

## Balance (TNOK)

	(tall i hele tusen)	Note	31.12.2016	31.12.2015
<b>ASSETS</b>				
<b>Non-current assets</b>				
Deferred tax assets		14	24 505	31 127
<b>Intangible fixed assets</b>			<b>24 505</b>	<b>31 127</b>
Unserviced sites, buildings and other real property		8	155 695	183 118
Scientific equipment		8	24 742	5 017
Tangible operating assets, inventories, etc.		8	5 498	4 806
<b>Fixed assets</b>			<b>185 934</b>	<b>192 940</b>
Shares in other companies		10	10 564	10 564
Long-term receivables (Group)		9	50	50
Pension plan assets		7	1 652	1 654
Other long-term receivables			13 824	15 796
<b>Non-current financial assets</b>			<b>26 090</b>	<b>28 065</b>
<b>Total non-current assets</b>			<b>236 529</b>	<b>252 132</b>
<b>Current assets</b>				
Stocks of finished goods			4	
Work in progress		5	54 712	80 913
<b>Stocks</b>			<b>54 716</b>	<b>80 913</b>
Client receivables			52 677	57 197
Consolidated current receivables		12	902	432
Pre-payments to suppliers			-	-
Other current receivables			836	4 885
<b>Receivables</b>			<b>54 415</b>	<b>62 513</b>
Investments		11	47 574	47 471
<b>Investments</b>			<b>47 574</b>	<b>47 471</b>
Cash, bank deposits		17	131 210	101 378
<b>Bank deposits, cash, etc</b>			<b>131 210</b>	<b>101 378</b>
<b>Total current assets</b>			<b>287 915</b>	<b>292 276</b>
<b>TOTAL ASSETS</b>			<b>524 445</b>	<b>544 408</b>

## Balance

	(TNOK)	Note	31.12.2016	31.12.2015
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share premium reserve		13	7 540	7 540
<b>Paid-in equity</b>			<b>7 540</b>	<b>7 540</b>
<b>Other equity</b>		13	<b>331 779</b>	<b>318 078</b>
<b>Retained earnings</b>			<b>331 779</b>	<b>318 078</b>
<b>Total equity</b>		13	<b>339 319</b>	<b>325 618</b>
Subordinated loan capital		9	1 106	1 106
<b>Subordinated loan capital</b>			<b>1 106</b>	<b>1 106</b>
Accounts payable			21 707	27 965
Public taxes/duties payable			23 329	21 223
Advance payments from clients			30 597	48 837
Current liabilities		12	5 810	8 340
Other current liabilities		15	102 576	111 319
<b>Current liabilities</b>			<b>184 020</b>	<b>217 684</b>
<b>Total liabilities</b>			<b>185 126</b>	<b>218 790</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>524 445</b>	<b>544 408</b>


Trondheim, 23. March 2017




Inge R. Gran  
President



Alexandra Bech Gjørv  
Board Chair



Geir Kulås  
Board member



Kristin Lian  
Board member



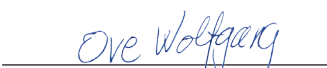
Stein Iver Koi  
Board member



Randi Viksund  
Board member



Ingvald Strømmen  
Board member



Ove Wolfgang  
Board member



Svend Tollak Munkejord  
Board member



Marit Jagtøyen Mazzetti  
Board member

## Profit and loss account

(TNOK)	Note	2016	2015
<b>Operating revenues and expenditures</b>			
External project revenues		411 006	371 786
Funding from the Research Council of Norway		26 777	25 241
Other operating revenues		1 240	-
Gross operating revenues	4, 5, 12	439 023	397 027
Direct project costs *		107 770	87 010
<b>Net operating revenues</b>		<b>331 253</b>	<b>310 016</b>
<b>Operating expenses</b>			
Salaries, national insurance and social expenditures	6, 7	240 152	333 698
Depreciations	8	12 594	5 706
Losses on receivables		- 1 433	1 009
Other operating expenses	3, 6	62 340	61 788
<b>Operating expenses</b>		<b>313 653</b>	<b>402 201</b>
<b>OPERATING PROFIT/LOSS</b>		<b>17 601</b>	<b>- 92 185</b>
<b>Financial revenues and expenditures</b>			
Financial revenues	3	6 744	11 041
Financial expenditures	3	4 023	3 641
<b>Net financial revenue</b>		<b>2 721</b>	<b>7 401</b>
<b>Result before tax</b>		<b>20 322</b>	<b>- 84 784</b>
Total tax expenditures	14	6 621	- 21 337
<b>RESULT FOR PERIOD</b>		<b>13 701</b>	<b>- 63 448</b>
<b>Allocations</b>			
Transferred to equity	13	13 701	- 63 448
<b>Total allocations</b>		<b>13 701</b>	<b>- 63 448</b>

\* Direct project expenditures include the purchase of scientific equipment and R&D services, etc. linked to revenue-generating projects.

## Statement of cash flows

	(TNOK)	2016	2015
<b>Cash flows from operational activities</b>			
Pre-tax profit		20 322	- 84 784
Ordinary depreciations		12 594	5 706
Gains on sales of non-current assets		- 82	- 8
Changes in work in progress		26 197	- 12 403
Changes in client receivables		4 520	- 1 147
Changes in supplier accounts payable		- 6 258	- 35 144
Changes in other limited period items		- 23 827	75 449
Difference between pension expenditures and payments into/out of pension schemes		3	46 762
Changes in securities investments (current assets)		- 103	54 203
Current taxes		-	-
<b>Net cash flows from operational activities (A)</b>		<b>33 365</b>	<b>48 633</b>
<b>Cash flows from investments</b>			
Purchases of fixed assets		- 5 588	- 78 842
Revenues from sales of non-current assets		82	170
Changes in long-term investments		-	-
Changes in long-term receivables		1 972	1 972
<b>Net cash flows from investments (B)</b>		<b>- 3 534</b>	<b>- 76 700</b>
Net change in cash reserves (A+B+C)		29 833	- 28 069
Cash reserves as of 01.01.		101 378	129 447
<b>Cash reserves as of 31.12</b>		<b>131 210</b>	<b>101 378</b>
Of which reserved tax-deduction funds constitute		12 827	11 547

# NOTES TO THE ANNUAL ACCOUNTS FOR 2016

## 1. General remarks

The Annual Accounts have been prepared in compliance with the Norwegian Accounting Act (regnskapsloven) of 17 July 1998 and in accordance with Norwegian accounting standards and guidelines for good accounting practice.

### Principles employed for recognising revenues

Revenues from projects are entered on an ongoing basis. This means that revenues are entered as a percentage reflecting the amount of work completed, such that it is the completed share of the project's total anticipated earnings that is recognised as income. The percentage entered is determined on the basis of work actually completed.

In the case of projects which are anticipated to result in a loss, the entire anticipated loss is entered as costs.

Public sector funding in the form of research council grants and similar is entered as revenue in accordance with the basic principles governing the accounting of revenues and expenditures. In other words, such funding is entered as revenue at the same time as the income it is intended to generate, or the expenditure it is intended to reduce. Contingent funding is not recognised as income until it is considered probable that the relevant conditions have been, or will be, met.

Investments and funding items are entered as net. Investment grants are deducted from the historical cost of the investment item.

Licence revenues are pro rata over the term of the licence.

### Costs

As a general rule, costs are recognised in the accounts for the same period as revenues. In situations where there is a clear connection between expenditure and revenues, entries are distributed on the basis of discretionary criteria. Other exemptions from the matching principle are indicated where relevant.

### Classification

Current assets are entered as items linked to project activity or receivables due within one year, as well as other assets not intended for permanent ownership or use by the organisation. Other assets are classified as non-current assets. The distinction between short- and long-term liabilities is made based on a payment due date of one year.

### Valuation of assets

Current assets are assessed either at procurement cost or market value, whichever is the lower. Non-current assets are valued at their cost on acquisition. If the market value of a non-current asset is lower than its book value, and the fall in value is not expected to be short-lived, the asset will be written-down to its market value.

### Shares in other companies (short-term shareholdings)

Shares that form part of the business portfolio are assessed at their true value on the balance sheet date. Other short-term share assets are assessed at their mean acquisition cost or true value on the balance sheet date, whichever is the lower.

### Shares in other companies (long-term shareholdings)

Shares in SINTEF Group subsidiaries and other shareholdings where the objectives are of a strategic or other "non-financial" nature, are classified as long-term shareholdings. Other shares are classified as current assets.

### Currency

Transactions in foreign currencies are entered, on first-time recognition, either at the exchange rate prevailing on the date of the transaction or at a secured exchange rate. Money items in foreign currencies are converted using the exchange rate prevailing on the balance sheet date. During the accounting period, fluctuations in currency exchange rates are recognised as they arise and are classified either as financial revenues or expenditures. The effect of the hedging instruments is recognised concurrently with the cash flows they are intended to secure.

### Receivables

Client and other receivables are entered at their nominal value with deductions for anticipated losses. Provision for loss is made based on a case-by-case assessment of the accounts in question.

### Work in progress

This item includes work carried out that is yet to be invoiced. Accrued hours are assessed at invoiceable rates and in accordance with the degree of completion of the project in question, with a deduction for anticipated losses.

### Intangible fixed assets

With the exception of deferred tax assets and concessions/patents, expenditures linked to intangible assets, including research and development, are entered in their entirety as costs.

### Fixed assets

Newly-acquired operating assets costing more than NOK 15,000, and with an anticipated economic lifetime of three years or more, are capitalised and written down.

The assets are written down linearly at the following rates (according to their anticipated economic lifetime): Scientific and office equipment, inventories and vehicles: 3 - 7 years Buildings: 3 - 5% per year.

### Tax expenditures

"SINTEF Energy Research is a non-profit research company that pays no dividends to its stakeholders. All monies received as a result of the institute's operations are ploughed back in the form of investments and research-related initiatives for the purpose of promoting future socially beneficial research.

Tax expenditures are collocated with the pre-tax accounting profit/loss. Taxes linked to equity transactions are recognised against equity. Tax expenditures comprise current taxes (taxes related to the year's directly taxable revenues) and changes in deferred tax assets. Deferred tax and deferred tax assets are entered in the balance sheet. For more information, we refer to Note 14."

## Pensions

Defined contribution pension assets are accrued according to the matching principle. The annual contribution to the pension scheme is recognised as current expenditure.

Pension expenditures are entered in the accounts in compliance with the 'provisional' Norwegian Standard for Pension Cost Accounting (NRS6). Net pension-related expenditures consist of the net present value of the annual pension accrual plus the cost of interest on pension plan obligations, with a deduction for anticipated earnings from pension plan assets, and corrected for the distributed effects of changes to the pension plan, estimates and discrepancies. Net pension expenditure is entered under the item "Salaries and social costs".

The Norwegian Accounting Standard states that a company pension scheme is to be treated as a defined benefit scheme by which future pension benefits are based on the number of years during which the employee contributed, and his or her salary on reaching retirement age.

The value of the pension plan assets is based on an estimate made at the end of each accounting year. The estimated value is adjusted annually in accordance with the statement regarding the transferable value of the pension plan assets provided by the life assurance company.

An assessment of accumulated pension plan liabilities is based on an estimate made at the end of the accounting year. This estimate is adjusted annually in accordance with the statement regarding accumulated pension plan liability provided by the life assurance company. Actuarial estimates are made each year by the life assurance company on the basis of information provided by our company.

Differences that arise between estimated and actual values that are the result of changes in financial or actuarial assumptions, are regarded as changes in accounting estimates. The Accounting Standard permits the use of a specific equalisation method for dealing with such differences, in that differences of up to 10% of the larger of the pension plan liabilities and the pension plan assets may be excluded from the figures entered in the profit and loss account. Differences in excess of the 10% limit must be entered in the profit and loss account over the remaining pension qualification period. Discrepancies resulting from changes to the pension plan are distributed systematically over the average remaining qualification period.

On 31 December 2015, SINTEF Energy Research terminated its collective defined benefit-based pension scheme, which was replaced from 1 January 2016 by a new hybrid pension scheme.

SINTEF Energy Research has established a collective pension plan for all its employees, administered by a life assurance company. The scheme encompasses 222 employees, 57 retired employees. Contributions paid in by the employees towards the partial financing of the pension scheme are treated as a reduction in salary expenditures, and do not affect pension expenditures for the period in question. We refer also to Note 7.

## Cash Flow Statement

The cash flow statement is prepared based on the indirect method. Cash reserves are represented by bank deposits.

## 2. Financial market risk

SINTEF Energy Research is exposed to currency exchange fluctuations in that some of its project revenues are in currencies other than those pertaining to all or part of the relevant expenditures. This exposure is primarily in EUR and USD. In order to mitigate this risk, futures contracts have been entered into in the currencies in question. The durations of futures contracts reflect cash flows linked to the relevant projects throughout their respective lifetimes.

SINTEF Energy Research holds a considerable liquidity reserve which is placed centrally on behalf of the companies that wish to participate. The portfolio is invested in accordance with "Regler for finansforvaltning" (Rules governing financial management), approved by the Board on 23 October 2013. The market value on 31 December 2016 was NOK 292.2 million, of which SINTEF Energy Research's share was 16.3%.

The portfolio contains all relevant money market unit trusts, and a change in the interest rate of 1% will have an effect on the profit and loss account of NOK 0.5 million for the total portfolio. SINTEF Energy Research's share of this risk is NOK 0.1 million. The remainder of the portfolio consists of liquid assets and investments placed in well-diversified funds.

### 3. Merged items

	Amounts in TNOK	
	2016	2015
<b>Financial revenues</b>		
Interest	2 875	2 285
Foreign exchange gains	3 716	2 937
Other financial revenues	154	5 820
<b>Total financial revenues</b>	<b>6 744</b>	<b>11 041</b>
<b>Financial expenditures</b>		
Bank charges	29	32
Foreign exchange losses	3 973	3 451
Interest on delayed payments	3	15
Interest costs	18	141
<b>Total financial expenditures</b>	<b>4 023</b>	<b>3 641</b>
<b>Other operating expenses</b>	<b>2016</b>	<b>2015</b>
Repairs and maintenance	2 901	2 857
Purchased services accounting/auditing and IT administration	16 288	11 617
External services and temporary employment agencies	4 482	7 115
Other external services	5 042	9 610
Accommodation expenditures	8 219	8 409
Non-capitalised materials and components costs	5 553	4 177
Office and printing expenditures	5 044	5 376
Travel and meeting expenditures	3 858	4 565
Joint expenditures (SINTEF)	8 960	9 073
Other operating expenditures	1 955	- 1 013
<b>Sum other operating expenditures</b>	<b>62 302</b>	<b>61 788</b>

### 4. Sales revenues for SINTEF Energy Research

	Amounts in TNOK	
	2016	2015
<b>According to field of research activity</b>		
Energy Systems	163 647	150 586
Electrical Power Technology	83 848	75 110
Thermal Energy	72 998	75 423
Gastechnology	90 720	70 690
Staff	28 202	25 218
<b>Total (field of activity)</b>	<b>439 023</b>	<b>397 027</b>
<b>According to geographical location</b>	<b>2016</b>	<b>2015</b>
Norway	371 204	346 747
EU countries	63 190	46 704
Other countries	4 629	3 576
<b>Total (geographical location)</b>	<b>439 023</b>	<b>397 027</b>

## 5. Work in progress

Each individual project is value-assessed on a monthly basis. No project is valued higher than its contract sum, and any costs overrun reduces revenues and the value of work in progress.

## 6. Salary expenditures, employees, allowances, salaries to employees and auditor's fees

Salary expenditures	2016	2015
Salaries and other remunerations	180 980	179 658
Employer national insurance contributions	30 053	27 181
Pension expenditures (less employee contributions)	20 896	120 344
Other benefits	8 223	6 515
<b>Total</b>	<b>240 152</b>	<b>333 698</b>

Total man-years	212,0	217,0
No loans were made to employees during 2016.	-	12

### Benefits to high-level personnel

#### President <sup>1)</sup>

Salary	1 956
Of which	
Pension expenditures	233
Other benefits	112

#### The Board

	450
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<sup>2)</sup>

1) The President is employed under standard terms and conditions on a par with similar managers in the SINTEF Group.

2) The SINTEF Group's representative on the Board receives no remuneration.

There exists no obligation to make special payments to the President or Board Chair in the event of the termination, or changes to the terms and conditions, of their employment contract/appointment.

The Board has put in place guidelines for a bonus system for the President. Any payments are performance-based and cannot exceed two months' salary.

### Auditor

Fees paid to Deloitte AS and organisations with which it collaborates, are allocated as follows:	<b>2016</b>	<b>2015</b>
Statutory audits	192	170
Other attestation services	158	140
Tax consultancy	57	4
Legal assistance in connection with miscellaneous evaluations	91	31
<b>Total</b>	<b>497</b>	<b>345</b>

The stated auditing fees are exclusive of value added tax.



## 7. Pension plan expenditures, assets and liabilities

The institute is obliged to provide a pension scheme pursuant to the Norwegian Act relating to Mandatory Occupational Pensions (lov om obligatorisk tjenestepension) and operates with an occupational pension arrangement that meets the requirements set out in the Act.

On 31 December 2015, SINTEF Energy Research terminated its collective defined benefit-based pension scheme, and replaced it from 1 January 2016 with a new hybrid pension arrangement.

Pension scheme assets linked to the hybrid scheme are recognised as expenditures on 31 December 2016 at TNOK 24 584 (inclusive of employer contributions). The remaining benefit-based amounts in the balance sheet are unfunded.

### Transition to a new early retirement (AFP) scheme in the private sector

As a result of the Norwegian State Subsidies from Early Retirement Schemes to Private Sector Employees Act (AFP-tilskottsloven), the former early retirement (AFP) pension scheme was terminated on 31 December 2010. This termination was treated in accounting terms as a curtailment. The new AFP scheme is a multi-organisational, benefit-based pension scheme, similar to the former early retirement scheme agreement between the Norwegian Confederation of Trades Unions (LO) and the Confederation of Norwegian Enterprise (NHO). The new AFP scheme is regarded in accounting terms as a new scheme, as opposed to a change in the existing scheme.

#### Recognition of pension obligations linked to the new early retirement (AFP) scheme:

The institute has a real financial obligation as a result of the agreement concerning the new early retirement (AFP) scheme. However, there is currently too little information available to enable a calculation of this obligation in the annual accounts. This means that no obligation related to the new scheme has been entered in the balance sheet.

	2016	2015
Present value of annual pension plan accruals	-	20 395
Interest costs of pension liabilities	119	8 526
Return on pension plan assets	- 102	- 9 946
Recognised estimate losses/(gains)	102	18 451
Recognised share of effect of pension plan alterations	5	2 744
Administrative costs	18	490
Net settlement effects	-	78 595
<b>Net pension expenditure</b>	<b>142</b>	<b>119 255</b>

	Other unfunded	2015
Accrued pension liabilities	1 415	554
Accrued employer contribution	199	78
Unrecognised effect of actuarial gains and losses	- 3 266	- 2 286
<b>Net pension obligation</b>	<b>- 1 652</b>	<b>- 1 654</b>

No. of persons included in the scheme	31.12.2016	31.12.15
<i>Ytelsesbasert ordning</i>		
Pensioners	3	3
<b>Total</b>	<b>3</b>	<b>3</b>

Economic assumptions (defined benefit schemes)	31.12.2016	31.12.15
Discount interest rate	2,60	2,30
Anticipated salary adjustments	2,50	2,75
Anticipated pension increase	2,25	1,75
Anticipated adjustment of the basic national insurance pension rate (G)	1,50	2,50
Anticipated return on pension plan assets	3,60	3,20

Actuarial assumptions (defined benefit schemes)	31.12.2016	31.12.2015
Applied mortality table	k2013	k2013
Applied work disability scale	ir02 nivå	ir02 nivå
Voluntary retirement (all ages)	10	10

## 8. Fixed assets

(Amounts in TNOK)	Scientific equipment	Office equipment, inventories and vehicles	Buildings	Plant under construction	Total
Acquisition costs as of 01.01.2016	119 662	14 149	53 916	163 596	351 323
Acquisitions, 2016	23 536	2 545	143 103	- 163 596	5 588
Disposals at purchase cost	- 1 255	-	-	-	- 1 255
<b>Procurement cost 31.12.2016</b>	<b>141 943</b>	<b>16 694</b>	<b>197 019</b>	<b>-</b>	<b>355 656</b>
Cumulative depreciations 31.12.2016	116 205	11 075	39 778	-	167 058
Cumulative write-downs 31.12.2016	997	122	1 547	-	2 665
<b>Book value as of 31.12.2016</b>	<b>24 742</b>	<b>5 498</b>	<b>155 695</b>	<b>-</b>	<b>185 934</b>
Ordinary depreciation for the year	3 811	1 854	6 930		12 594
Economic lifetime	3-7 years	3-5 years	20-50 years		
Depreciation plan	Linear	Linear	Linear		

Annual lease of non-recognised assets 717 -

The operational leasings of printers, copiers, video projectors, video conference equipment and coffee machines are recognised as expenditures in full as they arise. Leasing agreements have terms of either 3 or 5 years. The institute refrains from purchase of equipment on termination of leasing periods.

	Scientific equipment	Office equipment, inventories and vehicles	Buildings	Total assets
Annual procurements < NOK 15,000			1 406	- 1 406

### List of investments and sales during the last five years

		Scientific equipment	Office equipment, inventories and vehicles	Buildings	Plant under construction	Total assets
2016	Investment	23 536	2 545	143 103	- 163 596	5 588
	Sale	- 1 255	-	-	-	- 1 255
2015	Investment	427	2 076	702	75 636	78 842
	Sale		- 359			- 359
2014	Investment	645	3 193	-	80 046	83 884
	Sale	-	-	-	-	-
2013	Investment	2 820	747	5 122	7 913	16 603
	Sale	-	-	-	-	-
2012	Investment	7 387	1 302	-	-	8 689
	Sale	-	359	-	-	359

## 9. Long-term receivables and liabilities

Receivables due in more than one years' time	2016	2015
Loans to organisations in the same Group (amounts in TNOK)	50	50

A subordinated loan to SINTEF to the value of NOK 1.1 million (on interest- and instalment-free terms). The loan provides an entitlement to conversion into shares. The company's share capital will be increased, and at the same share price as the newly issued shares.

## 10. Shares in other companies

Non-current assets	Ownership interest	Procurement cost	Book value	Amounts in TNOK
				Market value
SINTEF Venture AS	14,31 %	12 281	10 564	10 564
<b>Total non-current assets</b>		<b>12 281</b>	<b>10 564</b>	<b>10 564</b>

## 11. Securities (Portfolio)

SINTEF investments are allocated as follows:

	Currency	Procurement cost	Book value	Market value	Our ownership interest (16.3%)	Amounts in TNOK
						Change in value recognised in the profit and loss account
Bank deposits and derivative	NOK	36 974	36 974	36 974	6 020	-
<b>Fixed-interest securities</b>						
Money market unit trusts	NOK	135 129	135 085	135 085	21 994	- 7
Money market and bond funds	NOK	85 204	83 796	83 796	13 643	- 229
<b>Total fixed-interest securities</b>		<b>220 333</b>	<b>218 881</b>	<b>218 881</b>	<b>35 637</b>	<b>- 236</b>
Equities funds, Scandinavia	NOK	12 600	22 115	22 115	3 601	1 549
Overseas equities funds	NOK	12 993	14 225	14 225	2 316	201
<b>Total investment portfolio</b>		<b>282 900</b>	<b>292 195</b>	<b>292 195</b>	<b>47 574</b>	<b>1 513</b>

## 12. Inter-company accounts with companies in the same group

Book values	Receivables		Liabilities	
	31.12.2016	31.12.15	31.12.2016	31.12.15
The SINTEF Foundation	459	446	- 384	- 2 005
SINTEF Petroleum Research	1	31	- 3 180	- 4 232
SINTEF TTO AS	-	51	-	-
SP Fire Research AS	-	-	- 101	- 50
Other inter-company accounts	443	- 95	- 2 145	- 2 053
<b>Total</b>	<b>902</b>	<b>432</b>	<b>- 5810</b>	<b>- 8 340</b>

Turnover during 2016	Salg	Kjøp
The SINTEF Foundation	2 219	16 715
SINTEF Petroleum Research	64	2 025
SINTEF TTO AS	804	5 114
SINTEF Fisheries and Aquaculture	127	32
SP Fire Research AS	-	853
<b>Totalt</b>	<b>3 214</b>	<b>24 828</b>

We apply the market principle for transactions between companies within the Group.

No significant transactions have been made with closely-affiliated parties.

## 13. Equity

Amounts in TNOK	Share capital	Other equity	Total equity
<b>Equity as of 01.01.2016</b>	7 540	318 078	325 618
Year's result	-	13 701	13 701
<b>Equity as of 31.12.2016</b>	<b>7 540</b>	<b>331 779</b>	<b>339 319</b>

The share capital in SINTEF Energy Research consists of shares belonging to a single class. The nominal share value is NOK 1,000. The voting regulations correspond to the number of shares owned. In the event of sales of one or more shares, the existing shareholders have right of first refusal. Board members and the President own no shares or share options in the company.

Owner	Total shares	Ownership interest	Voting interest
The SINTEF Foundation	4 600	61,0 %	61,0 %
Energy Norway / Energi Norge	2 520	33,4 %	33,4 %
The Federation of Norwegian Industries / Norsk industri	420	5,6 %	5,6 %
<b>Total</b>	<b>7 540</b>		

The SINTEF Foundation, based in Trondheim, prepares the Group accounts in which the present company is incorporated as part of the consolidation process. The Group accounts may be obtained on request from SINTEF, P.O.Box 4760 Sluppen, 7465 Trondheim, Norway.

## 14. Total tax expenditures

Annual tax expenditure is as follows:	2016	2015
Current taxes	-	-
Changes in deferred tax assets	6 621	- 27 649
Changes entered directly as equity	-	6 312
<b>Tax on ordinary profit</b>	<b>6 621</b>	<b>- 21 337</b>

Harmonisation from nominal to actual tax rate:		
Ordinary profit before tax	20 322	- 84 784
Profit/loss before tax	20 322	- 84 748

Anticipated tax on revenues according to nominal tax rate	5 081	- 22 892
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Tax effect of the following items:		
Non-deductible expenditures	295	506
Non-taxable revenues/expenditures	- 10	- 1 441
Financial gains/losses according to the exemption method	235	-
Effects of changes in taxation rules and rates	1 021	2 490
<b>Total tax expenditures</b>	<b>6 621</b>	<b>- 21 337</b>
Effective tax rate	33 %	25 %

## Specification of tax effect of temporary differences and deficit carried forward:

	2016		2015	
	Asset	Obligation	Asset	Obligation
Fixed assets	37 759	-	46 653	-
Receivables	509	-	1 902	-
Pension plan assets	-	1 652	-	1 654
Other items	32 165	-	48 773	-
Deficit carried forward	35 048	-	30 558	-
<b>Total</b>	<b>105 482</b>	<b>1 652</b>	<b>127 886</b>	<b>1 654</b>
Deferred tax assets	24 919		31 558	-
Non-recognised deferred tax assets	414		431	-
<b>Net deferred assets in the balance sheet</b>	<b>24 505</b>		<b>31 127</b>	

Deferred tax assets are presented on the basis of future revenues.

## 15. Other current liabilities

SINTEF Energy Research has responsibility as coordinator for six EU projects (ECOGRID, IMPACTS, GARPUR, Market4RES, CEMCAP and GATEWAY). It also acts as host institute for four CEER (Centres for Environmentally-friendly Energy Research) projects – NOWITECH, CEDREN, BIGCCS and CenBio. In accounting terms, this involves financial obligations to other project participants amounting to NOK 32.2 million. The accounting item also includes accrued holiday pay expenditures amounting to NOK 19.7 million. The remaining amount is made up of reserves of NOK 29.6 million for miscellaneous accrued expenditures, and NOK 20.3 million for other miscellaneous obligations, respectively.

## 16. Pantstillelser og garantier m.v.

SINTEF has entered into an agreement with the bank Sparebank 1 SMN concerning a joint, multi-user account system for the legal entities within the Group. Sparebank 1 SMN is entitled only to carry out offsets in accounts that the respective legal entities have with the bank, regardless of account type and currency.

EU funding, together with tax withholdings, are held in separate accounts outside the multi-user system.

A new banking agreement was entered into with Sparebank 1 SMN in 2016. As part of the agreement, the SINTEF Foundation is obliged to provide security in the form of property to the value of NOK 100 million (collateral).

SINTEF Energy Research is a party involved in individual litigations resulting from its ordinary activities, but considers that any financial obligations it may incur in this connection will not have a significant impact on the company's profits, liquidity or financial status.

## 17. Bank deposits (specifically undistributable reserves)

	Amounts in TNOK	
	31.12.16	31.12.15
Reserved tax-deduction funds	12 827	11 547
EU projects – ordinary EU funding in separate bank accounts	2 463	5 054
EU projects – industrial sector funding in separate bank accounts	-	6 799
FME project funding in separate accounts	14 407	8 152
FME project funding in folio accounts	27 225	26 879
<b>Total</b>	<b>56 922</b>	<b>58 431</b>

FME: Centres for Environment-friendly Energy Research