Annual report 2015
Statoil Refining Denmark A/S
Melbyvej 17, 4400 Kalundborg

CVR no. 29 97 58 84

The annual report has been presented and approved
at the Company's annual general meeting

Kalundborg 11 May 2016

Michael Vilhelm Nielsen
chairman

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Statoil Refining Denmark A/S for the financial year 1 January - 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report will be approved at the annual general meeting.

Kalundborg 11 May 2016

CEO:

Jofrid Klokkehaug

Jofrid Tone Klokkehaug

Board of Directors:

Torben Haurum
chair

Lars Rosenløv Jensen

Olav Risa

Børje Eikemo

M. Pagh

Mikkel Pagh

Annette Munch

Independent auditor's report

To the shareholders of Statoil Refining Denmark A/S:

Independent auditor's report on the financial statements

We have audited the financial statements of Statoil Refining Denmark A/S for the financial year 1 January - 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

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

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen 11 May 2016

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Lau Bent Baun	Morten Høgh-Petersen
State Authorised Public Accountant	State Authorised Public Accountant

Company details

Name and adress

Statoil Refining Denmark A/S
Melbyvej 17
4400 Kalundborg
Denmark
CVR no.: 29 97 58 84
Financial year: 10

Board of Directors

Torben Haurum, chair
Lars Rosenløv Jensen
Olav Risa
Lars Thorstholm (resigned from the Board 31 December 2015)
Børje Eikemo
Mikkel Pagh
Annette Munch

CEO

Jofrid Tone Klokkehaug

Parent company

Statoil Danmark A/S
Melbyvej 17
4400 Kalundborg
Denmark
Ownership: 100%
CVR no. 56 15 14 19

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
Denmark
CVR no. 25 57 81 98

Management's review

The Company

Statoil Refining Denmark A/S is the largest Refinery in Denmark. In 2015 the Company produced approximately 5.2 million tons of processed oil products. Crude oil, condensates and other raw materials are refined into gasoline, diesel, gas, heating oil and fuel oil.

Statoil Refining Denmark A/S receives all raw materials by cargo and a large part of the refined products are transported by cargo from Kalundborg. The Refinery is connected to a terminal in Hedehusene where two pipelines transport gasoline and diesel. The refined products are primarily sold in Denmark, but the Company also exports products to other parts of Scandinavia and countries around the Baltic Sea.

Financial results in 2015

In 2015, Statoil Refining Denmark A/S delivered a result after tax of DKK 1,109 million, which is very satisfactory for the Company.

Refinery margins in Northwest Europe, as calculated against dated Brent crude, were well above what is perceived as normal in 2015. The price of crude was low due to a generic oversupply situation and increased regional supply has in addition lowered the premiums for qualities used by Kalundborg.

The price of diesel and other distillates has lost value and in particular for the last months of 2015. Northwest Europe has been an import region for years and still require imports but large quantities have been produced and exported from Russia, North America and Asia. The large flow of volumes has impact on the balances and lowered the regional prices. The positive change in 2015 has been better demand and higher price of gasoline. A significant year on year growth of use of gasoline in USA and China has a noticeable impact on the refining margins despite of minor decline of local demand. Kalundborg refinery is producing a rather large proportion of high quality gasoline and enjoying a better margin than most in this market environment.

The market environment has been beneficial and Statoil Refining Denmark A/S has in addition improved operations over time by focused value uplift initiatives. A program to increase value creation by better choice of raw material and upgrade the sale portfolio by more valuable products has produced better margins.

Refinery expenses ended well below target. The improvement programme delivered in 2015 an annual cost improvement of DKK 40 million better than the 2015 target figure.

Statoil Refining Denmark A/S is not hedging operational storage of crude oil and refined products and lower prices led to a storage loss of DKK 243 million.

According to accounting principles and business practices, assessments and calculations on whether the asset value reflects the carrying amount are prepared. The calculations include the development in crude oil prices, the US dollar exchange rate, investments, energy costs/energy taxes and margin expectations. The assessments lead to a write-up of part of the deferred tax asset of DKK 220 million

Events after the balance sheet date
No material events have occurred after the balance sheet date.

Outlook
The outlooks for coming years are positive but margin expectation is lower than 2015. The refining industry is challenged with decline in regional demand and environmental challenges in addition to the cyclic and volatile nature of the industry. However, the increased demand of gasoline outside Europe seems to be supportive for Kalundborg for the medium term outlook.

In 2016 Statoil Refining Denmark A/S will execute the biggest shutdown (turnaround) ever in the history of the Refinery , with the expectation of lower income during the turnaround period.

During first quarter of 2016 the construction of a new administration building will be completed and taken into use.

The improvement program to reduce costs and increase value creation will continue in 2016.

Operations and plant changes
In 2015, regularity ended at 98.5%, which is the higest ever in the history of the Refinery. Only a small shutdown was carried out according to plan for the cleaning of equipment. The Refinery has stable operations with 100% regularity throughout most of 2015.

In 2015 several storage tanks were inspected, repaired and modified in accordance with the tank maintenance program. There were no major plant changes or investments projects in 2015

Safety, security and sustainability

Statoil Group's ambition is to be an industry leader in safety, security and carbon efficiency.
Each year Statoil Group also submits a sustainability report, and the report for 2015 can be found at:
http://www.statoil.com/no/InvestorCentre/AnnualReport/AnnualReport2015/Pages/Downloadcentre.aspx

Safety and Security
Statoil Group's ambition is to ensure safe and secure operations that protects people, the environment, communities and assets. For Statoil Refining Denmark A/S the total recordable injuries per million hours worked (TRIF) was 16.7. This result is not satisfactory.
In order to reduce the number of injuries, several actions have been initiated.

There were no serious incidents in 2015.

Security is a key issue. At Statoil Group, security risk is systematically assessed on a continuous basis in order to achieve effective and proportionate security risk management. Together with our suppliers, we are working on developing Statoil Group's security culture.

Enviromental impact resource efficiency

Every year, Statoil Refining Denmark A/S submits an annual environmental report, which includes information on the Refinery's energy consumption and energy efficiency. The environmental Report can be found at:

http://www.statoil.com/en/About/Worldwide/Denmark/Pages/GreenAccount.aspx

People

Statoil Refining Denmark A/S works systematically with recruitment and development programmes in order to build a diverse workforce by attracting, recruiting and retaining people of both genders with different nationalities and age groups across all types of positions.

People policy

In Statoil Refining Denmark A/S we have a global people policy in place intended to create a caring and inspiring working environment, value diversity and promote equal opportunities for all employees.

In Statoil Refining Denmark A/S we aim to increase the number of female representatives in management to at least 30% and female representatives on the Board of Directors to at least 20% by the end of 2018 (employee representatives not included as stated in §99b).

Status as December 2015:

- Number of representatives in management: 32
- Number of female representatives in management : 8 of 32 (25%)
- Number of female representatives in senior management 5 of 8 (63 %)
- Female representatives on the Board of Directors: 0%

In 2015, the overall percentage of women in Statoil Refining Denmark A/S was 12%, covering 3% of women as technicians and 20% as salaried staff.

We promote diversity among our employees. We try to create the same opportunities for everyone and do not tolerate discrimination or harassment of any kind in our workplace. At Statoil Refining Denmark A/S we reward our people on the basis of their performance, giving equal emphasis to delivery and behavior. In practice it is challenging to find female candidates to certain functions within the refining industry and the board therefore finds the above targets to be ambitious but realistic.

The Board of Directors and management will actively work to ensure that qualified candidates of both genders are treated equally, and ensure that measures are continuously made to ensure that women have equal opportunities in pursuing management roles. Monitoring of the goals will be assessed annually by the Board of Directors, to continuously assess if they are still realistic and sufficiently ambitious.

Transparency, ethics and anti-corruption

Statoil Group believes that responsible and ethical behaviour is a necessary condition for a sustainable business.

Statoil's Code of Conduct (the Code) reflects our values and the commitment to high ethical standards in our business activities. Detailed description can be found in the annual report of Statoil ASA:
http://www.statoil.com/no/InvestorCentre/AnnualReport/AnnualReport2015/Pages/Downloadcentre.aspx

Commitment to the local and general socity
Statoil Refining Denmark A/S is committed to helping young apprentices develop their technical skills, and has an active policy of taking in apprentices. During 2015 the company has had 12 apprentices at the Refinery.

Local commitments
Statoil Refining Denmark A/S sponsors locals clubs, such as sport and culture. We arrange neighbour meetings and participate actively in Kalundborg Recruiting Alliance. Statoil Refining Denmark A/S is also a member of Kalundborg Symbiosis.

Statoil technology prize
In March 2016, the Statoil technology prize was awarded. Statoil Foundation, which awards the Statoil prize, aims to work to support and promote socially beneficial purposes of national, social, scientific, professional and human nature. The prize was awarded to Kristian Mølhave, Ph.D. (Physics/Nanotechnology) and associate professor at Technical University of Denmark.

Condensate prize
In September, the Condensate prize was awarded for the 20th time. The aim of the prize is to acknowledge an enthusiast, who has demonstrated extraordinary effort within sport, culture or similar in Kalundborg municipality. It was awarded to Susanne Meyerhoff, a world famous sports pistol-shooter, with several Danish and European championship titles.

Annual report of Statoil ASA
Statoil Refining Denmark A/S is included in the annual report of its ultimate parent company:

Statoil ASA
Forusbeen 50
N-4035 Stavanger
Norway

The annual report of Statoil ASA can be found at:
http://www.statoil.com/no/InvestorCentre/AnnualReport/AnnualReport2015/Pages/Downloadcentre.aspx

Management's review

Financial highlights

DKKm	2015	2014	2013	2012	2011
Revenue	19.447	25.501	29.571	32.582	25.295
Ordinary operating profit/loss	993	-1.380	-1.706	536	-1.188
Profit/loss from financial income and expenses	-46	-82	73	-1	-32
Profit/loss before tax	947	-1.462	-1.633	535	-1.219
Tax on profit/loss for the year	162	-250	71	298	-127
Profit/loss for the year	1.109	-1.712	-1.563	833	-1.346
Total assets	5.710	3.754	5.005	7.629	5.775
Equity	3.609	1.138	1.173	2.736	1.903
Investment in property, plant and equipment	310	606	136	188	425
Average number of full-time employees	362	383	395	409	421

Key figures

	2015	2014	2013	2012	2011
Operating margin *Operating profit/loss x 100 / Revenue*	5%	-5%	-6%	2%	-5%
Return on invested capital *Operating profit/loss x 100 / Average invested capital*	42%	-37%	-34%	7%	-21%
Return on equity *Profit/loss for the year x 100 / Average equity*	47%	-146%	-57%	44%	-44%
Solvency ratio *Equity at year end x 100 / Total equity and liabilites at year end*	63%	30%	23%	36%	33%

Financial statements 1 January - 31 December

Accounting policies

The annual report for 2015 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The financial statements and cash flow statement of Statoil Refining Denmark A/S are included in the consolidated financial statements of Statoil ASA, Stavanger, Norway.

The financial statements have been prepared in Danish Kroner. The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All costs, depreciation, amortisation and impairment losses are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the cost can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that the future economic benefits will flow from the Company and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described below.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies which have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised as other receivables and other payables, respectively.

Financial statements 1 January – 31 December

Changes in the fair value of derivative financial instruments designated as or qualifying for recognition as a fair value hedge of a recognised asset or liability are recognised in the income statement together with changes in the fair value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as or qualifying for recognition as a hedge of future transactions are recognised as other receivables or other payables and in equity until the realisation of the hedged transactions. If the future transaction results in the recognition of assets or liabilities, amounts that were previously recognised in equity are transferred to the cost of the assets or liabilities. If the future transaction results in income or costs, amounts that were previously recognised in equity are transferred to the income statement for the period when the hedged item affects the income statement.

For derivative financial instruments not qualifying for treatment as hedging instruments, changes in fair value are recognised in the income statement on an ongoing basis.

Income statement

Revenue

Income from the sale of oil products is recognised in revenue at the date of delivery if the income can be measured reliably and is expected to be realised. Revenue is measured exclusive of VAT and taxes and less discounts granted in connection with the sale.

Production costs

Production costs comprise costs, including wages and salaries and depreciation and amortisation incurred in generating revenue for the year. Production costs also comprise energy costs, freight costs, purchased services and maintainance costs that do not qualify for recognition as an asset in the balance sheet.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises and office expenses, etc., and depreciation of equipment for administrative purposes.

Other operating income and costs

Other operating income and costs comprise items secondary to the primary activities of the Company, including gains and losses on the disposal of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense. Realised and unrealised gains and losses on receivalbes, payables and transactions denominated in foreign currencies are included as a separate item in the income statement. Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Financial statements 1 January - 31 December

Tax on profit/loss for the year

Tax for the year comprising current tax for the year, deferred tax provisions and tax relating to previous years is recognised in the income statement. Tax on entries directly in equity are recognised in equity.

Provisions for deferred tax comprise the differences between carrying amounts and tax values measured according to the balance sheet liability method at the tax rate applicable at the balance sheet date. Deferred tax may be an asset but is solely included in the financial statements as such if it is considered certain that the amount can be utilised within the foreseeable future.

The entities in the Statoil Danmark Group are jointly taxed. The Danish entities which Statoil Danmark A/S' parent company Statoil ASA controls are also included in the joint taxation.

The computed corporation tax is distributed between the jointly taxed entities in accordance with the full distribution method.

Balance sheet

Software

Intangible assets are initially recognised at cost and subsequently measured at cost less accumulated amortization and depreciation.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Amortisation and depreciation are recognised on a straight-line basis over the expected usefull life of the assets, taking into account any residual value. The expected usefull life and residual value are determined based on past experience and expectations of the future use of the assets.

The basis of the depreciation is calculated on the basis of the cost less the residual value and impairment losses.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated. The basis of depreciation is cost less expected residual value after the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. In connection with large refinery projects, cost comprises costs of materials, components, subsuppliers, direct cost of labour and a share of indirect production overheads comprising costs for own workforce.

Interest expenses on loans to finance the production of property, plant and equipment relating to the production period are included in cost. All other borrowing costs are recognised in the income statement.

Depreciation is provided on a straight-line basis based on the estimated useful lives of the assets:

Buildings and storage tanks (incl. ARO)	20–50 years
Plant and machinery	10–20 years
Fixtures and fittings, tools and equipment	4–10 years

Depreciation is recognised as production costs based on the use of the assets.

Impairment tests are conducted of property, plant and equipment when there is an indication that they may be impaired. The impairment test is conducted for each asset or group of assets, respectively. Write-down is made to the higher of the value in use and the net selling price (recoverable amount) of the asset of group of assets if this is lower than the carrying amount.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment is subject to an quarterly test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Asset retirement obligations (ARO)

Provisions for ARO costs are recognised when Statoil has an obligation (legal or constructive) to dismantle and remove a facility or an item of property, plant and equipment and to restore the site on which it is located, and when a reliable estimate of that liability can be made. The amount recognised is the present value of the estimated future expenditures determined in accordance with local conditions and requirements. Cost is estimated based on current regulations and technology, considering relevant risks and uncertainties. The discount rate used in the calculation of the ARO is a risk-free rate based on the applicable currency and time horizon of the underlying cash flows, adjusted for a credit premium which reflects Statoil's own credit risk. Normally an obligation arises for a new facility, such as an oil and natural gas production or transportation facility, upon construction or installation.

Financial statements 1 January – 31 December

An obligation may also crystallise during the period of operation of a facility through a change in legislation or through a decision to terminate operations, or be based on commitments associated with Statoil's ongoing use of pipeline transport systems where removal obligations rest with the volume shippers. The provisions are classified under provisions in the balance sheet. Some of the refining and process plants are deemed to have indefinite lives. Consequently, no ARO has been recognised for these assets.

When a provision for ARO costs is recognised, a corresponding amount is recognised to increase the related item of property, plant and equipment and is subsequently depreciated as part of the costs of the facility or item of property, plant and equipment. Any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding item of property, plant and equipment.

Inventories
Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management.

The net realisable value of inventories is calculated as the selling price less costs of completion and costs necessary to make the sale.

Receivables
Receivables are measured at amortised cost, usually corresponding to nominal value. Write-down for expected losses on client receivables is made to net realisable value.

Prepayments
Prepayments comprise costs incurred concerning subsequent financial years. Prepayments are measured at amortised cost, usually corresponding to nominal value.

Liabilities other than provisions
Trade payables and payables to group entities as well as other payables are measured at amortised cost, usually corresponding to the nominal value.

Deferred income
Deferred income comprise payments received regarding subsequent financial years. Deferred income is measured at amortised cost, usually corresponding to nominal value.

Financial statements 1 January – 31 December

Cash at bank and in hand

Cash at bank and in hand comprise cash and unrestricted bank deposits.

Financial statements 1 January - 31 December
Income statement

DKK'000

Note		2015	2014
2	Revenue	19.446.997	25.500.736
	Production costs	-18.384.657	-26.781.383
	Gross income / loss	**1.062.340**	**-1.280.647**
	Administrative expenses	-125.480	-175.944
3	Other operating income	56.264	76.640
	Operating income / loss	**993.124**	**-1.379.951**
4	Other financial income	8.179	28.869
5	Financial expenses	-53.997	-110.654
	Income / loss before tax	**947.306**	**-1.461.736**
6	Tax on profit / loss for the year	161.992	-250.339
	Income / loss for the year	**1.109.298**	**-1.712.075**

Proposed distribution of loss

Retained earnings	1.109.298
	1.109.298

Financial statements 1 January – 31 December
Balance sheet
DKK'000

Note		2015	2014
	Assets		
	Non-current assets		
8	Intangible assets		
	Software	25.238	29.902
		25.238	29.902
9	Property, plant and equipment		
	Land	64.724	64.724
	Buildings, plant and machinery	501.165	502.101
	Assets under construction	332.093	101.039
		897.982	667.864
	Total non-current assets	**923.220**	**697.766**
	Current assets		
	Inventories		
	Raw materials and consumables	650.680	563.274
	Finished goods and goods for resale	644.920	942.520
		1.295.600	1.505.794
	Receivables		
	Trade receivables	706.989	857.606
	Intercompany receivables	2.441.259	567.313
	Other receivables	2.345	3.356
	Deferred tax asset	337.600	117.865
	Prepayments	2.770	4.689
		3.490.963	1.550.829
	Cash at bank and in hand	0	10
	Total current assets	**4.786.563**	**3.056.633**
	TOTAL ASSETS	**5.709.783**	**3.754.399**

Financial statements 1 January – 31 December

Balance sheet

DKK'000

Note		2015	2014
	Equity and liabilites		
1	Equity		
	Share capital	1.288.200	2.999.200
	Retained earnings	2.321.165	-1.861.208
		3.609.365	1.137.992
10	Liabilities other than provisions		
	Non-current asset retirement obligation provisions	464.222	455.448
		464.222	455.448
	Current liabilities other than provisions		
	Trade payables	122.720	333.705
	Intercompany payables	1.217.840	1.462.672
	VAT and taxes payable	199.161	269.057
	Other payables	66.513	90.838
	Prepayments received from customers	29.962	4.687
		1.636.196	2.160.959
	Total liabilities other than provisions	**2.100.418**	**2.616.407**
	TOTAL EQUITY AND LIABILITIES	**5.709.783**	**3.754.399**

7 Specification of salaries and social costs

11 Contractual obligations, contingencies, etc.

12 Related party disclosures

Notes
DKK'000

	2015	2014
1 Equity		
Share capital		
Balance at 1 January	2.999.200	2.300.000
Share capital reduction	-1.712.075	0
Share capital increase	1.075	699.200
Balance at 31 December	**1.288.200**	**2.999.200**
Retained earnings		
Retained earnings at 1 January	-1.861.208	-1.126.633
Transfer from share capital reduction	1.712.075	0
Share premium on capital increase	1.361.000	977.500
Profit / loss for the year	1.109.298	-1.712.075
Retained earnings at 31 December	**2.321.165**	**-1.861.208**
Total equity	**3.609.365**	**1.137.992**

Changes in the share capital during the past five years are specified as follow:

	2015	2014	2013	2012	2011
10,000 shares of DKK 1,000	0	0	10.000	10.000	10.000
90,000 shares of DKK 1,000	0	0	90.000	90.000	90.000
2,200.000 shares of DKK 1,000	0	0	2.200.000	2.200.000	2.200.000
2,300.000 shares of DKK 1,304	0	2.999.200	0	0	0
2,300.000 shares of DKK 560.09	1.288.200	0	0	0	0
	1.288.200	**2.999.200**	**2.300.000**	**2.300.000**	**2.300.000**

Notes

DKK'000

(continued)

		2015	2014
2	Revenue		
	Domestic sales of oil products	8.442.993	12.251.854
	Export sales of oil products	11.004.004	13.248.882
		19.446.997	**25.500.736**
3	Other operating income		
	Service and rental income	56.264	76.640
		56.264	**76.640**
4	Other financial income		
	Financial income from group entities	110	0
	Other financial income	8.069	28.869
		8.179	**28.869**
5	Financial expenses		
	Exchange rate expenses to group entities	-36.061	-99.152
	Interest expenses to group entities	-4.126	-5.260
	Interet component, asset retirement obligation	-9.943	0
	Other financial expenses	-3.867	-6.242
		-53.997	**-110.654**

Notes
DKK'000
(continued)

		2015	2014
6	Tax on profit for the year		
	Deferred tax at 1 January	117.865	368.204
	Adjustment for the year of deferred tax	219.735	-250.339
	Tax on profit for the year	-57.743	0
	Deferred tax at 31 December	**337.600**	**117.865**

		2015	2014
7	Specification of salaries and social costs:		
	Wages and salaries	227.629	279.681
	Pensions	21.601	23.710
	Other social security costs	5.443	6.301
		254.673	**309.692**

Remuneration of company management, the Executive Board and the Board of Directors is included in staff costs. With reference to section 98B (3) of the Danish Financial Statements Act, remuneration to company management is not disclosed.

	2015	2014
Average number of full-time employees	**362**	**383**

Fees to auditors appointed at the general meeting, KPMG

	2015	2014
Statutory audit services	680	677
Other assurance engagements	115	86
	795	**763**

Notes

DKK'000
(continued)

8 Intangible assets

	Software
Cost at 1 January 2015	55.305
Additions	1.249
Disposals	
Transferred from assets under construction	-20
Cost at 31 December 2015	56.534
Amortisation and impairment losses at 1 January 2015	25.403
Amortisation	5.893
Amortisation and impairment losses at 31 December 2015	31.296
Carrying amount at 31 December 2015	**25.238**

9 Property, plant and equipment

	Land	Buildings, plant and machinery	Assets under construction	Total
Cost at 1 January 2015	64.724	9.805.638	101.039	9.971.401
Additions	0	36.461	273.997	310.458
Retirements	0	-2.018	-949	-2.967
Transferred	0	42.012	-41.992	20
Cost at 31 December 2015	64.724	9.882.093	332.095	10.278.912
Depreciation and impairment losses at 1 January 2015	0	9.303.537	0	9.303.537
Depreciation	0	79.402	2	79.404
Impairment losses	0	0	0	0
Disposals	0	-2.011	0	-2.011
Depreciation and impairment losses at 31 December 2015	0	9.380.928	2	9.380.930
Carrying amount at 31 december 2015	**64.724**	**501.165**	**332.093**	**897.982**

Asset Retirement Obligation (ARO) - carrying amount DKK 429,345 thousand is included in 'Buildings, plant and machinery'.

Notes

DKK'000
(continued)

		2015	2014
10	Non-current asset retiement obligation provisions	464.222	455.448

Of the provision DKK 461,885 thousand relates to Asset Retirement Obligation (ARO), which is expected to be paid after 5 years. The remaining part of the provision, DKK 2,337 thousand falls due within 5 years

11 Contractual obligations, contingencies, etc.

Contingent assets

At 31 December 2015, the Company had an unrecognized deferred tax asset of DKK 437,314 thousand (2014: DKK 803,332 thousand) as it is not expected to be utilised within a 5 year period.

Operational lease obligations

Rental- and lease obligations amounted to 79,604 thousand (2014: DKK 35,195 thousand) at 31 December 2015.

Joint taxation

The Group's Danish enterprises are jointly and severally liable for tax on the Group's income subject to joint taxation. The jointly taxed enterprises' total net liability to SKAT amounted to DKK 12,743 thousand at 31 December 2015. Any subsequent corrections of the income subject to joint taxation or withholding taxes on dividends, etc., may entail an increase in the enterprises' liability. The Group as a whole is not liable to any other parties.

12 Related party disclosures

Control:	**Ownership**:
Statoil Danmark A/S Melbyvej 17 4400 Kalundborg	Parent company (100% ownership)
Statoil ASA Forusbeen 50 N-4035 Stavanger, Norway	Owner of parent company (100% ownership)