
Profit/loss after tax	645	1 103

Balance sheet	2016	2015
Intangible assets	46 424	42 407
Fixed assets	4 319	3 140
Total assets	50 743	45 547

Equity	13 867	13 564
Minority interests	0	41
Total equity	13 867	13 605
Provision for liabilities	1 933	1 969
Current interest-bearing liabilities	32 633	28 289
Current interest-free liabilities	2 310	1 684
Total debt and liabilities	36 876	31 942
Total equity and liabilities	50 743	45 547

Cash flow	2016	2015
Operating activities	3 235	2 260
Investment activities	-7 788	-5 777
Financing activities	5 157	2 194
Change cash and cash equivalents	604	-1 323

Key figures	2016	2015
Capital employed	46 500	41 894
Gross operating margin (EBITDA)	49 %	57 %
Operating margin (EBIT)	17 %	29 %
Equity ratio	27 %	30 %
Return on equity	5 %	8 %
Average return on equity last 5 years	6 %	-
Return on capital employed	3 %	6 %

Dividends	2016	2015
Dividend for the financial year	350	357
Dividend percentage	54 %	32 %
Average dividend percentage last 5 years	33 %	-
Dividend to the state	350	357

Additional information	2016	2015
Number of employees	1 323	1 214
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	44 %	44 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

Statskog SF was established in 1993 and is organised as a state enterprise with its head office in Namsos. The enterprise is the country's largest landowner and manages around 59 million hectares, almost one fifth of the mainland surface area. This land is virtually all mountains and uncultivated wilderness. The enterprise is also the country's largest forest owner, with around 6% of the total productive forest area in Norway. A high proportion of the state's land in southern and central Norway consists of state-owned common land managed by Statskog, the mountain boards and the common land boards, under the Act relating to the exploitation of rights and entitlements in the state commons and the Act on forestry etc. in the state commons. Statskog's commercial activities comprise forestry, wilderness management and other land and property management.

In addition to its commercial activities, Statskog performs management tasks for the state as prescribed in law and delegated authority, and as instructed by the Ministry of Agriculture and Food and the Ministry of Climate and the Environment. These tasks comprise public exercise of authority, supervision of property and common land, administration of hunting and fishing on state land etc. Statskog also safeguards and develops all assets on public land and guarantees public access to hunting, fishing and outdoor recreation in Norway.

The objective of the state's ownership of Statskog is to ensure efficient resource management for the benefit of society and to meet public demand for hunting, fishing and outdoor recreational facilities, etc. The company is operated on a commercial basis.

Key events

In 2016, Statskog adopted a new "Action Plan Outdoor Recreation for 2016–2020". The measures in this plan are broad-ranging and encompass physical installations such as car parks and rest areas, bridges and open huts, as well as information boards, maps, signs, online information and activity days. Through the work to facilitate outdoor recreation, Statskog plays a key role in the state's efforts to improve public health.

CEO Øistein Aagesen left his position in August 2016. The board appointed CFO Arnt S. Rørvik as CEO until Gunnar Lien took up his post as the new CEO in February 2017.

In 2016, Statskog continued the sale of isolated properties and changes within the company's energy business in line with the company meeting's resolution.

Corporate social responsibility

Statskog is committed to sustainable forestry and land-use management, striking a balance between the considerations of profita-

CEO: Arnt Skillingstad Rørvik (acting)

Board: Gunnar Olofsson (chair), Eli Reistad (deputy chair), Tom Lifjell, Marianne Olsson, Hans Aasnæs, Knut Røst*, Tine Lomsdal*
(* employee elected)

Auditor: KPMG AS



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The state's ownership interest through the Ministry of Agriculture and Food: 100 %
Company website: www.statskog.no

bility, resource utilisation, conservation and other stakeholder interests. Corporate social responsibility is anchored in the board through the enterprise's strategy.

Statskog is required to have a knowledge and overview of its own environmental impact and to contribute to the further development of environmental standards within forestry. Statskog constantly strives to develop its environmental management system within forestry with the aim of safeguarding key biological values in forests with forestry.

Climate change will impact on properties and operations. Statskog is mapping risks and measures in order to face up to these changes.

Public properties are linked to rights and interests. It is important that this is respected and that Statskog's operations are carried out in an understanding with land users and the public authorities. Statskog has established formal collaborative relationships with numerous actors in order to ensure the exchange of information and arenas for feedback to the enterprise.

Statskog uses open competitive tendering procedures and tender competitions in connection with the sale of property, the procurement of contractor services and access to plots for holiday homes. The aim is to ensure equal treatment and transparency concerning financial appropriations.

In 2016, Statskog decided to further develop the work relating to corporate social responsibility by establishing sustainability reporting in accordance with the Global Reporting Initiative standard within a two-year period.

Financial development

The 2016 accounts show higher revenues and a higher profit than in 2015. The principal factor behind the growth was substantial one-off revenues from forest protection compensation. Statskog's result from ongoing ordinary operation, excluding non-recurring revenues and non-recurring expenses, shows a positive result. Compared with the previous financial year, there has still been a slight decrease, largely due to lower harvested volumes in forestry operations. The enterprise's financial items achieved a better result in 2016 than in 2015. The main factor behind this is the sale of shareholdings from the wholly owned subsidiary Statskog Energi AS. In addition, the enterprise's financial portfolio

Income statement (NOK millions)	2016	2015
Operating revenues	423	353
Operating expenses	298	290
Gross operating profit (EBITDA)	135	75
Operating profit (EBIT)	125	62
Net financial items	16	-37
Profit/loss before tax and minority	141	25
Tax charge	11	1
Minority interests	0	0
Profit/loss after tax and minority	130	24

Balance sheet	2016	2015
Intangible assets	1 790	1 816
Fixed assets	318	158
Total assets	2 108	1 974

Equity	1 774	1 708
Minority interests	5	9
Total equity	1 779	1 717
Provision for liabilities	86	73
Current interest-bearing liabilities	100	125
Current interest-free liabilities	143	59
Total debt and liabilities	329	257
Total equity and liabilities	2 108	1 974

Cash flow	2016	2015
Operating activities	100	25
Investment activities	91	71
Financing activities	-40	-98
Change cash and cash equivalents	151	-2

Key figures	2016	2015
Capital employed	1 879	1 842
Gross operating margin (EBITDA)	32 %	21 %
Operating margin (EBIT)	30 %	18 %
Equity ratio	84 %	87 %
Return on equity	7 %	1 %
Average return on equity last 5 years	5 %	-
Return on capital employed	8 %	4 %

Revenue distribution	2016	2015
Property	26 %	29 %
Energy	4 %	5 %
Forestry	29 %	36 %
Outdoor recreation	9 %	11 %
Forest protection compensation	15 %	0 %
Property sale	10 %	13 %
Other	6 %	6 %
Number of hunting and fishing licenses sold	40 765	36 380

Subsidies from the State/ Public purchases	2016	2015
Purchase of services	14	14
Subsidies	3	3
Total subsidies/Public purchases	17	17

Dividends	2016	2015
Dividend for the financial year	53	11
Dividend percentage	41 %	45 %
Average dividend percentage last 5 years	51 %	-
Dividend to the state	53	11

Additional information	2016	2015
Number of employees	120	128
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	43 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

generated a satisfactory return compared with the low risk profile in the portfolio.



CEO: Ola Martin Qvale
 Board: Anne Kathrine Fossum (chair), Kristen Bartnes (deputy chair), Eli Skoland, Arne Bardalen, Bernt Bucher Johannessen
 Auditor: Sandberg Revisjon AS



© Staur gård AS

The state's ownership interest through the Ministry of Agriculture and Food: 100 %
 Company website: www.staur.no

Staur gård AS was established in 2001 to continue the business of the state-owned farm Staur gård in Stange municipality, which had previously been run by the Norwegian Grain Corporation. The company's objective is to facilitate research and development (R&D) in agriculture and to run the unique property as a guesthouse. R&D is carried out by private companies. Staur gård conducts its own agricultural activities on the rest of the property. The property, which was protected in 2012 by the Directorate for Cultural Heritage in Norway, is a singular property that was used in the past for the government's budget conferences. The purpose of the guest accommodation business is to protect and develop the unique aspects of the property.

In other respects, the relationship between the company and the Ministry of Agriculture and Food is regulated in the lease, where the company has taken on a number of obligations relating to the property, which is owned directly by the Ministry of Agriculture and Food. The current lease was signed in 2013 for a ten-year period.

The aim of the state's ownership of Staur gård is to facilitate research and trials relating to agriculture and to manage the property in the best possible way.

Key events

In autumn 2016, the company's board triggered the obligation to act under Section 3-5 of the Private Limited Liability Companies Act. Accordingly, the Ministry of Agriculture and Food presented a bill to the Storting to wind up the company; see Bill 19 S (2016–2017) Changes to the 2016 national budget under the Ministry of Agriculture and Food, etc. The Storting wished to continue the operation and asked the ministry to manage the company's obligations through a capital extension. The Ministry of Agriculture and Food followed this up in March 2017 by injecting NOK 8 million in equity into the company; see Bill 129 S (2016–2017).

Financial development

In autumn 2016, the board triggered the obligation to act under Section 3-5 of the Private Limited Liability Companies Act, when the company's equity was reduced to less than half of the share capital of NOK 1.5 million. The accounts show that the company had negative equity at the end of 2016. The guesthouse business in particular made a loss.

Income statement (NOK millions)	2016	2015
Operating revenues	8,4	9,7
Operating expenses	10,3	10,1
Gross operating profit (EBITDA)	-0,7	0,0
Operating profit (EBIT)	-1,9	-0,4
Net financial items	-0,1	-0,2
Profit/loss before tax	-2,0	-0,6
Tax charge	0,0	0,5
Profit/loss after tax	-2,0	-1,1
Balance sheet	2016	2015
Intangible assets	1,1	3,0
Fixed assets	2,1	2,4
Total assets	3,2	5,4
Equity	-1,1	0,9
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	2,4	2,9
Current interest-free liabilities	1,9	1,6
Total debt and liabilities	4,3	4,5
Total equity and liabilities	3,2	5,4
Cash flow	2016	2015
Operating activities	0,9	0,1
Investment activities	-0,3	-0,5
Financing activities	-0,4	0,5
Change cash and cash equivalents	0,2	0,1
Key figures	2016	2015
Capital employed	1,3	3,8
Gross operating margin (EBITDA)	-8 %	0 %
Operating margin (EBIT)	-23 %	-4 %
Equity ratio	-34 %	17 %
Return on capital employed	-74 %	-9 %
Additional information	2016	2015
Number of employees	5	7
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	40 %	40 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %

Store Norske Spitsbergen Kulkompani AS (SNSK) core business is coal mining in Svalbard. The company was established in Longyearbyen in 1916 and continues to be an important player in the community in Svalbard. SNSK's head office is situated in Longyearbyen and the company currently operates two coal mines through its subsidiary Store Norske Spitsbergen Grubekompani AS (SNSG). Gruve 7 in Adventdalen outside Longyearbyen and Svea Nord 60 km south of Longyearbyen are currently operational, while the mines in the Svea area, 60km south of Longyearbyen, were mothballed in autumn 2016. The SNSK group also consists of the wholly owned subsidiaries Store Norske Boliger AS, Store Norske Gruvedrift AS, Gruve 3 AS and the partly owned Pole Position Logistics AS, in which SNSK has a stake of 75%, as well as Svea Svalbard AS with a stake of 51%.

The objective of the state's ownership in SNSK is to help maintain and develop the Longyearbyen community in a way that underpins the general objectives of Norway's Svalbard policy. It is a requirement for the company to be run efficiently.

Key events

In November 2016, it was 100 years since SNSK was established, and the occasion was duly marked through various events. Among other things, a memorial was unveiled of the 124 people who have lost their lives in occupational accidents in the service of the company, most recently in 2005.

In autumn 2015, SNSG's board recommended mothballing the mines in Svea and Lunckefjell, as the company's financial situation and the prevailing market conditions rendered the mine operations unviable. In spring 2016, the Storting awarded a total of NOK 112 million to facilitate the mothballing while at the same time increasing production in Gruve 7 to two shifts. In autumn 2016, the group received further capital through a combination of equity of NOK 94 million and a loan of NOK 100 million in order to fulfil SNSG's obligations with respect to its bank. In the 2017 National Budget, funding of NOK 144 million was also set aside for the implementation of mothballing in 2017.

The subsidiary Gruve 3 AS was established in autumn 2016 to develop the installations in Gruve 3 and to tell the story of the mine to locals and visitors. In addition, Svea Svalbard AS was established as a joint venture with Hurtigruta Svalbard in order to make Svea accessible as a tourist destination for local tourism business-

CEO: Wenche Ravlo

Board: Annette Malm Justad (chair), Birger Solberg (deputy chair), Hege Schøyen Dillner, Britt Mjellem, Johnny Undeli, Rune Mjelde*, Håvard Velve*
(* employee elected)

Auditor: PricewaterhouseCoopers AS



The state's ownership interest through the Ministry of Trade, Industry and Fisheries: 100 %
Company website: www.snsk.no

es. SNSK also increased its stake in Pole Position Logistics AS by 10 percentage points in 2016.

Corporate social responsibility

Corporate social responsibility is a central part of SNSK's business strategy and provides a guideline for the company's operations. Health, safety and the environment have the highest priority. SNSK strives to ensure that neither people nor the environment are harmed in any way as a result of the company's operations.

Through the Svalbard Environmental Protection Act, SNSK adheres to strict environmental legislation. SNSK has a specific environmental monitoring programme for discharges into water, air and the ground, and the company has carried out comprehensive environmental impact assessments. Every year, SNSK prepares an environmental report which is published on the company's website.

SNSK has zero tolerance as regards corruption and the company has established guidelines to combat corruption which have been incorporated into SNSK's ethical guidelines.

Financial development

The SNSK group had a result before tax of NOK 50 million for 2016, compared with NOK -766 million in the previous year. The result is largely impacted by low coal prices and reduced production volumes. Low coal prices during the year were offset to some extent by the weakening of the Norwegian krone. The result for the year also reflects non-recurring items linked to the termination of currency futures and provisions for environmental liabilities.

Equity was strengthened in 2016 through the injection of capital from the owner amounting to a total of NOK 350 million. In addition, a loan from the state in 2015 of NOK 237 million, including accrued interest, was converted from a loan into equity. At the end of 2016, equity amounted to NOK 281 million, compared with NOK -355 million as of the same date in 2015. SNSG's obligations with respect to its bank were fulfilled before the year-end, partly through the injection of new equity and partly through a loan from the owner.

Income statement (NOK millions)	2016	2015
Operating revenues	584	885
Operating expenses	496	1 319
Gross operating profit (EBITDA)	134	-267
Operating profit (EBIT)	87	-434
Net financial items	-41	-291
Profit/loss before tax	46	-725
Tax charge	-4	42
Profit/loss after tax	50	-766

Balance sheet	2016	2015
Intangible assets	401	344
Fixed assets	436	693
Total assets	837	1 037

Equity	281	-355
Provision for liabilities	354	324
Current interest-bearing liabilities	148	433
Current interest-free liabilities	53	634
Total debt and liabilities	556	1 391
Total equity and liabilities	837	1 037

Cash flow	2016	2015
Operating activities	-44	-435
Investment activities	-15	150
Financing activities	-133	452
Change cash and cash equivalents	-192	166

Key figures	2016	2015
Capital employed	429	78
Gross operating margin (EBITDA)	23 %	-30 %
Operating margin (EBIT)	15 %	-49 %
Equity ratio	34 %	-34 %
Return on capital employed	34 %	-141 %

Assets and dividends	2016	2015
Dividend for the financial year	0	0
Dividend percentage	0 %	0 %
Average dividend percentage last 5 years ⁰ %	-	-
Dividend to the state	0	0
Kjøp av aksjer	0	0,4
Capital contributions from the state ¹	587	0

Additional information	2016	2015
Number of employees	106	207
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	43 %	38 %
Proportion of women among owner-appointed/shareholder elected board members	60 %	60 %

¹ Of the total capital contribution of NOK 587 million, NOK 237 million was conversion of loans including accrued interest in equity.



CEO:
 Maria Cecilie Mediaas Jørstad

Board: John Gordon Bernander (chair),
 Bentein Baardson, Cecilie Broch
 Knudsen, Brit Kristin Sæbø Rugland,
 Ingrid Røynesdal, Bjørn Olav Ragnar
 Øiulfstad

Auditor: Deloitte AS



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The state's ownership interest through the Ministry of Culture: 33,33 %
 Company website: www.talentnorge.no

Talent Norge AS was established in January 2015 and received a NOK 30.5 million subsidy from the state for 2016. The company has office workplaces in the attic of the DNB Savings Bank Foundation's temporary premises in Oslo.

Talent Norge's strategic vision is to enable outstanding artistic talents to realise their maximum potential. The main objective is to promote the development of artistic talent and a richer cultural sector. The company seeks to establish successful, permanent relations both artistically and financially, i.e. investments in talent that lead to high artistic recognition and public investments that trigger substantial private investment.

Talent Norge will work with leading organisations and institutions to provide talented young artists with specialist expertise to develop, support and facilitate their potential. The company aims to trigger at least as much private capital as public in the project portfolio. Priority will be given to investments in especially promising talents ahead of higher arts education and recently qualified artists with unique, documented potential. The target group comprises both performing and creative artists in all forms and expressions of art. All measures shall be implemented in collaboration with recognised cultural institutions and businesses that are capable of initiating, shaping and implementing the projects and/or benevolent foundations, sponsors and patrons interested in investing in the projects.

The aim of the state's ownership in Talent Norge is to develop leading artistic

talents in Norway in a partnership between the state and private actors. The initiative contributes to an internationally renowned cultural sector and the broader financing of the cultural sector. The state's owner interests in Talent Norge support the overall objectives to help make high-quality art and culture available to everyone and to promote artistic development and renewal.

Key events

In addition to the subsidy from the state of NOK 30.5 million, Talent Norge has also received NOK 5 million from betting funds to carry out the project entitled Talent Norge Junior. These funds were carried forward to 2017, which will be the start-up year for the project. The Artistic Excellence Programme was also approved in 2016. This programme has a total budget of NOK 16 million and is funded in partnership with the DNB Savings Bank Foundation, which has transferred NOK 8 million to the programme in four years.

Financial development

Of the original grant in 2016, a total of NOK 23.7 million had been allocated to talent development by the close of the year. The company adopted ten new initiatives in 2016, and together with existing initiatives, Talent Norge is involved in 21 talent development programmes amounting to a total of NOK 131 million. The programmes extend from 2015 to 2021. In total, the initiative represents around 1,500 talent places.

Income statement (NOK millions)	2016	2015
Operating revenues	31,5	30,0
Operating expenses	28,7	30,1
Gross operating profit (EBITDA)	2,7	-0,1
Operating profit (EBIT)	2,8	-0,1
Net financial items	0,2	0,1
Profit/loss before tax	3,0	0,0
Tax charge	0,0	0,0
Profit/loss after tax	3,0	0,0
Balance sheet	2016	2015
Intangible assets	0,2	0,1
Fixed assets	52,1	23,0
Total assets	52,3	23,1
Equity	3,1	0,1
Provision for liabilities	48,4	22,5
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	0,8	0,5
Total debt and liabilities	49,2	23,0
Total equity and liabilities	52,3	23,1
Cash flow	2016	2015
Operating activities	3,4	0,5
Investment activities	-0,1	-0,2
Financing activities	25,7	22,7
Change cash and cash equivalents	29,0	23,0
Key figures	2016	2015
Capital employed	3,1	0,1
Gross operating margin (EBITDA)	9 %	0 %
Operating margin (EBIT)	9 %	0 %
Equity ratio	6 %	0 %
Subsidies	2016	2015
Ministry of Culture	30,5	30,0
Sparebankstiftelsen DNB	1,0	0,0
Total subsidies	31,5	30,0
Additional information	2016	2015
Number of employees	2	2
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	33,33 %	33,33 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %



Theatre director: Kristian Seltun
 Board: Terje Roll Danielsen (chair), Tore Onshuus Sandvik (deputy chair), Leif Bjerkan, Solvor Ingjerd Amdal, Turid Stenseth, Ingeborg Hopshaug*, Hallbjørn Rønning* (* employee elected)
 Auditor: PricewaterhouseCoopers AS



© GT Nergaard/Trøndelag Teater AS

The state's ownership interest through the Ministry of Culture: 66,67 %
 Company website: www.trondelag-teater.no

Trøndelag Teater AS is located in Trondheim and is the regional theatre for Trøndelag. Trøndelag Teater was established in Trondheim in 1937 with the aim of "... providing theatre in Trondheim and the surrounding regions, as well as tours and guest performances."

Trøndelag Teater's vision is to be the most important cultural institution in central Norway, by ensuring that the theatre means something to all inhabitants of the region. Trøndelag Teater's mission is to present professional productions for the audience. Different forms of artistic expression must be part of the repertoire, separately and integrated.

The aim of the state's ownership of Trøndelag Teater is to secure cultural policy objectives. The aim behind the 2016 dramatic art grants was to facilitate production, dissemination and demand for different dramatic art expressions. This will support the overarching objectives to help ensure that everyone has access to high-quality art and culture and to promote artistic development and renewal.

Key events

2016 was another good year for Trøndelag Teater, with artistic successes, high audience figures and many good reports. In 2016, Trøndelag Teater was nominated for four Hedda Awards and won one. This is recognition and confirmation that the theatre is delivering top-quality artistic productions. In 2016, the theatre had 18 in-house productions on the programme.

Trøndelag Teater converted its pension scheme from a defined benefit to a defined contribution scheme with effect from July 2016.

The switch to repertoire productions

on the main stage helped to improve the efficiency of the theatre's operation and artistic production. The scope to maintain high audience figures is boosted through the theatre reducing the turnaround time between productions and extending performance dates for productions with good audience figures.

Corporate social responsibility

Trøndelag Theatre is conscious of its corporate social responsibility as a major cultural player in central Norway and in light of the influence it has by virtue of this role. Workers' rights, climate and environment have therefore been incorporated into the company's guidelines concerning corporate social responsibility. Compliance with these guidelines is partly ensured through making employees and suppliers aware of their corporate social responsibility and a focus on such responsibility in connection with the procurement of materials and services.

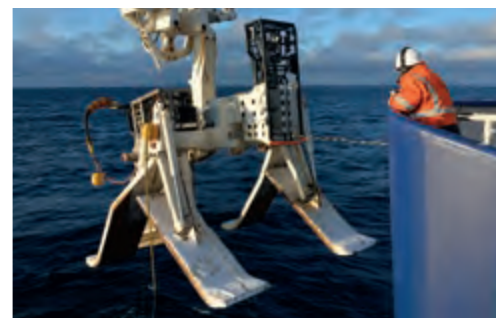
Financial development

The accounts for 2016 showed a surplus of NOK 23.2 million, compared with NOK -29.7 million in the previous year. The surplus in 2016 and the deficit in 2015 were strongly affected by the switch from a defined benefit pension scheme to a defined contribution scheme. The theatre's liquidity is strong and amounted to NOK 19.8 million at the year-end. Equity at the end of 2016 amounted to NOK 17 million, compared with NOK 25.7 million in the previous year. The decrease is due to an operating deficit of NOK 3.9 million in 2016 and an effect of NOK 4.8 million caused by the change in the pension agreement. Trøndelag Teater does not pay dividends to its owners.

Income statement (NOK millions)	2016	2015
Operating revenues	120	121
Operating expenses	96,9	119
Gross operating profit (EBITDA)	25,8	4,6
Operating profit (EBIT)	23,0	1,8
Net financial items	0,2	0,3
Profit/loss before tax	23,2	2,2
Tax charge	0,0	0,0
Profit/loss after tax	23,2	2,2
Balance sheet	2016	2015
Intangible assets	18,1	24,4
Fixed assets	25,1	22,9
Total assets	43,2	47,3
Equity	17,0	25,7
Provision for liabilities	0,0	0,0
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	26,2	21,6
Total debt and liabilities	26,2	21,6
Total equity and liabilities	43,2	47,3
Cash flow	2016	2015
Operating activities	3,2	7,5
Investment activities	-2,7	0,0
Financing activities	0,0	0,0
Change cash and cash equivalents	0,5	7,5
Key figures	2016	2015
Capital employed	17,0	25,7
Gross operating margin (EBITDA)	22 %	4 %
Operating margin (EBIT)	19 %	2 %
Equity ratio	39 %	54 %
Return on equity	109 %	9 %
Average return on equity last 4 years	34 %	-
Return on capital employed	109 %	9 %
Other key figures	2016	2015
Total number of performances	542	532
Tickets sold	99 378	107 024
Audiences	63 %	77 %
Ticket sales	17,0	20,2
Subsidies	2016	2015
Ministry of Culture	69,7	68,4
Sør-Trøndelag County Council, Trondheim municipality and collaborators	30,1	29,7
Total subsidies	99,8	98,0
Additional information	2016	2015
Number of employees	170	173
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	66,67 %	66,67 %
Proportion of women on the board	43 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	40 %	40 %



CEO: Petter Kongshaug
 Board: Frank Arntsen (chair),
 Steen Pedersen, Benedicte Rustad,
 Pål Dietrichs, Cecilie Ohm, Seunn
 Smith-Tønnessen, Morten Knutsen*
 (* employee elected)
 Auditor: EY AS



© UNINETT AS

The state's ownership interest through the Ministry of Education and Research: 100 %
 Company website: www.uninett.no

UNINETT AS is the authorities' tool for development and operation of a versatile national e-infrastructure for research and higher education. The company fulfils its remit based on subsidies from the Ministry of Education and Research and delivers infrastructure with production services and experimental services. Through collaboration and synergies, UNINETT optimises the acquisition and use of the overall ICT resources in the university and university college sector in Norway.

UNINETT AS was established in 1993. It is the parent company in the UNINETT group and had two wholly owned subsidiaries in 2016: UNINETT Norid AS, which is the national registration unit for the .no domain, and UNINETT Sigma2 AS, which manages procurement and operation of national equipment for advanced scientific calculations. All the companies are run from joint offices in Trondheim. Together with the research networks in the other Nordic countries, UNINETT is a joint owner of NORDUnet AS, which operates a corresponding academic network infrastructure between the Nordic countries and with respect to the global academic community.

The objective of the state's ownership of UNINETT is to secure the operation and development of a national electronic network for information exchange between groups and users in Norwegian research and education. It is a requirement for the company to be run efficiently.

Key events

The research network has gigabit capacity for all of the universities and university colleges, and traffic is increasing steadily. In 2016, UNINETT continued building backup paths on the network and capacity upgrades on long-distance connections in the main network. At the close of 2016,

over 80% of all campuses have access to capacity of 10 gigabits or more.

The eCampus Programme, which uses ICT infrastructure to support teaching, research and dissemination, was terminated in 2016. An external evaluation concluded the programme had achieved its objectives. A range of services has been established and brought into use by over 40 enterprises. Use of the services has risen steadily throughout the period.

UNINETT strives to develop ICT solutions of the future for the university and university college sector based on cloud technology, and has established a cloud broker function and a directory of cloud services for the sector. A set of cloud-based infrastructure services is in the process of being set up, and UNINETT is working on competence development and sharing in the sector.

Corporate social responsibility

Through reduced energy consumption and ICT solutions which are independent of distance, UNINETT will work with the university and university college sector to promote a more environmentally friendly society. A close partnership between centres of excellence in the university and university college sector and UNINETT will benefit all institutions in the sector, and contribute to a higher general level of competence within ICT.

Financial development

UNINETT is planning for the development of the research network to take place in part based on the company's equity, meaning the equity ratio and annual profit vary according to investments. In 2016, the group had operating revenues of NOK 288 million and returned a profit of NOK 2.9 million.

Income statement (NOK millions)	2016	2015
Operating revenues	288	297
Operating expenses	288	220
Gross operating profit (EBITDA)	5,7	83,5
Operating profit (EBIT)	-0,7	77,6
Net financial items	3,6	3,4
Profit/loss before tax	2,9	81,0
Tax charge	0,0	0,0
Profit/loss after tax	2,9	81,0

Balance sheet	2016	2015
Intangible assets	42,6	46,1
Fixed assets	341	294
Total assets	384	340

Equity	236	233
Provision for liabilities	7,5	6,1
Current interest-bearing liabilities	0,0	0,0
Current interest-free liabilities	141	101
Total debt and liabilities	148	107
Total equity and liabilities	384	340

Cash flow	2016	2015
Operating activities	53,6	52,3
Investment activities	-1,2	2,7
Financing activities	-1,7	-1,7
Change cash and cash equivalents	50,7	53,3

Key figures	2016	2015
Capital employed	236	233
Gross operating margin (EBITDA)	2 %	28 %
Operating margin (EBIT)	0 %	26 %
Equity ratio	61 %	68 %
Return on equity	1 %	42 %
Average return on equity last 5 years	10 %	-
Return on capital employed	1 %	43 %

Subsidies from the State	2016	2015
Ministry of Education and Research	51,7	45,5
Others (ICT Center and the Research Council of Norway)	45,8	36,5
Total subsidies	97,5	82,0

Additional information	2016	2015
Number of employees	108	105
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	43 %	43 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

CEO: Harald Ellingsen

Board: Berit Johanne Kjeldstad (chair), Jarle Nygard (deputy chair), Eva Falleth, Lise Øverås, Morten Hald, Arild Olsen, Nina Frisak, Riko Normets*, Elise Strømseng*, Eli Anne Ersdal* (* employee elected)

Auditor: PricewaterhouseCoopers AS



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The state's ownership interest through the Ministry of Education and Research: 100 %
Company website: www.unis.no

Universitetscenteret på Svalbard AS

The University Centre in Svalbard (UNIS), was established as a state-owned limited company in 2002. The company replaced the former foundation, University Courses in Svalbard, established by the four Norwegian universities in 1994.

The company offers courses and conducts research based on Svalbard's geographic location in the High Arctic and the special advantages associated with using nature as a laboratory. The study programmes are at university level and provide a supplement to the courses offered by the universities on the mainland, as part of an ordinary course of study leading to a bachelor's, master's or PhD degree. The study programme shall have an international profile, and teaching is given in English.

UNIS has four fields of study: Arctic biology, Arctic geology, Arctic geophysics and Arctic technology. In 2016, a total of 97 courses were taught at bachelor's, master's or doctorate level at UNIS. During the same period, 759 students from 43 countries attended classes, and 48 master students worked on their theses at UNIS. This corresponds to 214 student full-time equivalents. In 2016, Norwegian degree students made up 45% of the students; i.e. 339 students. In addition, 32 post-doctoral research fellows and PhD students studied at UNIS.

The objective of the state's ownership of UNIS is to contribute to the centre's university level study provision and research activities based on Svalbard's location in the High Arctic. It is a requirement for the company to be run efficiently.

Key events

During 2016, UNIS worked closely with Norwegian universities to develop an Arctic profile within the existing study programmes at the mainland universities, partly with a view to offering whole semester packages. This will provide a more stable flow of students to UNIS and make the Norwegian universities more attractive.

UNIS has further expanded its scientific output and is one of the largest and most pivotal organisations within polar research in Svalbard. In 2016, UNIS's researchers published 150 scientific articles in peer-reviewed journals, 65 of which were at the highest level.

Corporate social responsibility

UNIS is committed to health, safety and environment and aims to minimise its environmental impact.

UNIS aims to be a resource for local communities in Svalbard. This includes the staff and students and the knowledge that they possess.

Financial development

UNIS received subsidies totalling NOK 126 million via the Ministry of Education and Research's budget in 2016. The company also received project income for research of NOK 44.5 million, as well as income from consulting services and rent of NOK 14.5 million. The annual accounts show a deficit, which can be ascribed to costs for field activities linked to courses along with a higher than expected increase in personnel and infrastructure costs.

Income statement (NOK millions)	2016	2015
Operating revenues	146	144
Operating expenses	152	149
Gross operating profit (EBITDA)	-4,0	-3,4
Operating profit (EBIT)	-5,7	-5,3
Net financial items	0,0	-0,1
Profit/loss before tax	-5,7	-5,4
Tax charge	0,0	0,0
Profit/loss after tax	-5,7	-5,4

Balance sheet	2016	2015
Intangible assets	34,6	36,4
Fixed assets	25,7	43,7
Total assets	60,3	80,1

Equity	2016	2015
Provision for liabilities	0,0	1,1
Current interest-bearing liabilities	18,4	21,6
Current interest-free liabilities	31,5	41,2
Total debt and liabilities	49,9	63,9
Total equity and liabilities	60,3	80,1

Cash flow	2016	2015
Operating activities	-14,4	-11,0
Investment activities	-2,6	-6,2
Financing activities	-0,3	-2,9
Change cash and cash equivalents	-17,3	-20,1

Key figures	2016	2015
Capital employed	28,8	37,8
Gross operating margin (EBITDA)	-3 %	-2 %
Operating margin (EBIT)	-4 %	-4 %
Equity ratio	17 %	20 %
Return on equity	-43 %	-29 %
Average return on equity last 5 years	-3 %	-
Return on capital employed	-15 %	-11 %

Other key figures	2016	2015
Student labour years	214	203

Subsidies from the State	2016	2015
Government grants	126	122

Additional information	2016	2015
Number of employees	130	118
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	64 %	70 %
Proportion of women among owner-appointed/shareholder elected board members	57 %	30 %

CEO: Hilde Britt Mellbye

Board: Hill-Marta Solberg (chair), Ellen Seip (deputy chair), Liv Kari Eskeland, David Hansen, Per Arne Olsen, Sverre Helno, Helge Storvik*, Turid Sundsetvik*, Svend Bang Pedersen*

(* employee elected)

Auditor: PricewaterhouseCoopers AS



The state's ownership interest through the Ministry of Health and Care Services: 100 %
Company website: www.vinmonopolet.no

AS Vinmonopolet is a state-owned company with exclusive rights to sell alcoholic beverages containing more than 4.7% alcohol by volume to consumers. The company was founded in 1922. Vinmonopolet is one of the most important measures in Norway's alcohol policy and is intended to help limit alcohol consumption by regulating availability.

The alcohol policy is expressed through effective social control, measures to create positive attitudes, efficient operations and the absence of promotional activities. To ensure legitimacy with the general public, Vinmonopolet places emphasis on being a specialist trade chain offering a wide range of products and personal customer service. Vinmonopolet's head office is situated in Oslo.

The objective of the state's ownership of Vinmonopolet is to ensure that the sale of alcoholic drinks of more than 4.7 per cent by volume takes place in a controlled manner, so as to limit the harmful effects of alcohol in Norway for the individual and for society. Due to the alcohol policy objective of restricting the sale of alcohol, no targets are defined for the company's financial results beyond the requirement to operate as efficiently as possible.

Key events

In 2016, Vinmonopolet opened nine new retail outlets, all of which are self-service. Vinmonopolet has a total of 315 outlets and is established in 244 of the country's municipalities. Of Norway's population, 91% live in municipalities with a Vinmonopolet outlet and 96.5% of the population live less than 30 km from their nearest outlet. Accessibility has increased each year, in keeping with the expansion of the outlet network. Fifteen outlets are in the smallest category, which are intended to further improve availability in rural Norway.

Vinmonopolet has a strong reputation. For the third consecutive year, the company topped TNS Gallup's syndicated corporate reputation survey and was among the top ten in most of the other major reputation surveys in Norway.

Corporate social responsibility

In cooperation with the other Nordic alcohol monopolies in Sweden, Finland, Iceland and the Faroe Islands, Vinmonopolet has set itself challenging and ambitious targets within corporate social responsibility. Common ethical requirements have been established for suppliers and their follow-up. Together with the other Nordic alcohol monopolies, Vinmonopolet is a member of BSCI and follows up suppliers in a consistent manner. In 2016, a pilot was carried out involving audits of two producers, one in South Africa and one in Argentina. Following a TV documentary concerning poor working conditions in South Africa, Project South Africa has been initiated which establishes eight specific requirements for all producers, which are followed up with specific audits. The alcohol monopolies are commencing the follow-up of rum producers in 2017 following a report from Fairfood International concerning the working conditions of sugar cane producers in Nicaragua and Guatemala.

Financial development

Vinmonopolet continued its positive financial development in 2016. The higher operating profit is largely due to increased revenues. The average price of sold goods is rising faster than other prices, a factor which is contributing to the positive result. Vinmonopolet has not increased its profit since 2012, but has maintained strong results, partly through strict cost control.

Income statement (NOK millions)	2016	2015
Operating revenues	13 269	12 806
Of which alcohol tax	7 009	6 781
Operating expenses	13 090	12 666
Gross operating profit (EBITDA)	246	214
Operating profit (EBIT)	179	140
Net financial items	20	22
Result before the Vinmonopol tax	199	161
Skatt	50	44
Profit after the Vinmonopol tax	150	117

Balance sheet	2016	2015
Intangible assets	501	600
Fixed assets	3 291	3 123
Total assets	3 792	3 723

Equity	829	553
Current interest-bearing liabilities	0	0
Current interest-free liabilities	2 963	3 171
Total debt and liabilities	2 963	3 171
Total equity and liabilities	3 792	3 723

Cash flow	2016	2015
Operating activities	176	177
Investment activities	-75	-86
Financing activities	0	0
Change cash and cash equivalents	101	91

Key figures	2016	2015
Capital employed	829	553
Gross operating margin (EBITDA)	2 %	2 %
Operating margin (EBIT)	1 %	1 %
Equity ratio	22 %	15 %
Return on equity	22 %	23 %
Average return on equity last 5 years	29 %	-
Return on capital employed	29 %	32 %

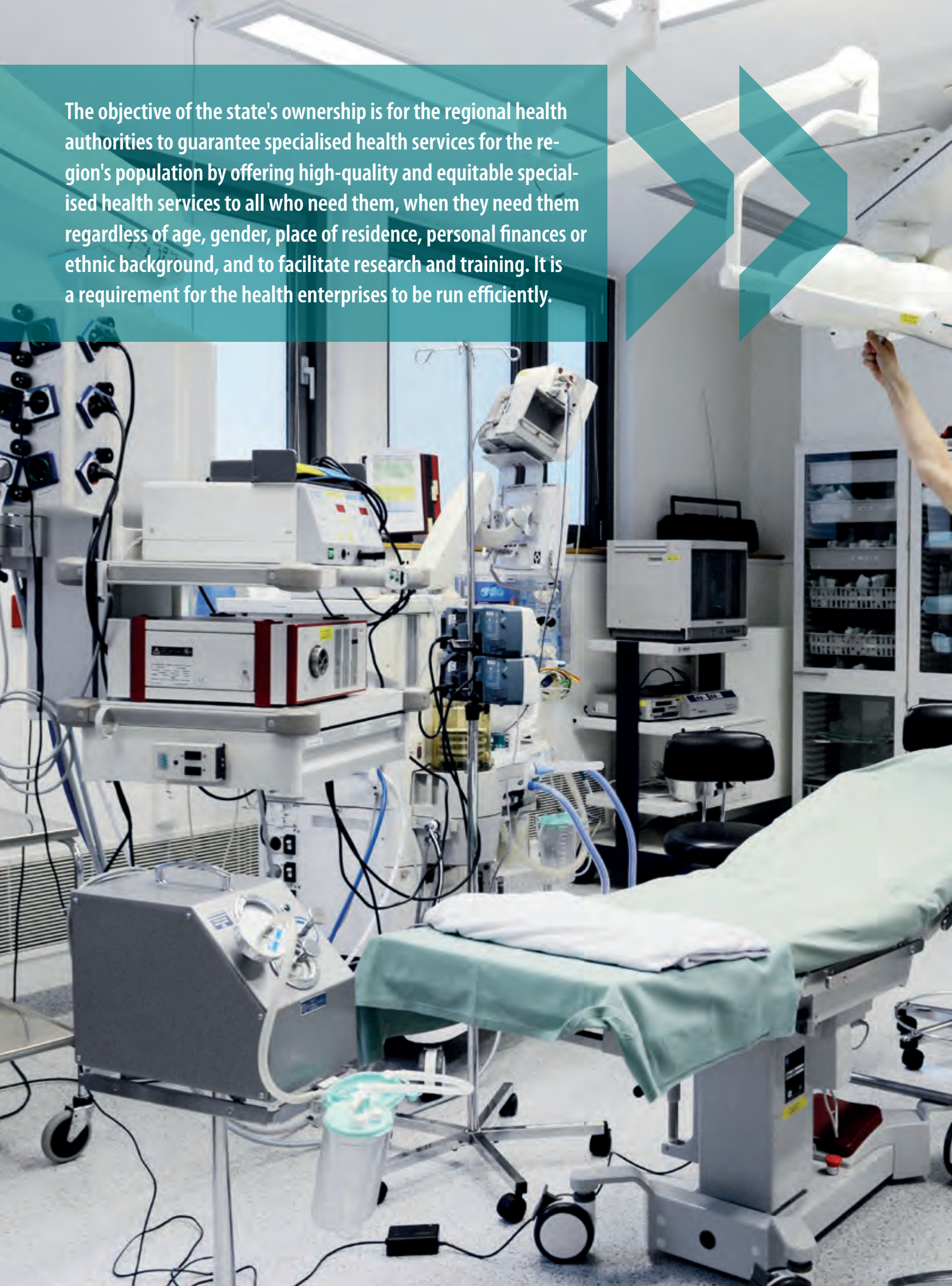
Dividends	2016	2015
Dividend for the financial year	75	59
Dividend percentage	50 %	50 %
Average dividend percentage last 5 years	50 %	-
Dividend to the state	75	59

Additional information	2016	2015
Number of employees	1 812	1 857
Proportion of employees in Norway	100 %	100 %
State ownership at year-end	100 %	100 %
Proportion of women on the board	44 %	44 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %



Statskog is the country's largest forest owner, with around 6% of the total productive forest area in Norway.

The objective of the state's ownership is for the regional health authorities to guarantee specialised health services for the region's population by offering high-quality and equitable specialised health services to all who need them, when they need them regardless of age, gender, place of residence, personal finances or ethnic background, and to facilitate research and training. It is a requirement for the health enterprises to be run efficiently.





Regional health authorities

The country's regional health authorities¹



Helse Midt-Norge RHF	118
Helse Nord RHF	119
Helse Sør-Øst RHF	120
Helse Vest RHF	121

¹Based on map data from the Norwegian Mapping Authority. Processed by the Ministry of Health and Care Services.

Helse Midt-Norge RHF Central Norway Regional Health Authority, was established in 2002 and has overall responsibility for securing the inhabitants of the counties Sør-Trøndelag, Møre og Romsdal and Nord-Trøndelag access to high-quality specialist health services. The health region comprises Møre og Romsdal Hospital Trust, St. Olavs Hospital Trust, Nord-Trøndelag Hospital Trust and the Central Norway Hospital Pharmacies. Helse Midt-Norge RHF has its head office in Stjørdal. The health region's vision is "Teaming with you for your health", based on the core values of quality, security and respect.

The regional health authority has long-term agreements with numerous private suppliers of health services.

The terms for allocations to the regional health authorities are set out in special regulatory documents.

The aim of the state's ownership in the regional health authorities is explained on page 116.

Key events

In 2016, Helse Midt-Norge adopted a new strategy for the health trust group, Strategy 2030. This establishes a common ambition to build an outstanding health service to the benefit of patients and the general population.

The health trust group has worked systematically to reduce waiting times and eliminate breaches of maximum waiting time. Never before have waiting times in the health region been so short and the variation in waiting times between the health authorities has been considerably reduced. At the close of the year, the average waiting time for people who had started treatment was 54 days. The average waiting time for the year as a whole was 58 days. The number of cases involving maximum waiting times being exceeded has also been reduced significantly, and the health trusts are now close to achieving the target of zero exceeded waiting times.

The health trust group is working purposefully to offer a secure and efficient specialist health service throughout the treatment chain. During the past two years, 30 regional patient pathways have been developed, and all were approved in 2016. The regional patient pathways are being developed according to the methodology for standardised patient pathways. This is an important initiative to reduce undesirable variation within the health service.

The design phase for the hospital in Nordmøre and Romsdal was completed in December 2016. The design phase for the Nordmøre and Romsdal Hospital indicated that the professional environment,

CEO: Stig Arild Slørdahl

Board: Ola Henrik Strand (chair), Paul Steinar Valle (deputy chair), Brit Tove Welde, Vigdis Harsvik, Tore Kristiansen, Liv Stette, Anita Solberg*, Ivar Østrem*, Lindy Jarosch-von Schweder* (* employee elected)

Auditor: BDO AS



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The state's ownership interest through the Ministry of Health and Care Services: 100 %
Company website: www.helse-midt.no

quality and services can all be improved through the option chosen, which consists of a joint accident and emergency hospital at Hjelset and the conversion of the existing hospital in Kristiansund to a district medical centre, which will also include day surgery.

At the close of 2016, the procurement function of the health trusts and Helse Midt-Norge RHF were split off and merged with Sykehusinnkjøp HF.

Through the Health Platform programme, Helse Midt-Norge RHF has been tasked with acting as a regional trial programme for the recommended national vision of "One inhabitant - one medical record" and a possible starting point for a common national solution for municipal health and care services.

Corporate social responsibility

Helse Midt-Norge has established guidelines for the exercising of corporate social responsibility and ethical guidelines.

All the health trusts in Helse Midt-Norge have been certified in accordance with the standard NS-EN ISO 14001:2004 Environmental Management Systems. to the Storting Olavs Hospital HF and Helse Midt-Norge IT were re-certified in autumn 2016 in accordance with a new standard: ISO 14001:2015 Environmental Management Systems. Other health trusts will be re-certified in 2017.

In 2016, Helse Midt-Norge worked on new requirements in the environmental management standard and considered how work relating to the external environment can be integrated with patient treatment and pathways. The environmental policy is highlighted in connection with all procurement.

Helse Midt-Norge has followed up subcontractors in the Philippines in order to identify any breaches of human rights or workers' rights in the provision of ICT services to the region.

Financial development

The health trust group is delivering positive financial results and the financial requirements which were imposed on Helse Midt-Norge for 2016 were fulfilled. Helse Midt-Norge recorded a profit of NOK 364 million.

Income statement (NOK millions)	2016	2015
Operating revenues	21 249	21 080
Operating expenses	20 865	20 635
Operating profit	384	445
Net financial items	-17	-49
Tax charge	3	3
Profit/loss for the year	364	393
Exempt from performance requirement	0	0
Performance requirements set by the Ministry of Health and Care Services	0	0
Deviation from performance requirements set by the Ministry of Health and Care Services	364	393

Balance sheet	2016	2015
Intangible assets	15 799	16 037
Fixed assets	3 917	3 622
Total assets	19 716	19 659

Equity	8 812	8 448
Provisions for liabilities	3 747	3 865
Current interest-bearing liabilities	3 030	3 275
Current interest-free liabilities	4 127	4 071
Total debt and liabilities	10 905	11 211
Total equity and liabilities	19 716	19 659

Cash flow	2016	2015
Operating activities	1 638	2 093
Investment activities	-813	-594
Financing activities	-475	-765
Change cash and cash equivalents	351	734

Key figures	2016	2015
Population under Helse Midt-Norge "care provider" responsibility	715 059	709 504
Number of out-patient consultations, somatic	906 350	916 924
Number of patients discharged from in-patient treatment in psychiatric health care	7 207	7 602
Number of out-patient contacts in psychiatric health care	283 007	288 093
Number of patients discharged from interdisciplinary specialised inpatient treatment for substance abuse	2 022	2 037
Number of outpatient contacts for substance abuse	41 853	40 529
Number of days average waiting time (NPR)	58	67

Subsidies/public procurements	2016	2015
Subsidies from the State/public purchases	19 761	19 473

Additional information	2016	2015
Number of full-time equivalents (FTE) in the health trust group	16 746	15 877
State ownership at year-end	100 %	100 %
Proportion of women on the board	56 %	44 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

CEO: Lars Vorland

Board: Marianne Telle (chair), Inger Lise Strøm (deputy chair), Svønn Are Jenssen, Line Miriam Sandberg, Arnfinn Sundsfjord, Jonny-Leo Jernsletten, Kari Jørgensen, Fredrik Sund*, Sissel Alterskjær*, Kari B. Sandnes* (* employee elected)

Auditor: BDO AS



The state's ownership interest through the Ministry of Health and Care Services: 100 %
Company website: www.helse-nord.no

Helse Nord RHF the Northern Norway Regional Health Authority, was established in 2002 and has overall responsibility for securing the inhabitants of northern Norway and Svalbard access to high-quality specialist health services on a par with other parts of the country. Helse Nord comprises Finnmark Hospital Trust, University Hospital of North Norway Trust, Nordland Hospital Trust, Helgeland Hospital Trust and Hospital Pharmacy of North Norway Trust. Helse Nord RHF has its head office in Bodø.

The regional health authority has long-term agreements with numerous private suppliers of health services. In 2016, Helse Nord RHF purchased external health services with a value of approx. NOK 0.8 billion. This corresponds to 5% of its operating expenses.

The terms for allocations to the regional health authorities are set out in special regulatory documents.

The aim of the state's ownership in the regional health authorities is explained on page 116.

Key events

Helse Nord has worked systematically to reduce the number of breaches of maximum waiting time and to reduce waiting times during 2016. The average waiting time at the end of 2016 is 58 days, which is below the requirement of 65 days.

During 2016, Helse Nord introduced a common patient medical record and concluded the FIKS programme (concerning the common introduction of clinical systems).

In September, a new entrance and treatment wing was opened at Nordland Hospital in Bodø.

In 2016, a medication-free day centre with six places for patients with serious mental disorders was opened at the University Hospital of North Norway. The medication-free service places the emphasis on the patient's options and involvement in their own treatment and the resources of the individual are pivotal.

In 2016, the specialist health service in Helse Nord began using the digital emergency network for health, police and fire. The emergency network now covers all ambulances and emergency medical centres, with the exception of the emergency medical centre in Finnmark.

Corporate social responsibility

The Helse Nord RHF has introduced environmental management, and all the health trusts are now ISO 14001-certified. The Helse Nord RHF is a member of the Norwegian recycling scheme Grønt Punkt and the Ethical Trading Initiative. The Helse Nord RHF requires all recruitment to be carried out in accordance with the WHO's Global Code of Practice on the International Recruitment of Health Personnel.

Financial development

The Helse Nord RHF is planning to generate an operating profit in order to facilitate essential investments. The health trust group has achieved this every year since 2009. In 2016, the accounts show a profit of NOK 539 million, NOK 178 million better than the board's performance requirement and NOK 539 better than the corresponding requirement set by the owner.

Income statement (NOK millions)	2016	2015
Operating revenues	17 354	17 209
Operating expenses	16 861	16 634
Operating profit	493	575
Net financial items	47	42
Tax charge	0	1
Profit/loss for the year	539	617
Exempt from performance requirement	0	0
Performance requirements set by the Ministry of Health and Care Services	0	0
Deviation from performance requirements set by the Ministry of Health and Care Services	539	617
Balance sheet	2016	2015
Intangible assets	14 621	13 196
Fixed assets	3 012	3 162
Total assets	17 633	16 358
Equity	10 166	9 627
Provisions for liabilities	455	434
Current interest-bearing liabilities	3 160	2 692
Current interest-free liabilities	3 852	3 605
Total debt and liabilities	7 467	6 731
Total equity and liabilities	17 633	16 358
Cash flow	2016	2015
Operating activities	1 541	2 032
Investment activities	-2 267	-1 856
Financing activities	421	369
Change cash and cash equivalents	-305	546
Key figures	2016	2015
Population under Helse Nord "care provider" responsibility	484 647	481 994
Number of out-patient consultations, somatic	494 940	479 317
Number of patients discharged from in-patient treatment in psychiatric health care	6 487	6 680
Number of out-patient contacts in psychiatric health care	211 283	202 401
Number of patients discharged from interdisciplinary specialised inpatient treatment for substance abuse	1 283	1 075
Number of outpatient contacts for substance abuse	18 550	14 143
Number of days average waiting time (NPR)	66	75
Subsidies/public procurements	2016	2015
Subsidies from the State/public purchases	16 353	16 200
Additional information	2016	2015
Number of full-time equivalents (FTE) in the health trust group	13 489	13 359
State ownership at year-end	100 %	100 %
Proportion of women on the board	60 %	60 %
Proportion of women among owner-appointed/shareholder elected board members	57 %	57 %

Helse Sør-Øst RHF the South-Eastern Regional Health Authority, was established in 2007 and has its head office in Hamar. The regional national health authority shall ensure that the inhabitants of the counties of Østfold, Akershus, Oslo, Hedmark, Oppland, Buskerud, Vestfold, Telemark, Aust-Agder and Vest-Agder have access to high-quality specialist health services on a par with other parts of the country.

The regional health authority comprises Akershus University Hospital Trust, Oslo University Hospital Trust, Sunnaas Rehabilitation Hospital Trust, Hospital Pharmacies Trust, Vestfold Hospital Trust, Innlandet Hospital Trust, Telemark Hospital Trust, Østfold Hospital Trust, Sykehuspartner (a medical services provider), Sørlandet Hospital Trust and Vestre Viken Hospital Trust.

The health trusts' main functions are performed at the publicly owned hospitals, but there are also requirements for good cooperation between private and public health services to ensure better utilisation of available capacity and to give patients greater freedom of choice. The Helse Sør-Øst RHF has long-term agreements with a number of private suppliers. In 2016, external health services with a value of approx. NOK 4.8 billion were purchased, equivalent to 6.2% of the operating costs.

In addition to ensuring high-quality specialist health services on a level comparable with other parts of the country, Helse Sør-Øst RHF also performs statutory functions in research, education, and training of patients and next-of-kin.

The aim of the state's ownership in the regional health authorities is explained on page 116.

Key events

The Helse Sør-Øst RHF follows up the targets set by the Ministry of Health and Care Services for a reduction in unnecessary waiting and variations in capacity utilisation, prioritisation of mental health-care and interdisciplinary specialised alcohol and substance abuse treatment and improved quality and patient safety. These targets correspond well with the regional health trust's prioritised targets for the health trust group as set out in the Plan for Strategic Development 2013–2020. Goal achievement during 2016 is generally considered to be good, although there are still areas where goal achievement is unsatisfactory. The regional health trust's board is committed to ensuring that efforts are made to improve goal achievement within these areas.

The health trust group achieved a financial result which provides a sound ba-

CEO: Cathrine Marie Lofthus

Board: Ann-Kristin Olsen (chair),
Anne Cathrine Frøstrup (deputy chair),
Eyolf Bakke, Bernadette Kumar,
Geir Nilsen, Truls Velgaard, Sigrun
Elisabeth Vågeng, Kirsten Brubakk*,
Christian Grimsgaard*, Svein Øverland*
(* employee elected)

Auditor: PricewaterhouseCoopers AS



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The state's ownership interest through the Ministry of Health and Care Services: 100 %
Company website: www.helse-sorost.no

sis for major investments. In 2016, the board of Helse Sør-Øst RHF considered matters which provide a basis for further improvements to the treatment of cancer patients, improved capacity and quality through investments in buildings and infrastructure in a number of locations across the region and the further development of the vision for Oslo University Hospital.

A decision was made to modernise the ICT infrastructure within the health trust group. The work will be closely monitored by the board which has considered the matter on a number of occasions during the year.

Corporate social responsibility

Since 2011, the Helse Sør-Øst RHF has published a separate environmental and corporate social responsibility report. This report covers the environment and climate change, human rights, employee rights, social conditions and anti-corruption. From 2016, the report also covers HSE. During 2016, the health trust group placed special emphasis on imposing requirements concerning safeguarding of the external environment in connection with the procurement of medicines and implementation of the anti-corruption programme which was initiated during the previous year. The health trust group also introduced an elimination list for environmentally harmful and hazardous chemicals to reduce the use of such chemicals in products which are purchased in the health region.

During 2016, the Helse Sør-Øst RHF followed up three factories in Central America in order to identify possible breaches of human rights or employee rights in the manufacture of products which are purchased for the region's hospitals.

Financial development

The provisional profit for 2016 for the health trust group was NOK 1,343 million, NOK 598 million over budget. The group maintains firm control over its finances. The positive trend in the group's profit provides a sound basis for further investments. There is a strong need for investment generally, and Helse Sør-Øst RHF is planning a number of major investment

Income statement (NOK millions)	2016	2015
Operating revenues	79 425	78 925
Operating expenses	78 038	77 849
Operating profit	1 387	1 077
Net financial items	-39	-28
Tax charge	5	2
Profit/loss for the year	1 343	1 046
Exempt from performance requirement	0	0
Performance requirements set by the Ministry of Health and Care Services	0	0
Deviation from performance requirements set by the Ministry of Health and Care Services	1 343	1 046

Balance sheet	2016	2015
Intangible assets	56 844	56 615
Fixed assets	7 360	5 506
Total assets	64 204	62 120

Equity	33 844	32 506
Provisions for liabilities	5 017	5 046
Current interest-bearing liabilities	9 211	9 113
Current interest-free liabilities	16 132	15 456
Total debt and liabilities	30 360	29 614
Total equity and liabilities	64 204	62 120

Cash flow	2016	2015
Operating activities	5 097	7 000
Investment activities	-3 152	-4 102
Financing activities	-128	-3 517
Change cash and cash equivalents	1 817	-619

Key figures	2016	2015
Population under Helse Sør-Øst "care provider" responsibility	2 920 730	2 900 000
Number of out-patient consultations, somatic	2 965 168	2 754 834
Number of patients discharged from in-patient treatment in psychiatric health care	27 646	26 909
Number of out-patient contacts in psychiatric health care	1 379 264	1 334 817
Number of patients discharged from interdisciplinary specialised inpatient treatment for substance abuse	9 597	8 641
Number of outpatient contacts for substance abuse	254 570	238 429
Number of days average waiting time (NPR)	59	68

Subsidies/public procurements	2016	2015
Subsidies from the State/public purchases	72 624	72 424

Additional information	2016	2015
Number of full-time equivalents (FTE) in the health trust group	60 368	59 788
State ownership at year-end	100 %	100 %
Proportion of women on the board	50 %	50 %
Proportion of women among owner-appointed/shareholder elected board members	57 %	57 %

projects. It is important that the right investment projects are given priority in order to secure high-quality patient treatment, while at the same time ensuring that the health trust group has the financial capacity to carry out the projects.

CEO: Herlof Nilssen

Board: Terje Vareberg (chair), Lise Reinertsen (deputy chair), Ohene Aboagye, Gunnar Berge, Tone Berntsen Steinsvåg, Olin Johanne Henden, Lise Karin Strømme*, Bente Pilskog*, Tom Guldhav* (* employee elected)

Auditor: BDO AS



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The state's ownership interest through the Ministry of Health and Care Services: 100 %
Company website: www.helse-vest.no

Helse Vest RHF the Western Norway Regional Health Authority, was established in 2002 and has overall responsibility for securing the inhabitants of the counties of Rogaland, Hordaland and Sogn og Fjordane access to high-quality specialist health services on a level comparable with other parts of the country. The health region comprises Førde Hospital Trust, Bergen Hospital Trust, Fonna Hospital Trust, Stavanger Hospital Trust, Trust Sjukehusapoteka Vest (Hospital Pharmacies), Trust Helse Vest Procurement and Helse Vest IKT. The Helse Vest RHF has its head office in Stavanger. The Helse Vest RHF's vision is to promote health and quality of life.

The Helse Vest RHF has long-term agreements with a number of private health service providers. At the close of 2016, Helse Vest RHF had ten agreements with seven private commercial providers of such services.

The terms for allocations to the regional health authorities are set out in special regulatory documents.

The aim of the state's ownership in the regional health authorities is explained on page 116.

Key events

In 2016, the Helse Vest RHF achieved good results in terms of quality and financial performance, two crucial prerequisites for safe, good health care services. Priority areas included a focus on ensuring a good dialogue between patients and hospitals, better organisation, patient safety and building of common systems, and have helped to strengthen the health service for patients.

The hospitals in western Norway treated more patients in 2016 than ever before, while waiting times were shorter. In 2016, hospitals and institutions in Western Norway carried out a total of 1,693,627 consultations. There were some 22,300 more

patient contacts in outpatient and day treatment, all areas, in 2016 than the previous year.

Efforts to enhance quality and improve patient safety in the hospitals were key priority areas in the health trust group, along with health, safety and environment. In 2016, several of the packages of measures in the programme for patient safety were implemented at all the hospitals and relevant institutions. All the hospitals in the health region now report on a number of quality indicators, including pressure ulcers, falls, safe surgery and strokes.

In 2016, a number of new digital services were developed for patients in Western Norway. For example, patients can now read their own hospital records online, change an appointment at the hospital or communicate with the hospital 24 hours a day.

Corporate social responsibility

The Helse Vest RHF has publicly available ethical guidelines and follows company-specific, industry-oriented guidelines in its reporting on corporate social responsibility. Principles and practices concerning transparency apply to all the health trusts.

All the health trusts in the health region are environmentally certified. Certification according to the ISO standard shows that the trust has introduced environmental management and an environmental management system, both of which are instruments to achieve the goal of more environmentally friendly operations.

Financial development

Helse Vest RHF generated a profit of NOK 724 million. This is the seventh consecutive year that Helse Vest RHF has delivered a profit. This strengthens the authority's ability to invest and benefits patients and employees.

Income statement (NOK millions)	2016	2015
Operating revenues	27 989	27 724
Operating expenses	27 370	27 113
Operating profit	619	611
Net financial items	105	68
Tax charge	0	-1
Profit/loss for the year	724	680
Exempt from performance requirement	0	0
Performance requirements set by the Ministry of Health and Care Services	0	0
Deviation from performance requirements set by the Ministry of Health and Care Services	724	680

Balance sheet	2016	2015
Intangible assets	18 175	17 580
Fixed assets	4 784	4 377
Total assets	22 959	21 957

Equity	14 039	13 315
Provisions for liabilities	1 099	958
Current interest-bearing liabilities	2 470	2 375
Current interest-free liabilities	5 351	5 309
Total debt and liabilities	8 920	8 642
Total equity and liabilities	22 959	21 957

Cash flow	2016	2015
Operating activities	2 324	2 875
Investment activities	-1 837	-1 799
Financing activities	-72	-607
Change cash and cash equivalents	415	469

Key figures	2016	2015
Population under Helse Vest "care provider" responsibility	1 102 253	1 096 202
Number of out-patient consultations, somatic	1 077 594	1 033 266
Number of patients discharged from in-patient treatment in psychiatric health care	12 060	11 722
Number of out-patient contacts in psychiatric health care	445 391	431 448
Number of patients discharged from interdisciplinary specialised inpatient treatment for substance abuse	2 313	2 643
Number of outpatient contacts for substance abuse	170 642	143 672
Number of days average waiting time (NPR)	62	66

Subsidies/public procurements	2016	2015
Subsidies from the State/public purchases	26 486	26 150

Additional information	2016	2015
Number of full-time equivalents (FTE) in the health trust group	21 752	21 379
State ownership at year-end	100 %	100 %
Proportion of women on the board	56 %	56 %
Proportion of women among owner-appointed/shareholder elected board members	50 %	50 %

Other companies

Filmparken AS

The company offers facilities for recording films, including studios and offices, in Jar in Bærum. The state, represented by the Ministry of Culture, owns 77.6% of the shares in Filmparken, while the City of Oslo owns 11.6%. The remaining 10.8% of the shares are owned by about 80 municipalities and one bank.

Filmparken's buildings were built in the period 1935–1995 and are of varying technical and architectural standards. Two of the studios are of possible cultural heritage interest. Following a complaint to the EFTA Surveillance Authority (ESA) in 2006, it became clear that the state cannot subsidise the company for reasons of fair competition. Filmparken has not managed to make sufficient profit to be able to maintain and develop the property, and the buildings are currently run-down and outdated.

The state has been involved in film production and studio operations at Jar since 1948, when the state bought shares in the municipally owned company Norsk Film AS and its subsidiary Norwegian Filmstudio AS. In 2001, the state sold Norsk Film AS (the film production company), but retained a majority holding in the film studios and the property that is currently administered by Filmparken.

The Storting has authorised the state to sell Filmparken. In the national budget for 2014, the Storting concluded that "... the state shall no longer be bound by the obligation to safeguard studio operations for the production of feature films, as the facilities at Jar are not used to produce feature films and thus no longer support cultural policy considerations. The state should therefore be allowed to terminate its ownership in Filmparken." This authorisation has been renewed in the national budget every year since then.

Folketrygdfondet

Folketrygdfondet is a special legislation company that manages the Government Pension Fund Norway (GPFN) in accordance with specific management provisions set out by the Ministry of Finance. The company is wholly owned by the state through the Ministry of Finance. The establishment of the special legislation company Folketrygdfondet in 2008 under-

scored the distinction between the GPFN as the asset pool and Folketrygdfondet as the entity managing this asset pool. The GPFN is placed as a capital contribution with Folketrygdfondet. At the end of 2016, GPFN had a market value of NOK 212 billion. Folketrygdfondet makes investment decisions and exercises ownership rights independently of the Ministry of Finance.

The objective of the asset management of the GPFN is to achieve the highest possible return measured in Norwegian kroner and after costs. The return is not transferred to the Treasury, but is added to the fund capital on an ongoing basis.

Folketrygdfondet invests the GPFN in listed shares and bonds in Norway, Sweden, Denmark and Finland. The company is one of the largest financial investors on the Oslo Stock Exchange. The Norwegian equity investments correspond to about 5% of the total market value listed on the stock exchange, and the average stake in Norwegian shares in which the fund was invested at year-end 2016 was 5.8%. As of the same date, Folketrygdfondet had 51 employees located in Oslo.

Olaug Svarva is the CEO of Folketrygdfondet. The Board consists of the following owner-appointed members: Siri Teigum (chair), Marianne Hansen, Liselott Kilaas, Renate Larsen, Einar Westby, Bjørn Østbø and Hans Aasnæs. Henrik Fosby is the employee-elected board member.

For more information on Folketrygdfondet, see the company's website www.folketrygdfondet.no, white paper to the Storting 26 (2016–2017) Management of the Government Pension Fund in 2016, and white paper to the Storting 34 (2016–2017) Financial Market Report 2016–2017.

Rosenkrantzgate 10 AS

Rosenkrantzgate 10 is a property company whose only asset is the property with the address Rosenkrantzgate 10. The company's activities are related to the lease of premises in this property. The building houses Oslo Nye Teater, which has a preferential right to lease premises in the building.

The company's share capital amounts to NOK 651,450 and is divided into 13,029 shares with a nominal value of NOK 50. The state owns 3.07% of the shares

through the Ministry of Culture. The City of Oslo is the majority shareholder with 78.89% of the shares, while 16.69% of the shares are in unknown ownership.

The state's holding is the result of a previous engagement/ownership in Oslo Nye Teater, which is now wholly owned by the City of Oslo. The Ministry of Culture has previously attempted to sell its shares to the City of Oslo, but the latter has been unwilling to acquire them while the challenge relating to the large number of unknown shareholders remains unresolved and until it can take over full ownership. The board has now taken new steps to resolve the challenges associated with the unknown shareholders.

New companies

The companies Togvedlikehold AS, Togmateriell AS and Reiseplan og billett AS (temporary names) were established in September 2016 as part of the government's Railway Reform; see also page 10. The Ministry of Transport and Communications owns all shares in the companies. Boards for the companies were appointed upon the companies' establishment. The companies received Mantena AS, Norske tog AS and Entur AS through divestment from NSB AS in spring 2017. The company then became operational.

Mantena provides maintenance and engineering services for rolling stock and other associated services. Mantena has operations in Norway and Sweden. Mantena operates in competition with other companies.

Norske tog procures, owns and manages passenger rolling stock. The company aims to contribute to low entry barriers and equal competition by providing equipment to train operating companies which are competing for rail franchises. The company also performs an advisory function with respect to the state, e.g. by assisting the Norwegian Railway Directorate in investigating an equipment strategy for future passenger rail services.

Entur supplies sales and ticket solutions for the rail sector. The company also provides services which make it easy to plan, compare and purchase seamless travel across all public transport companies in Norway, including train, bus, ferry, underground and tram services.



Rogaland Teater presents theatre
of high artistic quality to the region's
inhabitants.



Owner-appointed / shareholder-elected board members

Overview at 31 Mars 2017. Sorted alphabetically by surname.

Surname	First name	Company	County of residence ¹
Aalstad	Regi	Telenor ASA	*Switzerland
Aasen	Jens P.	NSD – Norsk senter for forskningsdata AS	Oslo
Aasnæs	Hans	Investinor AS Statskog SF	Oslo
Aboagye	Ohene	Helse Vest RHF	Hordaland
Abrahamsen	Unni	Kimen Såvarelaboratoriet AS	Oppland
Agerup	Wenche	Statoil ASA	Oslo
Ágústsdóttir	Helga	Nordisk Institutt for Odontologiske Materialer AS	*Iceland
Alfsen	Harald	AS Den Nationale Scene	Hordaland
Allern	Elin H.	NSD – Norsk senter for forskningsdata AS	Oslo
Allonen	Heikki	Nammo AS	*Finland
Amdal	Solvor I.	Trøndelag Teater AS	Sør-Trøndelag
Andersen	Tove	Posten Norge AS	Oslo
Andresen	Trude	Norsk Helsenett SF	Buskerud
Anker	Helene J.	Siva – Companyet for Industrivekst SF	Oslo
Aqraou	Jacob	Telenor ASA	*Switzerland
Arbo	Peter	Siva – Companyet for Industrivekst SF	Troms
Arntsen	Frank	UNINETT AS	Sør-Trøndelag
Arntsen	Ingelise	Eksportkreditt Norge AS Nammo AS	Hordaland
Arthur	Kim D. V.	Innovasjon Norge	Troms
Aune	Dina E.	Enova SF	Nord-Trøndelag
Baardson	Bentein	Talent Norge AS	Oslo
Bakke	Eyolf	Helse Sør-Øst RHF	Aust-Agder
Bakke	Hallvard	Carte Blanche AS	Oslo
Bakken	Hilde	Yara International ASA	Akershus
Bakker	Tone L.	Eksportfinans ASA	Akershus
Bardalen	Arne	Staur gård AS	Oslo
Barkvoll	Pål	Nordisk Institutt for Odontologiske Materialer AS	Oslo
Bartnes	Kristen	Staur gård AS	Hedmark
Basili	Irene W.	Kongsberg Gruppen ASA	Hordaland
Berdal	Mimi K.	Gassco AS	Oslo
Berentsen	Anne B.	Posten Norge AS	Oslo
Berg	Bjørn	Eksportfinans ASA	Oslo
Berg	Christian	Eksportfinans ASA	Akershus
Berg	Petter A.	Aerospace Industrial Maintenance Norway AS	Oslo
Berge	Gunnar	Helse Vest RHF	Rogaland
Berggreen	Ellen	Nordisk Institutt for Odontologiske Materialer AS	Hordaland
Bergo	Jarle	DNB ASA	Akershus
Bergkastet	Geir	Norsk rikskringkasting AS	Hedmark

Surname	First name	Company	County of residence ¹
Bernander	John G.	Talent Norge AS	Vest-Agder
Bindslev	Preben H.	Nordisk Institutt for Odontologiske Materialer AS	*Denmark
Birkeland	Asbjørn	Space Norway AS	Vestfold
Biström	Helene	Statkraft SF	*Sweden
Bjerkan	Leif	Trøndelag Teater AS	Møre og Romsdal
Bjordal	Brian	Petoro AS	Rogaland
Bjordal	Kjell	Entra ASA	Møre og Romsdal
Bjørn	Kristin	AS Den Nationale Scene	Troms
Blystad	Marianne H.	Eksportfinans ASA	Oslo
Borge	Christel	Baneservice AS	Oslo
Borgersen	Bjarne	NSB AS	Oslo
Borgerud	Ingeborg M.	Ambita AS	Akershus
Bramslev	Katharina T.	Enova SF	Akershus
Breiby	Anne	GIEK Kredittforsikring AS Norges sjømatråd AS	Møre og Romsdal
Breivega	Ane R.	Bane NOR SF	Vestfold
Brekke	Cathrine	Gassnova SF	Akershus
Broch-Mathisen	Kirsten	Bjørnøen AS Kings Bay AS	Oslo
Brodin	Pål	Nordisk Institutt for Odontologiske Materialer AS	Oslo
Caneman	Monica	SAS AB	*Sweden
Carlsen	Sigurd	Eksportfinans ASA	Oslo
Cederlund	Andreas	Nordisk Institutt for Odontologiske Materialer AS	*Sweden
Clemet	Kristin	Norfund	Oslo
Dale	Wenche M.	Graminor AS	Vestfold
Dalen	Dag M.	Nye Veier AS	Akershus
Danielsen	Terje R.	Trøndelag Teater AS	Sør-Trøndelag
Davis	Sally M.	Telenor ASA	*Great Britain
Devold	Kristin M.	Aker Kværner Holding AS	Oslo
Dietrichs	Pål	UNINETT AS	Hedmark
Dille	Marit	Veterinærmedisinsk Oppdragscenter AS	Nord-Trøndelag
Dilling	Carsten	SAS AB	*Denmark
Dillner	Hege S.	Store Norske Spitsbergen Kulkompani AS	Akershus
Djupedal	Øystein K.	Nationaltheatret AS	Aust-Agder
Driveklepp	Janicke W.	Mesta AS	Møre og Romsdal
Drønen	Hilde	Statkraft SF	Hordaland
Dyb	Per O.	Innovasjon Norge	Oslo
Dävøy	Laila	Carte Blanche AS	Hordaland
Egidius	Nanna	Kommunalbanken AS	Oppland
Ekenstierna	Bengt	Statkraft SF	*Sweden
Ellingsen	Trond	GIEK Kredittforsikring AS	Akershus
Enger	Anne	Nationaltheatret AS	Østfold

¹ Board members with residences abroad are marked with an asterisk.

Surname	First name	Company	County of residence ¹
Eriksen	Øyvind	Aker Kværner Holding AS	Oslo
Eskeland	Liv Kari	AS Vinmonopolet	Hordaland
Espedal	Harald	Den Norske Opera & Ballett AS	Rogaland
Espedal	Rune	Norsk Helsenett SF	Rogaland
Fagernæs	Sven O.	Bjørnøen AS Kings Bay AS	Oslo
Falck	Thomas	Investinor AS	Oslo
Falleth	Eva	Universitetsenteret på Svalbard AS	Oslo
Fjeld	Jostein	Graminor AS Kimen Såvarelaboratoriet AS	Hedmark
Fjeldstad	Trude H.	Petoro AS	*Belgium
Fjell	Olav	Nofima AS	Akershus
Fladmark	Helen F.	Innovasjon Norge	Aust-Agder
Flatland	Bjørn	Veterinærmedisinsk Oppdragssenter AS	Oslo
Flåthen	Knut O.	Electronic Chart Centre AS	Oslo
Fossli	Grethe	Aerospace Industrial Maintenance Norway AS	Oslo
Fossum	Anne K.	Staur gård AS	Hedmark
Fougner	Else B.	Aker Kværner Holding AS Eksportkreditt Norge AS Kommunalbanken AS	Oslo
Franklin	Roy	Statoil ASA	*Great Britain
Fredriksson	Benny	Nationaltheatret AS	*Sweden
Frisak	Nina	Space Norway AS Universitetsenteret på Svalbard AS	Hordaland
Frøstrup	Anne C.	Helse Sør-Øst RHF	Buskerud
Fyllingen	Kjerstin	NSB AS	Hordaland
Galtung	Hilde K.	Nordisk Institutt for Odontologiske Materialer AS	Akershus
Giske	Eli	Ambita AS Nye Veier AS	Oslo
Gjertsen	Trygve	Flytoget AS	Oslo
Gjesteland	Egil	Statnett SF	Buskerud
Godal	Bjørn T.	Statoil ASA	Oslo
Gotaas	Sverre	Simula Research Laboratory AS	Vestfold
Grimeland	Kjell M.	Argentum Fondsinvesteringer AS	Akershus
Grundekjøn	Arvid	Gassco AS	Vest-Agder
Grung	Ruth	Carte Blanche AS	Hordaland
Gulbrandsen	Erik	Nordisk Institutt for Odontologiske Materialer AS	Akershus
Hald	Morten	Universitetsenteret på Svalbard AS	Troms
Halleraker	Svein	Carte Blanche AS	Hordaland
Hansen	David	Norsk Tipping AS AS Vinmonopolet	Vestfold
Hansen	Svein I.	Aerospace Industrial Maintenance Norway AS	Østfold
Hanssen	Maria M.	Yara International ASA	*France
Harsvik	Vigdis	Helse Midt-Norge RHF	Sør-Trøndelag
Hasaas	Olav	Enova SF	Akershus
Hatlen	Siri B.	Bane NOR SF Entra ASA Eksportkreditt Norge AS Telenor ASA	Akershus
Havnelid	Åsne	NSB AS	Akershus
Hegdal	Sissel K.	Rogaland Teater AS	Rogaland

Surname	First name	Company	County of residence ¹
Heggernes	Pinar	Simula Research Laboratory AS	Hordaland
Heiberg	Nina	Graminor AS	Sogn og Fjordane
Helliesen	Ida	Aker Kværner Holding AS	Oslo
Helno	Sverre	AS Vinmonopolet	Oslo
Henden	Olin J.	Helse Vest RHF	Sogn og Fjordane
Henriksen	Morten	Kongsberg Gruppen ASA	Aust-Agder
Herlofsen	Rebekka G.	Statoil ASA	Oslo
Heyerdahl	Jens P.	Nationaltheatret AS	Oslo
Hindar	Jon	Argentum Fondsinvesteringer AS	Oslo
Hiorth	Marianne	Nordisk Institutt for Odontologiske Materialer AS	Oslo
Hjorth	Per	Statnett SF	Oslo
Holen	Borghild	Norfund	Oslo
Holm	Tore	Enova SF	Akershus
Holmen	Marianne	Gassnova SF	Oslo
Holte	Øyvind	Eksportkreditt Norge AS	Hordaland
Homble	Synne	Statnett SF	Oslo
Hope	Ole	Carte Blanche AS AS Den Nationale Scene	Hordaland
Husebø	Kristin R.	Siva – Companyet for Industrivekst SF	Rogaland
Hustad	Johan E.	Gassco AS	Sør-Trøndelag
Hustad	Per-Olaf	Petoro AS	Rogaland
Hægeland	Torbjørn	NSD – Norsk senter for forskningsdata AS	Oslo
Høiland	Grethe	Argentum Fondsinvesteringer AS	Rogaland
Håndlykken	Einar	Enova SF	Telemark
Ibsen	Mai-Lill	GIEK Kredittforskning AS	Oslo
Isaksen	Geir P.	Yara International ASA	Akershus
Isotalo	Olli	Nammo AS	*Finland
Jarlsby	Nicolai	Electronic Chart Centre AS	Vest-Agder
Jarnheimer	Lars-Johan	SAS AB	*Sweden
Jebesen	Finn M.	Kongsberg Gruppen ASA Norfund	Oslo
Jenssen	Svenn A.	Andøya Space Center AS Helse Nord RHF	Nordland
Jernsletten	Jonny-Leo	Helse Nord RHF	Finnmark
Johannessen	Bernt B.	Staur gård AS	Akershus
Johnsen	Marianne E.	Norges sjømatråd AS	Akershus
Justad	Annette M.	Store Norske Spitsbergen Kulkompani AS	Oslo
Jørgensen	Kari	Helse Nord RHF	Finnmark
Kamark	Robin	Flytoget AS	Østfold
Kamsvåg	Mette	Siva – Companyet for Industrivekst SF	Møre og Romsdal
Kanck	Bjørn	Andøya Space Center AS	Troms
Kjeldstad	Berit J.	Universitetsenteret på Svalbard AS	Sør-Trøndelag
Kjølås	Wenche	Innovasjon Norge	Hordaland
Knudsen	Cecilie B.	Talent Norge AS	Oslo
Knudsen	Knud	NSD – Norsk senter for forskningsdata AS	Rogaland
Korssjøen	Jan E.	Aerospace Industrial Maintenance Norway AS Nammo AS	Buskerud
Kreutzer	Idar	Posten Norge AS	Oslo
Kristiansen	Eirik G.	Enova SF	Hordaland

Surname	First name	Company	County of residence ¹
Kristiansen	Tore	Helse Midt-Norge RHF	Nord-Trøndelag
Kristoffersen	Eva M.	Norges sjømatråd AS	Nordland
Kumar	Bernadette	Helse Sør-Øst RHF	Oslo
Kärkkäinen	Päivi I.	Den Norske Opera & Ballett AS	*Finland
Larsen	Kåre O.	Kimen Sävarelaboratoriet AS	Østfold
Lerøy	Knut H.	Norges sjømatråd AS	Hordaland
Lie	Nina S.	Gassco AS	Rogaland
Lifjell	Tom	Statskog SF	Nordland
Lindberg	Tone M.	Aerospace Industrial Maintenance Norway AS Avinor AS	Buskerud
Lont	Auke	Bane NOR SF	Oslo
Lossius	Harald	Graminor AS	Oslo
Lunde	Jørand Ø.	Innovasjon Norge	Oppland
Lunde	Åse K.	Investinor AS	Rogaland
Lunde	Kjartan A.	Rogaland Teater AS	Rogaland
Lundqvist	Mats	Simula Research Laboratory AS	*Sweden
Løkling	Jan	Innovasjon Norge	Telemark
Løseth	Øystein	Statoil ASA	Oslo
Maaseide	Bjørn	Norsk Tipping AS	Rogaland
Magnus	Birger	Norsk rikskringkasting AS	Akershus
Marum	Finn I.	Eksportkreditt Norge AS	Oslo
Mejdell	Dag	Norsk Hydro ASA NSB AS SAS AB	Oslo
Melbø	Olaf T.	Bane NOR SF	Hedmark
Mellbye	Peter	Statkraft SF	Oslo
Meyer	Anne L.	Norsk Tipping AS	Oslo
Midtgaard	Rune	Kommunalbanken AS	Oslo
Mikalsen	Andreas	Norges sjømatråd AS	Hordaland
Milli	Harald	Graminor AS	Akershus
Misund	Kristin	Innovasjon Norge	Østfold
Mjellem	Britt	Store Norske Spitsbergen Kulkompani AS	Hordaland
Moe	Kari S.	Norsk Tipping AS	Sør-Trøndelag
Moengen	Trond	Gassnova SF	Akershus
Molina	Beatriz M. de	Investinor AS	Oslo
Murud	Egil	Bjørnøen AS Kings Bay AS	Nordland
Myhre	Annik	Simula Research Laboratory AS	Oslo
Myhre	Ingvild R.	Simula Research Laboratory AS Space Norway AS	Oslo
Myhre	Yngve	Nofima AS	Oslo
Nag	Toril	Ambita AS Bane NOR SF	Rogaland
Narvesen	Sverre	Siva – Companyet for Industrivekst SF	Oppland
Nikolaisen	Harald V.	Baneservice AS Nye Veier AS	Akershus
Nilsen	Geir	Helse Sør-Øst RHF	Oppland
Nilssen	Herlof	Avinor AS Norsk Helsenett SF	Rogaland
Njørheim	Anne Beth	Carte Blanche AS	Hordaland
Nordblad	Anne	Nordisk Institutt for Odontologiske Materialer AS	*Finland
Nordgård	Alfred	Gassnova SF	Rogaland

Surname	First name	Company	County of residence ¹
Nordskogen	Hilde	Mesta AS	Akershus
Norman	Victor D.	AS Den Nationale Scene	Hordaland
Nygaard	Jarle	Universitetsenteret på Svalbard AS	Oslo
Nygren	Eva	Nye Veier AS	*Sweden
Nyheim	John	Mesta AS	Akershus
Ofstad	Elizabeth B.	Enova SF	Oslo
Ohm	Cecilie	UNINETT AS	Hordaland
Olesen	Annette	Graminor AS	*Sweden
Olofsson	Gunnar	Statskog SF	*Sweden
Olsen	Ann-Kristin	Helse Sør-Øst RHF	Vest-Agder
Olsen	Arild	Universitetsenteret på Svalbard AS	Nordland
Olsen	Per Arne	AS Vinmonopolet	Vestfold
Olsson	Marianne	Statskog SF	Hedmark
Opedal	Dag J.	Nammo AS Telenor ASA	Oslo
Oudemans	Maria J.	Statoil ASA	*Netherlands
Pedersen	Ann	Baneservice AS	Nordland
Pedersen	Steen	UNINETT AS	*Denmark
Petersen	Jan	Den Norske Opera & Ballett AS	Akershus
Reinertsen	Lise	Helse Vest RHF	Hordaland
Reinemo	Rikke	Argentum Fondsinvesteringer AS	Oslo
Reinhardtsen	Jon E.	Telenor ASA	Oslo
Reistad	Eli	Statskog SF	Buskerud
Reiten	Kåre	Rogaland Teater AS	Rogaland
Repstad	Jon A.	Kimen Sävarelaboratoriet AS	Akershus
Ressem	Toril B.	Norsk Helsenett SF	Oslo
Riddervold	Kari	Siva – Companyet for Industrivekst SF	Troms
Riise	Sandra	Andøya Space Center AS	Oslo
Rimmereid	Tore O.	DNB ASA	Oslo
Rinnan	Ola M.	Avinor AS	Hedmark
Rotevatn	Audhild G.	Norsk rikskringkasting AS	Møre og Romsdal
Roth	Jarle	Kongsberg Gruppen ASA	Akershus
Roverud	Rolf G.	Flytoget AS Nye Veier AS	Rogaland
Rudolfsson	Cecilia E.	Baneservice AS	*Sweden
Rugland	Brit K. S.	Kommunalbanken AS Norfund Talent Norge AS	Rogaland
Rummelhoff	Irene	Norsk Hydro ASA	Rogaland
Rustad	Benedicte	UNINETT AS	Oslo
Ruud	Arne G.	Veterinærmedisinsk Oppdragscenter AS	Oppland
Røkke	Kjell I.	Aker Kværner Holding AS	Akershus
Røyndal	Ingrid	Talent Norge AS	Oslo
Salbuvik	Widar	Bjørnøen AS Entra ASA Kings Bay AS	Østfold
Salthella	Monica S.	Den Norske Opera & Ballett AS	Hordaland
Sandberg	Line M.	Helse Nord RHF	Troms
Sandsmark	Maria	Statnett SF	Møre og Romsdal
Sandvik	Tore O.	Trøndelag Teater AS	Sør-Trøndelag
Sannes	Gry Isabel	Rogaland Teater AS	Rogaland

Surname	First name	Company	County of residence ¹
Sbertoli	Per Kristian	Norfund	Oslo
Schulz	Thomas	Norsk Hydro ASA	*Denmark
Schur	Fritz H.	SAS AB	*Denmark
Schøyen	Per A.	Petoro AS	Rogaland
Seip	Ellen	AS Vinmonopolet	Oslo
Sellæg	Gunnar	Ambita AS	Oslo
Selmer-Olsen	Eirik	Nofima AS	Oslo
Semlitsch	Jaen I.	DNB ASA	Akershus
Seres	Silvija	Norsk rikskringkasting AS Simula Research Laboratory AS	Akershus
Silseth	Linda B.	Avinor AS Norsk Tipping AS	Akershus
Sivertsen	Bodil	Rogaland Teater AS	Rogaland
Sivertsen	Svein	Investinor AS	Sør-Trøndelag
Sjøseth	Arnfinn	Kimen Sävarelaboratoriet AS	Akershus
Skancke	Martin	Kommunalbanken AS Norfund	Oslo
Skatteboe	Rolf	Andøya Space Center AS	Akershus
Skjærpe	Tor Rasmus	Gassco AS	Rogaland
Skjærstad	Mari	Mesta AS	Hedmark
Skjævestad	Bjørn	Veterinærmedisinsk Oppdragscenter AS	Akershus
Skoland	Eli	Staur gård AS	Hedmark
Skrøvset	Eli	Avinor AS	Akershus
Sletteberg	Arthur	Entra ASA	Akershus
Smith-Tønnessen	Seunn	UNINETT AS	Vest-Agder
Solberg	Birger	Store Norske Spitsbergen Kulkompani AS	Sør-Trøndelag
Solberg	Hill-Marta	AS Vinmonopolet	Nordland
Sormunen	Sirpa-Helena	Nammo AS	*Finland
Sperre	Inger M.	GIEK Kredittforsikring AS	Møre og Romsdal
Staaf	Katarina	Entra ASA	*Sweden
Stabbetorp	Bjørn	Graminor AS	Akershus
Stave	Grethe	Andøya Space Center AS	Troms
Steensnæs	Einar	Gassnova SF	Rogaland
Steinsmo	Unni M.	Bjørnøen AS Kings Bay AS	Sør-Trøndelag
Steinsvåg	Tone B.	Helse Vest RHF	Hordaland
Steen jr.	Petter	Kommunalbanken AS	Rogaland
Stene	Øyvind	Space Norway AS	Akershus
Stenseth	Turid	Trøndelag Teater AS	Sør-Trøndelag
Stensland	Eva	NSD – Norsk senter for forskningsdata AS	Troms
Stenstadvold	Halvor	Statkraft SF	Oslo
Stette	Liv	Helse Midt-Norge RHF	Møre og Romsdal
Storelvmo	Edel	Nofima AS	Norland
Strand	Ola H.	Avinor AS Helse Midt-Norge RHF	Sør-Trøndelag
Strand	Solveig	Norges sjømatråd AS	Møre og Romsdal
Strøm	Inger L.	Helse Nord RHF	Nordland
Strøm-Erichsen	Anne-Grete	Kongsberg Gruppen ASA	Bergen
Strømsvåg	Einar	Statnett SF	Rogaland
Stubholt	Liv M. B.	Norsk Hydro ASA	Akershus
Sund	Tina S.	Argentum Fondsinvesteringer AS Electronic Chart Centre AS	Sør-Trøndelag

Surname	First name	Company	County of residence ¹
Sundland	Siren N.	AS Den Nationale Scene	Hordaland
Sundsford	Arnfinn	Helse Nord RHF	Troms
Suvanto-Harsaae	Sanna	SAS AB	*Finland
Svanevik	Ørjan	Mesta AS	Akershus
Svegården	Thor	Baneservice AS	Oppland
Svendsen	Berit	DNB ASA SAS AB	Oslo
Sætershagen	Randi B.	Posten Norge AS	Hedmark
Søndenå	Mona E. S.	Norsk Helsenett SF	Finnmark
Søraa	Sverre	Norges sjømatråd AS	Sogn og Fjordane
Sørby	Morten K.	Posten Norge AS	*Sweden
Søreide	Ingolf	Simula Research Laboratory AS	Akershus
Takvam	Martha	Kommunalbanken AS	Akershus
Tanum	Anne C.	DNB ASA Den Norske Opera & Ballett AS	Østfold
Teigland	Wenche	NSB AS	Hordaland
Teksum	Leif	Yara International ASA	Hordaland
Telle	Marianne	Helse Nord RHF	Troms
Thuestad	John G.	Yara International ASA	Akershus
Ulstein	Gunvor	Norsk rikskringkasting AS	Møre og Romsdal
Valle	Paul S.	Helse Midt-Norge RHF	Møre og Romsdal
Vareberg	Terje	Helse Vest RHF	Rogaland
Vaswani	Ashok	Telenor ASA	*Great Britain
Velgaard	Truls	Helse Sør-Øst RHF	Østfold
Veer	Jerøen van der	Statoil ASA	*Netherlands
Vikse	Lisbeth	Rogaland Teater AS	Rogaland
Værdal	Kirsten I.	Statnett SF	Nord-Trøndelag
Vågeng	Sigrun E.	Helse Sør-Øst RHF	Oslo
Walderhaug	Morten	Rogaland Teater AS	Oslo
Wallenberg	Jacob	SAS AB	*Sweden
Wang	Heidi	Innovasjon Norge	Nord-Trøndelag
Wasteson	Yngvild	Simula Research Laboratory AS	Akershus
Wedin	Per-Olof	Mesta AS	*Sweden
Welde	Brit T.	Helse Midt-Norge RHF	Nord-Trøndelag
Westby	Dag	Norsk Tipping AS	Hedmark
Westby	Einar	GIEK Kredittforsikring AS	Oslo
Widvey	Thorhild	Statkraft SF	Oslo
Wiinholt	Marianne	Norsk Hydro ASA	*Denmark
Wille	Tone	Flytoget AS	Oslo
Winje	Tone	Nationaltheatret AS	Troms
Wold	Terje	Posten Norge AS	Troms
Wærsted	Gunn	Petoro AS Telenor ASA	Oslo
Young	Trygve	GIEK Kredittforsikring AS	Akershus
Øiulfstad	Bjørn O. R.	Talent Norge AS	Oslo
Østbø	Bjørn	Siva – Companyet for Industrivekst SF	Hordaland
Østensjø	Inger	Rogaland Teater AS	Rogaland
Øverås	Lise	Universitetsenteret på Svalbard AS	Hordaland
Øygård	Ann	Nofima AS	Møre og Romsdal
Øynes	Anders R.	Ambita AS	Vest-Agder

Contact details

The state's direct ownership is administrated by several ministries. Contact details for these ministries are given below.

Ministry of Finance

Telephone: +47 22 24 90 90

Department of Asset Management
(Folketrygdfondet)

Ministry of Defence

Telephone: +47 23 09 80 00

Department of Finance and Management
(Aerospace Industrial Maintenance Norway AS)

Ministry of Health and Care Services

Telephone: +47 22 24 90 90

Ownership Department
(Helse Midt-Norge RHF, Helse Nord RHF, Helse Sør-Øst RHF, Helse Vest RHF and Norsk Helsenet SF)

Department of Public Health
(AS Vinmonopolet)

Department of Municipal Health Care Services
(Nordisk Institutt for Odontologiske Materialer AS)

Ministry of Climate and the Environment

Telephone: +47 22 24 90 90

Marine and Pollution Department
(Bjørnøen AS, Kings Bay AS)

Ministry of Local Government and Modernisation

Telephone: +47 22 24 90 90

Department of Local Government
(Kommunalbanken AS)

Ministry of Culture

Telephone: +47 22 24 90 90

Department of Media Policy and Copyright
(Filmparken AS, Norsk rikskringkasting AS, Norsk Tipping AS)

Department of Art and Museums
(Carte Blanche AS, AS Den Nationale Scene, Den Norske Opera & Ballett AS, Nationaltheatret AS, Rogaland Teater AS, Rosenkrantzgate 10 AS, Talent Norge AS, Trøndelag Teater AS)

Ministry of Education and Research

Telephone: +47 22 24 90 90

Department of Higher Education:
(NSD – Norsk senter for forskningsdata AS, Simula Research Laboratory AS, UNINETT AS, Universitetsenteret på Svalbard AS)

Ministry of Agriculture and Food

Telephone: +47 22 24 90 90

Department of Administrative Affairs
(Staur gård AS)

Department of Food Policy
(Kimen Såvarelaboratoriet AS)

Department of Forest and Natural Resource Policy
(Graminor AS, Statskog SF)

Ministry of Trade, Industry and Fisheries

Telephone: +47 22 24 90 90

Ownership Department
(Aker Kværner Holding AS, Ambita AS, Argentum Fondsinvesteringer AS, Baneservice AS, DNB ASA, Eksportfinans ASA, Electronic Chart Centre AS, Entra ASA, Flytoget AS, GIEK Kredittforsikring AS, Investinor AS, Kongsberg Gruppen ASA, Mesta AS, Nammo AS, Norsk Hydro ASA, Posten Norge AS, SAS AB, Statkraft SF, Store Norske Spitsbergen Kulkompani AS, Telenor ASA, Veterinærmedisinsk Oppdragscenter AS, Yara International ASA)

Research and Innovation Department
(Andøya Space Center AS, Innovasjon Norge, Nofima AS, Siva – Selskapet for Industrivekst SF, Space Norway AS)

Trade Policy Department
(Eksportkreditt Norge AS)

Economic Policy Department
(Norges sjømatråd AS)

Ministry of Petroleum and Energy

Telephone: +47 22 24 90 90

Climate, Industry and Technology Department
(Gassnova SF)

Energy and Water Resources Department
(Enova SF, Statnett SF)

Oil and Gas Department
(Gassco AS)

Department for Economic and Administrative Affairs
(Petoro AS, Statoil ASA)

Ministry of Transport and Communications

Telephone: +47 22 24 90 90

Department of Public and Rail Transport
(Bane NOR SF, NSB AS, Reiseplan og billett AS (Entur AS), Togmateriell AS (Norske tog AS), Togvedlikehold AS (Mantena AS))

Department of Civil Aviation, Postal Services and Telecommunications
(Avinor AS)

Department of Public Roads and Traffic Safety
(Nye Veier AS)

Ministry of Foreign Affairs

Telephone: +47 23 95 00 00

Department for Economic Relations and Development
(Norfund)

Comments and definitions

Comments

- The data used in this report were provided by the companies, including in their annual reports and accounts for 2016.
- The information is up-to-date at 31 December 2016, with the exception of information relating to board composition, which is up-to-date at 31 March 2017.
- SAS AB compiles its accounts according to Swedish accounting standards.
- The key figures have been calculated using a common method for all the companies (see the definitions provided below). They may therefore differ slightly from the figures stated by the companies in their annual reports.
- At the time of printing, several of the companies had not held their annual general meeting/company meeting. The figures for these companies have been approved by the auditors, but the dividends paid may be altered at the company's annual general meeting/company meeting.
- Data concerning previous years may be corrected in annual reports, etc. This State Ownership Report uses the most recent information available. This means that historical data may differ from what was stated in previous ownership reports.
- The method for calculating the number of employees at different companies varies between employees at year-end, number of man-years, and the average for the year.
- For the regional health authorities, profit or loss for the year after tax and minority interests (see page 22) is the profit or loss defined as any deviation from the performance requirements set by the Ministry of Health and Care Services.
- The Ministry of Trade, Industry and Fisheries cannot be held responsible for any errors in the figures or calculations. For more information about the companies, the Ministry of Trade, Industry and Fisheries refers to the companies' annual reports.

Definitions

Definitions of terms in the State Ownership Report may differ from those used by the companies.

- **Capital employed:** Sum of equity and interest-bearing debt.
- **Cash flow:** Operating activities under cash flow in the company report.
- **Cost ratio:** Operating costs divided by the sum of net interest and credit-commission income and other operating revenues.
- **Direct return:** Dividend paid per share in 2016 as a percentage of the share price at year-end 2016 (source: FactSet).
- **Dividend percentage:** Funds set aside for dividends as a proportion of the group's annual profit. Average dividend percentage is calculated as the total dividend divided by the total consolidated profit after taxes and minority interests for the last five years.
- **Equity ratio:** Equity as a percentage of total assets.
- **Gross operating margin (EBITDA margin):** Gross operating profit (EBITDA) divided by operating revenues.
- **Gross operating profit (EBITDA):** Operating profit (EBIT) before depreciation and amortisation.
- **Operating margin (EBIT margin):** Operating profit (EBIT) divided by operating revenues.
- **Operating profit (EBIT):** Operating revenues less operating expenses, depreciation and amortisation.
- **Remuneration of board members:** Remuneration of the chair, deputy chair and board members as approved at the annual general meeting/company meeting in 2016, unless stated otherwise. Total remuneration of board members comprises the ordinary remuneration that has been paid and remuneration for work on board committees.
- **Return:** Share price performance including reinvested dividends (source: FactSet). The geometric average is used to calculate the average annual return over the last five years.
- **Return on capital employed:** The sum of operating profit (EBIT), financial income and share of profit from associates, divided by average capital employed over the last two years.
- **Return on equity:** Profit for the year after minority interests and taxes divided by the majority's share of average book equity. The arithmetic mean is used to calculate the average return on equity over the last five years.
- **Value of the state's shareholding:** For listed companies, the values are based on market prices at year-end 2016 and the number of shares owned by the state as of the same date (source: FactSet). For unlisted companies in which the state's ownership has a commercial objective, book equity less minority interests at year-end 2016 is used. No value is estimated for companies in which the state's ownership has a sector policy objective.
- **Weighted return:** Value-adjusted return including reinvested dividends for the eight listed companies (source: FactSet).
- **Weighted return on equity:** Equity weighted in relation to the state's share of book equity less minority interests as year-end 2016.

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