

Specification of income tax expenses

NOK 1 000	2015	2014
Tax payable of net profit		
Income tax payable for the year	269 023	295 622
Adjustments of prior periods	25 556	13 422
Total tax payable	294 579	309 444

Deferred tax expense

Change in deferred tax recognised in the income statement	106 459	124 748
Effects of changes in tax rates and prior years' taxes	- 82 748	29 785
Total deferred tax	23 711	154 533

Income tax expense

	318 290	463 577
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Tax payable in the balance sheet

NOK 1 000	2015	2014
Tax payable of the year	269 023	295 622
Tax liability from prior years	132 078	37 917
Advance tax paid	- 246 745	- 61 546
Translation differences	- 10 604	5 397
Tax payable	143 752	277 390

Reconciliation of nominal to effective tax rate

NOK 1 000	2015	2014
Profit before tax	1 627 409	1 328 315
Estimated income tax expense at nominal tax rate (27%)	439 400	358 645
Losses and other deductions without any net tax effect	17 754	- 567
Non-taxable net income (-) / costs (+) from securities	- 285 351	160 951
Other non-taxable income	- 8 768	- 19 605
Write-down of goodwill	54 000	
Adjustments for prior periods	- 57 192	43 207
Tax effect of other permanent differences	158 446	- 82 330
Income tax expense	318 290	460 301

Effective tax rate

	19,6 %	34,7 %
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Tax recognised directly in equity

NOK 1 000	2015	2014
Actuarial loss on pension obligations (note 19)	988	2 098
Cash flow hedges (note 28)	- 21 497	7 284
Total tax recognised in total comprehensive income	- 20 509	9 382

Deferred tax asset and deferred tax liability

NOK 1 000	2015	2014
Inventories	10 971	- 8 482
Receivables	7 202	8 479
Stocks and bonds	- 400 934	- 359 482
Other differences	34 925	26 314
Tangible assets	- 2 446	- 112 932
Investment properties	- 177 712	- 51 402
Intangible assets	- 151 087	- 273 348
Net pensions	49 554	53 938
Tax losses to carry forward	329 854	389 980
Total	- 299 673	- 326 935
Reassessment of deferred tax assets	- 289 722	- 271 211
Net carrying value at 31 December of deferred tax assets (+)/liabilities (-)	- 589 395	- 598 146

Deferred tax assets recognised in balance sheet	257 916	195 585
Deferred tax liabilities recognised in balance sheet	- 847 312	- 793 731
Net carrying value at 31 December of deferred tax assets (+)/liabilities (-)	- 589 395	- 598 146

Deferred tax assets are reviewed on each balance sheet date, and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow for the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the liability shall be settled or the asset be realised, based on tax rates and legislation prevailing at the balance sheet date.

Gross tax losses to carry forward with expiration years

NOK 1 000	2015
2015	10
2016	
2017	1 517
After 2017	305 615
Without expiration	873 247
Total tax losses to carry forward	1 180 390

Change in net deferred tax in balance sheet

NOK 1 000	2015	2014
Net carrying value at 1 January	- 598 146	- 229 086
Translation differences	49 720	- 40 938
Acquisition and disposal of subsidiary	3 251	- 156 535
Recognised in income statement during the period	- 23 711	- 180 969
Tax recognised in other comprehensive income	- 20 509	9 382
Net carrying value at 31 December	- 589 396	- 598 146

*As a consequence of changed legislation for carried interest in PE funds, Ferd's tax basis from such investments is changed. Ferd made a settlement with the authorities on 8 April 2016 and won the case in the question of deductability for carried interest for the income year 2013. We therefore maintain the balance sheet recording of deferred tax assets related to the deduction for carried interest for 2013 and 2014. As previous years were not part of the settlement and the issue not yet clarified on that point, we cannot recognise deferred tax assets related to these years before Ferd has received a final decision from the tax authorities.