Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2015 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	996 755 215
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	RENONORDEN ASA
Forretningsadresse:	Lindebergveien 3 2016 FROGNER

Regnskapsår

Årsregnskapets periode:	01.01.2015 - 31.12.2015

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Øystein Disch Olsrød
Dato for fastsettelse av årsregnskapet:	25.05.2016

Grunnlag for avgivelse

År 2015: Årsregnskapet er elektronisk innlevert

År 2014: Tall er hentet fra elektronisk innlevert årsregnskap fra 2015

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 24.10.2019

Resultatregnskap

Beløp i: NOK	Note	2015	2014
RESULTATREGNSKAP			
Inntekter			
Sum inntekter		**0**	**0**
Kostnader			
Employee Benefit expense	2	18 630 000	0
Other Operating expenses	3	6 822 000	29 259 000
Sum kostnader		**25 452 000**	**29 259 000**
Driftsresultat		**-25 452 000**	**-29 259 000**
Finansinntekter og finanskostnader			
Dividends and group relief from subsidiaries	4	105 494 000	108 353 000
Renteinntekt fra foretak i samme konsern	4	4 000	776 000
Annen renteinntekt	4	928 000	30 000
Sum finansinntekter		**106 426 000**	**109 159 000**
Interest rate caps derivatives	4, 5	944 000	
Rentekostnad til foretak i samme konsern	4	-574 000	
Annen rentekostnad	4	19 229 000	21 763 000
Net foreign exchange gain/(loss)	4	7 642 000	-662 000
Amortization of origination fee	4	1 094 000	
Other financial income/(expense)	4	1 923 000	
Sum finanskostnader		**30 258 000**	**21 101 000**
Netto finans		**76 168 000**	**88 058 000**
Ordinært resultat før skattekostnad		**50 716 000**	**58 799 000**
Tax income/(expense)	6	13 684 000	2 376 000
Ordinært resultat etter skattekostnad		**37 032 000**	**56 423 000**
Årsresultat		**37 032 000**	**56 423 000**
Overføringer og disponeringer			
Utbytte	8	50 136 000	50 000 000
(To) / from equity	8	-13 104 000	6 423 000

Resultatregnskap

Beløp i: NOK	Note	2015	2014
Sum overføringer og disponeringer		**37 032 000**	**56 423 000**

Balanse

Beløp i: NOK	Note	2015	2014
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6		3 178 000
Sum immaterielle eiendeler			**3 178 000**
Finansielle anleggsmidler			
Investering i datterselskap	9	1 279 215 000	509 497 000
Sum finansielle anleggsmidler		**1 279 215 000**	**509 497 000**
Sum anleggsmidler		**1 279 215 000**	**512 675 000**
Omløpsmidler			
Varer			
Fordringer			
Other current receivables		167 000	1 827 000
Konsernfordringer	10	110 672 000	114 217 000
Sum fordringer		**110 839 000**	**116 044 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	7	187 445 000	6 141 000
Sum bankinnskudd, kontanter og lignende		**187 445 000**	**6 141 000**
Sum omløpsmidler		**298 284 000**	**122 185 000**
SUM EIENDELER		**1 577 499 000**	**634 860 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share Capital	8	27 248 000	27 248 000
Overkurs	8	501 445 000	501 445 000
Sum innskutt egenkapital		**528 693 000**	**528 693 000**

Balanse

Beløp i: NOK	Note	2015	2014
Opptjent egenkapital			
Retained earnings	8	130 104 000	28 195 000
Sum opptjent egenkapital		**130 104 000**	**28 195 000**
Sum egenkapital		**658 797 000**	**556 888 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	6	230 000	
Sum avsetninger for forpliktelser		**230 000**	
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		574 566 000	
Sum annen langsiktig gjeld		**574 566 000**	
Sum langsiktig gjeld		**574 796 000**	**0**
Kortsiktig gjeld			
Leverandørgjeld		1 359 000	3 845 000
Taxes payable	6	16 931 000	5 554 000
Accrued public duties		278 000	
Utbytte	8	50 136 000	50 000 000
Kortsiktig konserngjeld	10	272 266 000	
Other curretn liabilities		2 936 000	18 572 000
Sum kortsiktig gjeld		**343 906 000**	**77 971 000**
Sum gjeld		**918 702 000**	**77 971 000**
SUM EGENKAPITAL OG GJELD		**1 577 499 000**	**634 859 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2015	2014
RESULTATREGNSKAP			
Inntekter			
Revenue	5	1 771 583 000	1 555 161 000
Other Operating revenue	5	36 776 000	24 144 000
Sum inntekter		**1 808 359 000**	**1 579 305 000**
Kostnader			
Cost of Sales		178 806 000	158 610 000
Employee benefit expenses	6	956 278 000	804 129 000
Depreciation and amortization	11,12	132 819 000	107 030 000
Other operating expenses	7	382 028 000	376 431 000
Sum kostnader		**1 649 931 000**	**1 446 200 000**
Driftsresultat		**158 428 000**	**133 105 000**
Finansinntekter og finanskostnader			
Annen renteinntekt	8	1 857 000	8 463 000
Annen finansinntekt	8	10 000	
Sum finansinntekter		**1 867 000**	**8 463 000**
Loss on interest derivatives	8	944 000	
Annen rentekostnad	8	36 811 000	63 493 000
Annen finanskostnad	8	12 186 000	42 909 000
Sum finanskostnader		**49 941 000**	**106 402 000**
Netto finans		**-48 074 000**	**-97 939 000**
Ordinært resultat før skattekostnad		**110 354 000**	**35 166 000**
Income tax expense	9	26 933 000	-7 320 000
Ordinært resultat etter skattekostnad		**83 421 000**	**42 486 000**
Årsresultat		**83 421 000**	**42 486 000**
Currency translation differences		14 442 000	11 996 000
Totalresultat		**97 863 000**	**54 482 000**

Konsernets balanse

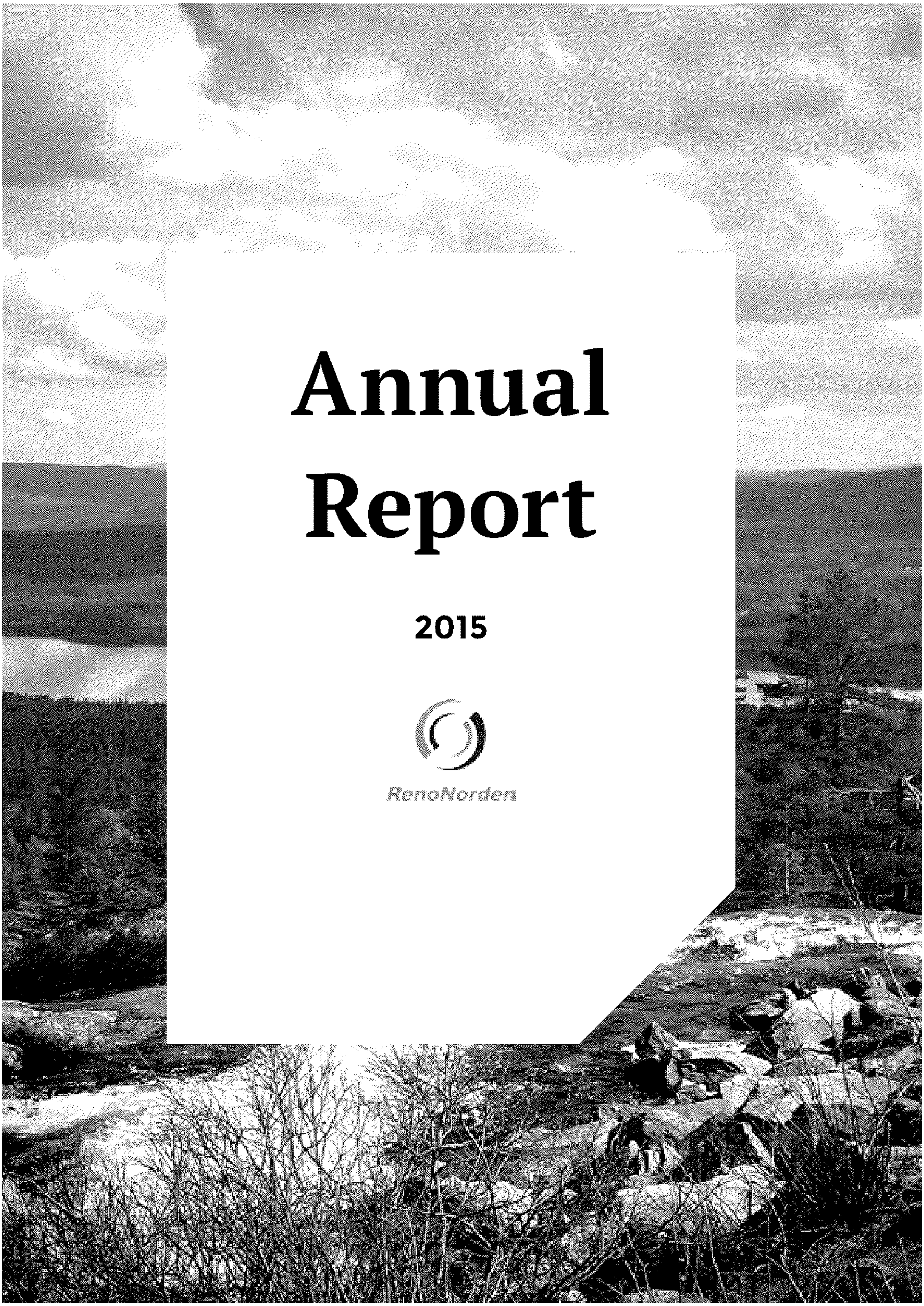
Beløp i: NOK	Note	2015	2014
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Other intangibles	11	18 295 000	12 246 000
Goodwill	11	1 017 942 000	1 014 223 000
Sum immaterielle eiendeler		**1 036 237 000**	**1 026 469 000**
Varige driftsmidler			
Equipment	12	811 139 000	729 138 000
Sum varige driftsmidler		**811 139 000**	**729 138 000**
Finansielle anleggsmidler			
Investment in shares			27 000
Sum finansielle anleggsmidler			**27 000**
Sum anleggsmidler		**1 847 376 000**	**1 755 634 000**
Omløpsmidler			
Varer			
Inventory		7 522 000	7 157 000
Sum varer		**7 522 000**	**7 157 000**
Fordringer			
Accounts receivable	14	264 772 000	213 560 000
Other receivables		29 283 000	44 015 000
Sum fordringer		**294 055 000**	**257 575 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	15	195 577 000	219 642 000
Sum bankinnskudd, kontanter og lignende		**195 577 000**	**219 642 000**
Sum omløpsmidler		**497 154 000**	**484 374 000**
SUM EIENDELER		**2 344 530 000**	**2 240 008 000**

Konsernets balanse

Beløp i: NOK	Note	2015	2014
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		27 248 000	27 248 000
Overkurs		501 445 000	501 445 000
Sum innskutt egenkapital		**528 693 000**	**528 693 000**
Opptjent egenkapital			
Retained earnings		182 305 000	134 441 000
Sum opptjent egenkapital		**182 305 000**	**134 441 000**
Sum egenkapital		**710 998 000**	**663 134 000**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9	40 002 000	33 117 000
Non-current finance lease obligation	16	416 870 000	337 170 000
Sum avsetninger for forpliktelser		**456 872 000**	**370 287 000**
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	17	781 391 000	760 300 000
Sum annen langsiktig gjeld		**781 391 000**	**760 300 000**
Sum langsiktig gjeld		**1 238 263 000**	**1 130 587 000**
Kortsiktig gjeld			
Current liabilities to financial institutions	17		89 106 000
Leverandørgjeld		80 843 000	95 221 000
Taxes payable	9	19 390 000	8 320 000
Accrued public duties		68 071 000	38 536 000
Current finance lease obligation	16	87 490 000	58 166 000
Other current liabilities	18	139 475 000	156 938 000
Sum kortsiktig gjeld		**395 269 000**	**446 287 000**
Sum gjeld		**1 633 532 000**	**1 576 874 000**
SUM EGENKAPITAL OG GJELD		**2 344 530 000**	**2 240 008 000**

Konsernets balanse

Beløp i: NOK	Note	2015	2014
POSTER UTENOM BALANSEN			
Garantistillelser	22	160 726 000	129 597 000



Annual Report

2015

RenoNorden

Cover photo by Aleksandrs Zigunovs,
RenoNorden Norway

Financial calendar

Q1 2016	May 11, 2016
Annual General Meeting	May 25, 2016
Q2 2016	August 16, 2016
Q3 2016	November 9, 2016
Q4 2016	February 16, 2017

Table of contents

The year in brief

RenoNorden is the Nordic region's leading household waste collection and transportation company, providing services to over five million people across Norway, Sweden, Denmark and Finland.

Operating revenues for 2015 were NOK 1.8 billion, an increase of 14.5 percent compared to 2014, of which 12.2 percent was organic.

EBITDA was NOK 291.2 million, up from 270.6 excluding special items in 2014.

EBIT was NOK 158.4 million compared to 163.6 million excluding special items in 2014.

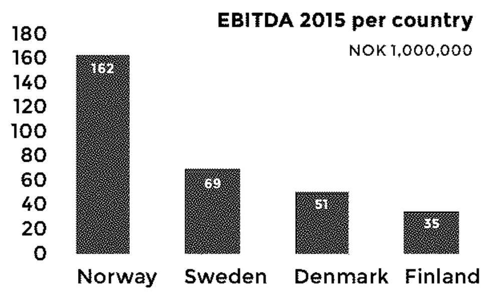
Net cash generated from operating activities was NOK 201.8 million in 2015 compared to 172.1 million in 2014.

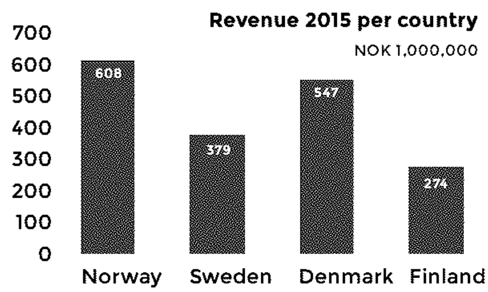
Earnings per share were NOK 3.06

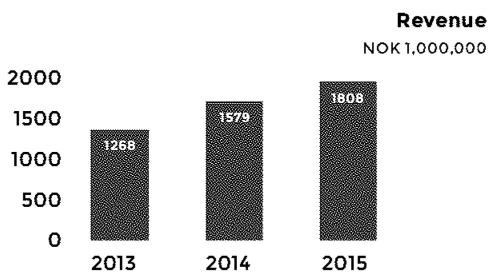
The Board of Directors proposes to pay NOK 50.1 million in dividends for the 2015 fiscal year, equal to a dividend per share of NOK 1.84.

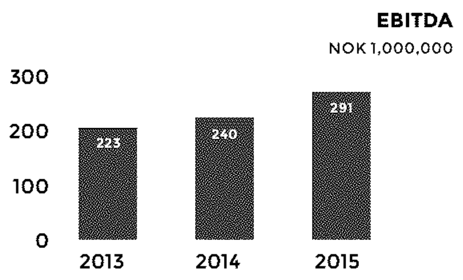
GROUP HIGHLIGHTS

NOK 1,000,000	2015	2014 Reported	2014 Ex. special items
Operating revenues	1,808.4	1,579.3	1,579.3
EBITDA	291.2	240.1	270.6
EBITDA margin	16.1%	15.2%	17.1%
EBIT	158.4	133.1	163.6
EBIT margin	8.8%	8.4%	10.4%
Net income	83.4	42.5	97.6
Earnings per share (NOK)	3.06	6.02	13.83
Dividend per share (NOK)	1.84	1.84	1.84
Average no. of shares outstanding (million)	27.2	7.1	7.1









Statement by the CEO

As Mr. Harald Rafdal took over the role of CEO from Mr. Staffan Ebenfelt effective April 1 2016, this is a joint statement by the two.

We are pleased to report that RenoNorden was strengthened in a number of areas during 2015, further consolidating its position as the leading domestic waste collection company in the Nordic region. Our market shares improved and we achieved efficiency improvements across all of our operations during the year. We are proud of the vital service our employees reliably perform for five million people on a daily basis across the region. We are confident that our combination of scale and specialist focus will increasingly differentiate us in the coming years as the business of waste management grows more complex.

STABLE AND GROWING MARKET

The waste market in the Nordic region continued to grow during the year. Volumes in our industry are primarily driven by population growth, as well as economic growth, which tends to lead to more waste per capita and additional home ownership. In addition, increased waste collection complexity drives both volume and unit price.

Over the coming years, we expect a stable growth of approximately 3 percent per annum in household waste volume in the Nordic region, while the market growth in value is expected to be slightly above 3 percent annually.

POLICY CHANGE

The political and legal processes of the EU may seem far removed from the daily services we provide to our municipality customers in the Nordic countries, but the two are closely linked. Waste management is an industry governed by EU and local legislation. While this is an established and stable regulatory framework and changes are slow and well telegraphed, evolution in EU targets, and similar national targets, will clearly impact our industry in the future. For example, in December 2015, the EU commission adopted the new Circular Economy Package, a legislative proposal that sets clear targets for waste handling and recycling.

Key elements of the EU proposal are:

- Recycle 65% of municipal waste by 2030
- Recycle 75% of packaging waste by 2030
- Reduce landfill to maximum of 10% of all waste by 2030

The latest EU proposal reinforces the recognized long-term trend towards more environmentally friendly solutions, underpinned by greater levels of sorting and recycling and less use of landfills. This trend also impacts the types of vehicles that are required in order to provide our services, for instance going from single to multiple chambers or from diesel to electric or natural gas. Similarly, health and safety regulation governing our work force is ever increasing.

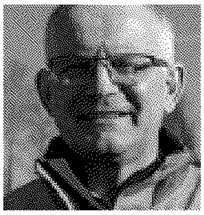
This, inevitably, makes the job of managing and coordinating the complicated logistics operation of waste collection and management significantly more complex. Service providers need to be adept at dealing with an ever-increasing compliance burden, growing sophistication in supply chain and higher levels of investment to meet greater environmentald hurdles.

RENONORDEN IS WELL PLACED

RenoNorden has many years of successful experience in the sector. The Nordic region has been an early adopter of EU regulation and therefore these EU principles are already a feature of the local legislation in our core markets and shape some of our operations today. While these trends will now accelerate in the future in order to meet these recently introduced EU targets, RenoNorden's knowledge and experience places it well to continue to grow and develop. We have proven expertise in managing complex multi-fraction contracts and being a leader in innovation in technology and processes, we are comfortable dealing with increasing complexity while continually improving the quality of our service offering and efficiency of operations.

Developments in 2015 validate this view. We have successfully completed another year of solid growth. Revenue increased 14.5 percent, or 10.2 percent at constant currency rates. This means we continue to gain market share.

As the company matures, it is more challenging to sustain the growth rates it achieved during ramp up. However, we remain confident that there is potential for further organic growth in line with the market. In addi-




Harald Rafdal (v) og Staffan Ebenfelt (h)

tion, parts of the market are still fragmented, and we continue to evaluate strategic acquisition opportunities.

OPERATIONAL IMPROVEMENT

In order to translate top-line growth into profits and ultimately shareholder returns, we have an ongoing focus on operational improvement programs that, we are pleased to say, are continuing to yield results.

Our scale gives us the opportunity to invest in technology and systems and competencies considerably beyond what smaller operators can do. At the same time, we are a focused company and are the experts in our niche of domestic waste collection. This specialism gives us the ability to hone our operational capabilities to be better than our competition in this element of the supply chain. This combination of size and focus enables us to provide better and more consistent service levels at an economical price, benefiting the communities we serve.

We also have a base of competency and staff that is unrivaled by our competitors. While our focus is to remain a lean and efficient organization, 2015 has been a year of investment in human capital as we have sought to improve talent in regional management to drive commercial thinking and innovation. We have also increased investment in staff training to improve safety but also enhance service levels for our customers. All contracts are different, and our deep experience over many years across the region, means we can leverage off expertise when inevitable operational problems arise. We saw the importance of this when we experienced operational challenges in Denmark during 2015. We have been able to draw on our resources from other markets in order to help alleviate the situation in Denmark.

Overall, we were able to maintain strong operating margins and improve operational cash flow in 2015.

COMPETITIVE LANDSCAPE

Our services are provided in a market based on open, competitive tenders governed by EU tendering legislation. Price is an important element in these tenders. We have seen new entrants drive aggressive pricing in some of our markets during 2015, for instance leading to our contracts in Oslo not being renewed. We do sometimes see these pricing trends, although in our experience, they are not sustainable long-term. Our pan-Nordic reach is a real benefit in these situations, as it provides diversity to our business and gives us flexibility to deploy our capital in higher returning opportunities across the region.

We have a long-term view as market leader. Our tenders will always be made with two key principles in mind. We will not endanger our profitability in order to accelerate growth. Neither will we sacrifice the trust that RenoNorden has built as a provider of high-quality, reliable and sustainable services and a good employer to our people.

So far, our strategy has served us well, as we continue to win market share and secure important new contracts, for instance in Copenhagen. Order backlog at the end of 2015 was a record NOK 7.3 billion, compared to NOK 5.6 billion a year earlier.

Customers, as well as other stakeholders, are holding our industry to ever higher standards in areas such as quality and regularity of services, environmental impact, safety and employee relations. It remains to be seen if these expectations can be fulfilled by the companies that have offered the lowest prices in 2015.

OUR PEOPLE

Last, but not least: We firmly believe that quality is primarily about people. The improvements in 2015 would not have been achieved without the passionate and dedicated contributions by all our team members. We believe we are well positioned for continued profitable growth, and we will continue to strengthen operations during 2016.

As you read this annual report, please pay attention to the photos. Most of them are taken by our employees. We hope the pictures convey the passion we all feel for our work and for RenoNorden – the most professional company in the waste collection industry.

Harald Rafdal Staffan Ebenfelt

From rubbish to resource

Photo by Dan DeLuca, Flickr

In the "good old days" a farmer's wife might throw the kitchen refuse behind the outhouse, a fisherman might take a pail of trash out to sea in the morning and unceremoniously dump it on his way to the fishing grounds.

In fact, this is a fairly accurate description of waste disposal in large parts of the world. A quarter of the global population does not have access to basic waste management, and this problem will intensify as the world's population is projected to increase from 7 billion to 9 billion in 2040.

Obviously, waste is handled very differently in poorer and richer parts of the world. In the Nordic countries, RenoNorden's core market, waste handling has evolved into a highly organized and sophisticated supply chain and logistics operation.

Two trends have changed the waste market over the recent decades. One is that efficiency and cost pressures have lead many municipalities to outsource the increasingly complex and demanding waste management services to specialist companies such as RenoNorden. The other trend is stricter environmental standards regarding reduction in both local pollution and carbon emissions. This emerging trend is becoming more entrenched and will impact the coming years.

We believe that both trends benefit a large, yet focused, firm such as RenoNorden. Complexity drives the need for scale to improve efficiency, to invest in IT systems to support operational productivity and to build a broad base of competence and knowledge that can be shared across markets.

SEVERAL STAGES

The waste management process comprises the following stages:

- Collection
- Transportation
- Sorting
- Recycling
- Treatment

In the Nordic markets, household and commercial waste are legislated for separately. Household waste is the responsibility of the municipality, which either handles it internally or outsources the service to specialist providers. Where it is outsourced, EU legislation requires that this is tendered for under structured and transparent tender processes. Handling of commercial waste, on the other hand, is the responsibility of the individual company.

RenoNorden has historically specialized in collection and transportation of household waste, but has in recent years expanded into collection and transportation of commercial waste in Finland.

INCREASING LEVELS OF COMPLEXITY AFFECTING OUR BUSINESS

While RenoNorden is not directly involved in sorting, recycling or treatment, the increasing complexity of these processes directly impacts our business.

Complexity is primarily growing due to tighter environmental standards. While the best way to reduce the environmental impact of waste is to produce less of it, the reality is that economic growth drives increased consumption and consequently waste volumes generated. Therefore, sustainable waste handling has become increasingly important as living standards have improved. There is an increasing requirement to measure the volumes of waste collected for each household so that charges can be tailored accordingly to encourage prudence.

This fact alone adds enormous complication into the collection service. The can is not just picked up and emptied, it also needs to be separately identified and waste volumes weighed and recorded for each lift to ensure billing information is accurate. This requires sophisticated vehicles and IT systems, on the truck and centrally, and well trained staff to manage this successfully.

Traditionally, household waste collection was a relatively unsophisticated service. Most of the waste was mixed in a single trash can without any prior attempt at sorting. Collection involved one visit where a mixed can was lifted and the contents accumulated and deposited in large landfills or burned in incinerators.

However, the process has changed and is still rapidly changing. In Europe, government directives are driving a radical change of waste management. All the individual Nordic countries have set goals for recycling at least 50 percent of household waste in a few years. The EU recently adopted a goal of 65 percent by 2030.

SORTING IS ESSENTIAL

Environmentally sensible waste management solutions are premised on sorting of waste into separate fractions. Different kinds of waste require individual handling methods and therefore need to be separated. Today, waste is typically divided into organic waste, paper and cardboard, glass, metal, plastic and residual waste. The ultimate aim is that as much as possible of the waste is either recycled or used to generate energy, with only very limited types of waste, such as construction waste, being permitted to be dumped in landfills.

Municipalities have adopted various sorting strategies. Simply put, sorting can be done in the home or at centralized sorting facilities. Nordic households are given considerable responsibility for pre-sorting household waste. This may be done by putting materials in different waste containers, which will then normally be collected by different vehicles, thus tending to increase the number of collections. Efficient handling of this kind of collection requires a high-tech vehicle fleet and a highly developed logistics operation as well as experienced and trained drivers to optimally manage different fractions and highly complex routes.

Another option is for households to sort the waste in differently colored plastic bags that are then put in the same container. All the waste is picked up by one vehicle and brought to a disposal plant where an automated system sorts the bags based on color. However, since the vehicles in this case can't use compactors, volume increases considerably, impacting route efficiency.

When sorting has been performed, municipalities have utilized a mix of recycling, energy generation and deposits in landfills. However, the trend is clearly away from landfills. EU's target is for no more than 10 per cent of household waste to be deposited by 2030.

Another environmental aspect is related to the collection itself. Some municipalities are introducing new vehicle standards for fuel efficiency or emission levels, for example. This introduces the need for increased investments in vehicles and IT systems to monitor performance of these key environmental indicators.

Going forward, RenoNorden is prepared to work with municipalities based on various systems and strategies to meet the environmental and other goals that undoubtedly will be integral to waste management in the future. Our scale lets us attract the best employees and invest in advanced systems. Systems and competencies are shared across markets. Our scale also gives us an advantage in the procurement process. In short: We are the leaders in this increasingly complex market.

Photo by Ib Larsen, RenoNorden Denmark

Board of Directors Report

COMPANY DESCRIPTION

RenoNorden is the leading household waste collection and transportation company in the Nordic region. Established in 2000, the company has delivered solid and consistent growth, both organically and through acquisitions.

Today, RenoNorden's 1,568 employees serve over five million people across Norway, Sweden, Denmark and Finland.

RenoNorden provides a clearly defined service that is of vital importance to local communities. By doing this on a large scale, we are able to provide an unparalleled service level to our customers, while at the same time maintaining acceptable profit margins.

RenoNorden is listed on the Oslo Stock Exchange with the ticker RENO.

SUMMARY OF 2015

RenoNorden saw continued progress during 2015. Revenues grew, as did EBITDA and operating cash flow. We also landed several important new contracts, bringing the total order backlog to a record NOK 7.3 billion, (including options for extensions), compared to NOK 5.6 billion at the end of 2014.

Key new contracts include Copenhagen and Vejle in Denmark, Bergen in Norway, and Uppsala and Stockholm in Sweden.

An area of particular importance in 2015 has been add-on sales. We perform our services in more than 230 municipalities, and expanding the scope of services we offer to these customers is very beneficial. It gives customers a better and more consistent, service, and it is more efficient, thus improving our margins. Examples are tagging or replacement of bins and collection of seasonal waste such as Christmas wrapping and trees.

Our initiatives to implement operational efficiency initiative across our operations continued in 2015. This includes better fleet management and route planning. It also has involved initiatives aimed at making our maintenance more efficient, such as setting up local workshops in connection with larger contracts, dedicating resources to service and maintenance and entering into service agreements covering multiple locations.

RenoNorden's overall CSR performance in 2015 is regarded as good. RenoNorden is committed to further reducing its environmental impact and to continuously working towards its goal of zero accidents.

INCOME STATEMENT AND CASH FLOW

Total operating revenue for 2015 increased by 14.5 percent to NOK 1,808 million. All geographies grew, with Denmark showing the strongest growth rate. Organic revenues grew 12.2 percent. The NOK weakened against relevant currencies, and adjusted for currency effects, total growth was 10.2 percent, based on last year's average currency rates.

EBITDA for 2015 was NOK 291.2 million, compared to NOK 240.1 million for 2014, resulting in a margin of 16.1 percent. There were no special items in 2015. Excluding special items, EBITDA in 2014 was NOK 270.6 million. Profitability was positively impacted by lower fuel prices and scale advantages, while expired higher-margin contracts had a negative impact.

EBIT was NOK 158.4 million, compared to NOK 133.1 million in 2014, resulting in a margin of 8.8 percent. There were no special items in 2015. Excluding special items, EBIT in 2014 was NOK 163.6 million. EBIT was affected by increased depreciation costs from increased investments in trucks related to new contracts during the year.

Net financial items were negative NOK 48.1 million, compared to negative NOK 97.9 million in 2014. The difference is partly due to a write-off in 2014 of a NOK 24.6 million capitalized origination fees related to an old bank facility, as well as better terms on new financial facilities.

RenoNorden had a profit before taxes of NOK 110.4 million in 2015, compared to NOK 35.2 million in 2014. Profit for the period was NOK 83.4 million, up from 42.5 million. This equates to basic and diluted earnings per share of NOK 3.06 for 2015.

Cash flow from operating activities was NOK 201.8 million, compared to NOK 172.1 million in 2014 , due to changes in working capital, financial payments and tax.

Cash flow from investing activities was negative NOK 20.9 million, compared to negative NOK 28.1 million in 2014. Cash flow from financing activities was negative NOK 208.5 million, compared to negative NOK 209.4 million in 2014. RenoNorden generated a negative net change in cash and cash equivalents of NOK 24.1 million in 2015. This was largely due to the termination of a short-term debt facility and payment of dividends.

Total capital expenditure was NOK 186.5 million. RenoNorden's cash flow from operating activities is substantial compared to cash used for investing activities as a result of the use of financial leasing to finance trucks.

FINANCIAL POSITION

The financial position of RenoNorden is sound and improved during 2015. Total assets increased to NOK 2,345 million at December 31, 2015, from NOK 2,240 million a year earlier.

Total consolidated equity was NOK 711.0 million at December 31, 2015, corresponding to an equity ratio of 30.3 percent. A year earlier, total consolidated equity was NOK 663.1 million and the equity ratio was 29.6 percent.

Overall, RenoNorden has access to various sources of financing to support its growth ambitions, such as long-term loans, bank facilities, leasing facilities for truck financing, guarantees and cash.

At December 31, 2015, net interest bearing debt amounted to NOK 1,095 million. Net debt/EBITDA was 3.8x.

Cash and cash equivalents amounted to NOK 195.6 million as of December 31, 2015.

RELATED PARTIES AND SHAREHOLDER TRANSACTIONS

RenoNorden has a related party relationship with subsidiaries and associates and with its directors and executive officers. All transactions with related parties are based on arm's length principles.

None of the Board members has been granted loans or guarantees during 2015. Nor were there any transactions between the company and its shareholders in 2015.

As of December 31, 2015, there are no treasury shares outstanding.

For further information on Related parties and Shareholder transactions see note 21.

SEGMENT INFORMATION

Norway

Norway generated operating revenues of NOK 608.1 million in 2015, a growth of 3.9 percent compared with the same period last year. New contracts, indexation regulation and increased sales and services under existing contracts as well as the acquisition of NTS Miljø AS in the first quarter of 2015 compensated for expiration of the VESAR and Moss contracts and contributed to moderate growth.

EBITDA in 2015 was NOK 161.8 million compared to NOK 149.6 million last year. The EBITDA margin was 26.6 percent (25.6 percent). The margin improvement was mainly achieved by operational improvements, lower fuel prices and scale advantages. With continued focus and efforts on fleet management and optimization, we see potential for further improvements in fuel consumption and maintenance costs.

Photo by Patrik Persson, RenoNorden Sweden

Sweden
Sweden generated operating revenues for 2015 of NOK 379.1 million, an increase of 12.0 percent from last year. Growth was primarily driven by a new contract in Uppsala, increased sales and services under existing contracts and currency effects. Adjusting for currency effects, revenues grew 7.6 percent.

EBITDA in 2015 was NOK 69.4 million compared to the NOK 54.3 million in 2014. The EBITDA margin for 2015 was 18.3 percent (16.0 percent). The increase is mainly due to focus on operational excellence that in addition to lowering costs and improving efficiency enables us to achieve higher margin on add-on sales.

Denmark
Denmark generated operating revenues of NOK 546.8 million in 2015, representing a growth of 29.5 percent from last year. Growth was driven by new contracts won in Holbæk and Aarhus as well as acquired contracts in Odsherred and Ringsted. (See note 19 for details.) In addition, there were increased activities and services provided under existing contracts, as well as currency effects. Adjusting for currency effects, revenues grew 20.8 percent.

EBITDA in 2015 was NOK 50.6 million, compared to NOK 54.5 million last year. The EBITDA margin was 9.3 percent (12.9 percent). The lower margin is due to operational challenges related to startup of new contracts. One particular problem has been delayed delivery of new trucks. Initiatives to solve these problems are ongoing and progress is being made. We expect gradual improvements, but above normal costs are also expected in 2016.

Finland
Finland generated operating revenues in 2015 of NOK 274.3 million, an increase of 17.4 percent from last year. This is a result of several smaller new contracts, increased sales under existing contracts, as well as currency effects. Adjusting for currency effects, revenues grew 10.4 percent.

EBITDA in 2015 was NOK 34.9 million, compared to NOK 25.9 million last year. The EBITDA margin was 12.7 percent (11.1 percent). The increase stems from new contracts. And a reduction in the use of local subcontractors. The operational changes have reduced costs and improved the company's control of the quality and service we offer our customers.

Other
As an administration cost center, this primarily contains administration costs related to the group activities. Operating costs were NOK 25.5 million in 2015, down from NOK 44.2 million in 2014. In 2014 there were IPO-related costs of NOK 26.7 million. The organization has been strengthened in 2015 in order to build talent and organizational strength that will improve our ability to innovate, to share best practices among our subsidiaries and to continuously improve our operations.

SIGNIFICANT RISKS AND UNCERTAINTIES

Risks and risk management
RenoNorden is, like any business, associated with different risks. Risks are events that could have a negative impact on our operations and can arise from mismanagement or events outside of RenoNorden's control. How risks are managed is key to the group's ability to conduct business and to its continued success. The risks to which the group is exposed are divided into three broad risk categories – strategic, operational and financial. The risks that are judged to be of significance to the future success of RenoNorden's operations, performance and financial position are discussed below. The risks described below are in no particular order of priority and without claim of being exhaustive. We also include commentary on how these risks are managed.

Strategic risks
Strategic risks are primarily linked to business development and long-term planning, as well as brand value. The most significant strategic risks relate to the group's ability to sustain solid levels of growth and safeguard margins in a mature public-tender market, where environmental standards drive increasing levels of investment. In order to remain competitive, we need to have an experienced leadership team with deep sector and change management expertise.

Other important strategic risks may be related to new laws and regulations that may negatively affect RenoNorden's operations. Also, negative macroeconomic changes present risks to the group. A flexible operating model and a proactive and effective risk management program will be critical in order to adapt to such changes.

Strategic risks are assessed as part of the Board of Directors' annual strategy work. Longer-term planning is an increasingly important part of our operating model. Management continually evaluates the medium-term prospects, including regulatory developments. Adjustments to the medium-term plan are made and implemented when deemed to be appropriate. This is followed up with the Board of Directors during the year.

Operational risks
Operational risks arise in day-to-day business activities.

Tight control of indirect costs is critical, as is efficient and consistent operation of individual routes. It is therefore important to manage employee-related risks such as staff retention, absenteeism and use of overtime and to maintain satisfactory working conditions and good employee relations. It is also important to ensure that the vehicle fleet is properly maintained and optimized and the level of vehicle breakdowns and damages minimized. Effective route planning is a core competency, leading to lower fuel and overtime costs. Failure in this area may impact profitability and our ability to provide services according to tender specifications, increasing exposure to fines from customers, options not being renewed or contract cancellation. Effective tendering is also a key capability. Incorrect assumptions or calculations may result in many years of operating losses and contract fines.

Operational risks also concern compliance with laws and regulations, financial reporting and internal control. Additionally, the group is exposed to risks from dependence on key suppliers, for instance of trucks, as well as customers, IT systems and key personnel. In case of insurable risks, RenoNorden's aim is to minimize the total cost of damages to the group through risk-limiting initiatives in operations, additional health and safety training and partly by group-wide insurance solutions provided by large international insurers. The Board of Directors reviews the adequacy of these arrangements annually.

The organizational structure is decentralized in order to effectively manage the daily operational risks. Route managers monitor the daily performance of their respective contracts, with regional and country manager support and active group oversight at least monthly. In 2015, RenoNorden has continued to invest in GPS and gyro technology that is embedded in the truck fleet to give the respective department managers real-time tools to monitor daily performance and implement changes, where necessary. To support this, incentive structures are aligned with successful achievement of KPI targets.

The operational risk management structures are in the process of being implemented, and good progress was made in 2015. This will continue in 2016. Executive management operates a pro-active risk management process that identifies and periodically monitors relevant risk factors, including compliance with laws and dependencies. Corrective actions are implemented if necessary. The internal control framework is considered to be sound. Risks are managed through systematic efforts to follow the Code of Conduct. The Code of Conduct was updated as part of the IPO and was implemented and communicated throughout the group in 2015. The improving corporate governance and control frameworks will continue to support risk management in the future. The Board of Directors evaluates the effectiveness of risk management and internal control annually.

Financial risks

The business is exposed to financial risks such as interest and exchange rates. Rising interest rates in the future will likely increase financing costs. RenoNorden manages this risk by entering into hedging arrangements when the group sees the potential for reducing risk at low cost.

Operating across the Nordic region, the group is exposed to currency risk. Currency exposure as a result of transactions in other currencies is low, given that the respective business units operate locally and has a natural hedge for the most part. The bank debt has been structured largely in proportion to the underlying earnings. Conversion of the foreign currency balance sheets and income statements into NOK results in a translation exposure, but this does not have immediate cash effect.

RenoNorden operates in a capital-intensive industry that requires investment and other long-term commitments, including leasing of vehicles. The capital intensive nature of the business implies that there will be a risk of asset write-downs. The group is exposed to financing and liquidity risks and to credit and counterparty risks. Part of the credit risk is managed through use of credit insurance arrangements. Funding and liquidity risks are the risk of higher costs and limited financing opportunities when renewing loans and other credit arrangements and the risk of the inability to meet payment obligations as a result of insufficient liquidity. Management of financial risks is based on the finance policy and the risk policies. The finance policy is evaluated and approved by the Board of Directors. For more information, see note 3 Financial Risk Management.

CORPORATE SOCIAL RESPONSIBILITY

RenoNorden's ambition is to pursue a sustainable business. We are fully committed to conducting our business according to the highest professional, ethical and legal standards. For further information on CSR see the section on Corporate Social Responsibility.

ORGANIZATION

Executive management

Staffan Ebenfelt was the President and CEO of RenoNorden during 2015. On February 26 2016, it was announced that Harald Rafdal assumed the role of President and CEO from April 1 2016. Mr. Ebenfelt will be available to the Board and Mr. Rafdal as deemed relevant in a transitional phase.

Øystein Disch Olsrød assumed the role of CFO on

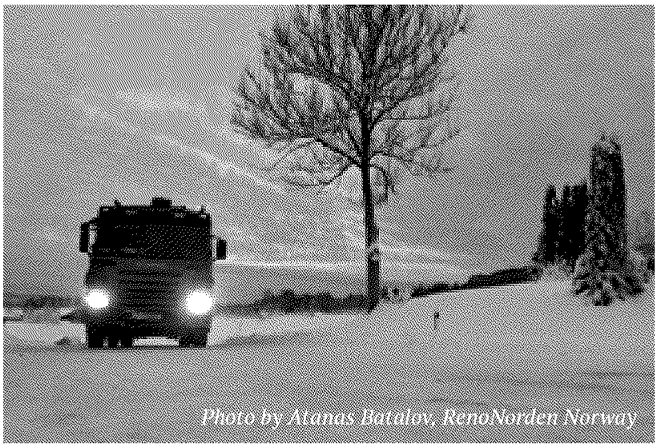


Photo by Atanas Batalov, RenoNorden Norway

Photo by Leif Jonsson, RenoNorden Norway

October 26 2015, succeeding Jon Kristian Flesvik.

See separate section for further details on executive management.

Board of Directors

RenoNorden's Board of Directors consists of Erik Thorsen (Chairman), Penelope Kate Briant, Niklas Nikita Sloutski and Charlotte Hansson. Following the Annual General Meeting on May 13 2015, Alexander Walsh stepped down from the Board.

See the section on Corporate Governance for further details on the work of the Board of Directors and the separate section on the members of the Board of Directors.

LONG-TERM INCENTIVE PROGRAM

In order to strengthen the common interests of executive management, other key employees and shareholders, RenoNorden has implement a long-term incentive program (LTIP) in the form or performance shares for executive management and other key employees.

The share award is granted annually, and the Board of Directors determines the maximum number of shares to be granted each year, as well as the number of shares to be granted to each participant. The participants in the program will at each grant date receive performance shares, calculated on the basis of the market value of the shares at the time of grant and a purchase price equal to the nominal value of the shares (NOK 1).

The Annual General Meeting on May 13 2015 approved the first grant of at total of 180,288 performance share rights.

Details of the grant are described in note 6.

The shares will vest three years after grant, subject to key performance criteria being met, and subject to the holder being an employee of the RenoNorden at the vesting date.

Employees whose employment terminates prior to the vesting date due to death, disability or termination by the company without cause, shall be entitled to a pro rata portion of the shares (subject to the key performance criteria being met).

Vested shares will be delivered in the period starting on the day following the date of the release of annual results and for 15 business days thereafter. RenoNorden may honor vested shares in the form of shares or by an equivalent amount in cash.

See Corporate Governance Section.

Research and development

RenoNorden has no research and development, patents or licenses that are material to its business or profitability.

Going concern and subsequent events

The Board of Directors considers that the RenoNorden's financial standing is satisfactory. No post-balance sheet events that are likely to significantly affect the financial position or results have been discovered. The financial statements have been presented on the assumption of going concern. The Board of Directors hereby affirms that the assumption is valid.

DIVIDENDS

Development, the current and future financial position of the group and the anticipated short and medium term growth opportunities. The Board maintains a goal of an average pay-out ratio of at least 60 percent of the group's net profit. RenoNorden intends paying annual dividends to shareholders, with an estimated average pay-out ratio of at least 60 percent of the group's net profit.

OUTLOOK

Since the number and size of tenders coming out in each market vary, our ability to deploy our resources to those markets with the greatest potential is a strong advantage. In markets with focus on price, our initiatives to lower operational costs and enhance innovative solutions in the tenders are essential to optimize our operating margins. In addition, common sourcing initiatives are further strengthening our competitive position.

In Norway, contracts recently won demonstrate our capability to win contracts with sound profitability. Competition in Norway is still strong and we expect tough competition, especially for bigger tenders in central areas going forward, exemplified by the loss of contracts in Oslo.

In Denmark, the continued operational issues related to certain contracts and delayed deliveries of vehicles from a core supplier have negatively impacted the results in 2015. While continued support is provided to the Danish organization and actions are taken to improve the results, we expect gradual improvements during the course of 2016.

In Sweden, we won 7 out of 11 contracts in Stockholm in April 2016. The contracts that were won cover close to 500,000 inhabitants, start April 1, 2017 and have a duration of five years with the possibility of up to three years extension. Estimated yearly revenue from the contracts is approximately SEK 117 million.

In Finland, the continued contract wins are driving capex and the fleet is both updated and expanded.

The newly introduced common fleet management function is increasing the focus on the intra-group usage and re-usage of available trucks, ensuring a more efficient deployment of our fleet across our markets. We are optimistic that we will see the benefits of this in the future.

The positive development of our order backlog has further consolidated our position as the only complete Nordic household collection specialist. We will continue to share best practice to optimize efficiency of operations and will continuously invest in and strengthen our organization to pursue new business development opportunities.

The Board would like to emphasize that any discussion of future developments necessarily involves an element of uncertainty.

RENONORDEN ASA (THE PARENT COMPANY)

The activities of RenoNorden ASA consist primarily of corporate and support functions for the entities in the group.

RenoNorden ASA has no ordinary revenues but receives group contributions from subsidiaries. Profit before tax for 2015 was NOK 50.7 million compared to NOK 58.8 million in 2014.

Net financial items were NOK 76.2 million in 2015, compared to NOK 88.1 million last year.

Cash generated from operating activities was NOK 316.8 million in 2015 compared to NOK –26.3 million in 2014. The substantial change is influenced by the merger of RenoNorden ASA and RenoNorden Investments AS in 2015. (See note 1 in the RenoNorden ASA financial statement.) Net cash used in financing activities was NOK -139.1 million in 2015 compared to NOK 26.6 million in 2014.

The parent company had cash and cash equivalents of NOK 187.4 million at the end of 2015.

At the end of 2015, RenoNorden ASA (parent company) had 9 employees.

PROFIT ALLOCATION

The net profit for the year for RenoNorden ASA in 2015 was NOK 37.0 million. The proposed dividend of NOK 50.1 million is covered by the net profit for the year and transfer from equity of NOK 13.1 million. See table below. Total equity in RenoNorden ASA amounted to NOK 658.8 million at December 31, 2015.

Photo by Mikael Thorngren, RenoNorden Sweden

PROPOSED DIVIDEND

The Board of Directors proposes to the Annual General Meeting a based on the number of shares outstanding at the end of 2015. The dividend corresponds to 60 percent of the group's net income for the period. The last day of trading in RenoNorden's shares including the right to the dividend for 2015, is May 25, 2016.

When considering the dividend proposal for 2015, the Board of Directors of Directors has taken into account the liquidity and the equity ratio position for the group and the parent company.

The Board of Directors would like to thank all employees for their efforts and contribution during 2015.

NOK 1,000	2015	2014
Profit/loss for the period	37,032	56,423
Proposed dividend per share (NOK)	1.84	1.84
Share dividend	(50,136)	(50,000)
Transfers (to)/from equity	13,104	(6,423)
Total transfers and allocations	(37,032)	(56,423)

The Board of Directors of RenoNorden ASA April 20, 2016

Erik Thorsen
Chairman

Charlotte G. Hansson
Board member

Harald Rafdal
CEO

Penelope Kate Briant
Board member

Niklas Nikita Sloutski
Board member

Photo by Mathias Madsen, RenoNorden Denmark

Corporate Social Responsibility

Long-term competitiveness goes hand in hand with sustainability. RenoNorden is fully committed to conducting its business in accordance with the highest professional, ethical and legal standards.

RenoNorden will pursue a sustainable business in line with the expectations of our stakeholders in the fields of business ethics, anti-corruption, human rights, labor rights, equality and diversity as well as responsible use of resources. Through this approach, RenoNorden aims to contribute to a sustainable development, economically, environmentally and socially, in line with the OECD Guidelines.

RenoNorden's ambition is to be an industry leader on corporate social responsibility within waste collection. Our vision is zero harm to people, the environment and society.

QUALITY, HEALTH AND SAFETY

Our services shall always be subject to strict requirements in terms of quality, safety and impact on personal health.

To achieve this, RenoNorden has developed a system of quality, environment and safety certificates that complies with all public and internal requirements.

RenoNorden is currently certified according to EN ISO 9001: 2008 (Quality Standard), ISO 14001: 2004 (Environmental standard) and OHSAS 18001: 2007 (Safety standard).

RenoNorden aims to have zero injuries among employees. Health and safety is a corporate responsibility and the main KPIs are actively followed up by the local business units and reported centrally. During 2015 there were no serious work-related injuries among the group's employees. RenoNorden had a health-related absence rate of 3,8% in 2015, down from 4.5 percent in 2014.

The vehicle fleet is constantly maintained, and all RenoNorden staff is regularly trained by health and safety experts. For example, when on the road, RenoNorden's drivers should operate safely and follow traffic rules at all times. Each member of RenoNorden's collection team attends training at the "Waste Management School", where they are kept up-to-date on the industry's latest legal, professional, health and safety guidelines.

The group is of the opinion that it operates materially in accordance with current Norwegian, Swedish, Finnish and Danish legislation on environmental, health and safety, based on its ISO/OHSAS certification. The group continuously works to proactively anticipate changes in such legislation. RenoNorden allocates significant resources to ensure operation in accordance with laws that are generally applicable as well as industry-specific standards.

The group is also of the opinion that it is in compliance with local regulations and legislation related to the working environment in each country. This applies to the physical as well as psychological working environment. RenoNorden strives to promote the employees' health for the benefit of themselves and the group.

ENVIRONMENT

The environmental focus of RenoNorden is stated as part of its value statement. "We provide an essential service for environmental organizations, collecting waste for recycling, energy production, biogas production and soil conditioners. We work hard to minimize the environmental impact of our trucks, ensuring the fleet is properly maintained by investing in green fuel initiatives."

Waste management is an increasingly important issue. As natural resources become scarce and pressure to protect the environment increases, society is having to rethink its handling of waste. Sending all or most of it to landfills to be buried is no longer an acceptable solution.

As part of this critically important chain, RenoNorden makes every effort to work in a manner that is environmentally responsible. As an example, RenoNorden delivers thousands of tonnes of waste to recycling plants across the Nordic region each year, transporting waste in trucks that are regularly maintained.

The group has initiated a number of activities to reduce fossil fuel usage. Approximately 16 percent of the trucks use climate neutral biogas. Approximately 66 percent of the truck fleet complies with the Euro 5 emission standard or higher, while approximately 10 percent complies with Euro 6. Emission standards are usually specified in the tender material for new contracts.

EMPLOYEES

RenoNorden had an average of 1,568 employees in 2015. All employees are highly valued and it is the group's ambition that all employees should be treated fairly in terms of pay and working conditions.

Gender balance and diversity

The waste collection industry has traditionally had few female employees. The proportion of women in RenoNorden has been stable at somewhat below 5 percent.

RenoNorden's Board of Directors consists of four members. There are two men and two women among the shareholder-elected members.

RenoNorden has employees of many different nationalities. The group promotes diversity through non-discriminatory recruitment policies.

Code of Conduct

The mission of RenoNorden is to be the leading Nordic household waste collector. RenoNorden's business is based on trust. For customers, employees, shareholders and other stakeholders to feel confident about RenoNorden, ethics and values are important throughout the group.

The ultimate responsibility for business ethics lies with the Board and the CEO, but it is also included as an integral part of every RenoNorden employee's responsibility and involves the efforts of all

Both photos by Patrik Persson, RenoNorden Sweden employees.

RenoNorden's Code of Conduct is to ensure employees and Board of Directors members comply with applicable laws and regulations as well as internal requirements in all their activities for RenoNorden. All employees and the Board of Directors members shall be loyal to and serve the best interest of RenoNorden and act with integrity. In addition, the group must practice good corporate citizenship and comply with laws and regulations wherever business is done. Relationships between employees must be built on mutual trust, respect and dignity. All employees shall avoid behavior that could be interpreted as discrimination or harassment. All employees and Board of Directors members shall be loyal to RenoNorden by avoiding any conflict of interest.

The Code of Conduct applies to all RenoNorden employees and the Board of Directors and provides a framework for what RenoNorden considers acceptable and responsible conduct.

Managers are responsible for providing appropriate support to ensure that their teams understand the requirements of the Code of Conduct and how they should be applied in practice.

A number of training courses have been introduced to improve compliance with the Code of Conduct. Work continued during 2015 to ensure that all employees fully understand the Code of Conduct and how it is applied in day-to-day work.

Anti corruption policy

RenoNorden employees and Board of Directors members are not allowed to engage in any form of bribery or corruption. This requirement is based on anti-corruption legislation, which all RenoNorden companies must adhere to, and applies to all of RenoNorden's activities. Individuals involved in acts of corruption may be exposed to civil and criminal liability. Faced with a challenging situation, employees are required to seek immediate advice from their superior about how to handle it in a legal manner. Such discussions are an important part of the group's efforts to prevent corruption and bribery.

Photo by Mathias Madsen, RenoNorden Denmark

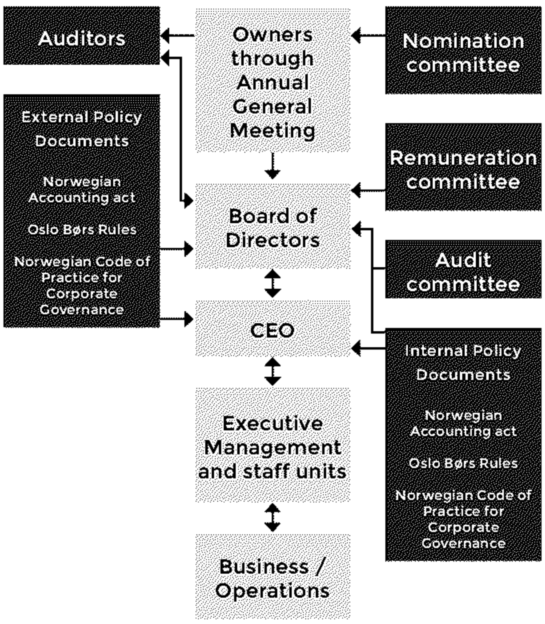
Corporate Governance

RenoNorden ASA is a Norwegian public limited liability company with registered office in Oslo and with operations in Norway, Sweden, Denmark and Finland. The Group's shares are listed on the Oslo Stock Exchange.

This report is prepared by the Board of Directors. No deviations from the Norwegian Corporate Governance Code are reported.

RenoNorden is subject to reporting requirements for corporate governance under the Norwegian Accounting Act Sections 3-3b, and voluntarily complies with the "Norwegian Code of Practice for Corporate Governance" ("NCGB Code", refer to www.nues.no). This corporate governance report follows the structure of the latest version of the NCGB Code as published on October 30, 2014.
RenoNorden considers good corporate governance essential for sound and sustainable business activities and the key to trustworthiness, value creation and access to capital. This requires credible and healthy business practices, reliable financial reporting and compliance with current legislation and regulations. RenoNorden has governance policies that set out principles for business conduct and that apply to all RenoNorden operating units ("Policy Documents").
This corporate governance report has been prepared by the Board of Directors, and will be presented at RenoNorden's Annual General Meeting on May 25, 2016.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE
Adherence to the NCGB Code is evaluated by the Board of Directors annually. Any deviations from the NCGB code are explained.



RenoNorden's Policy Documents embody the Group's corporate governance principles and include policies and procedures with regard to health and safety, environment, employees, corporate conduct (anti-corruption manual, legal compliance and business ethics), as well as financial management and reporting. Compliance with the Policy Documents is mandatory for employees and others acting on the Group's behalf, and similar conduct and ethical standards are expected in partnerships, joint ventures and partially owned subsidiaries.

The Policy Documents and the Code of Conduct can be found on the Group's website, including the values and ethics statement. The Group values are quality, respect, efficiency and environment. These values, together with the leadership principles and management structures, ensure that the Policy Documents are embedded in day-to-day business activities within and on behalf of RenoNorden.

2. BUSINESS
RenoNorden ASA's business objective is set out in the Articles of Association, article 3: "The object of the Group is to operate transport services, waste management and all matters related thereto, as well as owning companies operating such activities." The Articles of

Association are available on the Group's website, www.renonorden.com

For further information regarding the business of RenoNorden, refer to the Board of Directors report.

3. EQUITY AND DIVIDENDS

In the opinion of the Board of Directors, RenoNorden's equity capital is appropriate to the Group's objectives, strategy and risk profile.

Equity

At December 31, 2015, the share capital amounted to NOK 27.2 million, represented by 27,247,948 ordinary shares with a par value of NOK 1. The total number of shareholders at year-end was 959. RenoNorden's consolidated total equity was NOK 711.0 million, which is equivalent to 30.3 percent of total assets.

Dividends

RenoNorden intends paying annual dividends to shareholders. The level of dividend will be prudently assessed and determined by the Board each year after taking into consideration the market development, the current and future financial position of the group and the anticipated short and medium term growth opportunities. The Board maintains a goal of an average pay-out ratio of at least 60 percent of the group's net profit.

Increases in share capital

At the General Meeting held on May 13, 2015, the Board of Directors was granted an authorization to increase the share capital of the Group by up to NOK 203,786 in connection with share incentive programs. The authorization does not cover share capital increases in connection with mergers.

Further, at the General Meeting held on May 13, 2015, the Board of Directors was granted an authorization to increase the share capital of the Group by up to NOK 2,724,794 in connection with acquisitions, and otherwise to issue shares in a flexible manner. The authorization covers share capital increases in connection with mergers.

Both authorizations are valid until the Group's Annual General Meeting in 2016, but not later than June 30, 2016. Combined, the authorizations correspond to more than 10 percent of the Group's share capital. There may be deviation from the pre-emption rights of existing shareholders to subscribe to the share issues relevant to these authorizations pursuant to Section 10-4 of the Norwegian Public Limited Companies Act. The authorizations include potential share capital increases against contribution in kind. If authorization of capital increases is to cover additional purposes, it needs a separate approval by the General Meeting. This is in line with Corporate Governance principles of limitation on authorization.

Authorization to acquire treasury shares

At the General Meeting held on May 13, 2015, the Board of Directors was granted an authorization to repurchase the Group's own shares up to a maximum total par value of NOK 203,786, corresponding to less than 10 percent of the Group's share capital. The Board of Directors is authorized to acquire and sell shares at its discretion, but not at prices higher than NOK 80 or lower than NOK 20. The authorization is valid until the Group's Annual General Meeting in 2016, but not later than June 30, 2016 in line with Corporate Governance principles of limitation on authorization.

The Board of Directors may obtain authorization from the General Meeting of shareholders to buy back RenoNorden's shares in the market. In such cases, the Board of Directors will normally request that the shares are acquired in the open market, and that the authority lasts no longer than until the next General Meeting.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

RenoNorden ASA has one share class. All shareholders shall be treated equally, and voting rights are based on the principle of one share – one vote. The Board of Directors shall ensure equal treatment for all shareholders, including minority shareholders. Any authorization to increase the share capital of the Group that involves a deviation of shareholder rights will be communicated and explained thoroughly in a stock market release and, if needed, presented to the General Meeting. Transactions involving own shares will be performed on the stock exchange.

Shareholders who are registered with the Norwegian Central Securities Depository (VPS) may vote in person or by proxy. Invitations are sent to the shareholders or to the custodian where the shareholder's securities account is held.

Any transactions in the shares by the Group will take place at market price. In the event of limited liquidity in the share, the equal treatment of shareholders will be met in alternative ways.

The members of the Board of Directors shall act independently of special interests. Pursuant to the Policy Documents and the Board of Directors' manual, the members of the Board of Directors and the executive management shall promptly notify the Board of Directors in writing if they have any material interest in any transaction or potential transaction entered into by the Group. All transactions with related parties are conducted in accordance with the "arm's length" principle. For information related to related party transactions, please see note 21 in the 2015 consolidated financial statements.

5. FREELY NEGOTIABLE SHARES

RenoNorden shares are fully transferable and freely negotiable. The Articles of Association do not provide for any restrictions on the ability to vote, the transfer of shares or a right of first refusal for the Group. Share transfers are not subject to approval by the Board of Directors.

6. GENERAL MEETINGS

The General Meeting is the shareholders' forum and the ultimate governing body of the Group through which shareholders exercise their voting rights in accordance with the number of shares held. The Articles of Association do not impede the shareholders' rights as provided by the Public Limited Companies Act.

The Board of Directors sets the agenda for the General Meeting.

Any shareholder may, by written and justified notification to the Board of Directors not later than five days before the due date for submission of the summons, request items to be included in the agenda for the General Meeting. Notice of the General Meeting will be given at least 21 days before the meeting. Documentation for the General Meeting will be sufficiently detailed and comprehensive for the shareholders to assess, discuss and vote on the matters presented to the General Meeting. Matters to be resolved at the AGM will typically include:

- Adoption of the Annual Report and the consolidated financial statements
- Dividend
- Election of the Board of Directors, and where applicable the auditors
- Determination of fees for the Board of Directors
- Guidelines and programs for remuneration of executive management and senior executives

The deadline for giving notice of attendance is set at five days before the General Meeting. Participation at the General Meeting is made possible by registering voting in advance, electronically or in writing.

Shares registered in a nominee account must be re-registered in the Norwegian Central Securities Depository (VPS) and be registered in the VPS on the fifth working day before the General Meeting in order to obtain voting rights.

Shareholders who are unable to attend in person may vote by proxy. RenoNorden will nominate a person who will be available to vote on behalf of shareholders as their proxy.

The General Meeting votes for each candidate nominated for election to the Board of Directors and the Nomination Committee. To the extent possible, the form of proxy will facilitate separate voting instructions for each matter to be considered by the meeting and for each of the candidates nominated for election. It is possible to vote electronically in advance.

An external counsel or the Chairman of the Board of Directors will chair the General Meeting.

The CEO and the CFO will represent the executive management. The respective chairs of the Board committees may be present to explain the separate committees' proposals. The Group's external auditor will attend the General Meeting and present conclusions in the auditor's report.

The RenoNorden 2016 Annual General Meeting will take place on May 25, 2016

For further information please refer to RenoNorden's website at: www.renonorden.com

7. NOMINATION COMMITTEE

Pursuant to the Articles of Association, RenoNorden has a Nomination Committee comprising two or three shareholder representatives.

The current members of the Nomination Committee are Seamus Philip Fitzpatrick (Chairman) and Ian Lambert. The Nomination Committee is responsible for nominating the shareholder-elected Board of Directors members and making recommendations regarding their remuneration. The General Meeting may establish guidelines for the Nomination Committee and shall resolve on the remuneration of its members. The Group will cover reasonable costs incurred by the Nomination Committee members directly in connection with the fulfillment of their obligations.

As guidance, proposals can normally be submitted up to 21 days before the General Meeting. In carrying out its duties, the Nomination Committee should actively maintain contact with the shareholder community and should ensure that its recommendations are anchored with major shareholders. The members of the Nomination Committee are independent of RenoNorden's CEO and other executive management.

8. THE BOARD OF DIRECTORS COMPOSITION AND INDEPENDENCE

RenoNorden's Board of Directors shall consist of three to seven members, according to the Articles of Association. The number of Board of Directors members has been four, consisting of two women and two men. Therefore, the Public Limited Companies Act requirement for 40 percent representation of each gender is fulfilled.

The Nomination Committee aims to achieve a composition whereby the members complement each other professionally and the Board of Directors is able to function as a single corporate body and represent all shareholders collectively.

The composition of the Board of Directors is in compliance with the independence requirements of the Corporate Governance Code meaning that (i) the majority of the shareholder-elected members of the Board of Directors are independent of the Group's executive management and material business contacts, (ii) at least two of the shareholder-elected Board Members are independent of the Group's main shareholders (shareholders holding more than 10 percent of the shares in the Group), and (iii) no member of the Group's executive management serves on the Board of Directors. As of December 31, 2015, CapVest held more than 10 percent of the shares in the Group.

All members of Board of Directors are elected for one year at a time. The General Meeting elects the Chairman of the Board of Directors.

All current members have an attendance at Board of Directors and Committee meetings of more than 90 percent.

Members of the Board of Directors are encouraged to hold shares in RenoNorden. Neither the Group's external auditor, nor any member of the executive management, is to be a member of the Board of Directors. The CEO and the CFO attend all Board of Directors meetings, and the auditor attends Board of Directors meetings in connection with the annual financial statements. For more information on the respective experience, competences and shareholdings of the members, refer to the separate section on the Board of Directors.

9. THE WORK OF THE BOARD OF DIRECTORS [1)]

The Board of Directors is responsible for the management of the Group, including the appointment of a CEO to assume the daily management of Group affairs. The members of the Board of Directors shall discharge their duties in a loyal manner, attending to the interests of the Group, and ensure that its activities are organized in a prudent manner. The Board shall adopt plans, budgets and guidelines applicable to the activities of the Group. The Board of Directors shall keep itself informed of the current financial position of the Group, and has a duty to monitor that the Group's corporate accounts and management of operations and assets are subject to satisfactory risk management and controls.

The Board of Directors develops an annual plan for its work, clearly setting out strategic, financial, operational and organizational issues for consideration. In addition to adhering to its plan, the Board of Directors discusses upcoming issues, which require the Board of Directors' involvement.

The Board of Directors has formed two sub-committees: an Audit Committee, as required by the Public Limited Company Act, and a Remuneration Committee. The committees undertake preparatory discussions and report their recommendations to the Board of Directors, but do not adopt any resolutions.

In 2015, the Audit Committee focused on the Group's financial reporting and internal control functions, whereas the Remuneration Committee had a focus on Group compensation guidelines, annual salary increases, executive compensation including bonus plans and the introduction of a long-term incentive plan (LTIP).

The Board shall annually evaluate its performance over the preceding year, including the performance of the sub-committees and the performance of the individual Board members. In order for the evaluation to be effective, the Board shall set objectives, on both a collective and individual level, against which their performance can be measured. The Chairman will perform the evaluation annually and report the results to the Nomination Committee. To maintain the Board of Directors' members' independence, they may not assume business relations or undertake special tasks for the Group in addition to their directorship, without promptly informing the full Board of Directors, and any remuneration for such tasks requires the Board of Directors' approval.

	Nationality	Board member	Audit committee	Remuneration committee	Independent	Shareholding, no. of shares
Erik Thorsen	Norwegian	Chairman		Chairman	Yes	0
Penelope Kate Briant	British	x	Chairman		No	42,000*
Charlotte G. Hansson	Swedish	x	x		Yes	3,000
Niklas Nikita Sloutski	Swedish	x	x	x	No	0

** Held indirectly with Penelope Kate Briant as beneficiary.*

In light of the Board of Directors members' status as primary insiders of RenoNorden, they follow the Group's instruction for primary insiders.

The Board of Directors' Rules of Procedure clarify the responsibilities of the Chairman of the Board of Directors and the CEO, the Board of Directors' obligations towards the General Meeting, and the quorum and voting procedures in Board of Directors meetings. The Board of Directors' manual further sets out specific mandates for the Audit and Remuneration Committees, respectively.

The Board of Directors has established a Board of Directors' manual and approved a mandate for the Remuneration and Audit Committees.

10. RISK MANAGEMENT AND INTERNAL CONTROL

Internal control over financial reporting

The Board of Directors is responsible for internal control and risk management in accordance with the Norwegian Companies Act and the Norwegian Code of Practice for Corporate Governance. Below is the Board of Director's report on internal control and risk management over financial reporting.

RenoNorden's system for internal control and risk management with regards to financial reporting is described below.

Internal control over financial reporting aims to provide reasonable assurance of the reliability of external financial reporting in the form of interim reports and annual reports, and to ensure that external financial reporting is prepared in accordance with laws, applicable accounting standards and other requirements on listed companies.

Internal control over financial reporting is based on the overall control environment. The control environment is the set of standards, processes, and structures that provide the basis for carrying out internal control across the Group. The Board of Directors and executive management establish the tone at the top regarding the importance of internal control including expected standards of conduct. This involves the integrity and ethical values, the organizational structure and assignment of authority and responsibility, decision-making paths, performance measures and incentives and rewards to drive accountability. This is communicated in the form of internal policy documents such as Articles of Association, Procedures for the Board, Instruction for the CEO, Instructions regarding financial reporting, Code of Conduct, other policies, instructions and manuals. The control environment is also based on laws and external regulations.

The Board has established a procedure for its work and the work of the Audit Committee and Remuneration Committee. The main task of the Audit Committee is to monitor RenoNorden's financial reporting, to secure that principles adopted for financial reporting, internal control and risk management are observed and effective, and to secure the quality of the external reporting and information disclosures.

Responsibility for implementing the Board's policy documents regarding internal control and risk management over financial reporting, maintaining an effective control environment as well as the day-to-day work on internal control and risk management over financial reporting is delegated to the CEO. This responsibility is in turn delegated to managers within their specific areas of responsibility at various levels in the Group.

Responsibility and authority are defined by the Board of Directors, among other things, in policy documents such as Instructions for the CEO regarding resolutions that are subject to decision by the Board or the General Meeting of shareholders, Authority to Sign for the Group, and Delegated Authorities. The Board of Directors also approves, among other things, Instructions regarding Financial Reporting, Code of Conduct, Information Policy, Insider Policy, Information Security Policy and Finance Policy. The CEO approves the Finance and Accounting Manual, which is available to all personnel in finance and accounting. Based on the Board of Director's policy documents, the CEO, the CFO and other managers establish instructions and manuals to be implemented within their specific areas of responsibility.

Internal policy documents are reviewed and updated regularly with reference to e.g. changes in legislation, accounting standards, listing requirements and internal risk assessment, and were last updated prior to the IPO in 2014.

Efforts to streamline and improve the financial reporting processes as well as the process for preparation of the external financial reports were initiated in 2014 and continued during 2015.

11. REMUNERATION OF THE BOARD OF DIRECTORS

The remuneration of the Board of Directors is decided by the General Meeting based on the Nomination Committee's proposal. The committee considers the level of responsibility, complexity and time required, as well as the required expertise, for the Board of Directors members. The remuneration is not linked to the Group's performance and no stock options have been granted. Proposals for annual adjustments of the remuneration of the Board of Directors are based on considerations to ensure that RenoNorden remains attractive and competitive.

No Board of Directors' members shall carry out any specific tasks or commissions for the Group in addition to their directorship during the year and no other remuneration should be paid to any Board of Director member in addition to the ordinary Board of Directors' remuneration. If any additional remuneration is paid, the full Board of Directors must be informed and approve the amounts. Separate remuneration is stipulated for the Chairman of the Board of Directors and members of committees under the Board of Directors.

At the Annual Meeting on May 13, 2015 the following annual remuneration for the Board of Directors was resolved for the period until the Annual General Meeting 2016:

The Chairman*	NOK 550,000/year
Board members	NOK 250,000/year
The audit Committee Chairman	NOK 100,000/year
Audit Committee members	NOK 50,000/year
The Remuneration Committee Chairman	NOK 50,000/year
Members of the Remuneration Committee	NOK 25,000/year

** Additional remuneration of up to 50 percent of the fixed fee for extraordinary work is to be approved by the Annual General Meeting.*

Reasonable travel and accommodation expenses directly incurred are reimbursed in accordance with the Group's policy. For further information, reference is made to note 6 of the consolidated financial statements.

Audit committee

The Audit Committee is a sub-committee of RenoNorden ASA's Board of Directors. The Board of Directors determines the instructions for and composition of the Audit Committee. The Committees objective is to act as a preparatory body in connection with the Board of Directors' supervisory roles with respect to financial reporting and the effectiveness of the Group's internal control system, and other tasks assigned to the Audit Committee in accordance with the provisions set forth in these instructions.

The Audit Committee supports the Board of Directors in the administration and exercise of its responsibility for supervision in accordance with applicable provisions of the Norwegian Public Limited Companies Act and Norwegian securities legislation, as well as applicable listing standards of Oslo Børs.

The Audit Committee shall consist of at least two members of the Board of Directors. The Board of Directors shall appoint the members and the chairman of the audit committee for a one-year term. The composition of the Audit Committee shall be in compliance with the Norwegian Public Limited Companies Act. The members of the Audit Committee shall be independent of the Group's executive management and at least one member shall have competence in accounting or auditing. Further, the entire Board shall not act as the Audit Committee. When appointing members, the Board of Directors shall take into consideration whether the person concerned has the necessary knowledge of basic internal control, finance and accounting practices.

The Audit Committee shall have full access to all the books, records and personnel of the Group, as well as the Group's external auditor. The Audit Committee may also retain independent counsel, accountants or others to advise the Audit Committee or assist in the undertaking of its duties.

The Audit Committee will meet as often as it deems necessary, but normally five times every year. The Audit Committee will draw up an annual meeting plan. Interim meetings may be called if a member of the Audit Committee requires it.

The Group's CEO and members of the Board of Directors are entitled to participate in the Audit Committee's meetings. The Group's CFO will be the executive management's main representative in relation to the Audit Committee and will participate in Audit Committee meetings, unless instructed otherwise by the committee. Meeting agendas shall be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of all Audit Committee meetings shall be prepared.

The Audit Committee's primary responsibilities also include overseeing the external auditor relationship by discussing with the auditor the nature and rigor of the audit process, receiving and reviewing audit and other reports including responses from the management related thereto, and providing the auditor full access to the Audit Committee, with or without the management of the Group present, to report on any and all appropriate matters.

The current members of the Audit Committee are Penelope Kate Briant (Chairman), Niklas Nikita Sloutski and Charlotte G. Hansson.

Remuneration committee

The Remuneration Committee is a sub-committee of RenoNorden ASA's Board of Directors. Its objective is to act as a preparatory and advisory body in relation to issues associated with the Group's compensation principles and programs, especially for executive management. The Board of Directors determines the instructions for and the composition of the Remuneration

Committee. The Board of Directors shall appoint the members and the Chairman of the Remuneration Committee for a one-year term. The Remuneration Committee shall consist of at least two members of the Board of Directors. The members of the Remuneration Committee shall be independent of the Group's executive management. Further, the entire Board shall not act as the Remuneration Committee.

The Remuneration Committee shall have the authority to review any Group matter within the committee's scope of responsibilities. In discharging its responsibilities, the Remuneration Committee shall have full access to the records and personnel of the Group, and shall have the opportunity to seek advice and recommendations from sources outside of the Group, if deemed necessary. The Remuneration Committee will meet as often as it considers necessary, but normally two to three times every year. The Remuneration Committee will draw up an annual meeting plan. Interim meetings may be called if a member of the Remuneration Committee requires it.

The current members of the Remuneration Committee are Erik Thorsen (Chairman) and Niklas Nikita Sloutski.

12. REMUNERATION OF EXECUTIVE MANAGEMENT

RenoNorden has guidelines for remuneration of executive management. These guidelines follow Norwegian law and are communicated to the General Meeting, and set out the main principles behind salaries and other compensatory elements. Performance-related remuneration of executive management is linked to the financial performance of the Group, and the individual's contribution thereto.

In general, the guidelines ensure alignment of financial interests between the shareholders and the executive management. Examples of performance criteria are under the LTIP where targets are based on EPS-growth over a three-year period.

The Group has not granted any loans, guarantees or other commitments to any of its Board Members or to any member of the management. The CEO's remuneration terms are reviewed and decided annually by the Board of Directors. The remuneration decision takes into consideration the overall performance of the CEO and the Group, and the market development for CEO remuneration in companies of similar complexity, size and industries.

The CEO decides the remuneration for other members of executive management. The structure of the executive management incentive system is determined by the Board of Directors and presented as a separate document to the General Meeting. The incentive system consists of base salary, annual bonus agreement, pension, long-term incentive program and other minor benefits. There is a cap of 7/12th of annual salary on the variable salary for the executive management. More information about management remuneration is available in the financial statements, note 6.

13. INFORMATION AND COMMUNICATION

The Board of Directors has approved written rules on the Group's communication and financial reporting. All communication with shareholders shall be on an equal treatment basis and in compliance with the provisions of applicable laws and regulation. RenoNorden shall continuously provide its shareholders, Oslo Børs and the financial markets in general with timely and accurate information about RenoNorden and its operations. This information is simultaneously presented on RenoNorden's website www.renonorden.com. A financial calendar is also found on the website.

The Communication activities support the business objectives of RenoNorden to build strong and lasting relations with key stakeholders.

RenoNorden's communication activities will be characterized by the following basic principles that apply because RenoNorden's shares are listed on Oslo Børs: Transparency, honesty, consistency and timing.

The Group's Instruction for handling of inside information sets out guidelines for information disclosure. Relevant information about RenoNorden shall be given in the form of annual reports, interim reports, press releases and notices to the stock exchange. All disclosure, communication and reporting shall be in compliance with the applicable laws and regulations from time to time, in particular the Norwegian Securities Trading Act, the Norwegian Public Limited Liability Companies Act and Oslo Børs' continuing obligations for listed companies.

Unless exceptions apply and are invoked, RenoNorden shall promptly disclose all inside information (as defined by the Securities Trading Act). All financial and other Investor Relations information shall be published in English.

14. TAKE-OVERS

In the event of a take-over process, the Board of Directors shall abide by the principles of equal treatment of the shareholders and limit the disturbance to the on-going business. The Board of Directors will have a particular duty to secure that all stakeholders receive information in due course so that the shareholders can make their own opinion on the potential offer. The Board of Directors will also not seek to hinder or obstruct any takeover bid for the Group's operations or shares unless there are particular reasons for doing so.

If a bid is made for the Group's shares, the Board of Directors should make a written statement issued as a stock market release recommending or not recommending the transaction. In this statement it should be clear if the assessment from the Board of Directors is unanimous or not. An independent valuation should be present and published with the statement.

The Board of Directors must be aware of the particular duty it has for ensuring that the values and interests of the shareholders are protected.

The General Meeting will ultimately decide on transactions involving a potential divestment of the Group.

15. AUDIT

The external auditor presents an annual audit plan, describing the auditor's main task for the audit for the year ahead including an understanding of the industry and significant risks, as well as the audit approach to be applied.

The auditor participates in Audit Committee meetings, and Board meetings when discussing the annual financial statements or otherwise requested. In the meetings, the auditor will review material changes in the Group's accounting policies, assess material accounting estimates and any other material matters on which the auditor and management may disagree, and identify weaknesses in, and suggest improvements to the Group's internal controls.

On an annual basis the auditor shall also review the Group's internal-control systems together with the Audit Committee. In this meeting any weaknesses should be presented as well as improvement activities.

During 2015 the auditor participated in both one Board meeting and in one Audit Committee meeting without any members from management being present.

The Group has effective guidelines for the ability of the auditor to perform non-audit services for the Group upon approval by the Audit Committee. The Group informs the General Meeting about the auditor's fees for audit and non-audit services.

The Audit Committee regularly assesses the quality and efficiency of the work of the auditor.

Photo by Aleksandrs Zigunovs, RenoNorden Norway

Photo by Sofie Dahlstrom, RenoNorden Sweden

Group Consolidated Statement of Comprehensive Income

NOK 1,000	Notes	2015	2014
OPERATING REVENUES AND EXPENSES			
Revenue		1,771,583	1,555,161
Other Operating revenue		36,776	24,144
Total operating revenue	5	**1,808,359**	**1,579,306**
Cost of sales		178,806	158,610
Employee benefit expense	6	956,278	804,129
Depreciation and amortization	11,12	132,819	107,030
Other operating expenses	7	382,028	376,432
Total operating expenses		**1,649,931**	**1,446,201**
Operating profit		**158,428**	**133,105**
FINANCIAL ITEMS			
Financial income		1,867	8,463
Financial expense		(49,941)	(106,402)
Net Financial items	8	**(48,074)**	**(97,939)**
Profit before taxes		**110,354**	**35,166**
Income tax expense	9	(26,933)	7,320
Profit for the period		**83,422**	**42,486**
OTHER COMPREHENSIVE INCOME			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		14,442	11,996
Total comprehensive income for the period		**97,863**	**54,482**
Earnings per share			
Basic earnings per share from profit for the year (NOK)	10	3.06	6.01
Diluted earnings per share from profit for the year (NOK)	10	3.06	6.01

The accompanying notes are an integral part of the consolidated financial statements.

Group Consolidated Statement of Financial Positions

NOK 1,000	Notes	31/12 2015	31/12 2014
ASSETS			
Non-current assets			
Goodwill	11	1,017,942	1,014,223
Other intangibles	11	18,295	12,246
Equipment	12	811,139	729,138
Investments in shares		-	27
Total non-current assets		**1,847,376**	**1,755,634**
Current assets			
Inventory		7,522	7,157
Accounts receivable	14	264,772	213,560
Other receivables		29,284	44,015
Cash and cash equivalents	15	195,577	219,642
Total current assets		**497,155**	**484,374**
Total assets		**2,344,530**	**2,240,008**

NOK 1,000	Notes	31/12 2015	31/12 2014
EQUITY AND LIABILITIES			
Equity			
Share capital		27,248	27,248
Share premium		501,445	501,445
Retained earnings		182,305	134,441
Total equity		**710,998**	**663,135**
Non-current liabilities			
Deferred tax	9	40,002	33,117
Non-current finance lease obligation	16	416,870	337,170
Non-current liabilities to financial institutions	17	781,391	760,300
Total non-current liabilities		**1,238,263**	**1,130,587**
Current liabilities			
Current liabilities to financial institutions	17	-	89,106
Current finance lease obligation	16	87,490	58,166
Accounts payable		80,843	95,221
Taxes payable	9	19,390	8,320
Accrued public duties		68,071	38,536
Other current liabilities	18	139,474	156,937
Total current liabilities		**395,269**	**446,286**
Total liabilities		**1,633,532**	**1,576,873**
Total equity and liabilities		**2,344,530**	**2,240,008**

The accompanying notes are an integral part of the consolidated financial statements.

The Board of Directors of RenoNorden ASA April 20, 2016

Erik Thorsen
Chairman

Charlotte G. Hansson
Board member

Harald Rafdal
CEO

Penelope Kate Briant
Board member

Niklas Nikita Sloutski
Board member

Group Consolidated Statement of Cash Flow

NOK 1,000	Notes	2015	2014
Cash flows from operating activities			
Profit before income taxes		110,354	35,166
Depreciation and amortization	11,12	132,819	107,030
(Gain)/Loss from sale of equipment		(369)	(502)
(Increase)/Decrease in other items related to operating activities		6,011	73,133
Interests received		1,867	8,463
Interests paid		(36,324)	(41,727)
Taxes paid in the period		(12,606)	(9,512)
Net cash generated from operating activities		**201,753**	**172,050**
Cash flows from investing activities			
Proceeds from sale of equipment		9,841	9,726
Purchase of equipment		(20,254)	(40,968)
Purchase of subsidiaries and other business, net of cash acquired	11,19	(10,502)	3,156
Net cash used in investing activities		**(20,914)**	**(28,087)**
Cash flows from financing activities			
Proceeds from non-current liabilities to financial institutions		-	748,038
Repayments of non-current liabilities to financial institutions		-	(872,412)
Net increase/(decrease) in current liabilities to financial institutions		(89,106)	(47,601)
Proceeds from shareholder loans		-	11,915
Repayment of shareholder loans		-	(308,948)
Repayment of finance lease obligation		(69,377)	(49,619)
Proceeds from sale of treasury shares		-	333
Purchases of treasury shares		-	(197)
Proceeds from issuance of equity (private placement)		-	227
Proceeds from issuance of equity (public offering)		-	308,850
Dividend paid		(50,000)	-
Net cash used in financing activities		**(208,483)**	**(209,414)**
Foreign exchange effect on cash		3,580	(509)
Net change in cash and cash equivalents		**(24,066)**	**(65,959)**
Cash and cash equivalents at the beginning of the period		219,642	285,601
Cash and cash equivalents in the balance sheet as of year end		**195,577**	**219,642**

The accompanying notes are an integral part of the consolidated financial statements.

Group Consolidated Statement of Changes in Equity

NOK 1,000	Share capital	Share premium	Retained earnings	Treasury shares	Total share-holders equity
Opening shareholders Equity 01.01.2014	**54**	**3,875**	**(412,888)**	**(1)**	**(408,961)**
Proceeds from shares issued (private placement)	2	226			227
Sale of treasury shares		301	29	3	333
Repurchase of own shares		(196)		(1)	(197)
Cancellation of preference shares	151	215,431	492,817		708,399
Share capital increase	20,458	(20,458)			-
Proceeds from shares issued (public offering)	6,584	302,266			308,850
Profit for the period			42,486		42,486
Other comprehensive income for the period			11 996		11,996
Shareholder's equity 31.12.2014	**27,248**	**501,445**	**134,442**	**-**	**663,135**
Opening shareholders Equity 01.01.2015	**27,248**	**501,445**	**134,442**	**-**	**663,135**
Profit/loss for the period			83,422		83,422
Dividend paid			(50,000)		(50,000)
Other comprehensive income/(loss) for the period			14,442		14,442
Shareholders' equity 31.12.2015	**27,248**	**501,445**	**182,305**	**-**	**710,998**

The accompanying notes are an integral part of the consolidated financial statements.

Notes

1 - General information

RenoNorden ASA ('the Company') and its subsidiaries (together, 'the Group'), also known collectively as the RenoNorden Group, develop and operate waste disposal services for municipalities and inter-municipal waste companies in the Nordic region. The Group specializes in the collection of household waste and operates across Sweden, Denmark, Finland and Norway.

The Company is a public limited liability company and has been listed on Oslo Stock Exchange since 16 December 2014. The Company is incorporated and domiciled in Norway. The address of its registered office is Lindebergvegen 3, 2016 Frogner, Norway.

The Board of Directors of RenoNorden ASA approved the 31.12.2015 consolidated financial statements on 20 April, 2016.

2 - Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS OF PREPARATION

The consolidated financial statements of RenoNorden ASA have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) as required for financial years beginning 1 January 2015.

The consolidated financial statements have been prepared under the historical cost convention, as modified by any derivative instruments at fair value through profit or loss. The consolidated financial statements are prepared using uniform accounting policies for similar transactions and events under similar conditions for all reporting periods presented. Management believes that the Group's cash flow from operations and its current and future credit facilities will continue to provide the cash necessary to satisfy the Group's working capital requirements and capital expenditures, as well as to make all scheduled long-term debt payments and satisfy the Group's other on-going financial commitments. The Group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2.2 BASIS OF CONSOLIDATION

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognized and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the income statement (note 2.6).

2.3 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the steering committee that makes strategic decisions.

2.4 FOREIGN CURRENCY TRANSLATION

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Norwegian Kroner (NOK), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

(c) Group companies

The results and balances of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(ii) income and expenses for each income statement are translated at average exchange rates and
(iii) all resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

However, the Company has adopted the exemption not apply IAS 21 The Effects of Changes in Foreign Exchange Rates retrospectively to goodwill arising in business combinations that occurred before the date of transition to IFRS. This goodwill is consequently reflected as assets and liabilities in NOK. Exchange differences arising are recognized in other comprehensive income.

2.5 EQUIPMENT

Equipment consist mainly of waste disposal trucks/units held under finance leases. In addition equipment consists of containers and other transportation equipment plus furniture and fittings and IT equipment for office premises. Equipment is stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on other equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Equipment and machinery*	3-15 years
Fixtures and fittings	3-15 years

**Includes waste disposal trucks (7-12 years)*

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each annual reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within Other operating expenses in the consolidated statement of comprehensive income.

2.6 INTANGIBLE ASSETS

(a) Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually at year-end or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the relevant unit including goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment of goodwill is recognized immediately as an expense and is not subsequently reversed.

Goodwill that was recognized prior to the IFRS conversion date of 1 January 2012 was allocated to the respective CGU's using the presentation currency (NOK). This goodwill is subsequently measured and tested for impairment based on this currency.

(b) Other intangible assets

Patents, technology and customer contracts are shown at historical cost. Patents, technology and customer contracts acquired in a business combination are recognized at fair value at the acquisition date. Patents, technology and customer contracts have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost patents, technology and customer contracts over their estimated useful lives of 3 years, 10 years, and the time period of the individual customer contracts, respectively.

2.7 IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life or intangible assets not ready for use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.8 INVENTORY

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.9 ACCOUNTS RECEIVABLE

Accounts receivable are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Accounts receivable are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

2.10 CASH AND CASH EQUIVALENTS

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

2.11 FINANCIAL ASSETS

2.11.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges. The Group currently does not have any derivatives designated as hedges for hedge accounting purposes. Currently the Group has only derivatives in this category. Financial assets in this category are classified as current assets.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise Accounts receivable, Other receivables and Cash and cash equivalents.

2.11.2 Recognition and measurement

Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the consolidated statement of comprehensive income. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Derivatives financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivative instruments are recognized in Other operating expenses.

2.11.3 Impairment of financial assets

(a) Assets carried at amortized cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or Group of financial assets is impaired. A financial asset or a Group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or Group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a Group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the consolidated statement of comprehensive income

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the consolidated statement of income and other comprehensive income.

2.12 SHAREHOLDER'S EQUITY

At 31 December 2015 the company's share capital comprises 27,247,948 shares with a nominal value of NOK 1.00 each.

The Company has only one class of shares and all shares have voting rights. The holders of shares are entitled to receive dividends as and when declared and are entitled to one vote per share at general meeting of the company.

Dividends declared and paid were NOK 50,000,000 in the second quarter of 2015. Dividends in 2014 were nil.

Total equity in the parent company Renonorden ASA provides the basis for distribution of dividend to shareholders. As of 31 December 2015 total equity in the Company amounted to NOK 658 million.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity shareholders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity shareholders. The Company has not purchased any own shares in 2015, it however purchased 144,135 own shares during 2014.

Foreign currency translation reserve

The translation reserve is comprised of foreign currency rate changes arising from the translation of financial statements of the Group's foreign entities into NOK.

On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to profit or loss and are recognized as part of the gain or loss on disposal.

2.13 ACCOUNTS PAYABLE

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.14 BANK BORROWINGS

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

2.15 CURRENT AND DEFERRED INCOME TAX

The tax expense for the period comprises current and deferred tax. Tax is recognized in the consolidated statement of comprehensive income. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.16 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services provided or products delivered, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for the Group's activities, as described below.

Revenue is earned from contracts with municipalities and businesses primarily related with waste collection services, rental revenues from the leasing of bins or containers, and sale of bins or bags and other services provided to municipalities and businesses. Contract revenue is variable on the number of waste collections and the size of bins. Prices of goods and services are fixed in the initial contact, and is subject to index regulation between 1 and 4 times per year.

The Group recognises revenue as the services are provided or the products are delivered.

2.17 INTEREST INCOME

Interest income is recognized using the effective interest method.

2.18 LEASES

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group leases certain equipment, specifically waste disposal vehicles. Leases of equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Finance lease payments are allocated between liability and finance charges. The corresponding rental obligations, net of finance charges, are included in current and non-current liabilities. The equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

2.19 PENSION

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Group also has a contractually regulated pension plan in Norway ("avtalefestet førtidspensjon" or AFP) that is a multi-employer agreement where the Company has agreed on the level and duration of the pension benefits. As it is currently not possible to reliably measure the individual pension components in this pension agreement, it is recognized in the financial statements similarly to the defined contribution plan, discussed above.

2.20 NEW STANDARDS NOT YET ADOPTED

Standards, amendments and interpretations to existing standards that were not effective at December 31, 2015 but will be effective for later periods:

IFRS 9 Financial Instruments, addresses the classification, measurement, and recognition of financial assets, financial liabilities and hedge accounting. The final IFRS 9 standard was issued in July 2014. Effects of implementation are yet to be assessed, however the Group dose not expect any material effects in the financial statements from adoption of IFRS 9. IFRS 9 is effective on 1 January 2018 with early application permitted.

IFRS 15 Revenue from Contracts with Customers establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Effects of implementation are yet to be assessed, however the Group dose not expect any material effects in the financial statements from adoption of IFRS 15. IFRS 15 is effective on 1 January 2018.

There are no other standards or interpretations that are not yet effective that are expected to have a significant impact on the consolidated financial statements.

3. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to economically hedge certain risk exposures, such as interest rates. The Group does not use hedge accounting.

Risk management is carried out by the CFO and his staff under policies approved by the board of directors. The CFO identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Risk management policies and procedures are reviewed regularly to reflect changes in market condition and the Group's activities.

3.1 FINANCIAL RISK FACTORS

a) Market risk

Market risk can be defined as the risk that the Group's income and expenses, future cash flows or fair value of financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as diesel fuel price risk.

Market risk is monitored and actively managed by the Group through a combination of natural hedging techniques and financial derivatives.

I) CURRENCY RISK

For risk management purposes, two types of currency exposure have been identified:

Translation into the presentation currency

Being a multinational Group, the Group faces currency risk arising from the translation of entities whose functional currency differs from the presentation currency of the Group. This exposure does not give rise to an immediate cash effect; however it may impact the Group's financial covenants and is therefore monitored. Exposure related to equity in foreign currency is generally not hedged.

Foreign currency transactions

The Group's business model is to provide services from the local subsidiary to municipalities in their local currency, and most costs are also incurred in local currency. Bank loans are denominated in the four currencies of Norway, Sweden, Finland and Denmark, such that the financing does not give rise to significant currency exposures for the Group. As a result of the international structure of the Group, the Group is exposed to some foreign currency exchange rate risks relating to various transactions in currencies other than the functional currency.

II) CASH FLOW INTEREST RATE RISK

The Group is exposed to interest rate risk fluctuations mainly due to the DNB bank loans, with variable interest rates that are based on NIBOR (or comparable for the local country) plus a margin. In order to mitigate the risk of fluctuations in the variable interest rates, management has entered into certain interest rate caps derivative financial instruments. This sets a ceiling on the variable portion of the interest expense, see note 13. Derivative financial instruments for more information, and therefore limits the potential cash outflows and reduces liquidity fluctuations.

III) DIESEL FUEL PRICE RISK

The Group is exposed to diesel fuel price risk fluctuations in each of their countries of operations. The risk is partly covered by the indexation of the contracts.

b) Credit risk

The Group believes that the credit risk is minimal since the Group's customers are the majority municipal governments, and all cash balances are on deposit with Danske Bank.

c) Liquidity risk

Liquidity risk arises from the Group's potential to meet its financial obligations towards suppliers and debt capital providers. In addition to the management of interest rate and diesel fuel price risks, liquidity management represents a key element of our financial management. The goal of liquidity management is to ensure the ability to service the Group's commitments and to make payments when they come due. The Group's liquidity situation is closely monitored and rolling forecasts of cash flows and cash holdings are prepared monthly.

In 2015 the schedule of payments related to the specific financial liabilities bank loans and financial leases are disclosed in the relevant note.

3.2 CAPITAL MANAGEMENT

The Group's objectives when managing capital are to grow the business while safeguarding the Group's ability to continue as a going concern. The Group has an objective to maintain a capital structure that gives the Group the lowest possible cost of capital given current market conditions.

The Group has a policy to use finance leases for the purchase of operational assets. Other financing needs are met through the use of bank borrowings. Bank borrowings are denominated at the local currency of the subsidiary. Cash outflows related to interest payments are capped with the purchase of interest rate cap contracts. On bank loan covenants RenoNorden ASA shall ensure that the adjusted leverage in respect of any Relevant Period shall not exceed 5.00:1. In addition RenoNorden ASA shall ensure that the Interest Cover in respect of any relevant period shall not be less than 4.00:1.

Cash is managed by use of a Group cash pool to manage the cash needs for all of the subsidiaries. All Group bank accounts and the cash pool treasury management is with Danske bank. The Group has short-term bank borrowing facilities for short-term cash needs, in accordance with the Group policy to have maximum cash available to grow the business.

50 MNOK was paid in dividends in 2015. The Board proposes a dividend pay-out of NOK 1.84 per share, total amount of 50.1 MNOK, in 2016.

4. Critical accounting estimates and judgements

When preparing the consolidated financial statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements are discussed below.

Impairment of non-current assets

IAS 36 requires that the Group assess conditions that could cause an asset to become impaired and to test recoverability of potentially impaired assets. These conditions include internal and external factors such as the Group's market capitalization, significant changes in the planned use of the assets or a significant adverse change in the expected prices or sales volumes. Each Cash Generating Unit (CGU) or individual asset is reviewed for impairment indicators. Most of the Group's assets are assigned to CGUs. The identification of CGUs involves judgment, including assessment of where active markets exist, and the level of interdependency of cash inflows. For the Group, the CGU is the group of assets employed within one country, as all of these assets serve a common market.

If a loss in value is indicated, the recoverable amount is estimated as the higher of the CGU's fair value less cost of disposal, or its value in use. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential. Determination of the recoverable amount involves management estimates on highly uncertain matters, such as commodity prices (diesel fuel) and their impact on markets, development in demand, inflation, operating expenses and tax and legal systems. Management uses internal business plans, quoted market prices and our best estimate of commodity prices, currency rates, discount rates and other relevant information. A detailed forecast is developed for a period of three to five years with projections thereafter.

Business combinations and goodwill

In a business combination consideration, assets and liabilities are recognized at estimated fair value, and any excess purchase price is included in goodwill. Valuation models are used to estimate the fair value of acquired intangible assets. Such valuations are subject to numerous assumptions including the useful lives of assets and the timing and amounts of certain future cash flows, which may be dependent on discount rates and other factors.

Note 5. Segment information and seasonality

RenoNorden Group identifies its reportable segments and discloses segment information under IFRS 8 Operating Segments. This standard requires RenoNorden Group to identify its segments according to the organization and reporting structure used by management.

Management considers the business from both a geographic and a service perspective. Geographically, management considers the performance in Norway, Denmark, Sweden and Finland. From a service perspective, all geographic segments have municipal contracts and, additionally, Finland has specific corporate contracts.

Management assesses the performance of the operating segments based on a measure of EBITDA. This measurement basis excludes discontinued operations and the effects of non-recurring expenditures from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event. The measure also excludes the effects of equity-settled share-based payments and unrealised gains/losses on financial instruments.

The Group's business is seasonal, and has historically realised a higher portion of its operating revenue and EBITDA in the second and third quarter of each year. This seasonality is a characteristic of the business in which it operates. During the warmer summer months the Group increases the frequency of collection for biodegradable waste matter. Furthermore, the Group also collects from areas where holiday properties require additional collections in the summer holiday season.

Major Customers by Segment Revenue:

For Norway in 2015, two customers contributed 26% of the Norwegian segment's total revenue. For Norway in 2014, two customers contributed 23% of the Norwegian segment's total revenue.

For Sweden in 2015, one customer contributed 32% of the Swedish segment's total revenue. For Sweden in 2014, two customers contributed to 31% of the Swedish segment's total revenue.

In both 2015 and 2014, Denmark did not have any customers with revenues greater than or equal to 10% of the Danish segment's total revenue.

For Finland in 2015, one customer contributed 11% of the Finnish segments total revenue. In 2014, Finland did not have any customers with revenues greater than or equal to 10% of the Finnish segment's total revenue.

For all the segments for both 2015 and 2014, no single customer generated more than 10% of total Group revenues.

EBITDA BY SEGMENT

NOK 1,000	2015	2014
Norway	161,786	149,613
Sweden	69,413	54,304
Denmark	50,606	54,500
Finland	34,894	25,899
Other	(25,452)	(44,181)
Total EBITDA	**291,247**	**240,135**
Less depreciation and amortization	132,819	107,030
Operating income	**158,428**	**133,105**

TOTAL OPERATING REVENUE SPECIFIED BY SEGMENT

NOK 1,000	2015	2014
Norway	608,100	585,071
Sweden	379,084	338,459
Denmark	546,832	422,200
Finland	274 344	233,576
Total operating revenues	**1,808,359**	**1,579,306**

CAPEX SPECIFIED BY SEGMENT

NOK 1,000	2015	2014
Norway	(56,230)	(34,848)
Sweden	(13,698)	(45,000)
Denmark	(81,635)	(46,058)
Finland	(34,977)	(21,000)
Total CAPEX	**(186,540)**	**(146,906)**

NON-CURRENT OPERATING ASSETS SPECIFIED BY SEGMENT

NOK 1,000	31/12 - 15	31/12 - 14
Norway	244,355	232,224
Sweden	230,611	231,838
Denmark	248,502	192,999
Finland	87,489	72,077
Total equipment	**810,958**	**729,138**

Note 6. Employee benefit expense

EMPLOYEE BENEFIT EXPENSE	FOR THE YEAR ENDED	
NOK 1,000	2015	2014
Salary expense	777,173	651,127
Social security cost	89,089	75,652
Pension cost	63,753	48,233
Other compensations and social costs	26,263	29,118
Total employee benefit expense	**956,278**	**804,129**
Average number of employees	**1,589**	**1,448**

KEY MANAGEMENT COMPENSATION 2015

NOK 1,000, except number of shares

	Salary	Bonus	Pension Contributions	Other benefits	Total compensation	Number of shares 31/12 2015
Staffan Ebenfelt (CEO)	3,249	1,282	668	90	5,290	225,040
Jon Kristian Flesvik (CFO) [1]	1,894	388	50	197	2,529	NA
Øystein Disch Olsrød (CFO) [2]	286	0	8	21	315	0
Andreas Westin (Head of business development)	1,014	128	210	56	1,408	39,799
Fredrik Eldorhagen (Country Manager Norway)	1,783	250	53	204	2,291	86,025
Torben Lindholm (Country Manager Denmark)	1,503	261	178	130	2,073	80,742
Jukka Koivisto (Country Manager Finland)	1,312	0	103	2	1,417	165,814
Peter Ekholm (Country Manager Sweden)	1,158	181	131	49	1,519	29,061

1) Left the Group 20.12.2015
2) Started in the Group 26.10.2015

KEY MANAGEMENT COMPENSATION 2014

NOK 1,000, except number of shares

	Salary	Pension Contributions	Other benefits	Total compensation	Number of shares 31/12 2014
Staffan Ebenfelt (CEO)[1]	2,641	617	70	3,327	225,040
Jon Kristian Flesvik (CFO)	1,640	47	167	1,853	130,266
Andreas Westin (Head of business development)[2]	652	141	34	827	39,799
Svein Tore Aurland (Country Manager Norway)[3]	1,187	36	134	1,357	NA
Fredrik Eldorhagen (Country Manager Norway)[4]	752	23	100	875	82,925
Torben Lindholm (Country Manager Denmark)	1,345	161	0	1,506	80,742
Jukka Koivisto (Country Manager Finland)	1,231	302	2	1,535	165,814
Peter Ekholm (Country Manager Sweden)	1,078	121	50	1,248	29,061

1) Started in the Group 15.01.2014
2) Started in the Group 24.03.2014
3) Left the Group 30.06.2014
4) Started in the Group 01.07.2014

BOARD OF DIRECTORS COMPENSATION 2015

NOK 1,000	Total compensation	Number of shares 31.12.2015
Erik Thorsen (Chairman)	618	-
Charlotte Hansson	313	3,000
Penelope Kate Briant	263	42,000
Niklas Nikita Sloutski	331	-

BOARD OF DIRECTORS COMPENSATION 2014

NOK 1,000	Total compensation	Number of shares 31.12.2014
Erik Thorsen (Chairman)	-	-
Charlotte Hansson	-	-
Penelope Kate Briant	-	42,000
Niklas Nikita Sloutski	-	-
Alexander Noel Walsh	-	18,000

The Company has not granted any loans, guarantees or other commitments to any of its Board Members or to any member of the Management.
The CEO's remuneration terms are reviewed and decided annually by the Board of Directors. The remuneration decision takes into consideration the overall performance of the CEO and the Company, and the market development for CEO remuneration in companies of similar complexity, size and industries. The CEO decides the remuneration for other members of executive management. The structure of the executive management incentive system is determined by the Board of Directors and presented as information to the General Meeting.

The incentive system consists of base salary, annual bonus agreement, pension, long-term incentive program and other minor benefits. There is a cap on the compensatory elements for the Executive Management.

Certain members of key management given certain circumstances are entitled to up to six months of severance compensation.

See the Group corporate governance report for further information.

Long Term Incentive Program
In connection with the Company's annual general meeting held on 13 May 2015, it was decided to implement a long-term incentive program for key employees of the RenoNorden Group, LTIP 2015.

The general meeting approved the grant of a total of 180,288 performance share rights ("PSRs") to key employees of the RenoNorden Group. The number of PSRs granted to the key employees are based on a fixed percentage of their respective base salary, and the PSRs are granted without consideration.

After a three-year vesting period commencing in connection with the implementation of LTIP 2015, and provided that a certain annual compounded growth rate in earnings per share in the period from 1 January 2015 to 31 December 2017 ("EPS CAGR") is being met and that other conditions are satisfied, the participants may exercise their PSRs. When the PSRs are exercised, each participant shall be entitled to purchase up to one share in the Company per PSR (depending on the EPS CAGR), at a purchase price equal to the nominal value of the shares (NOK 1).

The fair value of the employee share options has been measured to NOK 38.64 using the Black-Scholes formula at grant date. Service and non-market performace conditions attached to the arrangements were not taken into account in measuring fair value. The estimation of fair value is performed based on available market information at grant date for risk-free interest rate, expected volatility and dividend for the RenoNorden shares, and the parameters from the LTIP 2015 program:

Share price at grant date	47.1
Exercise price	1.00
Expected life	3 years

Assuming that all granted PSRs vest, full achievement of EPS CAGR target set, LTIP 2015 will result in the allocation of 180,288 shares in the Company to the key employees. In addition, 36,505 shares may be acquired by the Company for the purpose of hedging social security costs related to LTIP 2015.

As of 31 December 2015, 55,708 granted shares to key employees has expired due to the employees has / or will leave the Company before the vesting period ends. No expense or provision related to the LTIP 2015 has been recognized in the financial statements.

Definitions
Salary
The column comprises ordinary salary received during the year.

Variable salary
The column contains bonus payments received at the beginning of the year, based upon the previous year's performance.

Pension premiums
Group Management members participate in the same pension plans as other employees in the jurisdiction they are employed. The CEO does not participate in the defined benefit plan and receives a fixed compensation instead.
Other benefits

The column comprises the value of other benefits received by Group Management and Board members during the year, including value of interest-free loans, car allowance, health insurance etc.

Share holding

The column shows number of shares owned by the Board members, officers and companies controlled by them and their families.

Pension

Norway

The Norwegian companies are required to have a compulsory pension plan under Norwegian Law. The Group has a pension plan that fulfils the legal requirements, which covers all employees and is a defined contribution plan. The defined contribution plan's contribution requirement in Norway is 3% of the total salary expense over 1G per person. As of 31 December 2015 there were 453 participants in the Norwegian pension scheme. The expensed pension cost in Norway is NOK 19.422 thousand.

Denmark

The Danish "blue collar" employees receive 8% of annual salary in pension contribution, while "white collar" management receives between 5%- 12% of their annual salary as pension contributions, as is agreed between Danish employees and the employee's organisations. The expensed pension cost in Denmark is NOK 25.347 thousand.

Sweden

Swedish companies that are members of the Swedish employers association are required to pay supplementary retirement pension as part of the collective agreement. Following the collective agreement RenoNorden AB pays 4.5% of blue collar employees' salaries as retirement pension. For white collar employees RenoNorden AB follows the ITP1 pension plan paying 4.5 % of monthly salaries up to approximately 36,000 SEK and 30% of the amount above 36,000 SEK. Some employees of the management has individual pension agreement, which entitles them to a fixed monthly amount. The expensed pension cost in Sweden is NOK 6.112 thousand.

Finland

The Finnish labor pension law requires the companies to establish a pension plan in a licensed pension insurance company that covers all its employees. The employer contributes between 24,52 and 24,7% of the paid salaries and the employee between 5,7 and 7,2% of received salaries to the pension plan. All of the personnel was covered by the pension plan as of 31.12.2015. The expensed pension cost in Finland is NOK 12.871 thousand.

AUDITOR FEES

NOK 1,000	2015	2014
Audit fee	1,323	1,019
Attestation services	380	179
Tax and other services	353	150
Audit related services in connection with IPO	-	2,479
Total	**2,057**	**3,828**

Note 7. Other operating expenses

OTHER OPERATING EXPENSES INCLUDE THE FOLLOWING ITEMS

NOK 1,000	2015	2014*
Fuel costs	117,154	117,551
Operating truck expenses, maintenance etc	169,268	140,159
Operating leasing expenses equipment	10,145	13,481
Work clothing and protective gear	6,930	6,477
Losses on diesel derivatives	-	248
Expenses rented premises	32,974	27,840
IPO expenses	-	26,674
IT, audit and consultant expenses	10,501	8,683
Other	35,056	35,320
Total operating expenses	**382,028**	**376,432**

** Restated*

Note 8. Finance income and expenses

FINANCE INCOME AND EXPENSES INCLUDES THE FOLLOWING ITEMS

NOK 1,000	2015	2014*
Interest income	1,857	8,463
Interest expense	(22,937)	(46,898)
Interest expenses on financial leasing	(13,874)	(16,595)
Other financial expenses	(3,341)	(5,048)
Net currency gain/(loss)	(7,741)	(6,254)
Amortization of origination fees	(1,094)	(6,567)
Write down origination fees	-	(24,627)
Loss on interest derivatives	(944)	(413)
Total finance income and expenses	**(48,074)**	**(97,939)**

Note 9. Income tax

INCOME TAX EXPENSE

NOK 1,000	2015	2014
Tax payable for the current year	21,744	10,266
Changes in deferred tax*	5,188	**(17,586)**
Total income tax expense	**26,933**	**(7,320)**

** The change in deferred tax assets/liabilities is calculated based on temporary differences between accounting and tax values.*

SPECIFICATION OF TEMPORARY DIFFERENCES

NOK 1,000	2015	2014
Accounts receivable	(172)	(138)
Equipment	415,496	250,823
Finance lease obligation	(164,502)	(117,567)
Capitalized origination fee	4,472	5,470
Intangible assets	(77,209)	11,169
Interest deduction carryforward	(3,552)	(11,772)
Total temporary differences	**174,532**	**137,985**
Base for deferred tax liability	**174,532**	**137,985**

The Group's weighted average nominal tax rate is 24.8% in 2015 and 26,3% in 2014. Temporary differences are assumed to be reversed at currently enacted rates.

DEFERRED TAX LIABILITY

NOK 1,000	2015	2014
Deferred tax liabilities 01.01.	**33 117**	**49 626**
Changes of deferred tax liabilities	5,188	(17,586)
Change in liability due to acquisition of subsidiary	1,022	-
Currency translation	675	1,078
Deferred tax liabilities 31.12.	**40,002**	**33,117**

RECONCILLIATION OF EFFECTIVE TAX RATE

NOK 1,000	2015	2014
Income tax expense based on the weighted average nominal tax rate	27,314	9,242
Tax effect of non-deductible expenses	247	1,029
Tax effect of other permanent differences*	(628)	(17,591)
Income tax expense for the year	**26,933**	**(7,320)**
Effective tax rate	**24 %**	**(21) %**

**The tax gain is caused by permanent tax differences mainly related to:*

• Reversal of interest expense on PIK-notes. Under IFRS, the interest expense on PIK notes is included in the Preference Share Return amount booked as a liability in the 1 January 2012 opening IFRS balance sheet. Therefore, no interest expense is recognized on PIK-notes in the Group's Consolidated Statement of Comprehensive Income for 2014. Under local GAAP and for tax purposes the interest expense on PIK notes is recognized as an interest expense in 2014. Refer to note 4 for further details. In 2015, no interest expense on PIK-notes is recognized in local books or in the Group's Consolidated Statement of Comprehensive Income.

• Reversal of amortization expense on goodwill. Under IFRS, no expense from amortization of goodwill is recognized in the Group's Consolidated Statement of Comprehensive Income for 2015 and 2014. Under local GAAPs and for tax purposes, a portion of the total goodwill (i.e. local goodwill related to earlier acquisitions) is amortized and expensed over the estimated useful life of the acquisitions.

Note 10. Earnings per share

Basic and diluted earnings per share is calculated by dividing profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year excluding ordinary shares purchased by the Company and held as treasury shares

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. There are no dilutive potential ordinary shares in the Company in 2015 and 2014. Therefore, there is no difference between the basic earnings per share and diluted earnings per share in 2015 and 2014.

FINANCE INCOME AND EXPENSES INCLUDES THE FOLLOWING ITEMS

NOK 1,000	2015	2014
Net profit attributable to ordinary equity holders of the parent (NOK 1,000)	83,422	42,486
Weighted average number of ordinary shares in issue (thousands)*	27,248	7,056
Basic earnings per share from profit for the year attributable to the ordinary shareholders (NOK)	3.06	6.01
Diluted earnings per share from profit/loss for the period attributable to the ordinary shareholders (NOK)	3.06	6.01

** The Company has not purchased any own shares in 2015, it purchased 144,135 own shares during 2014. The weighted average number of shares is calculated based on the assumption that the treasury shares were purchased and sold evenly throughout the period. At the end of 2015, there are no treasury shares held by the Company.*

Note 11. Intangible assets

NOK 1,000	Goodwill	Customer contracts	IT systems and software	Patents	Total
Cost at 31.12.2014	**1,027,829**	**7,299**	**6,451**	**759**	**1,042,337**
Reclassification of fixed assets between intangible asset groups*			759	(759)	-
Reclassification from fixed assets to intangible assets*			1,939		1,939
Customer contract NTS Miljø AS		3,821			3,821
Customer contracts Denmark		5,785			5,785
Other additions and transfers			544		544
Disposal at cost			(18)		(18)
Effect of changes in foreign exchange	3,720	940	860		5,521
Cost at 31.12.2015	**1,031,549**	17,845	**10,534**	-	**1,059,928**
Accumulated amortization and impairment losses 31.12.2014	**(13,606)**	**(1,453)**	**(587)**	**(223)**	**(15,869)**
Reclassification of fixed assets between fixed asset groups *			(223)	223	-
Reclassification from fixed assets to intangible assets*			(782)		(782)
Amortization charge		(4,884)	(1,399)		(6,284)
Accumulated amortization and impairment disposed assets			8		8
Effect of changes in foreign exchange		(305)	(459)		(764)
Accumulated amortization and impairment losses3 1.12.2015	**(13,606)**	**(6,643)**	**(3,442)**	-	**(23,691)**
Carrying amount at 31.12.2015	**1,017,943**	**11,203**	**7,092**	-	**1,036,237**
Estimated useful lives (years)		1-5	3-10		

**These assets are more appropriately classified as IT systems*

NOK 1,000	Goodwill	Customer contracts	IT systems and software	Patents	Total
Cost at 31.12.2013	**1,025,108**	**6,874**	**5,868**	**355**	**1,038,205**
Additions		425	117	288	830
Adjustment on cost price	(1,977)				(1,977)
Exchange difference	4,698		466	115	5 279
Cost at 31.12.2014	**1,027,829**	**7,299**	**6,451**	**759**	**1,042,337**
Accumulated amortization and impairment charge 31.12.2013	**(13,606)**	**-**		**(111)**	**(13,717)**
Amortization charge	-	(1,453)	(587)	(112)	(2,152)
Effect of changes in foreign exchange	-	-	-	-	-
Accumulated amortization and impairment charge 31.12.2014	**(13,606)**	**(1,453)**	**(587)**	**(223)**	**(15,869)**
Carrying amount at 31.12.2014	**1,014,223**	**5,846**	**5,864**	**535**	**1,026,468**
Estimated useful lives (years)		1-5	10	3	

Impairment tests for goodwill
Management reviews the business performance at the Cash Generating Unit (CGU) level, which is defined by the geographical segment level. It has identified Norway, Sweden, Denmark and Finland as the main geographies and hence CGUs. Goodwill is monitored by the management at this CGU level, which is also the identified operating segment level. The following is a summary of goodwill allocation for each operating segment:

2015

NOK 1,000	1 January	Additions	Adjustment on cost price	Impairment	Exchange difference	31 December
Norway	531,524					531,524
Sweden	175,000					175,000
Denmark	250,000					250,000
Finland	57,699				3,720	61,419
Total	**1,011,502**		**-**	**-**	**-**	**1,017,943**

2014

NOK 1,000	1 January	Additions	Adjustment on cost price	Impairment	Exchange difference	31 December
Norway	531,524					531,524
Sweden	175,000					175,000
Denmark	250,000					250,000
Finland	54,978		(1,977)		4,698	57,699
Total	**1,011,502**		**-**	**-**	**-**	**1,014,223**

The recoverable amount of all CGU's has been determined based on value-in-use calculations. These calculations use after-tax cash flow projections based on the financial budget approved by management covering a five-year period. Cash flows beyond the five year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for business in which the CGU operates.

THE KEY ASSUMPTIONS USED FOR VALUE-IN-USE CALCULATIONS IN 2015 ARE AS FOLLOWS

	Norway	Sweden	Denmark	Finland
Compound annual growth in revenues	-2.4 %	2.5 %	2.5 %	2.5 %
Expected long term growth rate in net cash flows after the 5 year period	2.5 %	2.5 %	2.5 %	2.5 %
Discount rate after-tax	5.9 %	5.3 %	5.2 %	5.0 %
Corresponding discount rate pre-tax	7.0 %	6.1 %	6.0 %	5.6 %

THE KEY ASSUMPTIONS USED FOR VALUE-IN-USE CALCULATIONS IN 2014 ARE AS FOLLOWS

	Norway	Sweden	Denmark	Finland
Compound annual growth in revenues	2.2 %	8.8 %	8.1 %	12.9 %
Expected long term growth rate in net cash flows after the 5 year period	2.5 %	2.5 %	2.5 %	2.5 %
Discount rate after-tax	6.3 %	5.6 %	5.5 %	5.4 %
Corresponding discount rate pre-tax	7.8 %	6.5 %	6.5 %	6.1 %

The assumptions above have been used for analysis of each CGU within the operating segment.

Management determined the compound annual volume growth rate for each CGU covering the five-year forecast period to be a key assumption. The compound annual volume growth rate is based on past performance and management's expectations of market development. The long term growth rates used are consistent with the forecasts included in industry reports. The discount rates used are after tax and reflect specific risks relating to the relevant operating segments.

Sensitivity of recoverable amounts

Recoverable amounts determined for impairment testing purposes were tested for their sensitivity to a 1% increase in discount rate after-tax, a 1% decrease in the long-term growth rate and a reduction in the EBITDA margin of 2%. These tests did not identify recoverable amounts lower than the net carrying amount of any cash-generating unit for 31 December 2015 and 31 December 2014.

Note 12. Equipment

NOK 1,000	Equipment and machinery	Fixtures and fittings	Total
Cost at 31.12.2014	**1,175,502**	**28,035**	**1,203,537**
Reclassification of fixed assets between fixed asset groups *	13,170	(13,170)	-
Reclassification of fixed assets to intangible assets**	(1,939)	-	(1,939)
Additions and transfers	175,316	3,139	178,455
Disposal at cost	(59,196)	(74)	(59,269)
Effect of changes in foreign exchange	62,666	1,063	63,729
Cost at 31.12.2015	**1,365,520**	**18,994**	**1,384,514**
Accumulated depreciation and impairment losses at 31.12.2014	**(454,060)**	(20,339)	**(474,399)**
Reclassification of fixed assets between fixed asset groups *	(12,062)	12,062	-
Reclassification of fixed assets to intangible assets**	782	-	782
Depreciation	(124,048)	(2,487)	(126,535)
Accumulated depreciation and impairment disposed assets	49,650	63	49,714
Effect of changes in foreign exchange	(22,310)	(626)	(22,936)
Accumulated depreciation and impairment losses at 31.12.2015	**(562,047)**	**(11,328)**	**(573,375)**
Carrying amount at 31.12.2015	**803,472**	**7,666**	**811,139**
Estimated useful lives (years)	3-15	3-15	

**These assets are more appropriately classified as equipment and machinery*
***These assets are more appropriately classified as IT systems*

NOK 1,000	Equipment and machinery	Fixtures and fittings	Total
Cost at 31.12.2013	**1,027,772**	**26,339**	**1,054,111**
Additions and transfers	145,052	1,843	146,895
Disposal at cost	(30,352)	(614)	(30,966)
Effect of changes in foreign exchange	33,030	467	33,498
Cost at 31.12.2014	**1,175,502**	**28,035**	**1,203,537**
Accumulated depreciation and impairment losses at 31.12.2013	**(360,931)**	**(17,883)**	**(378,814)**
Depreciation	(102,033)	(2,845)	(104,878)
Accumulated depreciation and impairment disposed assets	20,236	587	20,823
Effect of changes in foreign exchange	(11,332)	(198)	(11,531)
Accumulated depreciation and impairment losses at 31.12.2014	**(454,060)**	**(20,339)**	**(474,399)**
Carrying amount at 31.12.2014	**721,442**	**7,695**	**729,138**
Estimated useful lives (years)	3-15	3-15	

Note 13. Derivative financial instruments

FINANCIAL DERIVATIVES BY INSTRUMENT TYPE

	31/12 2015		31/12 2014	
NOK 1,000	Assets	Liabilities	Assets	Liabilities
Interest rate cap derivative contracts	96	-	39	-
Total	**96**	**-**	**39**	**-**

Trading derivatives are classified as current assets. All positions are long European or Asian calls and will therefore always be classified as assets and not liabilities. Both diesel cap and interest rate cap contracts are considered to be level two in the fair value hierarchy. The Group does not use hedge accounting for any of their interest rate or diesel price exposures.

Interest rate cap contracts
The interest rate caps are OTC European and Asian call contracts with Nordea in the respective countries where the Group has operations. Management considers counterparty risk on these contracts to be low.

Notional principal amounts
The notional principal amounts of the outstanding interest rate cap contracts as of year are as follows:

	In local currency		In NOK	
	30/12 -15	30/12 -16	30/12 -15	30/12 -16
NOK 1,000	30/12 - 16	30/12 - 17	30/12 - 16	30/12 - 17
NOK	460,000	500,000	460,000	500,000
SEK	76,000	100,000	79,610	104,750
DKK	115,000	100,000	148,247	128,910
Total	-	-	**687,857**	**733,660**

The interest rate cap contracts are economic hedges against increases in the interest rates on bank borrowings. The derivative contracts cap the NIBOR, STIBOR and CIBOR which is the base of the variable interest rate agreements with the banks, at 2.8 % and 3.0%. The loan agreements have variable interest rates designated by the relevant interbank offered rate plus a margin ranging between 1.5 and 1.75.

The loss on the hedging positions in 2015 was NOK 944 thousands (2014: NOK 413 thousand in interest and NOK 248 thousand in diesel derivatives*).

**Restated*

Note 14. Accounts receivable

NOK 1,000	31.12.15	31.12.14
Accounts receivable	264,772	213,698
Less provision for impairment of receivables	-	(138)
Accounts receivables - net	**264,772**	**213,560**

The Group's receivables are with local municipalities, with high credit ratings and little or no credit losses.

THE AGEING OF ACCOUNTS RECEIVABLE

NOK 1,000	31.12.15	31.12.14
Up to 3 months	261,085	212,822
3 to 6 months	2,891	213
Over 6 months	796	525
Total accounts receivable	**264,772**	**213,560**

The maximum exposure to credit risk at the reporting date is the carrying value of accounts receivable as disclosed above. The Group does not hold any collateral as security.

Note 15. Cash and cash equivalents

NOK 1,000	31.12.15	31.12.14
Bank Deposits	195,577	219,642
Total Bank deposits	**195,577**	**219,642**
Specification of restricted deposits		
Restricted bank deposits for employee tax withholdings	7,861	2,759

The maximum exposure to credit risk at the reporting date is the carrying value of cash and cash equivalents as disclosed above.

The RenoNorden Group has organized all operative accounts in a cash pool structure with RenoNorden ASA as pool owner.

Note 16. Leases

Financial Leases
The Group's financial leased assets include machinery and equipment. In addition to the interest expense, the Group is responsible for maintainance, insurance and property taxes related to the assets. The leases have maturities ranging from 3 to 10 years, many of them carry an option of renewal. The contracts do not restrict the Group's ability to pay out dividends or other financing options, except in Denmark where the contracts require an equity ratio of 10% in the Danish subsidiary.

NOK 1,000	31/12 2015	31/12 2014
Assets under finance leases		
Equipment	673,327	514,286
Cost capitalized finance lease	**673,327**	**514,286**
Accumulated depreciation	(159,429)	(98,914)
Net book amount	**513,899**	**415,372**
Gross finance lease liabilities - minimum lease payments		
No later than 1 year	93,744	62,173
Later than 1 year and no later than 5 years	351,331	303,991
Later than 5 years	100,592	44,925
Total of future minimum lease payments	**545,666**	**411,090**
Future finance charges on finance lease liabilities	(41,306)	(15,754)
Present value of minimum future leasing amount	**504,360**	**395,336**
The present value of finance lease liabilities is as follows		
No later than 1 year	87,490	58,166
Later than 1 year and no later than 5 years	342,282	293,712
Later than 5 years	74,588	43,458
	504,360	**395,336**

The leasing contracts have an interest rate of the relevant interbank offered rate plus a margin between 2.0 and 2.5 %.

Operating Leases
Operating lease payments are expensed in profit or loss as part of operating expenses.

The contracts do not restrict the Group's ability to pay out dividends or other financing options.

OPERATING LEASE PAYMENTS

NOK 1,000	2015	2014
Operating lease payments - equipment	10,145	7,484
Operating lease payments - office	25,659	25,202
Total operating lease payments	**35,804**	**32,686**

COMMITMENTS - OPERATING EQUIPMENT

NOK 1,000	31.12.15	31.12.14
Within 1 year	6,982	9,147
1 to 5 years	5,930	4,334
After 5 years	80	-
Total commitments - operating leases	**12,992**	**13,481**

COMMITMENTS AS OF 31.12.2015- OPERATING OFFICE LEASES

	Norway	Sweden	Denmark	Finland	Total
Within 1 year	7,574	6,423	3,629	976	18,602
1 to 5 years	16,488	7,634	2,565	-	26,686
After 5 years	5,825	-	-	-	5,825
Total commitments - operating leases	**29,887**	**14,057**	**6,193**	**976**	**51,114**

COMMITMENTS AS OF 31.12.2014- OPERATING OFFICE LEASES

	Norway	Sweden	Denmark	Finland	Total
Within 1 year	8,213	4,837	3,246	400	16,696
1 to 5 years	9,160	7,240	3,417	179	19,996
After 5 years	-	-	-	-	-
Total commitments - operating leases	**17,373**	**12,076**	**6,664**	**579**	**36,692**

Note 17. Interest-bearing debt

NOK 1,000	31/12 2015	31/12 2014
<u>**Non-current**</u>		
Bank borrowings	781,391	760,300
<u>**Current**</u>		
Bank borrowings	-	89,106
Total bank borrowings	**781,391**	**849,406**

BANK BORROWINGS

NOK 1,000 Loan Facility	Loan origi- nation date	Initial loan frame in local currency	Maximum contractual interest rate	Termination date	Carrrying Value 31.12.15	 31.12.14
Facility A	16.12.14	620,000 NOK	IBOR+2,00%	16.12.19		
Total A					**634,817**	**616,576**
Facility B	16.12.14	350,000 NOK	IBOR+1,75%	16.12.19		
Total B					**150,950**	**149,194**
Other bank borrowings					-	89,106
Capitalized origination fee					(4,376)	(5,470)
Total bank borrowings					**781,391**	**849,406**

10 November2014, with execution date 16 December, the Group refinanced its bank borrowings with a new senior facility of total NOK 970 million mainly used to repay the old bank loans. The facility consists of a term loan facility of NOK 620 million and an RCF facility of NOK 350 million. Both facilities are 5-year bullets. The new credit facility has significantly lower margins, 2.0% (term loan facility) and 1.75% (revolving loan facility) over the relevant interbank offered rate (IBOR*).

On bank loan covenants RenoNorden ASA shall ensure that the adjusted leverage in respect of any Relevant Period shall not exceed 5.00:1. In addition RenoNorden ASA shall ensure that the Interest Cover in respect of any relevant period shall not be less than 4.00:1.

**"IBOR" means (in respect of Loans in EUR), EURIBOR, (in respect of Loans in NOK) NIBOR, (in respect of Loans in SEK) STIBOR, (in respect of Loans in DKK) CIBOR and (in respect of Loans in an Optional Currency, other than EUR, DKK and SEK), LIBOR.*

As a consequence of the refinancing the group had a write-down NOK 24.627 million relating to origination fees on the old loans in 2014.

The Group has interest rate risk from long-term borrowings. The interest expense on the facility bank borrowings is a floating rate plus a risk premium. The risk premium is set annually by the lender based on an agreed calculation that is dependent on the Company's leverage position. The risk premium is a floating rate with a maximum value as shown in the table above (in the column ""Maximum contractual interest rate"") that will vary from year to year based on the Company's annual performance. The maximum risk premium is shown in the table above.

The Group uses interest rate cap derivate contracts to hedge the interest rate risk related to their bank borrowings, see Note 13 Derivative financial instruments.

The amortized cost carrying value is a close approximation of the current fair value of the borrowings.

The bank borrowings are unsecured, with a mutual payment guarantee from the following subsidiaries: RenoNorden AS, RenoNorden AB, RenoNorden A/S and RenoNorden Oy.

The table below analyses the Group's bank borrowings into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

AT 31 DECEMBER 2015

NOK 1,000	< 1 year	1-5 years	>5 years
Bank Borrowings FAC A	-	634,817	-
Bank Borrowings FAC B	-	150,950	
		785,767	

AT 31 DECEMBER 2014

NOK 1,000	< 1 year	1-5 years	>5 years
Bank Borrowings FAC A	-	616,576	-
Bank Borrowings FAC B	-	149,194	
		765,770	

At 31 December 2015 if the interest rates on denominated bank borrowings had been 10 basis points higher or lower with all other variables held constant, post-tax profit for the year would have decreased/increased by NOK 574 thousands as a result of higher/lower interest expense on floating rate borrowings.

Note 18. Other current liabilities

NOK 1,000	31/12 2015	31/12 2014
Accrued monitoring fee*	-	4,222
Accrued employee benefit expense	33,858	36,377
Accrued vacation pay	93,195	81,396
Accrued IPO expenses	-	14,350
Other current accruals	12,421	20,593
Total other current liabilities	**139,474**	**156,937**

**Accrued Monitoring fee has been paid in 2015, agreement canceled 16.12.2014 see note 21. related parties and shareholder transactions for more information.*

Note 19. Business combinations

The purchase method is used to account for business combinations. Companies acquired or disposed of during the year are consolidated from the date that control commences until the date control ceases.

2015

Norway - acquisitions

RenoNorden AS has in 2015 acquired 100% of the share capital of NTS Miljø AS in Norway, for 4.6MNOK, that was settled in cash. The Company was later renamed to RenoNorden Midt-Norge AS.

RenoNorden Midt-Norge AS operates one contract, serving several municipalities in northern Norway. The contract expires 1 October 2016. The company is included in segment "Norway", see note 5. segment information and seasonality for more information.

RenoNorden Midt-Norge AS has 13 employees and 8 owned vehicles. Signing and closing of the transaction was completed in the beginning of the year. The company is consolidated with effect from 1 January 2015.

The contract with the municipalities has not been renewed.

PURCHASE CONSIDERATION

NOK 1,000	
Cash paid	4,600
Total consideration	**4,600**

THE ASSETS AND LIABILITIES RECOGNIZED AS A RESULT OF THE ACQUISITION ARE AS FOLLOWS

NOK 1,000	
Cash and cash equivalents	2,959
Machinery and equipment	974
Customer contracts*	3,821
Other receivables	58
Accounts receivable	2,387
Other current liabilities	(4,066)
Accounts payable	(511)
Deferred tax liabilities	(1,022)
Net assets acquiredTotal consideration	**4,600**

**Customer contract is amortized until 30 September 2016*

Denmark - acquisitions

RenoNorden A/S has in 2015 acquired two contracts from a competitor in Denmark. Contract 1 ends 31.1.2016 with 6 months prolonging options and contract 2 ends 31.5.2018 with 24 months prolonging options.

In connection with the transaction RenoNorden has taken over 31 employees and 23 vehicles. The purchase price is 10 MDKK with 7,5 MDKK upfront and 2,5 MDKK as deferred payment.

Signing and closing of the transaction was completed in the end of 2014. The company is consolidated with effect from 1 January 2015.

PURCHASE CONSIDERATION

	DKK 1,000	NOK 1,000
Cash paid	10,000	12,660
Total consideration	**10,000**	**12,660**

THE ASSETS AND LIABILITIES RECOGNIZED AS A RESULT OF THE ACQUISITION ARE AS FOLLOWS

	DKK 1,000	NOK 1,000
Machinery and equipment	5,431	6,875
Customer contracts*	4,569	5,785
Net assets acquired	**10,000**	**12,660**

**Customer contract is amortized over useful life of the contract*

2014

There were no acquisitions in the year ending 31 December 2014.

Note 20. Investments in subsidiaries

These consolidated financial statements include the following subsidiaries.

Subsidiaries	Acquisition date	Office location	Country	Ownership percentage
RenoNorden Investments AS [1]	30.09.11	Sørum	Norway	100 %
RenoNorden AS	30.09.11	Sørum	Norway	100 %
RenoNorden Midt-Norge AS	01.01.15	Namsos	Norway	100 %
RenoNorden AB	30.09.11	Älvsjö	Sweden	100 %
RenoNorden A/S	30.09.11	Herfølge	Denmark	100 %
RenoNorden OY	16.12.13	Espoo	Finland	100 %
HFT Environment Oy [2]	16.12.13	**Espoo**	**Finland**	100 %

1) RenoNorden Investments AS merged with Renonorden ASA 01.01.2015.
2) HFT Environment Oy merged with RenoNorden Oy 31.12.2015.

Note 21. Related parties and shareholder transactions

Identification of related parties

The group has a related party relationship with subsidiaries, see disclosure note 20, and with it's directors and executive officers. All transactions with related parties are based on arms length principles.

Year-end payables to related parties

The Group has paid 2.6 MNOK to CapVest Associates LLP and 1.6 MNOK to AccentFourteen Holding Ltd., the previous majority shareholders, in July 2015. The amounts are related to monitoring fee according to "Monitoring Fee Agreement" entered into between the parent company RenoNorden ASA, the CapVest Adviser and the Minority investors on 30 September 2011. The amounts which were booked and accrued as expense in 2014, are recognized in the consolidated statement of comprehensive income as part of other operating expenses. This agreement was terminated 16.12.2014.

Note 22. Guarantees

GUARANTEES

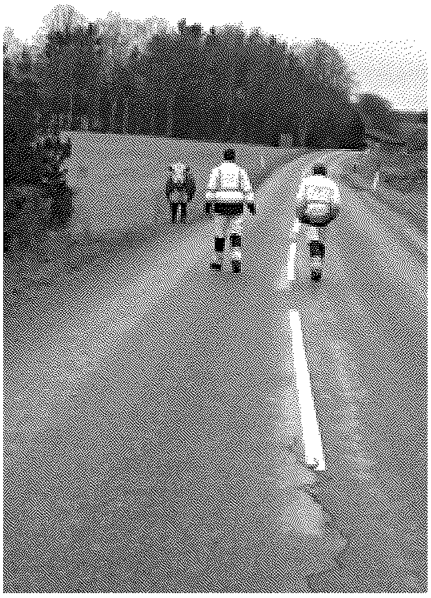
NOK 1,000	31.12.15	31.12.14
Bank guarantees	160,726	129,597
Total guarantees	**160,726**	**129,597**

Bank guarantees were issued as collateral for the fulfillment of the Group's obligations under their contracts with municipalities in all operating jurisdictions.

Management believes that the likelihood of any material liability arising from these guarantees is remote. The maximum liability is shown in the table above. No provision is recognized.

Note 23. Subsequent events

There are no subsequent events with material effect.



Both pictures by Gitte Blomhõj, RenoNorden Denmark

Income statement RenoNorden ASA

NOK 1,000	Notes	2015	2014
OPERATING REVENUES AND EXPENSES			
Employee benefit expense	2	(18,630)	-
Other operating expenses	3	(6,822)	(29,259)
Total operating expenses		**(25,452)**	**(29,259)**
Financial income (expense), net	4,5	76,168	88,057
Profit/(loss) before taxes		**50,716**	**58,798**
Tax income/(expense)	6	(13,684)	(2,376)
Profit/(loss) for the period		**37,032**	**56,423**
Transfers and allocations			
(To)/from equity	8	13,104	(6,423)
Dividend proposed	8	(50,136)	(50,000)
Total transfers and allocations		**(37,032)**	**(56,423)**

The accompanying notes are an integral part of the financial statements.

Balance Sheet RenoNorden ASA

NOK 1,000	Notes	31/12 2015	31/12 2014
ASSETS			
Non-current assets			
Deferred tax asset	6	-	3,178
Investments in subsidiaries	9	1,279,215	509,497
Total non-current assets		**1,279,215**	**512,675**
Current assets			
Intercompany receivables	10	110,672	114,217
Other current receivables		167	1,827
Cash and cash equivalents	7	187,445	6,141
Total current assets		**298,284**	**122,185**
Total assets		**1,577,500**	**634,860**

The accompanying notes are an integral part of the financial statements.

NOK 1,000	Notes	31/12 2015	31/12 2014
EQUITY AND LIABILITIES			
Equity			
Share capital		27,248	27,248
Share premium		501,445	501,445
Retained earnings		130,104	28,195
Total equity	8	**658,798**	**556,889**
Non-current liabilities			
Deferred tax		230	-
Non-current liabilities to financial institutions		574,566	-
Total non-current liabilities		**574,796**	-
Current liabilities			
Taxes payable	6	16,931	5,554
Accrued public duties		278	-
Accounts payable		1,359	3,845
Intercompany payables	10	272,266	-
Dividend payable	8	50,136	50,000
Other current liabilities		2,936	18,572
Total current liabilities		**343,906**	**77,971**
Total liabilities		**918,702**	**77,971**
Total equity and liabilities		**1,577,500**	**634,860**

The accompanying notes are an integral part of the consolidated financial statements.

The Board of Directors of RenoNorden ASA April 20, 2016

Erik Thorsen
Chairman

Charlotte G. Hansson
Board member

Harald Rafdal
CEO

Penelope Kate Briant
Board member

Niklas Nikita Sloutski
Board member

Statement of Cash Flows RenoNorden ASA

NOK 1,000	Notes	2015	2014
Cash flows from operating activities			
Profit before taxes		50,716	58,798
Taxes paid in the period		(5,554)	-
Change in other receivables, other current liabilities, and non-cash items		106,411	(85,871)
Effects from merger	1	183,436	-
Interests received		932	807
Interests paid		(19,111)	-
Net cash generated from operating activities		**316,831**	**(26,266)**
Cash flows from financing activities			
Group contributions received		-	10,000
Net increase/decrease in current liabilities to financial institutions		(89,106)	-
Proceeds from shareholder loans		-	7,371
Repayment of shareholder loans		-	(308,948)
Proceeds from sale of treasury shares		-	5,871
Proceeds from issuance of equity (private placement)		-	3,420
Proceeds from issuance of equity (public offering)		-	308,850
Dividend paid		(50,000)	-
Net cash used in financing activities		**(139,106)**	**26,564**
Effect of exchange rate changes on cash and cash equivalents		3,580	-
Net change in cash and cash equivalents		**181,304**	**298**
Cash and cash equivalents at the beginning of the period		6,141	5,843
Cash and cash equivalents at the end of the year		**187,445**	**6,141**

The accompanying notes are an integral part of the financial statements.

Photo by Robert fran Saffle, RenoNorden Sweden

Picture by Aleksandrs Zigunovs, RenoNorden Norway

Parent Company Notes

Note 1 Accounting policies

The financial statements of RenoNorden ASA are prepared in accordance with the Norwegian accounting act and accounting principles generally accepted in Norway (N GAAP). Financial statement preparation requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses as well as disclosures of contingencies. Actual results may differ from estimates.

COST RECOGNITION
Costs are expensed in the period that the income to which they relate is recognized. Costs that can not be directly related to income are expensed as incurred.

CURRENT ASSETS/SHORT TERM LIABILITIES
Current assets and short term liabilities consist of receivables and payables due within one year. Other balance sheet items are classified as fixed assets / long term liabilities. Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

FIXED ASSETS/LONG TERM LIABILITIES
Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

SHARES IN SUBSIDIARIES
Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses An impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a lather period.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

FOREIGN CURRENCY TRANSACTIONS
Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, bank deposits and all other monetary instruments with a maturity of less than three months at the date of purchase.

The level of cash held by RenoNorden ASA reflects that most external bank deposits are channeled through group cash pool with RenoNorden ASA as pool owner, and should thus be seen in context with the intercompany receivables and payables.

PENSION

The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension (”lov om obligatorisk tjenestepensjon”). The company's pension scheme meets the requirements of that law.

RISK MANAGEMENT

For information about risk management in RenoNorden ASA see note 3 Financial risk management to the consolidated financial statements.

INCOME TAXES

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 25 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

MERGER

RenoNorden ASA merged with it's fully owned subsidiary RenoNorden Investments AS, with tax and accounting effect as of 1 January 2015. In the merger RenoNorden ASA took over all assets, rights and obligations without any consideration pursuant to the Public Limited Companies Act section 13-24. RenoNorden Investments AS was liquidated simultaneously with final legal implementation of the merger. The merger is accounted for under the continuity method, based on the fact that the merger was only a mean of simplifying the legal structure internally in the Group and no change of ownership took place. Assets, rights and obligations transferred in the merger are presented using company continuity. According to NRS 9, no comparable figures or pro forma information have been prepared for 2014.

CASH FLOW STATEMENT

The cash flow statement is compiled using the indirect method. Cash and cash equivalents include cash and bank deposits.

Note 2 Management remuneration, and employee benefit expense

EMPLOYEE BENEFIT EXPENSE

NOK 1,000	2015	2014
Employee benefit expense		
Salaries *	13,969	-
Social security cost	2,529	-
Pension cost	1,143	-
Other compensations and social costs	989	-
Total employee benefit expense	**18,630**	-
Average number of employees	**7**	-

**Salaries include bonuses and severance packages in addition to base pay.*

AUDITOR FEES

NOK 1,000	2015	2014
Expensed audit fee (excluding VAT)		
Audit fee	710	109
Attestation services	220	84
Tax and other services	295	-
Audit related services in connection with IPO	-	2,479
Total expensed audit fee	**1,225**	**2,672**

Pension

The company has defined contribution plans in accordance with local legislation. For Norwegian employees the defined contribution plans contributions comprise 5 % of salaries, and for Swedish employees the defined contribution plans cover contributions comprise 4.5 % of monthly salaries up to approximately 36,000 SEK and 30% of the amount above 36,000 SEK. As at 31 December 2015, the plan cover 4 Norwegian members and 4 Swedish members. Some employees of the management has individual pension agreement, which entitles them to a fixed monthly amount.

See note 6 Employee benefit expense in the notes to the consolidated financial statement for information and details related to the corporate management and board of directors remuneration.

Note 3 Specification of other operating expenses

NOK 1,000	2015	2014
Management fee	-	3,792
IPO expenses	-	25,510
Expensed audit fee and other consultant fees	3,711	-
Office expenses	1,061	-
Other expenses	2,050	(43)
Total other operating expenses	**6,822**	**29,259**

Note 4 Financial income and expense

NOK 1,000	2015	2014
Dividends and group relief from subsidiaries	105,494	108,353
Interest income group companies	4	776
Other interest income	928	30
Interest expense group companies	574	-
Other interest expense	(19,229)	(21,765)
Net foreign exchange gain/(loss)	(7,642)	662
Loss on interest derivatives	(944)	-
Amortization of origination fee	(1,094)	-
Other financial income/(expense)	(1,923)	-
Financial income/(expense), net	**76,168**	**88,057**

Note 5 Financial instruments

NOK 1,000	Acquisition cost	Market value	Changes in value recognized in p&l
Interest rate caps derivatives	**1,041**	**96**	**(944)**

Financial instruments have been assessed at fair value. The fair value has been set in accordance with the value observable in the market at the balance sheet date.

See note 13. Derivative financial instruments in the notes to the consolidated financial statements for more information.

Note 6 Income taxes

DISTRIBUTION OF TAX INCOME/ (EXPENSE) FOR THE YEAR

NOK 1,000	2015	2014
Current income tax	(11,752)	(5,554)
Change in deferred tax	(1,931)	3,178
Income tax	**(13,684)**	**(2,376)**

RECONCILIATION OF TAX EXPENSE

NOK 1,000	2015	2014
Income (loss) before taxes	50,716	58,798
Permanent differences	33	-
Group contribution without tax effect	-	(50,000)
Change in temporary differences	998	-
Interest deduction carryforward	(8,219)	11,772
Taxable income	**43,527**	**20,570**
Tax payable 27 %	**11,752**	**5,554**

TAX PAYABLE IN THE BALANCE SHEET

NOK 1,000	31.12.15	31.12.14
Payable taxes current year result	11,752	5,554
Tax payable on received group contribution	5,179	-
Total tax payable in the balance sheet	**16,931**	**5,554**

TEMPORARY DIFFERENCES

NOK 1,000	2015	2014
Origination fees	(4,472)	-
Interest deduction carryforward	3,552	11,772
Total temporary differences	**(920)**	**11,772**

THE TAX EFFECT OF TEMPORARY DIFFERENCES RESULTING IN DEFERRED TAX ASSETS (LIABILITIES) ARE:

NOK 1,000	2015	2014
Origination fees	(1,118)	-
Interest deduction carryforward	888	3,178
Deferred tax asset (liabilities)	**(230)**	**3,178**
Deferred tax percentage	**25 %**	**27 %**

Note 7 Bank deposits

NOK 1,000	31.12.15	31.12.14
Employees tax deduction, deposited in a separate bank account	**533**	**-**

The Group's liquidity is organised in a group cash pool. This implies that the cash in the subsidiaries at this account is classified as receivables with the parent company, and that all group companies are jointly responsible for all transactions done by the parent.

Note 8 Number of shares outstanding, equity reconciliation and shareholders

At 31 December 2015 the company's share capital comprises 27,247,948 shares with a nominal value of NOK 1 each. All shares have the same voting rights. The company had no own shares.

NOK 1,000	Share capital	Share premium	Retained earnings	Treasury shares	Total
Equity 01.01.2014	**2,814**	**211,625**	**21,148**	**(26)**	**235,561**
Proceeds from shares issued (private placement)	23	3,397	-	-	3,420
Repurchase of own shares	-	(3,212)	-	(24)	(3,236)
Sale of treasury shares	-	5,202	624	45	5,871
Cancellation of preference shares	(2,630)	2,625	-	5	-
Share capital increase	20,458	(20,458)	-	-	-
Proceeds from shares issued (public offering)	6,584	302,266	-	-	308,850
Proposed dividend	-	-	(50,000)	-	(50,000)
Profit/(loss) for the year	-	-	56,423	-	56,423
Equity 31.12.2014	**27,248**	**501,445**	**28,195**	**-**	**556,889**
Equity 01.01.2015	**27,248**	**501,445**	**28,195**	**-**	**556,889**
Merger with RenoNorden Investments AS			115,013		115,013
Proposed dividend			(50,136)		(50,136)
Profit/(loss) for the year	-	-	37,032	-	37,032
Equity 31.12.2015	**27,248**	**501,445**	**130,104**	**-**	**658,798**

THE 20 LARGEST SHAREHOLDERS AT 31.12.2015

Shareholders	Number of shares	% of shares
ASTA NETHERLANDS B.V.	3,284,742	12.06 %
SKANDINAVISKA ENSKILDA BANKEN AB	2,691,737	9.88 %
FOLKETRYGDFONDET	2,400,000	8.81 %
ACCENTFOURTEEN HOLDING LIMITED	2,078,607	7.63 %
VPF NORDEA NORGE VERDI	1,036,247	3.80 %
JP MORGAN CHASE BANK, NA	981,288	3.60 %
VERDIPAPIRFONDET KLP AKSJENORGE	947,816	3.48 %
DANSKE BANK A/S	895,971	3.29 %
SKANDINAVISKA ENSKILDA BANKEN S.A.	888,033	3.26 %
UBS SWITZERLAND AG	690,000	2.53 %
CANACCORD GENUITY NON US RESA	595,000	2.18 %
KOMMUNAL LANDSPENSJONSKASSE	569,509	2.09 %
EIKA NORGE	449,724	1.65 %
VERDIPAPIRFONDET HANDELSBANKEN	400,000	1.47 %
WAAGE	400,000	1.47 %
J.P. MORGAN CHASE BANK N.A. LONDON	372,988	1.37 %
VPF NORDEA KAPITAL	347,800	1.28 %
CITIGROUP GLOBAL MARKETS LIMITED	314,997	1.16 %
UBS SWITZERLAND AG	289,400	1.06 %
SYDBANK A/S	252,656	0.93 %
Other	7,361,433	27.02 %
Total	**27,247,948**	**100 %**

Note 9 Subsidiaries

NOK 1,000	Investments at 1 January	Merger	Additional paid-in equity	Investments at 31 December
RenoNorden investments AS	509,497	(509,497)		-
RenoNorden AS	-	834,426		834,426
RenoNorden AB	-	164,375		164,375
RenoNorden A/S	-	227,172		227,172
RenoNorden Oy	-	42,377	10,864	53,241
Total	**509,497**	**758,854**	**10,864**	**1,279,215**

Subsidiaries	Ownership share	Registered office	Total equity in the company 2015	Net income 2015
RenoNorden AS	100 %	Norway	242,201	77,010
RenoNorden AB	100 %	Sweden	293,005	20,641
RenoNorden A/S	100 %	Denmark	334,518	10,908
RenoNorden Oy*	100 %	Finland	66,016	6,928

**RenoNorden Oy changed it's name from RenoNorden Finland Holding Oy in 2015*

Note 10 Balances with group companies

NOK 1,000	31/12 2015	31/12 2014
Current assets		
RenoNorden Investments AS	-	103,353
Renonorden Oy	-	10,864
RenoNorden AS	110,672	-
Intercompany receivables	**110,672**	**114,217**
Current liabilities		
RenoNorden AS	136,155	-
RenoNorden Midt-Norge AS	5,131	-
RenoNorden AB	98,282	-
RenoNorden A/S	19,499	-
RenoNorden Oy	13,199	-
Intercompany payable	**272,266**	-

Note 11 Long-term debt

NOK 1,000	2015	2014
Non-current liabilities to financial institutions, due 1-5 years	**574,566**	-

The non-current liabilities to financial institutions are unsecured bank borrowings, with a mutual payment guarantee from the following subsidiaries: RenoNorden AS, RenoNorden AB, RenoNorden A/S and RenoNorden OY.

The Company dose not have any other off-balance commitments or guarantees.

See note 17 to the consolidated financial statements for further information about long-term debt.

Responsibility Statement

The Board of Directors and the CEO hereby confirm that the consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union, as well as in accordance with the Norwegian Accounting Act, and give a true and fair view of the Group's financial position and performance. The Parent Company's financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway, and give a true and fair view of the Parent Company's financial position and performance.

The Board of Directors' Report for the Group and Parent Company, to the best of our knowledge, provides a true and fair view of the development, financial position and performance of the Group and Parent Company, and describes significant risks and uncertainties faced by the Parent Company and Group companies.

The Board of Directors of RenoNorden ASA April 20, 2016

Erik Thorsen
Chairman

Charlotte G. Hansson
Board member

Harald Rafdal
CEO

Penelope Kate Briant
Board member

Niklas Nikita Sloutski
Board member

Independent Auditors Report

KPMG

KPMG AS
P.O. Box 7000 Majorstuen
Sørkedalsveien 6
N-0306 Oslo

Telephone +47 04063
Fax +47 22 60 96 01
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the Annual Shareholders' Meeting of RenoNorden ASA

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of RenoNorden ASA, which comprise the financial statements of the parent company RenoNorden ASA and the consolidated financial statements of RenoNorden ASA and its subsidiaries. The parent company's financial statements comprise the balance sheet as at 31 December 2015, the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The consolidated financial statements comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the separate financial statements

In our opinion, the parent company's financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of RenoNorden ASA as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of RenoNorden ASA and its subsidiaries as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report and the statements on Corporate Governance and Corporate Social Responsibility

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statements on Corporate Governance and Corporate Social Responsibility concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Accounting Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 20 April 2016
KPMG AS

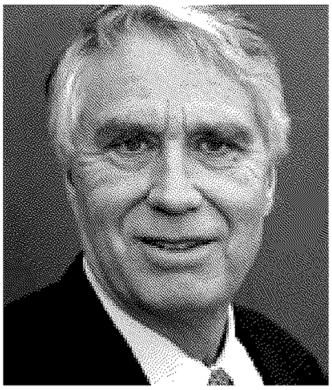
Bjørn Kristiansen
State Authorized Public Accountant

Special Items

	EBITDA effect		Profit before tax effect	
NOK 1,000	2015	2014	2015	2014
Write-down of capitalized origination fees related to old bank facility	-	-	-	24,627
Management fees*		3,792		3,792
IPO costs	-	26,674	-	26,674
Total special items	**-**	**30,466**	**-**	**55,093**

**Management fees were incurred under the previous ownership structure and will not be incurred from January 2015.*

Board of Directors



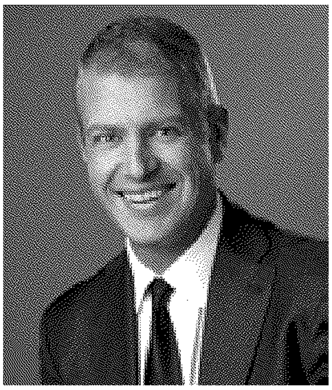
Erik Thorsen
Chairman

Born 1956. MBA from University of Karlstad. Studies in mathematics and naval engineering from University of Oslo and Royal Norwegian Naval Academy.

Elected 2014
Chairman of the Remuneration Committee.

Other major assignments
Chairman: Biotec Pharmacon ASA, Metallkraft AS, Ålø AB, Northstar AB, Toleko AS.

Holdings in RenoNorden: 0 shares



Niklas Nikita Sloutski
Board member

Born 1976. MSc in Business and Economics from the Stockholm School of Economics, a Certificate in Business Administration from the Edinburgh Business School and course diplomas in finance from Harvard University and law from Stockholm University.

Elected 2011
Member of the Audit Committee. Member of the Remuneration Committee.

Other major assignments
Chairman: Hoist Group AB, Southpaw, Northpaw.

Board member: Scandic Hotels AB, Candyking Holding AB, Accent Equity Partners AB

Holdings in RenoNorden: 0 shares

Born 1971. Bachelor of Commerce and Accounting Honours, University of Cape Town, South Africa. Chartered Accountant.

Elected 2011
Chairman of the Audit Committee.

Other major assignments
Partner and investment committee member of funds advised by CapVest. Chairman, Glo Holdings SCA. Board Member, Scandi Standard AB, Mater Private and Valeo Foods.

Holdings in RenoNorden: 42,000 shares

Penelope Kate Briant
Board member

Born 1962. MSc in Market Economics from IHM in Stockholm. Scient. Cand. in Biochemistry from University of Copenhagen. Leadership-program Ruter Dam.

Elected 2014
Member of the Audit Committee.

Other major assignments
Managing Director MTD KB (MorgonTidigDistribution). Board member: Orio AB, DistIT AB, B&B Tools AB, BE Group AB, Formpipe Software AB.

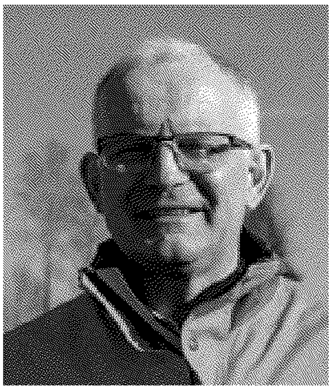
Holdings in RenoNorden: 3,000 shares

Charlotte G. Hansson
Board member

Auditor

Bjørn Kristiansen
Lead partner KPMG Norway

Group management

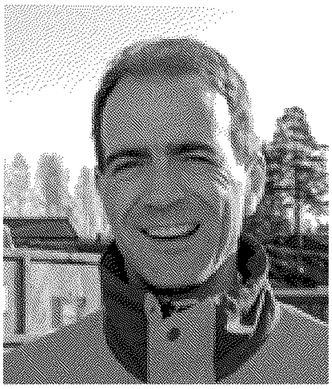


Harald Rafdal
Chief Executive Officer
and acting Country Manager Norway

Harald Rafdal assumed the role as Chief Executive Officer from April 1, 2016, following Staffan Ebenfelt, who was Chief Executive Officer throughout 2015. Prior to his appointment, Mr. Rafdal was the CEO of Mesta AS, a Norwegian government enterprise delivering services within construction, modification and operation of roads, for six years. Prior to the position as CEO of Mesta AS, Mr. Rafdal gained broad international experience within industry sectors such as oil and gas, shipbuilding, shipping and project-related businesses, mainly for Kvaerner and Aker.

Current directorships and senior management positions
None

Holdings in RenoNorden: 0 shares, 0 performance share rights



Øystein Disch Olsrød
Chief Financial Officer

Øystein Disch Olsrød joined RenorNorden as Chief Financial Officer in October 2015. Prior to joining RenoNorden, Mr. Olsrød was CFO of Tide ASA, a publicly listed transport company in Bergen, Norway. He was also CFO of Green Reefers ASA, a publicly listed shipping company. Previously he has also held positions as managing director, controller and auditor in various companies. Mr. Olsrød is a State Authorised Public Accountant in Norway. Mr. Olsrød is a Norwegian citizen, and resides in Norway.

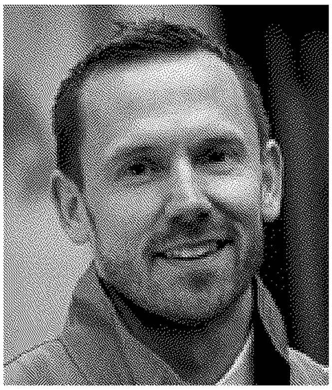
Current directorships and senior management positions
None

Holdings in RenoNorden: 0 shares, 0 performance share rights

Andreas Westin has been Head of Business Development of the Group since 2014. Prior to joining the Group, Mr. Westin worked as a management consultant with A. T. Kearney and Capgemini Consulting, focusing on supply chain efficiencies, market strategy and operational excellence. Mr. Westin holds an MSc in Business Administration from Stockholm University and an MSc in Industrial Engineering from Linköping University. Mr. Westin is a Swedish citizen, and resides in Sweden.

Current directorships and senior management positions
Westindustries AB (owner)

Holdings in RenoNorden: 39,799 shares, 13,375 performance share rights

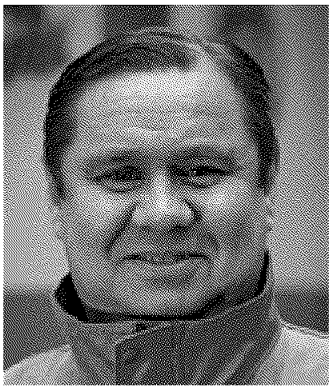


Andreas Westin
Head of Business Development

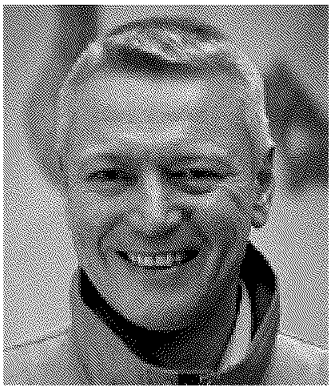
Peter Ekholm has been the country manager of RenoNorden AB in Sweden since 2011. Prior to his appointment, Mr. Ekholm held various managing positions within the Schenker logistics Group, including regional manager. Mr. Ekholm is a Swedish citizen, and resides in Sweden.

Current directorships and senior management positions
None

Holdings in RenoNorden: 29,061 shares, 13,375 performance share rights



Peter Ekholm
Country Manager Sweden

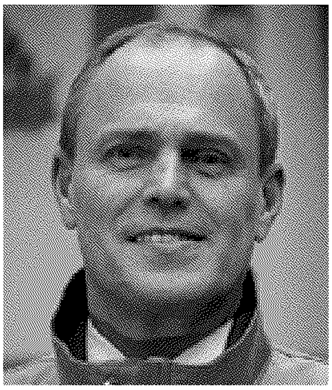


Torben Lindholm
Country Manager Denmark

Torben Lindholm has been country manager of RenoNorden A/S in Denmark since 2010, but had worked in the Reno ex Group since 1998 which was acquired by the Group in 2010. Mr. Lindholm has worked more than 23 years within the household-waste management industry, including holding positions with Renholdningsselskabet af 1898 and Reno ex. Mr. Lindholm holds an MSc in business from Copenhagen Business School and an MSc in Product Engineering from the Technical University of Denmark. Mr. Lindholm is a Danish citizen, and resides in Denmark.

Current directorships and senior management positions
None

Holdings in RenoNorden: 80,742 shares, 18,786 performance share rights



Jukka Koivisto
Country Manager Finland

Jukka Koivisto has been country manager of RenoNorden Finland Holding Oy in Finland since 2014, but had worked in HFT Network Oy since 2002 and since 2010 in HFT Environment Oy, which was acquired by the Group in 2014. Mr. Koivisto has more than 25 years of experience within the environmental business industry and has helped start up and develop numerous waste handling companies, such as WM Ympäristöpalvelut Oy and CCR Nordic Oy. Mr. Koivisto holds a BSc in Engineering from Arcada-Nylands Svenska yrkeshögskolan. Mr. Koivisto is a Finish citizen, and resides in Finland.

Current directorships and senior management positions
Scandinavian Waste Management OY (board member), HFT Environment Oy (board member), HFT Network Oy (board member) and Lindbohm & Partners OY (board member).

Holdings in RenoNorden: 165,814 shares, 17,221 performance share rights


Photo by Patrik Persson, RenoNorden Sweden

ANNUAL REPORT 2015

RENONORDEN

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	09.10.2014	05.12.2014
Telefon	Deres referanse	Vår referanse
22078139	7953168/1	2014/735248

ADVOKATFIRMAET THOMMESSEN AS
Postboks 1484 Vika
0116 OSLO

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for RenoNorden ASA, org. nr. 996 755 215

Vi viser til deres søknad av 9. oktober 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for RenoNorden ASA.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering RenoNorden ASA dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
RenoNorden ASA er eiet med 57 % av et britisk selskap og 37 % av et svensk selskap. De øvrige aksjene er eiet av ledelsen. Selskapet er notert på Oslo Børs og har dispensasjon fra vphl § 5-13 vedrørende krav til språk ved informasjonspliktige opplysninger. RenoNorden-konsernet har virksomhet innen renovasjonstjenester i Norge, Sverige, Danmark og Finland. Selskapet har datterselskaper og kontorer i disse landene. Konsernets arbeidsspråk er engelsk. Kundene i Norge er kommuner. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk.* Departementet kan ved ... *enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

> *"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan*

2014/735248 Side 2 av 2

foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at majoriteten av aksjonærene er utenlandske. Selskapet er notert på Oslo Børs og har dispensasjon fra vphl § 5-13 vedrørende krav til språk ved informasjonspliktige opplysninger. Arbeidsspråket i konsernet er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet har utenlandske datterselskaper.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer