Half-Year Report 2023
Lyse

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Financial key figures for Lyse

FROM THE STATEMENT OF PROFIT AND LOSS

(In NOK millions)		30.06.23	30.06.22	31.12.22
Operating revenues		12 664	13 903	30 219
EBITDA	(1)	6 394	7 943	15 308
Operating result (EBIT)	(2)	4 839	6 728	12 495
Unrealised changes in value, financial instruments		564	-457	-138
Non-recurring items, EBITDA		0	0	0
Non-recurring items impairment (-), reversal impairment (+)		0	0	-98
Operating result (EBIT) underlying operations	(3)	4 275	7 186	12 732
Net financial items		352	376	645
Profit after tax		1 521	2 381	2 448
Profit before tax non-controlling interests		365	881	1 094

FROM THE STATEMENT OF FINANCIAL POSITION

(In NOK millions)		30.06.23	30.06.22	31.12.22
Total assets		67 727	63 859	69 037
Of which is PP&E and investments in companies	(4)	34 915	32 234	33 751
Cash and cash equivalents	(5)	6 507	5 591	8 862
Equity		20 372	21 421	21 016
Gross interest-bearing debt, incl. Financial leases	(6)	23 384	20 704	21 656
Of which proportion of subordinated loans		1 997	1 727	1 662
Net interest-bearing liabilities	(7)	16 877	15 113	12 794
Capital employed	(8)	37 249	36 534	33 810

CASH FLOWS

(In NOK millions)		30.06.23	30.06.22	31.12.22
Net cash flows from operations		1 390	7 631	14 654
Net interest costs		260	161	500
Dividends paid / redistribution of paid in capital to shareholders*		1 237	744	744
Net investments in non-current assets and intangible assets		1 912	1 514	3 782
Net investments in ownership interests	(9)	182	2 968	3 038
Cash and cash equivalents	(5)	6 507	5 591	8 862
Unused drawing rights		3 555	3 300	3 633

FINANCIAL ITEMS

			30.06.23	30.06.22	31.12.22
Net interest-bearing liabilities / EBITDA	(1,7)		1,2	1,3	0,8
EBITDA interest coverage	(10)		13,4	21,7	22,7
Interest-bearing debt - equity ratio	(11)	%	53,4 %	49,1 %	50,7 %
Equity ratio	(12)	%	30,1 %	33,5 %	30,4 %
Equity ratio – taking into account subordinated loans	(13)	%	33,0 %	36,2 %	32,8 %

KEY FIGURES, CONSOLIDATED FINANCIAL STATEMENTS

			30.06.23	30.06.22	31.12.22
EBITDA margin	(14)	%	50,5 %	57,1 %	50,7 %
EBIT margin	(15)	%	38,2 %	48,4 %	41,3 %
Return on equity	(16)	%	7,6 %	15,4 %	11,7 %
Return on average capital employed	(17)	%	28,7 %	27,5 %	37,9 %

SHAREHOLDERS

			30.06.23	30.06.22	31.12.22
Subordinated loans from shareholders (municipalities)		NOK mill	1 950	1 650	1 600
Interest and installments, subordinated loans		NOK mill	100	79	170
Dividends/shareholder withdrawals*		NOK mill	1 100	650	650
Earnings per share	(18)	NOK	1 145	1 486	1 342

* Shareholder withdrawal as of 30.06.2023 includes a subordinated loan of NOK 400 million

	Definitions:	
(1)	EBITDA	Operating profit/loss before depreciation, amortisation and impairment
(2)	EBIT	Operating profit/loss
(3)	EBIT, underlying operations	Operating profit/loss adjusted for unrealised changes in value of financial instruments, material non-recurring items and impairments
(4)	PP&E and investments in companies	Including tangible fixed assets, right-of-use assets, equity accounted investments and other non-current financial assets
(5)	Cash and cash equivalents	Including short term financial positions
(6)	Gross interest-bearing debt	Non-current and current loans, including financial lease obligations
(7)	Net interest-bearing debt	Gross interest-bearing debt – cash and cash equivalents (including short term financial positions)
(8)	Capital employed	Equity + net interest-bearing debt
(9)	Investments in ownership interests	Purchase and sale of shares, and receipt and payments of subordinated loans to associated companies and joint ventures
(10)	EBITDA interest coverage	EBITDA / interest costs
(11)	Interest-bearing debt ratio	Gross interest-bearing debt / (gross interest-bearing debt + booked equity)
(12)	Equity ratio	Equity / total assets
(13)	Equity ratio – taking into account subordinated loans	Total equity + subordinated shareholders' loans / total assets
(14)	EBITDA margin	EBITDA / operating income
(15)	EBIT margin	EBIT / operating income
(16)	Return on equity	Profit/loss as a % of average equity – result for the last 12 months
(17)	Return on average capital employed	Operating profit/loss as a % of average capital employed – result for the last 12 months
(18)	Earnings per share	Profit/loss allocated to shareholders / no. of shares in the Company

Sustainability key figures for Lyse

SOCIAL DISCLOSURES

HEALTH AND SAFETY

		Unit	30.06.23	30.06.22	31.12.22
Injuries					
Employees - lost-time injuries (LTI)	(1)	Number	3	0	5
Employees - total recordable injuries (TRI)	(2)	Number	5	2	9
Lost-time injuries per million hours worked	(3)	LTI rate	2,03	0,00	1,77
Total recordable injuries per million hours worked	(4)	TRI rate	5,42	1,89	4,96
Sickness absence rate in total	**(5)**	**%**	**4,75**	**4,00**	**4,18**
- Hereof doctor-certified		%	3,51	2,76	2,95
- Hereof self-certified		%	1,24	1,24	1,23

EMPLOYEE RATIO

		Unit	30.06.23	30.06.22	31.12.22
Employees		Number	2 032	1 975	1 936
Temporary employees	(6)	Number	38	29	39
Full-time employees		Number	1 914	1 870	1 814
Part-time employees		Number	118	105	122
Summer internships in the period		Number	42	31	49
Graduates in the period		Number	1	1	1
Apprentices in the period		Number	24	20	32
New hires in the period		Number	218	292	480
Internal mobility	(7)	Number	87	88	169
Turnover	(8)	%	6,1	7,6	8,3
Seniority	(9)	Year	8,0	7,2	7,8
Employees who achieve stipulated upper age limit within 5 years	(10)	%	1,8	1,2	1,4
Employees who achieve stipulated upper age limit within 6-10 years	(10)	%	5,4	5,2	6,5
Union density	(11)	%	37,9	32,8	31,7

EMPLOYEE RATIO CONT.

		Unit	30.06.23	30.06.22	31.12.22
Gender equality					
Women share					
- In total		%	32,2	31,5	31,5
- Among management positions	(12)	%	32,9	35,6	33,9
- In the Group Management		%	50,0	50,0	50,0
- In the Group Board of Directors		%	50,0	50,0	50,0
- Among new hires		%	39,9	43,0	41,3
- Among full-time employees		%	31,8	31,2	31,1
- Among part-time employees		%	38,1	37,1	38,5
- Among permanent employees		%	31,9	31,6	31,1
- Among temporary employees		%	39,5	27,6	51,3
Average parental leave - women	(13)	Number of weeks	18,8	23,3	18,7
Average parental leave - men	(13)	Number of weeks	11,0	11,4	10,2
Equal salary					
Salary ratio among all employees	(14)	Ratio	0,94	0,92	0,93
Salary ratio among management	(15)	Ratio	0,89	0,92	0,89

VIOLATION OF LAWS AND REGULATIONS

		Unit	30.06.23	30.06.22	31.12.22
Non-compliance with environmental laws and regulations		Number	0	0	0
Non-compliance with laws and regulation in the social and economic area		Number	0	0	0
Confirmed incidents of corruption		Number	0	0	0
Confirmed incidents of discrimination		Number	0	0	0
Registered personal data security breaches	(16)	Number	3	5	6

ENVIRONMENTAL DISCLOSURES

ENERGY CONSUMPTION

		Unit	30.06.23	30.06.22	31.12.22
Electricity consumption		GWh	41	39	73
Pumped storage		GWh	112	57	180
Grid loss		%	4,5	4,1	4,3
District heating		MWh	878	17	77
Natural gas		GWh	23	23	38
Biogas		GWh	9	13	27
Diesel		Liter	150 514	169 448	320 632
Gasoline		Liter	5 589	5 448	10 892

CLIMATE

		Unit	30.06.23	30.06.22	31.12.22
Scope 1: Direct emissions		**tCO2e**	**6 012**	**6 168**	**10 624**
- Gasoline	(17)	tCO2e	13	12	25
- Diesel	(17)	tCO2e	405	456	863
- Natural gas	(17)	tCO2e	5 452	5 282	8 864
- Leak SF6 gas	(18)	tCO2e	117	156	268
- Leak natural gas	(19)	tCO2e	25	0	0
- Leak refrigerants	(20)	tCO2e	0	261	604
Scope 2: Indirect emissions, energy consumption		**tCO2e**			
- Electricity consumption - market based	(21)	tCO2e	119	71	107
- Electricity consumption - location based	(22)	tCO2e	779	427	804
- District heating	(23)	tCO2e	2	0	0
Scope 3: Other indirect emissions		**tCO2e**	**32 203**	**42 999**	**77 290**
- Sold natural gas		tCO2e	31 949	42 790	76 826
- Business travels	(24)	tCO2e	253	209	464
Biogenic emissions	(25)	**tCO2e**	**4 041**	**4 302**	**8 693**
- Biogas consumption		tCO2e	1 799	2 508	5 262
- Sold biogas		tCO2e	2 242	1 794	3 430

POWER- AND DISTRICT HEATING PRODUCTION

		Unit	30.06.23	30.06.22	31.12.22
Installed capacity - power generation	**(26)**	**MW**	**2 513**	**2 520**	**2 513**
- Hereof hydropower		MW	2 510	2 517	2 510
- Hereof waste heat		MW	3	3	3
Installed capacity - thermal production		**MW**	**181**	**182**	**182**
- District heating		MW	95	95	95
- District cooling		MW	41	42	45
- Local heating		MW	45	45	42
Production - power generation	**(26)**	**GWh**	**4 374**	**4 942**	**7 973**
- Hereof hydropower		GWh	4 374	4 936	7 962
- Hereof waste heat		GWh	0	6	11
Production - thermal production		**GWh**	**117**	**112**	**209**
- District heating		GWh	82	78	139
- District cooling		GWh	7	8	17
- Local heating		GWh	28	26	53
Renewable energy production from power generation and thermal production		**%**	**99,4**	**99,5**	**99,4**

ENVIRONMENTAL WASTE AND LOCAL ENVIRONMENT IMPACT

		Unit	30.06.23	30.06.22	31.12.22
Sold mobile phones returned under Consumer Purchase Act		%	2,97	1,15	1,18
Share of returned mobile phones that are reused		%	100,0	100,0	100,0
Number of base stations		Number	3 311	3 278	3 303
Ice Group base stations in cooperation with other operators		%	45,0	45,2	45,0
Number of newbuilt Ice Group masts		Number	0	116	118

ECONOMIC DISCLOSURES

CONTRIBUTION TO SOCIETY

		Unit	30.06.23	30.06.22	31.12.22
Gross operating revenues		NOK millions	12 261	14 594	31 127
Gains and losses from power and currency contracts		NOK millions	404	-691	-929
Paid to suppliers for good and services		NOK millions	-3 751	-4 228	-10 285
Gross value added		**NOK millions**	**8 913**	**9 675**	**19 913**
Depreciation, amortisation and impairment		NOK millions	-1 555	-1 215	-2 813
Other operating expenses		NOK millions	-1 185	-1 011	-2 322
Net value added		**NOK millions**	**6 173**	**7 449**	**14 779**
Financial income		NOK millions	251	190	342
Net gain/loss from sale of business		NOK millions	0	0	20
Share of profit from associates		NOK millions	5	17	22
Values for distribution		**NOK millions**	**6 429**	**7 657**	**15 163**
DISTRIBUTION OF VALUE GENERATED					
Employees					
- Gross salaries and social benefits		NOK millions	813	607	1 524
Lenders / owners					
- Financial costs		NOK millions	609	583	1 009
- Dividend		NOK millions	0	0	1 100
The public sector*					
- Profit tax		NOK millions	1 057	1 407	2 731
- Resource rent tax		NOK millions	1 909	2 565	6 672
- Regulatory fees		NOK millions	521	114	780
Net distributed values employees, lenders, owners and the public sector		**NOK millions**	**4 909**	**5 276**	**13 815**
The company					
Retained values		NOK millions	1 497	2 305	1 488
Non-controlling interest's share of result		NOK millions	23	75	-140
Net distributed values company		**NOK millions**	**1 520**	**2 381**	**1 348**
Distributed values		**NOK millions**	**6 429**	**7 657**	**15 163**
Reconciliation of profit allocated to non-controlling interests		**NOK millions**	**365**	**881**	**1 094**
- Non-controlling interests power consumption		NOK millions	342	805	1 234
- Other non-controlling interests		NOK millions	23	75	-140
Indirect value creation					
Proportion of spending on local suppliers	(27)	%	16,0	21,7	25,8

* 1 016 MNOK of profit tax, resource rent tax and regulatory fees pertains to the non-controlling interest's share of tax.

Definitions:

(1) Work-related injuries which have resulted in absence extending beyond the day of the injury
(2) Work-related injuries, with and without absence. Includes injuries that result in absence, medical treatment or alternative work assignments
(3) H1 injuries are the sum of the number of injuries causing absence and the number of deaths. The H1 value is calculated as follows: Number of absence injuries + number of deaths * 1,000,000 hours / Number of hours worked
(4) H2 injuries includes the total number of deaths, work-related personal injuries and injuries without absence which: a) led to medical treatment (not first aid injuries) or b) reduced ability to work and / or the need for relocation to alternative work. The H2 value is calculated as follows: Number of absence injuries (incl. death) and number of injuries without absence (see above) * 1,000,000 hours / Total number of hours worked
(5) Absence due to illness or injury as a percentage of normal working hours
(6) Temporary employees do not include people in summer internships and apprentices
(7) Number of new hires where existing employees moved to a new position within the group
(8) Number of employees leaving, divided by the average number of employees in the same period, multiplied by one hundred (not including temporary employment, retirement or internal relocation)
(9) Seniority: Number of years a person has been employed by the Lyse Group (including internal relocation)
(10) The upper age limit in Lyse is 70 years
(11) Percentage of employees organised in a trade union
(12) Management positions include employees who are part of Group Executive Management and the employees who are part of the management group within each company in the Group
(13) Average number of weeks of parental leave for the last 12 months
(14) Average fixed salary for women in relation to average fixed salary for men. The definition has been changed in 2023. The changes have been incorporated into comparative figures.
(15) Average fixed salary for women in relation to average fixed salary for men among managers. The definition has been changed in 2023. The changes have been incorporated into comparative figures
(16) Registered breaches of personal data security that have resulted in a report to the Norwegian Data Protection Authority (Datatilsynet)
(17) Including CO_2, CH_4 and N_2O calculated using GHG Calculation Tool Stationary Combustion
(18) Global Warming Potential value from IPCC Sixth Assessment Report (2021). Refilled gas in Lnett
(19) Calculated as methane emissions with Global Warming Potential value from IPCC Sixth Assessment Report (2021)
(20) Global Warming Potential value from IPCC Sixth Assessment Report (2021)
(21) 100% of own electricity consumption is covered by guarantees of origin in 2023 with the exception of electricity consumption related to base stations leased from third parties
(22) Calculation based on conversion factors from the Norwegian Water Resources and Energy Directorate (NVE) for Norway (factors from 2021/2022) and the European Environment Agency (EEA) for Denmark (factor from 2021)
(23) Calculated using 2021/2022 emission factors from Norsk Fjernvarme (Fjernkontrollen.no)
(24) Includes flights in Lyse that are registered via Lyse's travel agency and trips booked by employees of Altibox Denmark
(25) Emissions from biogenic sources, calculated using GHG Calculation Tool Stationary Combustion
(26) Includes 100% of RSK
(27) Only companies with head office in the owner municipalities are included in the calculation. Includes all suppliers. Considered local if the registered address in Brønnøysund is in our owner municipalities. With this definition, for example, the audit costs are not considered local even if we use the Stavanger Office as the company is registered with an address in Oslo

HALF-YEAR REPORT

2023

Lyse is an energy and telecom group.

The Lyse Group is a national player in renewable and regulated hydropower and is the country's fourth largest hydropower producer. Lyse has been a driving force behind the development of robust digital infrastructure. Through the nationwide Altibox partnership, the Group delivers broadband and entertainment services to a significant proportion of the population, and through the mobile operator Ice we are building Norway's third 5G mobile network.

Lyse has regionally developed the country's most varied and complete infrastructure for electricity, biogas and natural gas, district heating and cooling, as well as fibre-optic broadband. As a national telecom player, the Group owns a nationwide fibre network and mobile network for 4G/5G and has ownership interests in several subsea fibre cables abroad that ensure good digital connections in and out of Norway. Good availability and reliability of delivery are priorities.

The company's shareholders are 14 municipalities from the southern part Rogaland, and our value creation is returned to the community. The shareholders have a long-term industrial perspective on their investment and expect that the company has a positive impact on its local community with a strategic focus for the region and satisfactory profitability.

KEY EVENTS IN THE FIRST HALF OF 2023

- Last year was marked by the impact of Russia's war on Ukraine, which led to extreme gas and coal prices in Europe and fear of energy shortages. Decreasing continental power prices combined with stronger hydrology have resulted in falling spot prices throughout the first half of the year. At the same time, the power consumption in southern Norway was low, and snow melting led to somewhat forced hydropower production. In the first half of 2023, the price was 106.94 øre per kWh, compared to 162.80 øre per kWh for the same period last year. The production volume was 4.4 TWh, which is 0.6 TWh lower compared to the same period last year.

- The mobile operator Ice has seen a customer growth of 65 252 in the first half-year and now has 822 557 mobile customers, in addition to 55 095 mobile broadband customers.

- In the Norwegian Sustainability Barometer for 2023, Lyse is the industry winner in the electricity category and places 23rd on the industry-independent list. Altibox is the industry winner in broadband, while Ice places 3rd in the category mobile subscription.

- Altibox placed first in TV distribution and broadband industries in the Norwegian Customer Barometer. Ice came in second place in the mobile industry. During Customer Service Days, Ice won the class for mobile telephony, while Altibox was awarded best in class among broadband providers. Ice also won YouSee's customer service award for both mobile and broadband.

- The Altibox partnership gained 15 848 new customers in the first half-year. At the end of the first half of 2023, the Altibox partnership provided broadband and entertainment services to a total of 844 729 customers, of which 53 550 are domiciled in Denmark.

- Lnett started operations on three new substations: Håland, Veland and Fagrafjell. In addition, voltage has been installed on two power lines in the regional grid, at Jæren and in Strand municipality respectively. Lnett continues its major expansion of the regional grid.

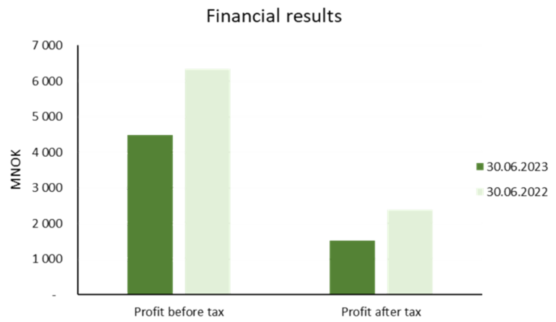
- Scope Ratings has upgraded its company rating of Lyse AS from BBB+ to A- as of 3 April 2023.

- In April Lyse distributed NOK 700 million in dividends to shareholders based on the approved annual accounts for 2022, an increase of NOK 50 million compared to the previous year. In addition, a subordinated loan of NOK 400 million was established, bringing the total dividend to NOK 1 100 million.

FINANCIAL RESULTS FIRST HALF OF 2023

Profit before tax for the first half year of 2023 amounted to NOK 4 487 million, compared to NOK 6 352 million 2022.

Profit after tax for the first half of the year amounted to NOK 1 521 million, compared with NOK 2 381 million in 2022. NOK 365 million of the profit after tax relates to minority interests.



The operating profit was NOK 4 839 million, compared to NOK 6 728 million in the same period last year. There are no material non-recurring items in the first half of 2023, as was also the case in the first half of 2022.

The operating profit within the segment Renewable Energy is NOK 4 367 million, a reduction of NOK 2 044 million compared with the same period last year. The reduction is mainly due to lower electricity production and electricity prices. The production volume is 4.4 TWh, which is 0.6 TWh lower than the same period last year.

Last year was marked by the impact of Russia's war in Ukraine, which led to extreme gas and coal prices in Europe and fear of energy shortages. Falling continental power prices combined with stronger hydrology have resulted in falling spot prices throughout the first half of the year. At the same time, power consumption in southern Norway was low, and snow melting led to somewhat forced hydropower production.

For the Telecom segment, operating profit is NOK 199 million compared to 625 million in the first half of 2022. The decrease is a result of lower margins due to strong competition and significantly increased depreciation in a period of massive mobile network expansion, somewhat reduced by significant mobile customer growth following the Ice acquisition in March 2022. The financial performance is in line with the development plan, following the acquisition of Ice.

Operating profit for Infrastructure and Circular Energy is NOK 374 million, compared to a loss of 78 million in the first half of 2022. The increase in profit is mainly explained by lower power prices, which results in a significantly reduced grid loss for grid operations.

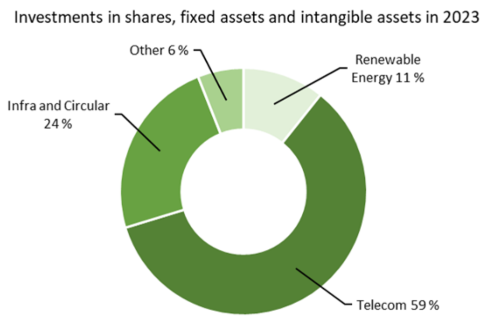
BUSINESS AREAS

Lyse is organised into three business areas and two staff areas. The business areas are Renewable Energy, Telecom and Infrastructure and Circular Energy. Staff areas are Customer and Market and Staff and Shared Services. All areas have a responsible Executive Vice President. The CEO and the Executive Vice Presidents constitute the Group Executive Management. The operating profit per business area is broken down as follows:

(Amounts in NOK millions)	**30.06.23**	**30.06.22**	**31.12.22**
Renewable Energy	4 367	6 411	12 023
Telecom	199	625	758
Infrastructure and Circular Energy	374	-78	62
Other and eliminations *)	-102	-230	-348
Operating profit	**4 839**	**6 728**	**12 495**

*) The item "Other and eliminations" includes Lyse AS, Lyse Dialog AS, Lyse Vekst AS, Lyse Eiendom Mariero AS, Lyse Eiendom Ullandhaug AS and Lyse Elkon AS.

The investments are distributed as follows between the business areas:



(Amounts in NOK millions)	30.06.23	30.06.22	31.12.22
Renewable Energy	225	146	313
Telecom	1 251	3 805	5 277
Infrastructure and Circular Energy	498	498	1 077
Other and eliminations *)	126	56	154
Gross investments (shares and operating assets)	**2 100**	**4 505**	**6 820**

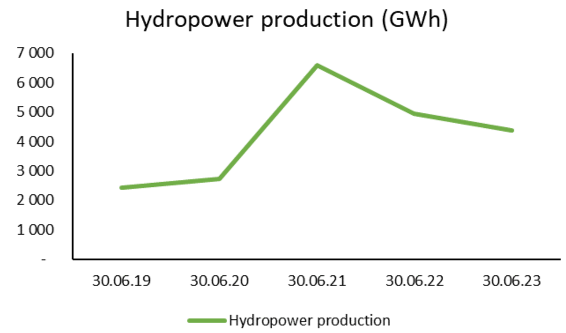
RENEWABLE ENERGY BUSINESS AREA

The renewable energy business consists of the operations of the wholly owned subsidiaries Lyse Produksjon AS, Lyse Energi AS and Lyse Strøm AS. In addition, the business area has an ownership interest in Lyse Kraft DA of 74.4%. Norsk Hydro owns the remaining 25.6% of the company. Lyse Kraft DA owns 95.21% of RSK DA. In addition, the ownership interest in Jørpeland Kraft AS of 66.67% is included.

Lyse Kraft DA manages a power plant portfolio of 10 TWh located in the area from Haukeli in the north, to Åna-Sira in the south. Through an operator agreement, Hydro is responsible for daily operation and maintenance of the portfolio, apart from the ownership interests in the Sira-Kvina and Ulla-Førre plants. The license in Røldal-Suldal Kraft (RSK) was converted into a time-unlimited license in 2021, and in 2022 all power plants in Røldal-Suldal Kraft were gathered in the company RSK DA, where Statkraft has a minority position of 4.79%.

Lyse Produksjon AS carries out water management and all physical power trading on behalf of Lyse Kraft DA and manages a total power volume of 10 TWh in the market.

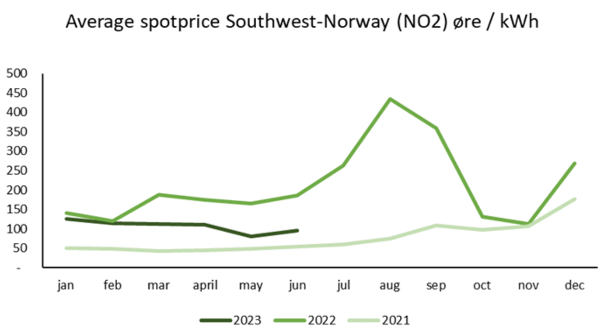
Hydropower production delivered an operating profit of NOK 4 367 million, which is a decrease of NOK 2 044 million compared to the same period last year.



Power production in the first half of the year was 4.4 TWh, a reduction of 0.6 TWh compared with the corresponding period last year. The reservoir levels at the beginning of the year were lower than normal but has gradually normalised because of precipitation and lower power production. At the end of the first half-year, reservoir levels in Lyse's price area (NO2) were about 3 TWh lower than normal, which is an improvement of 5 TWh compared with the same time last year.

Last year was marked by the impact of Russia's war in Ukraine, which led to extreme gas and coal prices in Europe and fear of energy shortages. Combined with low reservoir levels in southern Norway, this resulted in a market situation where price levels and volatility on the continent were a factor in power prices in southern Norway.

The supply situation has improved during the first half of the year and gas storage levels on the continent are historically high. At the same time, power consumption has decreased significantly. The EU has adopted a target of 15% reduction in gas consumption compared to the pre-crisis period, and most EU countries have achieved this target. The market price of coal and especially gas has fallen considerably since the beginning of the year, which means that the marginal cost of continental power production based on gas is now lower than the corresponding production cost of using coal. Falling continental power prices in combination with a more severe hydrology have resulted in falling spot prices through the first half of the year. In May, Lyse's price area (NO2) periodically received negative prices driven by import of solar and wind power from Germany and the Netherlands, where support schemes mean that producers are not exposed to spot prices. At the same time, power consumption in southern Norway was low, and snow melting led to some forced hydropower production. The system price (which is a calculated average price for Norway) was EUR 70.6 per MWh for the first half of the year, which is EUR 45 lower than the first half of last year. In Lyse's price area in southern Norway (NO2), the area price was EUR 95.2 per MWh. This is EUR 68.2 per MWh lower than the previous year. The market price in price area NO2 is still higher than the system price, but compared to last year, the price difference has decreased from EUR 47.8 to EUR 24.6 in the current year. The efficiency of the power system would increase if the capacity of the power grid improved. This would also result in lower price differences between the various price areas.



Lyse Produksjon AS manages a portfolio of physical and financial power contracts for Lyse's share of the power production (74.4%) in Lyse Kraft DA. At the beginning of the year, 28% of the actual produced volume in the first half of the year had been pre-sold.

In 2022, a condition revision was opened in Røldal-Suldal Kraft AS. At the same time, Lyse began to assess the potential for increasing installed capacity and energy volume. However, this work was stopped as the "high price contribution" introduced last autumn effectively put an end to the profitability of expansion projects. After the Government stated in the revised national budget for 2023 that the "high price contribution" will be removed in 2024, Lyse chose to resume work on possible expansion opportunities in Røldal-Suldal. It will be a prerequisite for realising new expansion projects that long-term and predictable framework conditions are created that ensure prudent profitability. A license application for an expansion is planned by the end of the year.

In the end-user market, Lyse offers electricity products, charging infrastructure and charging services for the housing cooperative market, fast charging and energy metering with associated settlement services. Lyse is a significant power producer with a long-term perspective, and the company experience that its presence throughout the value chain from power production to consumer has helped to strengthen the company's market position in a period characterised by considerable uncertainty. Lyse has emphasised providing customers with simple products that create predictability and an overview in a complex market. At the turn of the year, Lyse launched fixed-price agreements for commercial customers and has been a price leader for this product in the first half of the year. Demand for these products has been good, and during this period 192 fixed-price agreements have been signed, primarily with customers in price area NO2. In total, operations from the end-user market in Lyse delivered an operating loss of NOK 15.2 million, an improvement of NOK 103.2 million compared with last year. The power sales business in isolation delivers positive operating profit, while the total operating profit is charged by negative contributions from the charging and energy metering business. Efforts are being made to strengthen earnings for these business areas.

Charging and energy services (electric car charging and energy metering for housing cooperatives as well as fast charging) are capital-intensive activities that must be considered in a long-term perspective. The services require significant investments in infrastructure at the start-up of the customer relationship, and the use of established infrastructure and associated services increases in line with the EV share in society. The perspective for this type of contract is therefore long-term. Demand has increased significantly both because of EV growth and increased and fluctuating energy prices. In the first half of the year, 3 683 new parking spaces (a total of 19 514 parking spaces) were sold with electric car charging and 3 892 new sections (a total of 7 216 sections) on energy metering. Most of these new customers have also opted to become a total customer (TV/internet, electricity, electric car charging and energy metering) of Lyse. At the end of the half-year, 42 fast chargers were in operation, and a new 22 fast chargers are planned to be established by the end of the year.

TELECOM BUSINESS AREA

Lyse is a fully-fledged telecom operator consisting of the mobile operator Ice AS, broadband and entertainment providers Altibox AS and Altibox Danmark A/S, as well as several wholly and partly owned fibre companies in Norway.

The fibre companies in which Lyse has ownership interests are gathered under the subsidiary Lyse Fiberinvest AS, and include Lyse Fiber AS (100%), Viken Fiber Holding AS (65%), Signal Bredbånd AS (100%), Bergen Fiber AS (37%), Nordvest Fiber Holding AS (50%), and Istad Fiber AS (50%). Lyse's international communications activities within the operator- and corporate market include the wholly owned Altibox subsidiary Altibox Carrier AS. In the first half-year, a merger was completed between Altibox Carrier AS and the former subsidiary Skagenfiber AS. The Carrier business also includes ownership in NO-UK Com AS (38%), which is a subsea fibre cable between Norway and the UK, put into operation in 2021.

Altibox AS and Altibox Danmark A/S are operators of internet and digital TV solutions on fibre networks owned by the Lyse Group and in fibre networks owned by external parties, primarily networks owned by energy companies and municipalities. The customers who receive services produced by Altibox are part of the nationwide Altibox partnership.

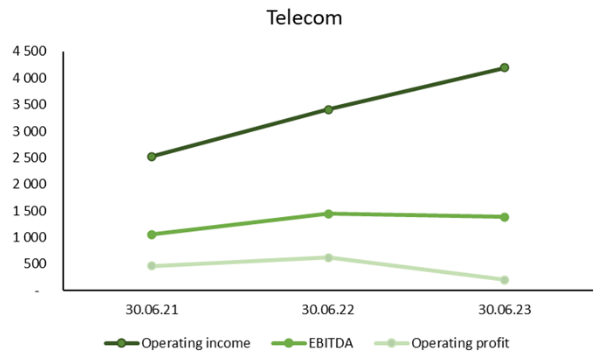
Total customer growth in the Altibox partnership in the first half of 2023 is 15 848 new customers and a growth of 1.9%. The number of customers in the Altibox partnership as of 30 June 2023 is 844 729. Of these, Lyse owns 465 557 in Norway through wholly and partly owned companies, and 53 550 in Denmark.

Ice is a national mobile network operator and provider of voice and wireless data services. The company operates in Norway under the Ice and NiceMobil brands. Ice manages the frequency portfolio of Lyse, and together Ice and Altibox possess very modern and nationwide digital infrastructure.

Ice has 822 557 mobile customers as of 30 June 2023, an increase of 65 252 compared to 31 December 2022. Ice also has 55 095 mobile broadband customers as of 30 June 2023.

The telecommunications business had a turnover of NOK 4 204 million in the first half of the year, an increase of 23% compared to the same period last year. The business achieved a positive operating profit before depreciation (EBITDA) of NOK 1 386 million, compared to NOK 1 443 million in the same period last year - a reduction of 4%. The decline is mainly due to lower margins in the fixed network business due to strong competition.

Operating profit after depreciation (EBIT) is NOK 199 million in the first half of 2023 compared to NOK 625 million in the first half of 2022, a decrease of 68%. The reduction in operating profit is mainly explained by a NOK 285 million in increased depreciation. The increase in depreciation is due to a period of massive expansion of mobile networks. The financial performance is in line with the development plan, following the acquisition of Ice.



The telecom business invested NOK 1 105 million in the first half of 2023, which is NOK 268 million higher compared with the same period in 2022. The investments in 2023 are mainly related to the development of a national 5G network, and fibre infrastructure for private households and businesses in Norway, but also include investments in new digital fibre infrastructure that connects us with the rest of Europe through the Altibox Carrier business.

The telecom business' brands have excelled in several customer service awards these six months. Altibox was the winner in the TV distribution and broadband industries in the Norwegian Customer Barometer, while Ice came in second in the mobile industry. In the Norwegian Sustainability Barometer, Altibox became the industry winner in broadband. During the Customer Service Days, Ice won the class for mobile telephony while Altibox became best in class among broadband providers. Ice also won YouSee's customer service awards in both mobile and broadband categories.

INFRASTRUCTURE AND CIRCULAR ENERGY BUSINESS AREA

Lyse's business area Infrastructure and Circular Energy consists of the wholly owned companies Lnett AS, Lyse Neo AS, Lyse Lux AS and Lyse Agon AS. Lnett AS' main task is to ensure its customers with a stable power supply combined with efficient operation. The grid business is monopoly-based and is subject to special regulatory control by the Norwegian Water Resources and Energy Directorate (NVE). Lyse Neo AS provides services within gas, biogas, district heating and district cooling. Lyse Lux AS manages all types of public and outdoor lighting on behalf of 9 owner municipalities. Lyse Agon AS designs and builds outdoor lighting for private developers.

The business area has an operating profit of NOK 374 million in the first half-year. Last year was characterised by major market turbulence and high energy prices, the corresponding period therefore had an operating loss of NOK 78 million.

At the end of the first half-year, Lnett AS has 163 175 network customers, which is an increase of 875 customers so far this year. The increase is in line with expected customer growth. Energy delivered in the first half of the year was 2 381 GWh, compared to 2 528 GWh in the same period last year. Temperature-adjusted consumption is on par with last year, somewhat lower than previous years. Energy savings due to higher power prices may have affected consumption.

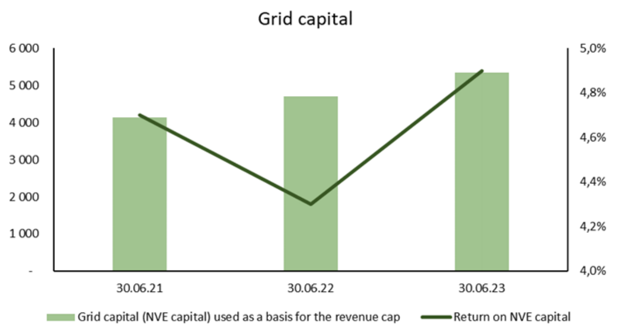
Lnett AS delivered a profit of NOK 347 million for the first half-year, compared to a loss of NOK 44 million in the same period last year. Exceptional high power prices have resulted in high cost when energy is lost in connection with transmission in the grid, both in our own grids and overhead grids. Extraordinarily high grid loss costs for 2022 were adjusted for in the last quarter of 2022 due to reversal of congestion revenues from Statnett. The grid business nevertheless had a lower revenue of NOK 312 million at the end of 2022. The grid companies are required to steer higher/lower revenue towards zero over time, and Lnett AS expects to recoup part of the lower revenue in 2023.

Operating expenses has amounted to NOK 189 million so far this year, 9 million higher compared to the same period last year. Price growth and a somewhat lower number of activated hours in the period are the reasons for the increase in expenses. Depreciation amounted to NOK 140 million in the first half-year, NOK 3 million higher than the same period last year.

Fewer power outages in the first half of the year result in low interruption costs (KILE) and are on par with the same period last year, in the first half of the year the KILE cost is NOK 10.1 million.

So far this year, Lnett AS has invested a total of NOK 432 million. Investments in the distribution grid amount to NOK 138 million, while NOK 288 million has been invested in the regional grid so far this year. The investment level will be high going forward because of the need to upgrade the regional grid due to age and condition, as well as to cover increased electricity needs for business development and electrification of society.

The grid business achieved a return on grid capital (adjusted for increases in lower revenue) of 4.9% in the first half-year, compared to 4.3% in the same period last year. The return on net capital in the first half-year is 6.4%.



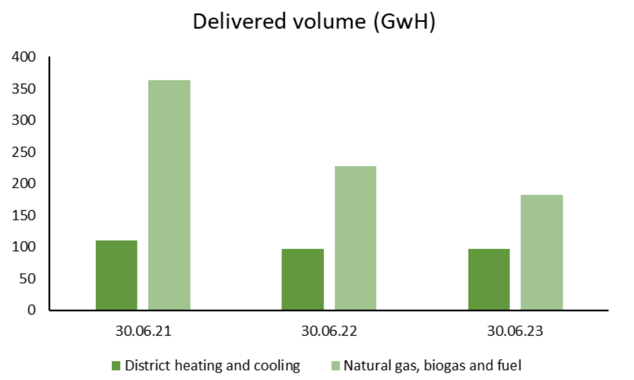
The gas and heating business delivered an operating profit of NOK 22 million in the first half-year, which is NOK 59 million higher than the same period last year.

Compared to the first half of 2022, deliveries of gas and district heating volumes have been reduced by 46 GWh and totalled 279 GWh in the first half-year. After a very demanding year in 2022, the first half of 2023 has been somewhat more stable both in terms of market prices and developments in delivered volumes.

In recent years, Lyse Neo has developed a district heating network that extends from the incineration plant at Forus to the harbour in Sandnes along the Gandsfjord, to Stavanger East. The district heating route is connected to central municipal buildings, commercial buildings and apartment complexes and contributes to a significant reduction in CO2 emissions. It has been decided to expand the main infrastructure further from Stavanger city centre to Bjergsted. District heating deliveries from the incineration plant at Forus are carbon neutral. An objective of the business is to utilise local resources in circular value chains that also reduce greenhouse gas emissions.

Lyse Neo AS also supplies biogas, which is produced at two different plants in Rogaland. The demand for biogas is increasing and the supply of biogas has been stable during the period. Several initiatives have been initiated together with other companies to increase the biogas production in the region in order to contribute to the necessary climate adaptation.

So far this year, NOK 25 million has been invested in infrastructure in the business, an increase of NOK 9 million compared with the same period last year.



Lyse Lux AS and Lyse Agon AS delivered a combined operating profit of NOK 4 million in the first half-year, an increase of NOK 2 million compared with the same period last year.

OTHER AREAS

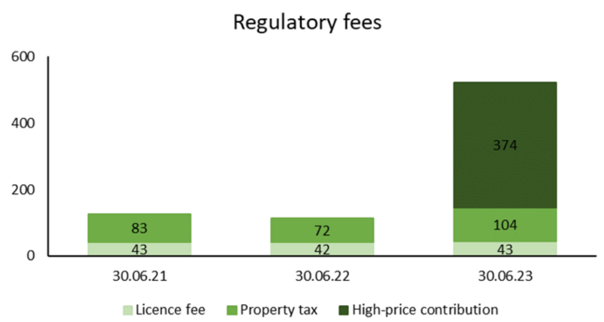
Other areas include support functions in Lyse AS and the companies Lyse Dialog AS, Lyse Vekst AS, Lyse Eiendom Mariero AS, Lyse Eiendom Ullandhaug AS, Lyse Elkon AS.

FINANCIAL ITEMS AND TAXES

Net financial expenses amounted to NOK 357 million in the first half-year, a reduction of NOK 35 million compared to the same period last year. Of the Group's net interest-bearing debt (excluding lease obligations) of NOK 15 019 million, NOK 11 327 million is interest-hedged by fixed-rate loans and interest swap agreements with a remaining maturity of up to 21 years. This, together with inherent interest hedging in grid operations and the resource rent tax, means that annual results over the next few years are low/moderately sensitive to changes in market interest rates in the short and medium term.

Of the Group's total interest-bearing debt (excluding lease obligations) of NOK 21 525 million, bond loans amounted to NOK 11 357 million, bank loans and other loans NOK 8 172 million and subordinated loans NOK 1 997 million. The loans have a maturity of up to 21 years, with an average maturity of 5.3 years. Annual refinancing needs are actively managed. The capital market has been somewhat more volatile in the first half of the year, but the Group still has good access to liquidity. In the first half of 2023, Lyse issued NOK 1 600 million in new and expansions of existing bonds, increased bank financing by NOK 390 million, and established a subordinated loan of NOK 400 million. In April, Scope Rating upgraded its official company rating of Lyse AS from BBB+ to A-. Lyse AS was first rated in 2017 by Scope Ratings.

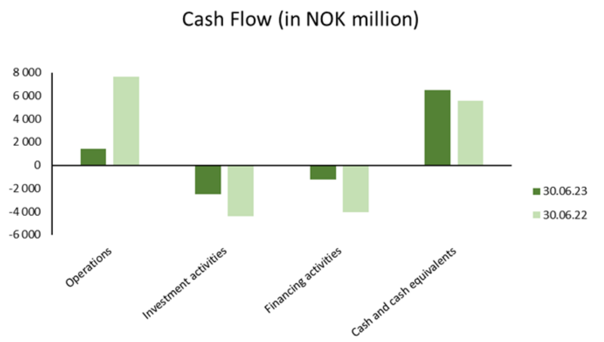
Tax expenses, including regulatory fees of the Lyse Group, amounted to NOK 3 487 million in the first half of the year. The corresponding figure for last year was NOK 4 086 million.



With effect from 28 September 2022, a “high-price contribution” was introduced for hydropower plants with generators with a total rated output of 10 000 kVA or more, and from 1 January 2023 for other hydropower plants and wind farms. The government has set the rate at 23% of the electricity price exceeding 70 øre per kWh. The contribution is formulated as an excise duty to the state. The tax is to be calculated hour by hour per price area, and the tax basis is limited to turnover from power production.

The consolidated financial statements have been prepared on the going concern assumption.

CASH FLOW

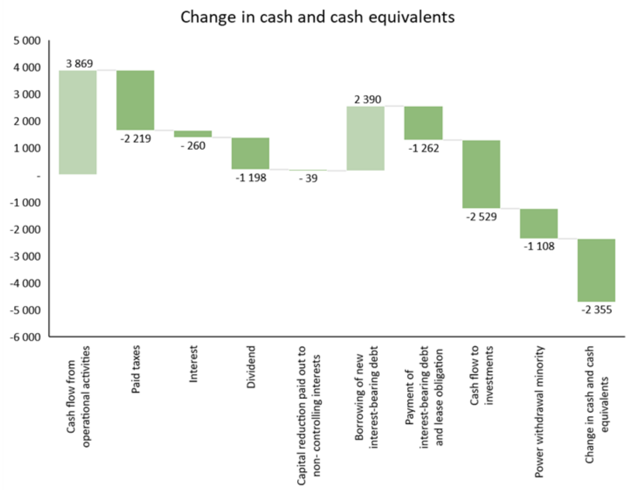


The Group's operations generated a cash flow of NOK 1 390 million, compared to NOK 7 631 million in the same period last year.

The Lyse Group invested NOK 2 100 million in the first half of 2023. This represents a reduction of NOK 2 405 million from the corresponding period of the previous year, which is mainly explained by the Ice transaction in 2022.

Gross interest-bearing debt (incl. lease obligations) amounted to NOK 23 384 million at the end of the first half-year. At the beginning of 2023, the debt was NOK 21 656 million. The Group's cash position (incl. short-term financial investments) has been reduced from NOK 8 862 million to NOK 6 507 million in the same period. Net interest-bearing debt (incl. lease obligations) has increased from NOK 12 794 million at the beginning of the year to NOK 16 877 million per half-year.

Liquidity reserves in the form of free bank deposits, liquidity portfolio and committed drawing rights amounted to NOK 10 061 million at the end of the six-month period.



At the end of the first half-year, the Lyse Group had an equity of NOK 20 372 million, which corresponds to an equity ratio of 30%. Including subordinated loans, the equity ratio is 33%.

RISK AND INTERNAL CONTROL

The most significant risks for the Lyse Group are related to market operations, financial management, project activities, operating activities, and framework conditions. Managing risk is central to value creation, and an integral part of business operations. Risk management is followed up in the business areas through procedures for risk monitoring against targets and risk limits set by the board.

Lyse is exposed to changes in the physical and financial power market, foreign exchange, interest rate and financing markets. The Board reviews the limits for risk exposure annually. Internal authorisations and frameworks have been established for power trading, foreign exchange trading and financial management.

In the parent company Lyse AS, an investment committee has been established to assess the profitability and risk of major individual investments in the Group before an investment decision is made at company level.

For Lyse, there is considerable volume and price risk associated with power generation and trading. In the Nordic power market, precipitation conditions, demand and market prices for coal, gas, oil, and CO2 allowances have an impact on the market price of power. In the power market, the Group applies active risk management adapted to the current market situation. The goal is to achieve maximum risk-adjusted return. All physical power trading on the Nord Pool Spot and financial trading on the NASDAQ are traded in EUR. Future revenues in EUR are currency hedged over a stipulated period, so that the hedging ratio is increased up to the date of maturity.

A key finance function in the parent company coordinates and manages the risk associated with interest rates, currency, and liquidity, including refinancing and new borrowing.

The finance function exercises its mandate in accordance with the current financial strategy. This sets a framework for the group's refinancing risk and liquidity so that loan maturities and capital requirements to carry out planned operating and investment activities 6 months into the future must always be covered by available liquidity. In addition to available liquidity, the group has established credit facilities through a bank syndicate. The Group's limits on interest rate risk are intended to stabilise the Group's net profit after tax. Interest rate risk is managed by ensuring that net profit for the year shall not be weakened beyond the stipulated risk limits in the event of a change in the market interest rate of 1 percentage point. Exposures are followed up against approved limits in the financial strategy and reported regularly to Group management and the Board.

Lyse has counterparty risk through power trading and the investment of surplus liquidity. Prior to entering contracts, the creditworthiness of counterparties is assessed, and credit risk towards individual counterparties is limited through the financial strategy by risk limits based on financial strength and credit quality.

The processes in the Group's various value chains are exposed to operational risk. Operations and project execution are exposed to operational risk in the form of personal injury, damage to the environment, loss of reputation and financial loss. Systematic and risk-driven work is being carried out to manage operational risk in the Group. On a day-to-day basis, risk is managed using procedures, routines for nonconformity reporting, contingency plans, and insurance coverage.

Lyse has a system for internal control to contribute to reliable financial reporting. Internal control in financial reporting is followed up continuously through the work of the audit committee.

Climate change and adaptation to climate change constitute both opportunities and threats for Lyse. A milder and wetter climate will mean that hydropower will play an increasingly important role through its ability to delay and redistribute floods, which will place increasing demands on our facilities. In addition, hydropower's ability to regulate production will become more important when a larger proportion of power production will take place through other sources such as solar energy and wind power. Climate risk is an important part of the decision-making basis for new investments and does not only apply to the power-producing part of Lyse. For example, Lnett actively considers the increased sea level when placing facilities and has decided to switch to composite masts that can withstand more rainfall and extreme weather.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

Value creation for the community is an important part of Lyses’s purpose. Lyse’s owners has given the Group the mission of running its business operations in a way that provides a stable return and at the same time be a regional contributor to the community. Lyse is engaged in that the operations shall benefit future generations. This is assured by building long-term and future oriented infrastructure solutions and striving for sustainable business operations. By distributing the value creation for the benefit of the owners this gives a contribution to welfare production. Corporate social responsibility is embedded in Lyse's mission, and the sustainability report is an integrated part of the annual report.

Lyse's target is to become carbon neutral across its business operations by 2030. Where at the same time, contributing with substantial emission reductions, both regionally and nationally. Lyse's sustainability reports forms the basis for the Groups target plan on achieving carbon neutrality.

Each manager is responsible for ensuring that sustainability issues are raised and included in the decision-making processes. A Group sustainability team coordinates and facilitates this work. Lyse is committed to the UN's sustainability goals and aims to contribute where we are able to achieve them. More information can be found on our website lysekonsern.no.

Significant topics

Lyse conducts its reporting in accordance with the Global Reporting Initiative (GRI Core), four categories have been identified as main topics for the Group:

Organisation, health, safety and environment

- Employee relations
- HSE
- Equality/discrimination
- Training and competence development

Business ethics

- Protection of personal privacy
- Compliance with laws and regulations
- Anti-corruption

Environmental impact

- Environmental impact
- Greenhouse gas emissions

Impact on the local community

- Value creation
- Securing delivery

The sustainability key figures are consolidated in accordance with the Groups financial statements.

A description of the tasks and actions related to these topics are described below. For more information regarding materiality and management can be found on lysekonsern.no.

Organisation, health, safety, and environment

Lyse shall be an attractive, fair and good workplace that retains and attracts the most committed and most qualified people.

Lyse's aims to be one of the top 5 most attractive workplaces in the region within 2030. In order to reach this, Lyse has in 2023 chosen to focus on development on career and competence as a strategic goal. The first half of 2023 has therefore focused on the development of concepts and plans for the implementation of competence mapping and learning arenas, as well as the implementation of individual performance reviews for career and competence development. The work has not been completed and will keep on being important throughout 2023.

Internal mobility is an important tool for ensuring Lyse the right expertise and at the same time providing employees with career opportunities. All positions in Lyse are first advertised internally, resulting in 40% of all positions being recruited internally. New business through the acquisition of Ice has also given employees a larger job market and the opportunity to work from other locations.

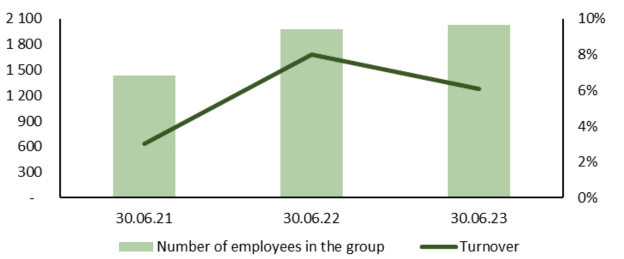
In addition to raising internal competence and mobility, external recruitment processes have also been carried out. Lyse has employed 218 employees in the first half of the year. Lyse recruits based on which competence is needed, and the recruitment processes are objective regardless of gender, age, political affiliation or ethnicity.

Permanent tasks should, if possible, be carried out by permanent employees, this is Lyse's strategy. Keeping competence internally reduces the risk of losing competence and contributes to a sustainable working life. To achieve this strategy, and to be in line with the new regulations on employment hire, the focus the last half year has been on employment hire and use of consultants. A mapping of the use of employment hire and consultants has been conducted where positions have been converted to permanent positions. The mapping shows that the use of employment hire in Lyse are significantly in accordance with the new statutory regulations. Where needed, agreements have been entered into with employee representatives. Lyse has a good and close cooperation with employee representatives regarding expertise and hiring in the Group.

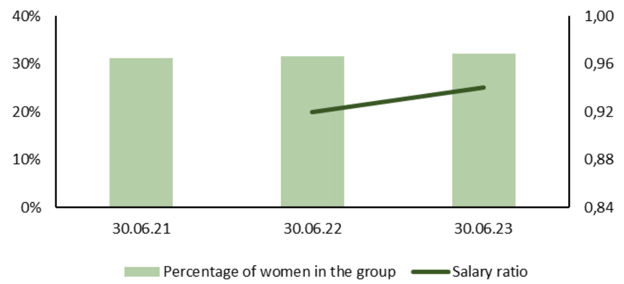
Lyse has continued the management program for managers with personnel responsibility, which started in January 2022. The program intends to contribute to the Lyse culture defined as training and performance, establish mutual leadership, raise cooperation and sharing of experience. The participants are divided into eight learning groups across the Group, they work together throughout the program, both digitally and physically. The management program 2023 embraces the "Employee journey", in the first half year it has been focused on how we at Lyse will receive new employees in the best possible way. Employee follow-up and development will be in focus during autumn 2023.

For Lyse to be an employer that promotes gender equality, diversity and sustainability, systematic efforts have been made to detect risks, action plans, measures and KPIs. Particular focus areas are permanent employment, pay and working conditions, promotions and development opportunities, adaptations and opportunities to combine work and family life. The work on implementing all work positions in a work position system is in its final phase. This system will give Lyse a tool to ensure fair remuneration and benchmark against the national labour market.

There were 2 032 employees in the Lyse Group, including 38 temporary employees as of June 2023. At the same time in 2022, the Group employed 1 975. As of June 2023, there were 24 apprentices in the electrical and sales trades. Lyse will work continuously to look at opportunities for recruiting more apprentices in relevant subject areas. The Group is working on establishing Lyse as an independent training establishment for IT-developers, which will be starting in the autumn of 2024.



Turnover in the Lyse Group in the first half of 2023 is 6% compared to 8% in the same period in 2022.



The women share of the total number of employees were 32.2%, 67.8% were men as of 30.06.23, this is an increase in women share by 0.7% compared to 30.06.22. 39.9% of new hires in the first half of 2023 were women, a reduction of 3.1% compared to the same period in 2022. There are 32.9% women in leadership positions, a reduction of 2.7% from the first half of 2022. There is an equal proportion of women and men in both the Board of Directors and the Group Executive Management.

No task or activity shall be prioritised over health, safety, and the environment in the Lyse group. There is a continuing compliance with statutory HSE requirements for the operational activities. There are established procedures to secure safe work environment for internal operational task or in cooperation with other partners and suppliers.

Sickness absence in the Group in the first half of 2023 was 4.75%, compared with 4.0% in the same period of 2022. There were five injuries in the first half of 2023 which resulted in 22 days of sick leave. In the same period last year, there were two injuries that did not result in sick leave. The Lyse Group has a target of less than 3.5% sickness absence.

Business ethics

Lyse's ethical guidelines are reviewed annually and revised when needed. Annual e-learning courses for all employees contribute to the knowledge and compliance with the ethical guidelines.

Efforts to safeguard the privacy rights of customers and employees are safeguarded through established routines for handling personal data breaches. For the first half of 2023, there have been three violations of personal data security that has been of such a nature that it has been reported to the Data Protection Authority, compared with five in the same period in 2022. The cases were closed by the Norwegian Data Protection Authority without further follow-up once adequate measures had been taken. No audits have been carried out by the Norwegian Data Protection Authority during the period.

The companies work continuously to identify minor nonconformities and possible improvements to ensure correct processing of personal data and prevent future breaches. The group companies also respond to inquiries from customers related to data protection.

Environmental impact

The Lyse Group delivers renewable energy, infrastructure and innovative services that enable climate savings for our customers. Electrification and digitalisation are crucial factors for achieving local as well as global climate goals, and the Group's diversity makes Lyse well positioned to contribute and create profitable growth in the green shift.

Impact on local communities

In challenging times, our socially and household-critical products and services are particularly important: Secure power supply, TV channels and lightning-fast internet for home office, digital teaching, and digital meetings, etc. are key basic functions in our society.

More on how we impact the local community at lysekonsern.no.

THE TRANSPARENCY ACT

Lyse works continuously to ensure responsible business practices in our operations and value chains. To achieve the UN Sustainable Development Goals, a well-functioning business sector that creates jobs and economic growth is an important contribution. Lyse is subject to the Transparency Act, which is closely linked to Sustainable Development Goal no. 8 on decent work and economic growth, and no. 12 on responsible consumption and production. The purpose of the Transparency Act, which is to promote respect for human rights and decent working conditions in connection with the production of goods and services, coincides with Lyse's values of taking social responsibility and having sustainable business operations that respect human and labour rights, society, and the environment.

Lyse has carried out the statutory due diligence assessment for 2022, which is included in Lyse's annual report for 2022. It is available on lysekonsern.no. At the time of reassessment as of 30th of June, no changes have been made to the assessment.

OUTLOOK

After a challenging year in 2022, with very high power prices, the first half of 2023 has been more stable in the power market, although power prices for our customers are higher than the average level in recent years.

The government's electricity support for households is still cutting the highest peaks, and from 1 September the support will be further strengthened by making it hourly. However, if necessary for technical or practical reasons, the Ministry may decide that a new calculation method shall apply from a later date than September 2023. The Board is highlighting that this is beneficial for customers but may have an unfortunate effect as sufficient price signals are no longer given to, for example, moving consumption to periods of low prices. This may also affect the positive development we have seen in recent years, where consumption, especially among retail customers, has been greatly reduced.

Lyse advocate for, and is a significant player in the marketplace for fixed electricity prices, particularly in the corporate market. The Group will continue to focus on offering competitive and innovative products to our customers in the second half of 2023.

In the second half of the year, the board will decide on plans for a significant upgrade and expansion of the power plants in Røldal and Suldal. For this to be realised, it is crucial that the so-called High Price Contribution, which provides an extra tax on power prices above 70 øre/kWh, is removed in line with promises from the Government.

The board would also like to point out that the increase in resource rent tax in 2022 weakens companies' ability to finance investments. The increase should be reversed. Consideration should also be given to whether this tax system provides companies with neutral incentives and sufficient opportunities to finance investments in renewable energy in the years ahead.

In the telecommunications business, the first half of the year has been characterised by efforts to integrate the mobile business with the broadband business following the acquisition of Ice. This work will continue into the second half of the year. We are now seeing a slight slowdown in the growth of fixed broadband/fibre, while the number of mobile customers continues to grow; a development the board expects will continue in the second half of the year.

The development of a 5G mobile network continues unabated and will provide Norway with a 3rd mobile network of high quality, which also entails strengthened national security and robustness.

Within Infrastructure and Circular Energy, investments in strengthening and expanding the regional grid will continue to be important. Statnett has installed voltage on a new 420kV power line from Lysebotn to Fagrafjell. This will strengthen the supply in the region, dependant on Lyse to connect the regional grid to the new strong point in Fagrafjell, a work that will continue in the second half of the year.

Given a reasonably stable development in power prices in the first half of the year, as well as a positive development within telecommunications and infrastructure/circular energy, the Board expects a stable development of the result for the second half of the year.

Stavanger, 23 August 2023
The Board of Directors of Lyse AS

Harald Espedal Chairman of the Board	Stine Rolstad Brenna Deputy Chair	Siri Annette Haataja Meling Board Member	Jonas Skrettingland Board Member
Svein Gjedrem Board Member	Lotte Hansgaard Board Member	Morten Larsen Board Member	Marie Folstad Board Member

Eimund Nygaard
Group CEO

Compliance declaration from the Board of Directors and CEO

We confirm that the unaudited financial statements for the period 1 January to 30 June 2023 have, to the best of our knowledge, been prepared in accordance with IAS 34 Interim Reporting and that the accounts provide a true and fair view of the assets, liabilities, financial position and results as a whole and that the information in the interim report provides a true and fair view of key events during the accounting period and their impact on the interim accounts as well as a specification of the most important risk and uncertainty factors that the company will face during the next accounting period.

Stavanger, 23 August 2023
The Board of Directors of Lyse AS

Harald Espedal Chairman of the Board	Stine Rolstad Brenna Deputy Chair	Siri Annette Haataja Meling Board Member	Jonas Skrettingland Board Member
Svein Gjedrem Board Member	Lotte Hansgaard Board Member	Morten Larsen Board Member	Marie Folstad Board Member

Eimund Nygaard
Group CEO

Statement of profit and loss

(In NOK thousands)	Note	30.06.23	30.06.22	31.12.22
Sales revenue	(1), (2), (3)	12 260 944	14 594 015	31 126 869
Net gain from sale of business		0	0	20 354
Gains and losses from power and currency contracts	(2), (4)	403 523	-690 981	-928 668
Operating revenue		12 664 467	13 903 035	30 218 555
Cost of sales	(1), (2)	3 751 268	4 227 542	10 284 786
Salaries and payroll costs		813 430	607 384	1 524 160
Depreciation, amortisation and impairment	(2)	1 555 488	1 214 864	2 812 616
Regulatory fees		520 798	113 798	779 522
Other operating costs		1 184 587	1 011 347	2 322 122
Operating profit		**4 838 895**	**6 728 100**	**12 495 349**
Share of profit in equity accounted investments	(2)	5 090	17 081	22 162
Financial income	(2)	251 290	190 160	341 970
Financial expenses	(2)	608 555	582 843	1 008 992
Profit before tax		**4 486 720**	**6 352 497**	**11 850 489**
Income taxes		1 056 621	1 406 575	2 730 591
Resource rent tax		1 909 275	2 565 415	6 671 829
Tax expense	**(2), (4)**	**2 965 896**	**3 971 989**	**9 402 420**
Profit for the period		**1 520 825**	**2 380 508**	**2 448 069**
Allocated to:				
Controlling interests		1 155 455	1 499 628	1 354 244
Non-controlling interests		365 370	880 880	1 093 825
Earnings per share allocated to shareholders of Lyse AS (basic- and diluted earnings per share)		**1 145**	**1 486**	**1 342**

Statement of comprehensive income

(In NOK thousands)	Note	30.06.23	30.06.22	31.12.22
Profit for the period		**1 520 825**	**2 380 508**	**2 448 069**
Items that will not recycle over profit and loss in future periods				
Actuarial gains and losses		91 915	2 340	27 958
Items that will recycle over profit and loss in future periods				
Cash flow hedging, currency forward contracts	(4)	-460 466	-80 370	-4 221
Cash flow hedging, interest swap contracts	(4)	16 227	9 388	5 215
Cash flow hedging Euro loans	(4)	-303 945	-83 708	-126 137
Currency translation differences, equity accounted investments		18 948	4 397	5 597
Currency translation differences, subsidiaries		3 028	1 399	1 505
Total of items that will recycle over profit and loss in future periods		**-726 209**	**-148 893**	**-118 041**
Statement of comprehensive income for the period, net of taxes		**-634 294**	**-146 554**	**-90 083**
Total comprehensive income for the period		**886 531**	**2 233 954**	**2 357 986**
Allocated to:				
Controlling interests		520 090	1 353 075	1 264 403
Non-controlling interests		366 440	880 880	1 093 582
Total comprehensive income for the period		**886 531**	**2 233 954**	**2 357 986**

Statement of financial position

ASSETS

(In NOK thousands)	Note	30.06.23	30.06.22	31.12.22
Non-current assets				
Waterfall rights		8 413 301	8 413 301	8 413 301
Goodwill		7 299 820	7 273 021	7 299 820
Other intangible assets		6 076 091	6 129 495	6 045 293
Deferred tax asset (resource rent)		48 731	51 776	48 731
Tangible fixed assets		31 838 356	29 173 888	30 734 726
Right-of-use assets		2 108 219	2 154 707	2 092 510
Equity accounted investments		841 468	788 699	816 072
Other non-current financial assets	(5)	127 375	117 003	108 159
Derivatives	(4), (5)	563 129	327 946	257 418
Other non-current receivables	(5)	264 644	77 253	85 286
Total non-current assets		**57 581 134**	**54 507 091**	**55 901 316**
Current assets				
Inventory		420 194	217 989	464 195
Trade receivables and other receivables	(5)	3 135 660	3 501 266	3 771 470
Derivatives	(4), (5)	83 187	41 583	38 624
Current financial assets	(5), (6)	1 287 000	535 000	1 148 400
Cash and cash equivalents	(5), (6)	5 219 521	5 056 232	7 713 341
Total current assets		**10 145 562**	**9 352 070**	**13 136 030**
Total assets		**67 726 697**	**63 859 161**	**69 037 347**

EQUITY AND LIABILITIES

(In NOK thousands)	Note	30.06.23	30.06.22	31.12.22
Equity				
Share capital and premium reserve		1 275 591	1 275 591	1 275 591
Other equity and retained earnings		14 015 637	14 764 930	14 599 852
Equity allocated to controlling interests		**15 291 228**	**16 040 521**	**15 875 443**
Non-controlling interests		5 080 761	5 380 408	5 140 798
Total equity		**20 371 989**	**21 420 929**	**21 016 241**
Liabilities				
Non-current interest-bearing liabilities	(5), (6)	20 754 896	16 689 952	17 836 832
Non-current lease liability	(5), (6)	1 589 478	1 831 862	1 566 153
Deferred tax liability	(1)	3 650 761	2 744 812	3 875 637
Deferred tax liability (resource rent)	(1)	6 296 813	5 080 146	6 301 858
Pension liabilities		20 539	100 132	40 268
Derivatives	(4), (5)	663 074	718 757	435 220
Non-current contract liabilities	(1)	1 136 511	877 706	1 019 200
Provisions	(1)	977 761	985 484	966 126
Other non-current liabilities	(1)	1 887 575	1 635 396	1 953 224
Total non-current liabilities		**36 977 408**	**30 664 247**	**33 994 519**
Current interest-bearing liabilities	(5), (6)	770 570	1 929 376	1 972 787
Current lease liability	(5), (6)	268 721	253 203	280 007
Current contract liabilities	(1)	19 169	26 659	33 909
Accounts payable and other current liabilities	(1), (5)	4 229 496	3 840 775	6 581 247
Tax payable		4 708 299	5 166 491	4 755 040
Derivatives	(4), (5)	381 046	557 482	403 596
Total current liabilities		**10 377 300**	**11 773 986**	**14 026 586**
Total liabilities		**47 354 708**	**42 438 232**	**48 021 105**
Total equity and liabilities		**67 726 697**	**63 859 161**	**69 037 347**

Statement of cash flows

(In NOK thousands)	30.06.23	30.06.22	31.12.22
Cash flow from operations			
Profit before tax	4 486 720	6 352 497	11 850 489
Net gain from sale of business	0	0	-20 354
Depreciation, amortisation and impairment	1 555 488	1 214 864	2 812 616
Other gains/losses net classified as operations	-596 483	440 895	108 975
Unrealised effects against statement of financial position	-144 970	412 344	380 328
Change in pension liabilities	-32 104	1 571	-28 124
Net financial costs	356 313	392 683	667 022
Profit/loss from equity accounted investments	-5 090	-17 081	-22 162
Change in trade receivables and other current receivables	639 648	-97 935	-252 971
Change in accounts payable and other current liabilities	-2 382 755	-537 664	2 168 637
Change in inventory	44 001	-27 433	-271 747
Hydro's share of cost	0	0	191 868
Other changes	-52 067	25 777	19 185
Net cash flows from operating activities	**3 868 701**	**8 160 520**	**17 603 761**
Interest paid	-351 018	-244 650	-658 298
Interest received	90 810	83 400	157 884
Tax paid	-2 218 533	-368 228	-2 449 825
Net cash flow from operating activities	**1 389 960**	**7 631 042**	**14 653 523**
Cash flow from investment activities			
Payments on purchase of tangible fixed assets and intangible assets	-1 912 287	-1 514 164	-3 782 000
Prepayment related to right-of-use assets (lease)	-30 820	-58 526	-81 540
Capitalised subscriber acquisition cost (SAC)	-130 925	0	-222 444
Payments for spectrum licences	-190 161	0	-115 330
Net receipts and payments, shares in subsidiaries	-153 379	-2 045 839	-2 033 938
Net payment purchase of receivable	0	-911 982	-911 982
Net receipts and payments debt to associated companies and joint ventures	-13 333	0	-500
Net receipts and payments, shares of associated companies and joint ventures	-15 562	-10 000	-33 044
Payment for other assets	-18 861	0	-58 560
Net receipts and payments, other financial investments	-74 399	-15 791	24 303
Cash effect acquisition/disposal of subsidiaries	11 168	128 511	128 890
Net cash flows from investment activities	**-2 528 559**	**-4 427 791**	**-7 086 144**

Statement of cash flows cont.

(In NOK thousands)	30.06.23	30.06.22	31.12.22
Cash flow from financing activities			
Change in non-controlling ownership	0	0	11 500
Borrowings	2 390 000	2 168 349	4 318 349
Repayment of interest-bearing liabilities	-1 055 959	-3 756 576	-4 771 470
Payment of financial leasing liabilities	-206 070	-128 689	-212 008
Net cash effect from power generation outflow - non-controlling interest	-1 107 573	-1 616 467	-3 773 373
Dividends paid to minority shareholders of subsidiaries	-97 790	-94 250	-94 250
Dividends paid to company shareholders	-1 100 000	-650 000	-650 000
Capital reduction payd to non- controlling ownership interests	-39 227	0	0
Net cash flow from financing activities	**-1 216 619**	**-4 077 634**	**-5 171 252**
Change in cash and cash equivalents	-2 355 218	-874 383	2 396 127
Cash and cash equivalents as of 1 January	8 861 741	6 465 614	6 465 614
Cash and cash equivalents at end of period	**6 506 521**	**5 591 232**	**8 861 741**

*) Includes current financial assets.
**) Of total dividends to company shareholders of 1 100 million NOK, 700 million NOK has been distributed and 400 million NOK has been established as a subordinated loan.

Statement of changes in equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FIRST HALF YEAR 2023

(In NOK thousands)	Share capital and premium reserve	Other reserves - not recognised	Other equity	Equity allocated to controlling interests	Non-controlling ownership interest	Total equity
Equity 1 January 2023	**1 275 591**	**-40 797**	**14 640 649**	**15 875 443**	**5 140 798**	**21 016 241**
Profit for the period	0	0	1 155 455	1 155 455	365 370	**1 520 825**
Other comprehensive income for the period	0	-634 294	-1 071	-635 365	1 071	**-634 294**
Total comprehensive income for the period after tax	**0**	**-634 294**	**1 154 384**	**520 090**	**366 440**	**886 531**
Dividends	0	0	-1 100 000	-1 100 000	-97 790	-1 197 790
Capital reduction - payment to non-controlling parties	0	0	0	0	-39 227	-39 227
Net power consumption non-controlling interests	0	0	0	0	-289 445	-289 445
Investments in equity accounted investments	0	0	-3 512	-3 512	0	-3 512
Other changes recorded directly against equity	0	0	-793	-793	-15	-808
Equity 30 June 2023	**1 275 591**	**-675 091**	**14 690 727**	**15 291 228**	**5 080 761**	**20 371 989**

SPECIFICATION OF OTHER RESERVES

(In NOK thousands)	Translation differences	Hedging	Pensions*	Total other reserves
Balance 1 January 2023	**5 134**	**-237 357**	**191 427**	**-40 797**
Actuarial gains and losses	0	0	91 915	91 915
Cash flow hedge	0	-959 211	0	-959 211
Tax effect on cash flow hedge	0	211 026	0	211 026
Currency translation differences subsidiaries	3 028	0	0	3 028
Currency translation differences associated companies	18 948	0	0	18 948
Balance 30 June 2023	**27 109**	**-985 542**	**283 342**	**-675 091**

* The change in other pension effects is due to an increase in the discount rate, and an update of the actual return on assets of 0,40 % and 0,8 % percentage points, respectively. In addition, the rate of pension regulation has increased with 0,15 %.

Statement of changes in equity cont.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FIRST HALF YEAR 2022

(In NOK thousands)	Share capital and premium reserve	Other reserves - not recognised	Other equity	Equity allocated to controlling interests	Non-controlling ownership interest	Total equity
Equity 1 January 2022	**1 275 591**	**49 287**	**13 984 630**	**15 309 507**	**5 399 727**	**20 709 235**
Profit for the period	0	0	1 499 628	1 499 628	880 880	2 380 508
Other comprehensive income for the period	0	-146 554	0	-146 554	0	-146 554
Total comprehensive income for the period after tax	**0**	**-146 554**	**1 499 628**	**1 353 075**	**880 880**	**2 233 954**
Dividends	0	0	-650 000	-650 000	-94 250	-744 250
Net power consumption non-controlling interests	0	0	33 751	33 751	-808 818	-775 068
Adjustment addition through subsidiary	0	0	-2 869	-2 869	2 869	0
Investments in equity accounted investments	0	0	-1 873	-1 873	0	-1 873
Other changes recorded directly against equity	0	0	-1 070	-1 070	0	-1 070
Equity 30 June 2022	**1 275 591**	**-97 267**	**14 862 197**	**16 040 521**	**5 380 408**	**21 420 929**

SPECIFICATION OF OTHER RESERVES

(In NOK thousands)	Translation differences	Hedging	Pensions*	Total other reserves
Balance 1 January 2022	**-1 968**	**-112 215**	**163 470**	**49 287**
Actuarial gains and losses	0	0	2 340	2 340
Cash flow hedge	0	-198 320	0	-198 320
Tax effect cash flow hedge	0	43 630	0	43 630
Currency translation differences subsidiaries	1 399	0	0	1 399
Currency translation differences associated companies	4 397	0	0	4 397
Balance 30 June 2022	**3 829**	**-266 905**	**165 809**	**-97 267**

* The change in actuarial gains and losses is due to an increase in the discount rate, and an update of the actual return on assets of 1,10 % and 2,10 %, respectively. In addition, other assumptions has increased by 0,75 %.

Notes to the interim consolidated financial statements

1 Summary of Material Accounting Principles

The consolidated financial statements for the first half of 2023, ending 30 June 2023, have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the EU and consist of Lyse AS and its subsidiaries, associated companies, and joint ventures. The interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. As the information provided in the interim financial statements is less comprehensive than the information provided in the annual financial statements, these statements should be read in conjunction with the consolidated annual financial statements for 2022. The interim consolidated financial statements have not been audited. The accounting principles and calculation methods applied in the interim consolidated financial statements are the same as those described in Note 2 of the consolidated financial statements for 2022.

Change in presentation

Presentation of revenue and cost of sales from gross to net

With reference to note 2 in the consolidated financial statements for 2022 related to the presentation of revenue and cost of sales for purchase of power to cover delivery obligations, the same numbers have been reclassified for first half of 2022.

The total effect of the changes is incorporated in the profit and loss statement, segment statement and in comparative figures. The table below shows comparative figures that follow from the changed principle on segment level.

Renewable energy segment - first half of 2022	Originally	Reclassified	Change
Statement of profit and loss	30.06.22	30.06.22	
(In NOK millions)			
Sales revenue	11 373	10 195	-1 178
Cost of sales	3 721	2 543	-1 178
Operating profit	**6 412**	**6 412**	**0**

Classification of components of provisions and other non-current debt

The Group has reconsidered the classification of certain components within «provisions» and «other non-current debt», in addition “contract liabilities” according to IFRS 15 is now presented on a separate accounting line. The reclassification does not affect key figures or APM and is solely a change of presentation.

The change has been incorporated into the balance sheet, including comparative figures. The following table depicts the changes made.

	Originally	Reclassified	Change
Balance sheet	**30.06.22**	**30.06.22**	
(In NOK millions)			
Provisions (non-current)	111	985	875
Other non-current liabilities	3 374	1 635	-1 739
Contract liabilities (non-current)	0	878	878
Provisions (current)	14	0	-14
Accounts payable and other short term liabilities	3 867	3 841	-27
Contract liabilities (current)	0	27	27
Subtotal	**7 366**	**7 366**	**0**

	Originally	Reclassified	Change
Balance sheet	**31.12.22**	**31.12.22**	
(In NOK millions)			
Provisions (non-current)	101	966	865
Other non-current liabilities	3 838	1 953	-1 885
Contract liabilities (non-current)	0	1 019	1 019
Accounts payable and other short term liabilities	6 615	6 581	-34
Contract liabilities (current)	0	34	34
Subtotal	**10 554**	**10 554**	**0**

Presentation of current period tax cost

The current period tax cost of the Group has effective from the current half year reporting been presented as a component of «tax payable» in the balance sheet, as opposed to a presentation through “deferred tax” in prior periods.

Comparable figures in the balance have been restated. The change does not affect segment reporting or key figures and has no effect on reported figures per 31.12.22. The following table depicts the changes made.

	Originally	Reclassified	Change
Balance sheet	**30.06.22**	**30.06.22**	
(In NOK millions)			
Deferred tax	3 787	2 745	-1 043
Deferred tax, resource rent	7 093	5 080	-2 013
Tax payable	2 111	5 166	3 055
Subtotal	**12 991**	**12 991**	**0**

2 Segment Information

The Group reports operating segments in line with how the Executive Management makes, follows up, and evaluates its decisions. Operating segments are identified based on the internal management information that is periodically reviewed by the Executive Management, and which is used for resource allocation and assessment of earnings.

In 2023 Lyse has adopted a new segment structure, following the Group's updated strategy and new structure of the Executive Management. The reporting segments are now Renewable Energy, Telecom and Infrastructure and Circular Energy. The Group also reports on other companies within the Group under Other segments, group eliminations and the Group at large.

The new segment Infrastructure and Circular Energy consists of the business previously reported under the former segment Power Grid. Furthermore, the natural gas, district heating and cooling business is included in the new segment, as well as the business related to construction, operation, and maintenance of outdoor lightning. The new segment will make Lyse more equipped for climate adaptation in the region. In addition, competence and synergies will be used across the companies that have in common that they all work with regional infrastructure.

The new segment Renewable Energy consists of the business reported in the former segment Energy, except for the business related to natural gas, district heating and colling, that is now part of the new segment Infrastructure and Circular Energy.

Other companies within the Group are reported under Other segments, apart from the business related to construction, operation, and maintenance of outdoor lightning, which is now reported under the new segment Infrastructure and Circular Energy.

For all affected segments the comparable figures are restated in line with the new segment structure. The segment Telecom has not been changed compared to previous years.

RENEWABLE ENERGY

Key figures, Renewable Energy		30.06.23	30.06.22	31.12.22
Mean generation	GWh	9 830	10 075	9 721
Reservoir capacity	GWh	6 803	6 803	6 803
Hydroelectricity production	GWh	4 380	4 943	7 974
Area price NO2	øre/kWh	106,94	162,80	212,77
Actual price attained (incl. hedging)	øre/kWh	108,80	152,50	180,00
Electricity supply, end-user	GWh	1 295	1 233	2 278

TELECOM

Key figures, Telecom		30.06.23	30.06.22	31.12.22
Capital employed	NOK mill	22 298	16 062	20 741
EBITDA margin	%	33,0 %	42,7 %	36,6 %
Carrying value tangible fixed assets and equity accounted investments	NOK mill	14 669	13 019	14 044
Number of active customers in the Altibox partnership		844 729	811 864	828 881
Number of active customers owned by Lyse*		519 107	503 935	513 606
Number of smartphone subscriptions		822 557	718 286	757 305
Number of mobile broadband subsctiptions		55 095	62 526	57 453
Number of smartphone base stations in service		3 311	3 260	3 303

* Includes subsidiaries and equity accounted investments in Norway and Denmark

INFRASTRUCTURE AND CIRCULAR ENERGY

Key figures, Infrastructure and Circular Energy		30.06.23	30.06.22	31.12.22
Number of electricity grid customers		163 175	161 296	162 300
Supplied energy (total consumption in the area)	GWh	2 381	2 528	4 699
Power grid capital (NVE capital) used as a basis in revenue cap	NOK mill	5 344	4 701	4 857
Return on NVE capital	%	4,90%	4,30%	7,70%
KILE costs	NOK mill	10	10	26
Supplied volume, natural gas, biogas and fuel	GWh	182	228	412
Supplied volume, district heating and cooling	GWh	97	97	175

STATEMENT OF PROFIT AND LOSS 30.06.23

(In NOK millions)	Renewable Energy	Telecom	Infra and Circular	Other segments	Elimina-tions	Group
Gross sales revenue	6 918	4 204	1 186	437	-484	**12 261**
Inter-segment sales	-43	-5	-15	-420	484	**0**
Gains and losses from power and currency contracts	404	0	0	0	0	**404**
Operating revenue	7 278	4 199	1 171	16	0	**12 664**
EBITDA*)	4 509	1 386	552	-49	-3	**6 394**
Cost of sales	1 965	1 411	371	15	-11	**3 751**
Depreciation and impairment	141	1 187	178	50	-1	**1 555**
Operating profit	4 367	199	374	-100	-2	**4 839**
Share of profit/loss from associated companies and joint ventures**	0	4	1	0	0	**5**
Financial income	296	27	8	479	-558	**251**
Financial costs	140	497	82	447	-558	**609**
Profit/loss before tax	4 523	-268	301	-68	-2	**4 487**
Resource rent tax	2 976	-61	66	-15	0	**2 966**
Interim profit/loss before ordinary tax	1 547	-207	235	-53	-1	**1 521**
Of which - revenue/costs (-):						
Unrealised changes in value, financial instruments (before tax)	472	0	0	0	0	**472**
Non-recurring items (before tax)	0	0	0	0	0	**0**

* EBITDA is defined as operating profit + depreciation and impairment.

** Income from share of results in associated companies and joint ventures (+), losses on share of results in associated companies and joint ventures (-)

STATEMENT OF PROFIT AND LOSS 30.06.22

(In NOK millions)	Renewable Energy	Telecom	Infra and Circular	Other segments	Elimina-tions	Group
Gross sales revenue	10 195	3 406	994	314	-315	**14 594**
Inter-segment sales	-26	-3	14	-299	315	**0**
Gains and losses from power and currency contracts	-691	0	0	0	0	**-691**
Operating revenue	9 478	3 403	1 008	15	0	**13 903**
EBITDA*	6 547	1 443	99	-142	-4	**7 943**
Cost of sales	2 543	1 022	654	3	6	**4 228**
Depreciation and impairment	137	818	176	55	28	**1 215**
Operating profit	6 411	625	-78	-198	-32	**6 728**
Share of profit/loss from associated companies and joint ventures**	0	12	5	0	0	**17**
Financial income	137	13	7	230	-198	**190**
Financial costs	145	344	49	243	-198	**583**
Profit before tax	6 404	306	-114	-211	-32	**6 352**
Resource rent tax	3 974	67	-26	-36	-7	**3 972**
Interim profit before ordinary tax	2430	239	-88	-174	-25	**2 381**
Of which - revenue/costs (-):						
Unrealised changes in value, financial instruments (before tax)	-355	0	0	0	0	**-355**
Non-recurring items (before tax)	0	0	0	0	0	**0**

* EBITDA is defined as operating profit + depreciation and impairment.
** Income from share of results in associated companies and joint ventures (+), losses on share of results in associated companies and joint ventures (-)

STATEMENT OF PROFIT AND LOSS 31.12.22

(In NOK millions)	Renewable Energy	Telecom	Infra and Circular	Other segments	Elimina-tions	Group
Gross sales revenue	21 294	7 461	2 397	746	-750	**31 147**
Inter-segment sales	-77	-8	34	-698	750	**0**
Gains and losses from power and currency contracts	-929	0	0	0	0	**-929**
Operating revenue	20 288	7 452	2 431	48	0	**30 219**
EBITDA*	12 321	2 728	496	-229	-7	**15 308**
Cost of sales	6 592	2 381	1 349	8	-45	**10 285**
Depreciation and impairment	298	1 970	433	112	-1	**2 813**
Operating profit	12 023	758	62	-341	-7	**12 495**
Share of profit/loss from associated companies and joint ventures**	0	13	9	0	0	**22**
Financial income	333	76	8	577	-652	**342**
Financial cost	284	694	104	578	-652	**1 009**
Profit before tax	12 072	152	-24	-343	-7	**11 850**
Resource rent tax	9 444	31	-7	-64	-1	**9 402**
Interim profit before ordinary tax	2 627	122	-17	-279	-5	**2 448**
Of which - revenue/costs (-):						
Unrealised changes in value, financial instruments (after tax)	-108	0	0	0	0	**-108**
Non-recurring items (after tax)	0	0	-76	0	0	**-76**

* EBITDA is defined as operating profit + depreciation and impairment.
** Income from share of results in associated companies and joint ventures (+), losses on share of results in associated companies and joint ventures (-)

ASSETS AND LIABILITIES PER SEGMENT 30.06.23

(In NOK millions)	Renewable Energy	Telecom	Infra and Circular	Other segments	Elimi-nations	Group
Assets	42 942	30 844	8 566	23 965	-39 432	66 885
Associated companies and joint ventures	0	756	68	18	0	841
Total assets	**42 942**	**31 600**	**8 633**	**23 983**	**-39 432**	**67 727**
Total liabilities	**28 223**	**22 806**	**5 966**	**21 548**	**-31 188**	**47 355**
Net investments in tangible fixed assets and other intangibles	225	1 105	498	84	0	1 912
Investments in shares and other investments	0	146	0	42	0	188

ASSETS AND LIABILITIES PER SEGMENT 30.06.22

(In NOK millions)	Renewable Energy	Telecom	Infra and Circular	Other segments	Elimi-nations	Group
Assets	34 855	19 805	7 300	21 601	-20 490	63 070
Associated companies and joint ventures	0	702	70	17	0	789
Total assets	**34 855**	**20 507**	**7 371**	**21 617**	**-20 490**	**63 859**
Total liabilities	**21 403**	**15 791**	**5 212**	**15 809**	**-15 776**	**42 438**
Net investments in tangible fixed assets and other intangibles	**146**	**837**	**498**	**33**	**0**	1 514
Investments in shares and other investments*	0	2 968	0	23	0	2 991

* Includes a reclassification of 2 957 million NOK from Other segments to Telecom, in line with classifiaction as of 31.12.22.

ASSETS AND LIABILITIES PER SEGMENT 31.12.22

(In NOK millions)	Renewable Energy	Telecom	Infra and Circular	Other segments	Elimi-nations	Group
Assets	44 036	28 540	8 578	23 785	-36 718	68 221
Associated companies and joint ventures	0	724	74	18	0	816
Total assets	**44 036**	**29 264**	**8 652**	**23 803**	**-36 718**	**69 037**
Total liabilities	**29 815**	**20 226**	**6 229**	**20 252**	**-28 501**	**48 021**
Net investments in tangible fixed assets and other intangibles	**313**	**2 275**	**1 077**	**118**	**0**	3 782
Investments in shares and other investments	0	3 002	0	36	0	3 038

3 Sales Revenue

SALES REVENUE

(Amounts in NOK million)	30.06.2023	30.06.2022	31.12.2022
Retail sales			
Energy	1 491	2 051	4 420
Power grid	23	40	87
TV, fiber and other telecom revenues	1 153	1 725	3 412
Spot sales of hydro power	5 334	8 092	16 693
Phone revenue	1 348	593	1 957
Partner revenues	1 464	880	1 648
Transmission income	636	543	1 092
Revenue natural gas, district heating and district cooling	246	309	641
Other revenues	566	362	1 179
Sales revenue	**12 261**	**14 594**	**31 127**

4 Gains and losses on power and currency contracts

Gains and losses on power and currency contracts consist of unrealised and realised changes in value of financial instruments. The note covers gains and losses on power and currency contracts that are recognised through profit and loss, and items recognised in other comprehensive income.

Gains and losses on power and currency contracts are presented as operating revenue in the income statement.

GAINS AND LOSSES ON POWER AND CURRENCY CONTRACTS 30.06.2023

(In NOK thousands)	**Unrealised**	**Realised**	**30.06.23**
Positive contributions to the result are presented with a '+' notation (income +, cost -)			
Changes in value, financial intruments			
Financial instruments at fair value through profit and loss			
Financial energy contracts - held for hedging purposes	130 521	-84 034	46 487
Currency derivatives in long-term physical industry contracts in EUR	465 962	-32 780	433 182
Currency derivatives – held for hedging purposes	0	-76 727	-76 727
Other changes in value			
Long-term financial energy contracts	0	581	581
Other changes in value for financial instruments recognised through profit and loss	**596 483**	**-192 960**	**403 523**
Net gains and losses on power and currency contracts	**596 483**	**-192 960**	**403 523**
Total tax effect of gains and losses on power and currency contracts	-124 015	35 240	-88 775
Net gains and losses on power and currency contracts recognised in profit and loss	**472 468**	**-157 720**	**314 748**

GAINS AND LOSSES ON POWER AND CURRENCY CONTRACTS 30.06.2022

(In NOK thousands)	Unrealised	Realised	30.06.22
Positive contributions to the result are presented with a '+' notation (income +, cost -)			
Changes in value, financial intruments			
Financial instruments at fair value through profit and loss			
Financial energy contracts - held for hedging purposes	-393 333	-266 358	-659 691
Currency derivatives in long-term physical industry contracts in EUR	-47 562	-12 574	-60 136
Currency derivatives – held for hedging purposes	0	28 846	28 846
Other changes in value			
Long-term financial energy contracts	0	0	0
Other changes in value for financial instruments recognised through profit and loss	**-440 895**	**-250 085**	**-690 981**
Net gains and losses on power and currency contracts	**-440 895**	**-250 085**	**-690 981**
Total tax effect of gains and losses on power and currency contracts	96 997	55 018	152 015
Net gains and losses on power and currency contracts recognised in profit and loss	**-343 898**	**-195 067**	**-538 966**

GAINS AND LOSSES ON POWER AND CURRENCY CONTRACTS 31.12.2022

(In NOK thousands)	Unrealised	Realised	31.12.22
Positive contributions to the result are presented with a '+' notation (income +, cost -)			
Changes in value, financial intruments			
Financial instruments at fair value through profit and loss			
Financial energy contracts - held for hedging purposes	106 607	-819 617	-713 010
Currency derivatives in long-term physical industry contracts in EUR	-205 765	-29 263	-235 028
Currency derivatives – held for hedging purposes	0	29 187	29 187
Other changes in value			
Long-term financial energy contracts	-9 817	0	-9 817
Other changes in value for financial instruments recognised through profit and loss	**-108 975**	**-819 693**	**-928 668**
Net gains and losses on power and currency contracts	**-108 975**	**-819 693**	**-928 668**
Total tax effect of gains and losses on power and currency contracts	30 412	173 895	204 307
Net gains and losses on power and currency contracts recognised in profit and loss	**-78 563**	**-645 798**	**-724 361**

GAINS AND LOSSES ON POWER AND CURRENCY CONTRACTS RECOGNISED IN OTHER COMPREHENSIVE INCOME

(In NOK thousands)	30.06.23	30.06.22	31.12.22
Other unrealised changes in value for financial instruments recognised through other comprehensive income			
Cash flow hedge, currency forward contracts	-460 466	-80 370	-4 221
Cash flow hedge, interest swap contracts	16 227	9 388	5 215
Cash flow hedge liabilities in EUR	-303 945	-83 708	-126 137
Unrealised gains and losses on power and currency contracts recognised in other comprehensive income	**-748 185**	**-154 690**	**-125 142**
Gains and losses on power and currency contracts recognised in total comprehensive income	**-433 437**	**-693 655**	**-849 503**

5 Financial instruments

Financial instruments recorded at fair value on the reporting date are categorised into levels considering measurement of fair value:

Level 1: Quoted price in an active market for an identical asset or liability.

Level 2: Valuation based on other observable factors either directly (price) or indirectly (derived from prices) quoted for the asset or liability.

Level 3: Valuation based on factors that are not taken from observable markets (non-observable assumptions).

Lyse has allocated hydropower contracts to level 3 when measuring at fair value. The contracts consist of commitments to free electricity, contracts for difference and long-term industry contracts with power delivery settled in EUR where there is an embedded derivative. Contracts for difference are bilateral financial agreements where the value is calculated as the difference between expected NO2-price and system price, multiplied by delivered volume.

Examples of factors used as input for valuation at fair value when using discounted cash flows are interest rate curves, consumer price indexes and forward prices for power and exchange rates. Observable market data is used in the calculations when possible. The fair value of the contracts is sensitive to changes in market prices related to the factors used as input. Changes in EUR forward prices can have a significant impact on the fair value. For more information refer to third table below and note 7, 8 and 25 of Lyse’s 2022 consolidated financial statements.

For further information on the recognition and measurement of financial instruments refer to Lyse’s Consolidated Financial Statements for 2022, available at Lysekonsern.no.

CARRYING VALUE PER MEASUREMENT CATEGORY - ASSETS 30 JUNE 2023

(In NOK thousands)	Assets at fair value through profit and loss	Assets at fair value through other comprehensive income	Derivatives as hedging instrument	Assets at amortised cost	Total	Fair value
Non-current receivables	0	0	0	264 644	264 644	264 644
Other non-current financial assets	127 375	0	0	0	127 375	127 375
Derivatives	621 932	0	0	0	621 932	621 932
Derivatives - hedge accounting	0	0	24 385	0	24 385	24 385
Bonds - short term financial investments	0	1 287 000	0	0	1 287 000	1 287 000
Trade receivables and other current receivables	0	0	0	3 135 660	3 135 660	3 135 660
Bank deposits, cash and cash equivalents	0	0	0	5 219 521	5 219 521	5 219 521
Total assets	**749 307**	**1 287 000**	**24 385**	**8 619 825**	**10 680 517**	**10 680 517**

CARRYING VALUE PER MEASUREMENT CATEGORY - LIABILITIES 30 JUNE 2023

(In NOK thousands)	Liabilities at fair value through profit and loss	Derivatives as hedging instrument	Liabilities at amortised cost	Total	Fair value
Loans	0	0	17 738 450	17 738 450	17 076 639
Non-current financial liabilities in EUR, designated as hedging instruments	0	0	3 787 016	3 787 016	3 197 951
Derivatives	496 699	0	0	496 699	496 699
Derivatives - hedge accounting	0	547 421	0	547 421	547 421
Accounts payable and other current liabilities	0	0	268 721	268 721	268 721
Lease liability	0	0	1 858 199	1 858 199	1 858 199
Total liabilities	**496 699**	**547 421**	**23 652 386**	**24 696 505**	**23 445 629**

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE, 30 JUNE 2023

(In NOK thousands)	Level 1	Level 2	Level 3	Total 30.06.2023
Investments in funds/shares	15 517	0	111 858	127 375
Derivatives, measured at fair value through profit and loss	0	27 213	594 718	621 932
Derivatives, measured at fair value through other comprehensive income	0	24 385	0	24 385
Bonds - short term financial investments	1 287 000	0	0	1 287 000
Total assets	**1 302 517**	**51 598**	**706 576**	**2 060 691**
Derivatives, measured at fair value through profit and loss	0	0	496 699	496 699
Derivatives, measured at fair value through other comprehensive income	0	547 421	0	547 421
Total liabilities	**0**	**547 421**	**496 699**	**1 044 120**

CARRYING VALUE PER MEASUREMENT CATEGORY - ASSETS 30 JUNE 2022

(In NOK thousands)	Assets at fair value through profit and loss	Assets at fair value through other compre-hensive income	Derivatives as hedging instrument	Assets at amortised cost	Total	Fair value
Non-current receivables	0	0	0	77 253	77 253	77 253
Other non-current financial assets	117 003	0	0	0	117 003	117 003
Derivatives	360 599	0	0	0	360 599	360 599
Derivatives - hedge accounting	0	0	8 930	0	8 930	8 930
Bonds - short term financial investments	0	535 000	0	0	535 000	535 000
Trade receivables and other current receivables	0	0	0	3 501 266	3 501 266	3 501 266
Bank deposits, cash and cash equivalents	0	0	0	5 056 232	5 056 232	5 056 232
Total assets	**477 602**	**535 000**	**8 930**	**8 634 751**	**9 656 283**	**9 656 283**

CARRYING VALUE PER MEASUREMENT CATEGORY - LIABILITIES 30 JUNE 2022

(In NOK thousands)	Liabilities at fair value through profit and loss	Derivatives as hedging instrument	Liabilities at amortised cost	Total	Fair value
Loans	0	0	15 159 766	15 159 766	14 738 329
Non-current financial liabilities in EUR, designated as hedging instruments	0	0	3 459 562	3 459 562	3 089 605
Derivatives	1 249 612	0	0	1 249 612	1 249 612
Derivatives - hedge accounting	0	26 627	0	26 627	26 627
Accounts payable and other current liabilities	0	0	3 867 434	3 867 434	3 867 434
Lease liability	0	0	2 085 065	2 085 065	2 085 065
Total liabilities	**1 249 612**	**26 627**	**24 571 827**	**25 848 066**	**25 056 672**

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE, 30 JUNE 2022

(In NOK thousands)	Level 1	Level 2	Level 3	Total 30.06.2022
Investments in funds/shares	12 800	0	104 203	117 003
Derivatives, measured at fair value through profit and loss	0	23 801	336 798	360 599
Derivatives, measured at fair value through other comprehensive income	0	8 930	0	8 930
Bonds - short term financial investments	535 000	0	0	535 000
Total assets	**547 800**	**32 731**	**441 001**	**1 021 532**
Derivatives, measured at fair value through profit and loss	0	60 105	1 189 507	1 249 612
Derivatives, measured at fair value through other comprehensive income	0	26 627	0	26 627
Total liabilities	**0**	**86 732**	**1 189 507**	**1 276 239**

CARRYING VALUE PER MEASUREMENT CATEGORY - ASSETS 31 DECEMBER 2022

(In NOK thousands)	Assets at fair value through profit and loss	Assets at fair value through other comprehensive income	Derivatives as hedging instrument	Assets at amortised cost	Total	Fair value
Non-current receivables	0	0	0	85 286	85 286	85 286
Other non-current financial assets	108 159	0	0	0	108 159	108 159
Derivatives	192 696	0	0	0	192 696	192 696
Derivatives - hedge accounting	0	0	103 346	0	103 346	103 346
Bonds - short term financial investments	0	1 148 400	0	0	1 148 400	1 148 400
Trade receivables and other current receivables	0	0	0	3 771 470	3 771 470	3 771 470
Bank deposits, cash and cash equivalents	0	0	0	7 713 341	7 713 341	7 713 341
Total assets	**300 855**	**1 148 400**	**103 346**	**11 570 097**	**13 122 698**	**13 122 698**

CARRYING VALUE PER MEASUREMENT CATEGORY - LIABILITIES 31 DECEMBER 2022

(In NOK thousands)	Liabilities at fair value through profit and loss	Derivatives as hedging instrument	Liabilities at amortised cost	Total	Fair value
Loans	0	0	16 351 252	16 351 252	15 925 218
Non-current financial liabilities in EUR, designated as hedging instruments	0	0	3 458 367	3 458 367	2 896 087
Derivatives	789 840	0	0	789 840	789 840
Derivatives - hedge accounting	0	48 976	0	48 976	48 976
Accounts payable and other current liabilities	0	0	6 615 156	6 615 156	6 615 156
Lease liability	0	0	1 846 160	1 846 160	1 846 160
Total liabilities	**789 840**	**48 976**	**28 270 936**	**29 109 752**	**28 121 437**

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE, 31 DECEMBER 2022

(In NOK thousands)	Level 1	Level 2	Level 3	Total 31.12.2022
Investments in funds/shares	13 090	0	95 069	108 159
Derivatives, measured at fair value through profit and loss	0	31 160	161 536	192 696
Derivatives, measured at fair value through other comprehensive income	0	103 346	0	103 346
Bonds - short term financial investments	1 148 400	0	0	1 148 400
Total assets	**1 161 490**	**134 506**	**256 605**	**1 552 601**
Derivatives, measured at fair value through profit and loss	0	0	789 840	789 840
Derivatives, measured at fair value through other comprehensive income	0	48 976	0	48 976
Total liabilities	**0**	**48 976**	**789 840**	**838 816**

6 Net interest-bearing liabilities

(In NOK thousands)	**Bond loans**	**Subordinated loans**	**Loans credit institutions**	**Total**
Short-term and long-term loans 1 January 2023	**10 344 565**	**1 661 694**	**7 803 360**	**19 809 619**
Borrowings*	1 600 000	400 000	390 000	2 390 000
Repayment	-580 000	-64 936	-411 023	-1 055 959
Change in fair value	-7 868	0	0	-7 868
Currency translation, loans in EUR	0	0	389 674	389 674
Short-term and long-term loans 30 June 2023	**11 356 697**	**1 996 758**	**8 172 011**	**21 525 466**
Lease liabilities				1 858 199
Short-term financial positions				-1 287 000
Cash and bank deposits				-5 219 521
Net interest-bearing liabilities 30 June 2023				**16 877 143**

* Of a total dividend of NOK 1 100 million, NOK 700 million has been distributed, and NOK 400 million has been established as subordinated loan.

Alternative Performance Measures (APM)

Lyse has reported its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) since 2007. The IFRS-standards have been applied without exception throughout all periods presented in the consolidated financial statements.

As defined in ESMAs guideline on alternative performance measures (APM), an APM is understood as a financial measure of historical or future financial performance, financial position, or cash flows, other than financial measures defined or specified in the applicable financial reporting framework.

There are no changes in the definition of key figures from 2022 to 2023.

LYSE APPLIES THE FOLLOWING ALTERNATIVE PERFORMANCE MEASURES:

(1)	EBITDA	Operating profit/loss before depreciation and amortisation
(2)	EBIT	Operating profit/loss
(3)	EBIT underlying operations	Operating profit/loss adjusted for unrealised changes in value of financial instruments, material non-recurring items and impairments
(4)	Gross interest-bearing liabilities	Non-current and current loans, including lease obligations
(5)	Net interest-bearing liabilities	Gross interest-bearing liabilities - cash and cash equivalents (incl. current financial placements)
(6)	Capital employed	Equity + interest-bearing liabilities
(7)	Investments in ownership interests	Purchase of shares and repayments of subordinated loans to associated companies and joint ventures
(8)	EBITDA interest coverage	EBITDA/interest costs
(9)	Interest-bearing debt ratio	Gross interest-bearing liabilities/(gross interest-bearing liabilities + booked equity)
(10)	Equity ratio	Equity/total assets
(11)	Equity ratio - taking into account subordinated loans	Total equity + subordinated shareholders' loans/total capital
(12)	EBITDA margin	EBITDA / operating income
(13)	EBIT margin	EBIT / operating income
(14)	Return on equity	Profit/loss as % of average equity - result for the last 12 months
(15)	Return on average capital employed	Operating profit/loss as % of average capital employed - result for the last 12 months
(16)	Earnings per share	Profit/loss allocated to shareholders/no. of shares in the Company

Underlying operating profit (‘EBIT, underlying operations’) is an APM used to measure profit from underlying operations. EBIT, underlying should not be considered as an alternative to operating profit and profit before tax as an indicator of the company's operations in accordance with general accounting principles. Underlying EBIT is also not an alternative to change in cash from operations in accordance with general accounting principles.

Underlying operating profit is defined as operating profit adjusted for unrealised changes in value of financial instruments, material non-recurring items and impairments.

- Unrealised changes in the value of financial instruments are excluded because they do not reflect how management follows up the results. The currency exposure in the sale of energy contracts is secured by entering into currency derivatives with bonds denominated in euros. Thus, the unrealised changes in value from these currency derivatives are partially offset in net financial items in the income statement.

- Gains / losses from disposal of companies are excluded as the gain does not give any indication of future or periodic profit from operating activities. This type of gain is related to the cumulative value creation from the time the asset is acquired until the time of disposal.

- Impairments / reversal of material impairments are excluded. The reason for this is that an impairment affects the return on an asset over the lifetime of the asset, not just in the period in which the asset is impaired or an impairment is reversed. The above items are also excluded from underlying gross operating income and underlying net operating income.

Underlying operating revenue and costs are based on the same definition as underlying operating profit.
Non-recurring items on operating profit is not relevant for 2023 and 2022.

Return on capital employed is defined as operating profit (EBIT) divided by capital employed and is calculated based on a rolling 12-month average. It is used to measure the return on the Group's operating activities and also to compare returns with similar companies.

Capital employed is capital necessary to carry out operational activities and is presented in a table with financial key figures. Net interest-bearing debt is used to measure the debt's utilisation rate. Net interest-bearing debt / equity is calculated as net interest-bearing debt relative to the sum of net interest-bearing debt and equity.

A reconciliation between operating profit pursuant to IFRS as presented in the consolidated financial statements and the APMs used otherwise in the financial report follows below.

Profit for the year adjusted for unrealised changes in value is defined as an underlying IFRS-profit after tax, adjusted for unrealised changes in value of financial instruments, business combinations and material non-recurring items. Below follows a complete reconciliation of the profit for the year adjusted for unrealised changes in value.

(Amounts in NOK million)	30.06.23	30.06.22	31.12.22
Underlying operating revenue	12 101	14 357	30 356
Underlying operating costs	7 826	7 171	17 625
Underlying operating profit	**4 275**	**7 186**	**12 731**
Unrealised changes in value financial instruments (+/- revenue/cost)	564	-457	-138
Material non-recurring items affecting operating profit (+/- revenue/cost)	0	0	-98
Operating profit (IFRS)	**4 839**	**6 728**	**12 495**
Profit for the period including non-controlling interests (IFRS) after tax	**1 521**	**2 381**	**2 448**
Unrealised changes in value financial instruments (+/- revenue/cost), after tax	-440	355	108
Material non-recurring items affecting operating profit (+/- revenue/cost), after tax	0	0	76
Non-recurring item related to chnage in resource rent tax rate on excess value from previous acquisitions	0	0	740
Profit for the period adjusted for unrealised changes in financial instruments, non-recurring items, including non-controlling interests, after tax	**1 081**	**2 736**	**3 372**
Non-controlling interests	**365**	**881**	**1 283**
Profit for the period allocated to Lyse's shareholders, adjusted for changes in financial instruments and non-recurring items, after tax	**716**	**1 855**	**2 089**

NET INTEREST-BEARING LOANS (including lease obligation)

(Amounts in NOK million)	30.06.23	30.06.22	31.12.22
Total long-term and short term loans*	21 525	18 619	19 810
Short-term financial position	-1 287	-535	-1 148
Bank deposits, cash and cash equivalents	-5 220	-5 056	-7 713
Net interest-bearing loans	**15 019**	**13 028**	**10 948**
Non-current lease obligation	1 589	1 832	1 566
Current lease obligation	269	253	280
Net interest-bearing loans including lease obligation	**16 877**	**15 113**	**12 794**

* Including unrealised disagio on currency loans

RECONCILIATION OF EFFECTS OF UNREALISED CHANGES IN VALUE IN FINANCIAL INSTRUMENTS TO EBIT UNDERLYING OPERATIONS

(Amounts in NOK million)	30.06.23	30.06.22	31.12.22
Operating result (EBIT) underlying operations	**4 275**	**7 186**	**12 731**
Unrealised changes in value, financial energy contracts - held for hedging purposes	131	-393	107
Unrealised changes in value, currency derivatives in long-term physical industry contracts in EUR	466	-48	-206
Unrealised changes in value, long-term financial energy contracts	0	-4	-10
Realised changes in value, currency derivatives in long-term physical industry contracts in EUR	-33	-13	-29
Unrealised changes in value, financial instruments	**564**	**-457**	**-138**
Significant non-recurring items before tax affecting operating result (+/- revenue/cost)	0	0	-98
Operating result (IFRS)	**4 839**	**6 728**	**12 495**

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